TRAVIS NELSON STATE REPRESENTATIVE HOUSE DISTRICT 44 NORTH/NORTHEAST PORTLAND



HOUSE OF REPRESENTATIVES

March 13, 2023

Chair Holvey, Vice-Chairs Elmer and Sosa, and members of the House Committee on Business and Labor,

I am Travis Nelson and I represent House District 44 – North and Northeast Portland. Today I'm asking for your support with House Bill 2922, which increases base bond amounts for licensed contractors by \$5,000. I'm bringing this bill forward because of an issue that one of my constituents brought to my attention and I believe that many Oregonians could benefit from the requested adjustment in the bill.

My constituent hired a licensed contractor to perform work on his home. However, he encountered multiple issues with the contractor and the project was never completed. During this time, they were out the \$30,000 paid to the contractor. The constituent then proceeded to engage in a process with the Oregon Construction Contractors Board also known as the CCB. The constituent went through small claims court and was awarded just \$10,000 of the \$30,000 that my constituent paid.

My constituent is not the only person to have lost large amounts of money due to "bad actors" in the contracting business. In fact, he is not the only person who lost money from this specific contractor. The raise in the minimum amount required would ensure better protections for all of our constituents, whether it is in residential renovation work, or a large commercial construction project.

The bonding base amount has not been increased in almost two decades, and it is far past time that we update this monetary amount. This will bring the financial protection more in line with the rising cost of living and inflation. The increase by \$5,000 would put Oregon at the same level as California and Utah, and while I believe that the number is relatively low, it is a reasonable starting point. My office is dedicated to ongoing work with CCB on future updates to this legislation and other ways we can help Oregon consumers protect their investments.

I would like to add that the Construction Contractors Board has worked with my office on this constituent issue. They have other legislation that will be in front of this committee in the near future. CCB believes that bill will address other issues my constituent had with this process.

I want to stress that this bill is supported by both Home Builders Association and unions. I urge you to support this consumer protection bill and pass HB 2922. Thank you.

Sincerely,

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State Representative Travis Nelson House District 44, North/NE Portland