

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: SB 935

80th Oregon Legislative Assembly – 2019 Regular Session
Legislative Fiscal Office

*Only Impacts on Original or Engrossed
Versions are Considered Official*

Prepared by: Michael Graham
Reviewed by: Meg Bushman-Reinhold
Date: 3/20/2019

Measure Description:

Creates modified landscape construction professional license.

Government Unit(s) Affected:

Landscape Contractors Board

Summary of Fiscal Impact:

Costs related to the measure are indeterminate at this time - See explanatory analysis.

Analysis:

The measure would require the Landscape Contractors Board (LCB) to issue a modified landscape construction professional license (modified license) to a person who pays a nonrefundable application fee and license fee established by LCB. It would prohibit LCB from issuing a modified license to a general contractor licensed by the Construction Contractors Board. A holder of this modified license would be prohibited from performing specified types of labor, including working on a deck or arbor connected to a dwelling, connecting an irrigation system to an electrical source or water supply, designing or installing certain irrigation systems, and any further restrictions adopted by LCB. The measure would take effect 91 days after the Legislative Assembly adjourns *sine die*.

There are several variables that make the fiscal impact of this measure indeterminate. First, LCB would need to seek legal advice on whether excluding general contractors from obtaining the modified license would constitute an unlawful restraint on competition, under federal anti-trust laws. Since it is unclear whether this restriction is lawful, it could result in litigation naming LCB as a party. Second, prohibiting general contractors from obtaining the modified license could result in potential lost revenue to LCB. Third, it is unclear how many applicants would apply for the modified license. Lastly, a holder of the modified license would not be required to demonstrate minimal competence. Even if the measure generated additional revenue from modified license fees, it could lead to more homeowner complaints, requiring LCB to investigate, review, and prepare for mediations and, if appealed, administrative hearings.

For the foregoing reasons, the fiscal impact of the measure is indeterminate.