

CONSTRUCTION LAW

STATUTE OF ULTIMATE REPOSE

ORS 12.135

2013 OR LAWS CH 469 (SB 46)

Senate Bill 46 shortens the statute of ultimate repose for actions against design professionals (architects, landscape architects, and engineers) from ten years to six years after substantial completion or abandonment of the project, for most large commercial structures (as defined by ORS 701.005).

Effective date: January 1, 2014. This bill applies to causes of action arising on or after the effective date.

RESIDENTIAL CONSTRUCTION CONTRACTS

ORS 701.305

2013 OR LAWS CH 168 (SB 205)

Senate Bill 205 deletes the portions of ORS 701.305 that required specific language to be included in residential construction contracts. Because the Construction Contractors Board (CCB) already has an administrative rule requiring that same language in those contracts (OAR 812-012-0110), this change makes it easier for the CCB to make future changes in mandatory contract language.

Effective date: January 1, 2014.

ENFORCEMENT ACTIONS AGAINST CONTRACTORS

ORS 701.005, 701.131

2013 OR LAWS CH 251 (HB 2540)

House Bill 2540 expands the CCB's ability to revoke, suspend, or refuse to issue a

contractor's license. Under the bill, the CCB can take any of those actions if it finds that a person has provided false financial information to a list of governmental entities if doing so would result in the person providing the information or another person receiving a monetary benefit. However, under the new provisions, the penalty applies only if the person providing the information knew or should have known how the information will be used.

HB 2540 also makes a change in the definition of the term "construction debt," which is an important term under CCB laws and rules. Previously, that term applied only if there was a final judgment, a final arbitration award, or a final agency order. Now, the term also applies if the contractor owes money to its employees for unpaid wages. While the CCB has indicated that it will not take enforcement action against a contractor unless there has first been a BOLI determination on the underlying issues, that limitation is not set out in the bill.

Effective date: January 1, 2014.

CONSTRUCTION LABOR CONTRACTORS

ORS 658.015 TO 658.991

2013 OR LAWS CH 584 (HB 2977)

House Bill 2977 revises the farm labor statutes and creates a new classification of "construction labor contractor." This new label includes anyone who pays, supplies, or employs labor workers for construction projects. The label does not apply to anyone who has a construction contract with the property owner, an owner who hires persons to work on the owner's own property, labor unions, and a number of other situations.

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HB 2977 creates a cause of action against persons acting as construction labor contractors without a license and against persons using an unlicensed contractor.

Effective date: July 1, 2013. However, many of the provisions do not take effect until July 1, 2015.