

Submitter: Darrell Grenz

On Behalf Of:

Committee: House Committee On Business and Labor

Measure: HB2922

Thank you Chair Holvey, Vice-Chairs Sosa and Elmer, and the members of the committee. For the record, my name is Darrell Grenz from Portland, OR. I am here to testify in support of House Bill 2922.

This bill is important to me because my family was directly impacted by the outdated insurance and consumer complaint regulations of the Oregon Construction Contractors Board. Currently the bond limit for a residential general contractor is only \$20,000. This is an insanely low amount as remodel projects add up quick and can easily exceed \$20,000 for even a small kitchen remodel. Now imagine a general contractor having multiple remodel projects like this at the same time. And now think about what happens when this same contractor decides to breach the contracts of three remodel projects by not completing the work or having purchased materials delivered. Remember that \$20,000 required bond limit? Well, it doesn't go very far to satisfy the substantial losses sustained by these homeowners that were taken by an unethical general contractor. Unfortunately, this nightmare happened to my family. We were taken for close to \$30,000 from our general contractor because the Oregon CCB doesn't have the right protections in place for consumers. Due to the multiple complaints on our contractor around the same 90-day period our only options were to either share the \$20,000 bond limit with the other complaint cases or file with the Multnomah County Small Claims Court which has a limit of \$10,000. And these were our delayed options because the Oregon CCB uses an old a mediation process that is heavily weighted to benefit the contractor. Due to the lack of true accountability for 'shady' contractors my family missed out on this needed money to finish out the full scope of our project. My family of 5 had to go without a kitchen in our small house for close to 10 months and other parts of the original project including our 2nd bathroom still aren't done because we are still trying to recover financially. Doing the dishes in the bathroom can only be fun for so long. This experience caused an enormous amount of stress and anxiety on my whole family especially on my wife and me. In the end the contractor was able to settle all the complaints with pennies on the dollar while leaving the households picking up the pieces to repair their homes.

I believe the requirements around contractor bond/insurance limit and rules around consumer complaints against contractors need to be completely updated. This bill will be a great start to this happening because increasing the bond limit offers consumer more protection against substantial loss from a contractor. Honestly the increase should be much more than \$5,000. If nothing is done more consumers will be taken advantage of by general contractors that will leverage these archaic laws and bond limits.

Thank you again committee for the opportunity to offer my testimony. I am in support of HB 2922.