

Department of Consumer and Business Services

Building Codes Division 1535 Edgewater St NW PO Box 14470 Salem, OR 97309-0404 503-378-4133 Fax: 503-378-2322 bcd.oregon.gov

February 9, 2018

House Committee on Business and Labor Oregon House of Representatives 900 Court St. NE Salem Oregon 97301

Re: HB 4086

Dear Chair Holvey and members of the House Committee on Business and Labor:

In 1973, Oregon took the unique step of creating a statewide building code with statewide enforcement. The idea was that anywhere in the state, industry would know the standards and how they would be enforced, and customers would know they were getting a safe product. The system ensures equal consistent treatment for builders and customers alike.

The statewide system allows the state to delegate its building code enforcement to cities and counties, so that they can enforce the code on behalf of the state. The legislature believed a consistent, predictable set of standards was necessary to provide businesses certainty, especially since building code inspector decisions are "quasi-judicial," in that inspectors have the power to decide whether a project moves forward or not. The system was designed to ensure state standards are met and that businesses receive equal treatment and consumers receive equal protection.

The question at hand is how much of a footprint government should maintain in those state delegated building programs. Businesses need adequate due process to redress their concerns, and government needs the ability to hold contractors accountable to a consistent set of standards. As a policy matter, if a municipality does not have adequate building code expertise on staff, they can be in a difficult position to provide general supervision and discretionary decision making related to the state code. Building officials and inspectors have significant discretion, and their decisions impact consumer protection and the economy. Government officials are responsible for ensuring decisions are consistent and appropriate on behalf of the municipality (and ultimately on behalf of the state).

In the current market, there is a shortage of expert labor to both construct and inspect buildings. There is also a long term labor shortage for building inspectors. The third party model is a way to ensure that where there are gaps in service (because of retirements, vacations, short-term large projects, etc.), inspectors are available to backup state, city, or county inspection staff. There are also opportunities to create efficiencies through the use of intergovernmental agreements and regional approaches, and offering emergency inspection services.

House Committee on Business and Labor HB 4086 Testimony of Mark Long

In closing, building code inspections are a state program sometimes administered locally through cities and counties. Cities and counties are not required to perform these services, but when they do, the legislature has created a system to ensure business predictability and equal protection. The question is how much supervision and oversight should local government have if they take on this responsibility, and how do we ensure businesses and consumers have appropriate redress when the government personnel administering the government program exercises their discretion without the necessary technical knowledge.

Sincerely, Mark Long Administrator