

# Memo

## NOTICE OF PERMANENT RULEMAKING HEARING

**DATE:** September 27, 2019

**TO:** Legislators and Interested Parties

**FROM:** Erin Seiler, Senior Policy Advisor

**RE:** Permanent Rulemaking amending:

### **OAR 839-015-0155 Procedure for Obtaining a License**

**RULE CAPTION:**

Increases property services contractor license fee to implement OL CH. 633 (2019)

Not more than 15 words that reasonably identify the subject matter of the agency's intended action.

**NOTICE:** On September 26, 2019, the Oregon Bureau of Labor and Industries filed a Notice of Proposed Permanent Rulemaking Hearing, with the Oregon Secretary of State, to amend the above referenced administrative rule regarding the procedure for obtaining a property services contractor license.

Effective January 1, 2018, the Oregon legislature amended the state's labor contracting law, to include "property services contractors" within the definition of a labor contractor. As a result, property services contractors were required to obtain a labor contractor license from the Bureau of Labor and Industries and comply with a number of related requirements applicable to Oregon labor contractors.

Currently, an applicant for a property services contractor license is required to pay an annual fee of \$250 to obtain a property services contractor license.

In 2019, the Oregon Legislature passed Senate Bill 5516 requiring Bureau of Labor and Industries to increase the property services contractors fee in order to fund a half-time Office Specialist 2 position to provide additional support for the property services contractor licensing program. To comply with this requirement, Bureau of Labor and Industries is proposing increasing the licensing fee to \$350. There are no other rules changes to the administration or governance of the property services contractor license program.

A public hearing is scheduled for 10:00 a.m. on October 17, 2019 at the Oregon Bureau of Labor and Industries, 800 NE Oregon St. #1045, Portland, OR, 97232.

**The deadline for public comment on the proposed rules is 5:00 p.m. on October 21, 2019.** Members of the public are welcome to submit comments by mail or email prior to this deadline.

**ATTACHMENTS:** Attached are the Notice of Proposed Rulemaking Hearing, the Statement of Need and Fiscal Impact, and a copy of the rules showing the proposed amendments.

**COMMENTS:** Comments may be emailed to Erin Seiler at [erin.seiler@state.or.us](mailto:erin.seiler@state.or.us) or mailed to Erin Seiler c/o BOLI, 800 NE Oregon St. #1045, Portland OR 97232.

OFFICE OF THE SECRETARY OF STATE  
BEV CLARNO  
SECRETARY OF STATE  
  
A. RICHARD VIAL  
DEPUTY SECRETARY OF STATE



ARCHIVES DIVISION  
STEPHANIE CLARK  
INTERIM DIRECTOR  
  
800 SUMMER STREET NE  
SALEM, OR 97310  
503-373-0701

**NOTICE OF PROPOSED RULEMAKING**  
INCLUDING STATEMENT OF NEED & FISCAL IMPACT

CHAPTER 839  
BUREAU OF LABOR AND INDUSTRIES

**FILED**  
09/26/2019 9:43 AM  
ARCHIVES DIVISION  
SECRETARY OF STATE

FILING CAPTION: Increases property services contractor license fee to implement OL CH. 633 (2019)

LAST DAY AND TIME TO OFFER COMMENT TO AGENCY: 10/21/2019 5:00 PM

*The Agency requests public comment on whether other options should be considered for achieving the rule's substantive goals while reducing negative economic impact of the rule on business.*

CONTACT: Erin Seiler  
503-382-7934  
erin.seiler@state.or.us

800 NE Oregon #1045  
Portland, OR 97232

Filed By:  
Erin Seiler  
Rules Coordinator

HEARING(S)

*Auxiliary aids for persons with disabilities are available upon advance request. Notify the contact listed above.*

DATE: 10/17/2019

TIME: 10:00 AM - 11:00 AM

OFFICER: staff

ADDRESS: Bureau of Labor and  
Industries

800 NE Oregon St. #1045  
Portland, OR 97232

NEED FOR THE RULE(S):

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DOCUMENTS RELIED UPON, AND WHERE THEY ARE AVAILABLE:

Enrolled Senate Bill 5516, 2019, available at  
<https://olis.leg.state.or.us/liz/2019R1/Downloads/MeasureDocument/SB5516>

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FISCAL AND ECONOMIC IMPACT:

The Bureau of Labor and Industries anticipates that amending this rule will have an economic or fiscal impact but only to property services contractors who are required to obtain a license and pay the fee.

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COST OF COMPLIANCE:

*(1) Identify any state agencies, units of local government, and members of the public likely to be economically affected by the rule(s). (2) Effect on Small Businesses: (a) Estimate the number and type of small businesses subject to the rule(s); (b) Describe the expected reporting, recordkeeping and administrative activities and cost required to comply with the rule(s); (c) Estimate the cost of professional services, equipment supplies, labor and increased administration required to comply with the rule(s).*

(1) No economic or fiscal impact upon state agencies or local governments.

The Bureau of Labor and Industries anticipates that amending this rule will have an economic or fiscal impact but only to property services contractors

who are required to obtain a license and pay the fee.

The Bureau of Labor and Industries does not expect these rules to have a direct fiscal or economic impact on members of the general public.

(2)(a) The only employers subject to this rule are property services contractors.

(b) None. The proposed amendment imposes no additional requirement on Oregon employers.

(c) None. The proposed amendment imposes no additional requirement on Oregon employers.

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DESCRIBE HOW SMALL BUSINESSES WERE INVOLVED IN THE DEVELOPMENT OF THESE RULE(S):

No small businesses were involved in the development of the proposed amendment to this rule.

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WAS AN ADMINISTRATIVE RULE ADVISORY COMMITTEE CONSULTED? NO IF NOT, WHY NOT?

An Advisory Committee was not appointed for the drafting of this rule because the amendment aligns the property service contractor license fee with the Farm/Forest Labor Contractor License fee and the Forest "Exempt" Contractor License Fee.

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AMEND: 839-015-0155

RULE SUMMARY: Implements budget requirements made by OL Chapter 633 (HB 5516, 2019): Increases property services contractor license fee to fund Office Specialist 2 position to provide additional support for janitorial contractor licensing program.

CHANGES TO RULE:

839-015-0155

## Procedure for Obtaining a License ¶¶

Application for a license may be made as follows: ¶¶

- (1) File a completed application on forms supplied by the Bureau. Except in the case of a property services contractor license, each partner in any partnership business must complete and file a separate application form. ¶¶
- (2) A labor contractor may apply for a license on behalf of an employee, providing that all of the requirements of OAR 839-015-0141 are met. ¶¶
- (3) At the time the application is filed, pay the maximum amount of the fees set out by ORS 658.413 for the type of work to be performed. ¶¶
  - (a) For a construction labor license, pay a fee equal to that set out in 658.413(1)(b) for a farm labor contractor. ¶¶
  - (b) For a property services contractor license, pay a fee of \$2350 for each year of the license term.¶¶
  - (c) Except in the case of a property services contractor license, each partner in any partnership business must pay the appropriate fee. ¶¶
- (4) Except as provided by OAR 839-015-0210, file with the application proof of financial ability to pay wages and advances in the amount required by OAR 839-015-0210 on forms supplied by the bureau. Except as provided in OAR 839-015-0157 or in the case of a property services contractor business, each partner in any partnership business must file such proof. Such proof may be a corporate surety bond, a cash deposit or a deposit the equivalent of cash. ¶¶
- (5) File any assumed business name and corporate name with the Office of the Secretary of State and submit proof of such filing with the application. ¶¶
- (6) If a corporation, show proof of being authorized to do business in Oregon. ¶¶
- (7) All forms, documents and other required information shall be filed with Bureau of Labor and Industries, Wage and Hour Division, License Unit, 3865 Wolverine Street, NE, Bldg. E-1, Salem, OR 97305.  
Statutory/Other Authority: ORS 651.060(4), ORS 658.407, ORS 658.413, ~~OL Ch. 008 (2018)~~  
Statutes/Other Implemented: ORS 658.413, ~~OL Ch. 008 (2018)~~ OL Ch. 008 (2019)