## 2025 OREGON STATE BAR LEGISLATIVE PROPOSAL Part I - Legislative Summary

Re:	Proposal to Amend ORS 701.143						
Submitted by:	Consumer Law Executive Committee via legislative subcommittee						
Legislative Contact(s): Susan Grabe							
	ne: 503- 804-5378						
E-ma	sgrabe@osbar.org						
1. Does this amend current law or program? Yes No Specify							
Amending ORS 701.143							

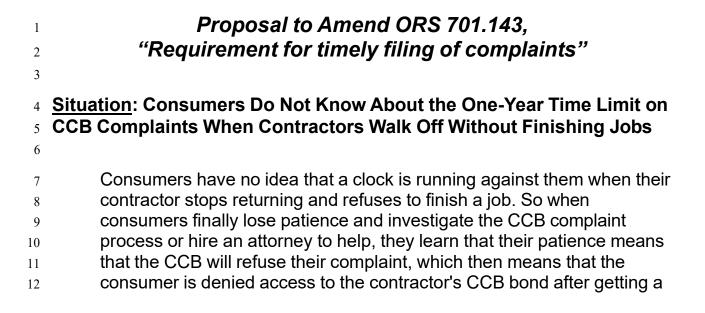
2. PROBLEM PRESENTED (including level of severity):

There is no requirement that Oregon consumers know a clock is running when a contractor stops work and refuses to finish. Affected Consumers who are patient before seeking legal recourse lose access to the CCB bond if more than a year passes from work stoppage. The most unscrupulous contractors are rewarded for taking advantage of the most vulnerable and patient consumer groups partic. elderly.

## 3. SOLUTION:

Require CCB contractors to give consumers a written "work completion notice" that starts a one-year clock on consumer complaints to CCB. Increases access to justice for most vulnerable Oregonians and has nominal impact on compliant, good contractors. The proposed amendment ensures the six year limitation for contract actions applies to the bond availability if no written notice provided by contractor.

## OREGON STATE BAR LEGISLATIVE PROPOSAL Part II - Legislative Language



judgment against the contractor. So the worst, most unscrupulous contractors are rewarded for taking advantage of the most vulnerable consumers, who are often elderly and have no idea that the contractor that they depended on isn't coming back.

## <u>Target</u>: Consumers Are Told About the One-Year Time Limit on CCB Complaints Before It Starts Running Against Them

Licensed contractors must tell consumers that there is a time limit for filing complaints so that the consumers don't, by trying to be patient, end up losing access to the contractor's bond when the contractor has walked off or otherwise failed to complete a job for any reason.

<u>Proposal</u>: Amend ORS 701.143 to Start the One-Year Clock on Consumer CCB Complaints Only After the Contractor Gives the Consumer a Written Notice to the Consumer Including the Time Limit on Complaints.

By making CCB contractors give consumers a written work completion notice to start the one-year clock on consumer complaints to the CCB, good contractors are completely unaffected but other contractors get no benefit from walking off jobs without telling consumers that they believe the jobs are done.

1 2	ORS 701.143 - Requirement for timely filing of complaints
3 4 5 6 7	The Construction Contractors Board may not process a complaint against a licensed contractor, including a complaint based upon a court judgment or an arbitration award, unless the complaint is filed with the board in a timely manner as follows:
8 9 10 11	(1) Except as otherwise provided in this section, if the owner of a new structure files the complaint, the board must receive the complaint no later than the earlier of:
12 13	(a) One year after the date the structure was first occupied;
14 15 16	<b>(b)</b> Two years after substantial completion of the structure by the contractor filed against.
17 18	<b>(2)</b> Except as otherwise provided in this section, if the owner of an existing structure files the complaint, the board must receive the complaint <b>by the earlier</b>
19	of (a) six years of the date the contract was signed or (b) no later than one year
20 21	after the date the work was substantially completed by the contractor that is the subject of the complaint delivered to the owner a written work completion
22	notice informing the owner that
<ul><li>23</li><li>24</li></ul>	(a) the contractor considers the work complete;
25	(a) the contractor considers the work complete,
<ul><li>25</li><li>26</li><li>27</li></ul>	(b) the total cost of the work; and
26 27 28 29	
26 27 28 29	(b) the total cost of the work; and  (c) that owner complaints will be barred if not filed with the board within one year from the date the work completion notice is delivered to

to

- 34 begin the work, the board must receive the complaint no later than one year after
- 35 the date the parties entered into the contract.

36

- (4) Regardless of whether the complaint involves a new or an existing structure, if
- 38 the owner of the structure files the complaint and the licensed contractor failed to
- 39 substantially complete the work, the board must receive the complaint <del>no later</del> than
- 40 one year after the date the contractor ceased to work on the structure by the
- earlier of (a) six years of the date the contract was signed or (b) within one
- 2 year after the contractor delivers to the owner a written notice informing the
- 3 owner that

4

5

- (a) the contractor either considers the work complete or does not intend
- 6 to complete the work;

7

(b) the contractor's estimate of the value of the work performed; and

9

10

11

8

- (c) that owner complaints will be barred if not filed with the board within one year from the date the notice is delivered to the owner.
- 12 **(4) (5)** Except as otherwise provided in this section, if a licensed contractor files
- 13 the complaint against the licensed contractor performing work as a subcontractor
- on a new structure, the board must receive the complaint no later than the earlier
- 15 **of:**

16

- (a) Fourteen months after the date the structure was first occupied; or
- 17 **(b)** Two years after substantial completion of the structure.
- 18 **(5)(6)** Except as otherwise provided in this section, if a licensed contractor files the
- 19 complaint against the licensed contractor performing work as a subcontractor on an
- 20 existing structure, the board must receive the complaint no later than 14 months

- 21 after the date the work on the structure was substantially completed.
- 22 **(6)(7)** If a licensed contractor files the complaint against the licensed contractor
- 23 performing work as a subcontractor on a structure and the subcontractor failed to
- 24 substantially complete the work, the board must receive the complaint no later than
- 25 14 months after the date the subcontractor ceased to work on the structure.
- 26 (7)(8) If the licensed contractor's employee, subcontractor or material or
- 27 equipment supplier files the complaint, the board must receive the complaint no
- 28 later than one year after the date the contractor incurred the indebtedness.
- 29 (8)(9) The filing of a complaint with the Commissioner of the Bureau of Labor and
- 30 Industries for unpaid wages constitutes the filing of a complaint for purposes of
- establishing timeliness of the filing of a complaint under this section. [2001 c.197
- 32 §2 and 2001 c.414 §2; 2007 c.793 §13; 2019 c.444 §7]