

HB 4144 A STAFF MEASURE SUMMARY**Carrier:** Rep. Bynum**House Committee On Business and Labor****Action Date:** 02/09/18**Action:** Do pass with amendments. (Printed A-Eng.)**Vote:** 10-0-1-0**Yeas:** 10 - Barreto, Boles, Bynum, Doherty, Evans, Fahey, Heard, Holvey, Piluso, Wilson**Exc:** 1 - Kennemer**Fiscal:** Has minimal fiscal impact**Revenue:** No revenue impact**Prepared By:** Jan Nordlund, LPRO Analyst**WHAT THE MEASURE DOES:**

Waives fee and eliminates training requirement for applicant with at least eight years of specified experience when applying for residential general or residential specialty contractor license. Waives licensing fee for plumbing contractors and electrical contractors who are licensed under this Act. Specifies that issuance of licenses under this Act does not apply to renewals or to applicants who would otherwise be denied or disqualified under current statute. Specifies that issuance of license under this Act authorizes licensee to offer services only through a sole proprietorship owned by the licensee. Allows construction contracting business owned or managed by an individual licensed under this Act to receive entrepreneurial development loan from Business Oregon if the contractor operates outside of the Willamette Valley and agrees that 20 percent of contractor's work will be on qualified projects. Allows construction contracting business owned or managed by an individual licensed under this Act to apply for financial support from the Higher Education Coordinating Commission (HECC) if the contractor operates outside of the Willamette Valley; agrees that 20 percent of the contractor's work will be on qualified projects; the financial support will be used to recruit, train or retain workers; and the contractor meets other requirements imposed by the Commission. Requires Construction Contractors Board (CCB) and Department of Consumer and Business Services (DCBS) to report to legislative committee by October 1, 2020, regarding licenses issued under this Act. Requires Business Oregon and the HECC to report to legislative committee by October 1, 2020, regarding loans and financial support provided under this Act. Repeals all provisions on January 2, 2022.

ISSUES DISCUSSED:

- Concerns entrepreneurs have with access to capital and expense of licensure
- Creating a career pathway for apprentices
- Effects of Great Recession on rural Oregon
- Shortage of affordable housing
- Training is waived but not examination

EFFECT OF AMENDMENT:

Eliminates proposed waiver of experience requirement for plumbing contractor and electrical contractor. Specifies that issuance of licenses under this Act does not apply to renewals or to applicants who would otherwise be denied or disqualified under current statute. Specifies that issuance of license under this Act authorizes licensee to offer services only through a sole proprietorship owned by the licensee. Removes reference to Strategic Reserve Fund and instead allows Commission to make financial support available through moneys received under the federal Workforce Innovation and Opportunity Act. Requires CCB and DCBS to report regarding licensing issued under this Act. Requires Business Oregon and HECC to report regarding loans and financial support provided under this Act. Requires these four reports to be made to the interim legislative committee related to business no later than October 1, 2020. Broadens eligibility for financial support from HECC to businesses licensed under this Act who meet the location and qualifying projects criteria and who agree to use the grant to recruit, train, and retain any new

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workers, not just workers in or graduates of an apprenticeship program.

BACKGROUND:

The Construction Contractors Board (CCB) has set the fee at \$250 for residential general or speciality contractor licenses. An applicant must take a 16-hour course on law and business practices prior to being issued a license. House Bill 4144-A waives the fee and training requirement for an applicant with at least eight years of training; however, the applicant must still pass a written examination. Applicants for plumbing and electrical contractor licenses through the Department of Consumer and Business Services must first have a contractor's license from the CCB. The measure waives the fee for a plumbing contractor or electrical contractor license for those who obtained under a CCB residential general or specialty contractor license under this Act. DCBS has set the plumbing contractor license fee at \$375 and the electrical contractor license fee at \$150.