

# A-Engrossed Senate Bill 864

Ordered by the Senate March 7  
Including Senate Amendments dated March 7

Printed pursuant to Senate Interim Rule 213.28 by order of the President of the Senate in conformance with pre-session filing rules, indicating neither advocacy nor opposition on the part of the President (at the request of Governor Tina Kotek for State Landscape Contractors Board)

## SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure. The statement includes a measure digest written in compliance with applicable readability standards.

**Digest: Says that a person that works as a landscaper must pay \$20,000 for a bond. (Flesch Readability Score: 61.8).**

*[Digest: Sets two different bond amounts for doing business as a landscape contractor. The bond amounts are based on how much the business charges for landscape jobs. (Flesch Readability Score: 66.7).]*

Sets *[the]* a bonding requirement of **\$20,000** for applicants for a landscape contracting business license or **for** licensed landscape contracting businesses *[at \$20,000 if the applicant or licensed landscape contracting business charges \$100,000 or less for landscape jobs that the applicant or licensed landscape contracting business undertakes regularly and at \$50,000 if the applicant or licensed landscape contracting business charges more than \$100,000 for any landscape job].*

## A BILL FOR AN ACT

1  
2 Relating to bonding requirements for landscape contracting businesses; amending ORS 671.690.

3 **Be It Enacted by the People of the State of Oregon:**

4 **SECTION 1.** ORS 671.690 is amended to read:

5 671.690. (1) An applicant for a license as a landscape contracting business **or a licensed land-**  
6 **scape contracting business** shall file with the State Landscape Contractors Board a surety bond  
7 with one or more corporate sureties authorized to do business in this state, or an irrevocable letter  
8 of credit issued by an insured institution, as defined in ORS 706.008. The amount of the bond or  
9 letter of credit *[shall]* **must** be $[:]$  **\$20,000.**

10 *[(a) \$3,000 for an applicant, unless the applicant is described under paragraphs (b) to (e) of this*  
11 *subsection.]*

12 *[(b) \$10,000 for an applicant who, not in conjunction with the performance of landscaping work,*  
13 *constructs fences, decks, arbors, patios, landscape edging, driveways, walkways or retaining walls,*  
14 *unless the applicant is made subject to paragraph (d) or (e) of this subsection by work on other land-*  
15 *scape jobs, as defined by board rule, performed by the applicant.]*

16 *[(c) \$10,000 for an applicant who charges more than \$10,000, but less than \$25,000, for a landscape*  
17 *job.]*

18 *[(d) \$15,000 for an applicant who charges \$25,000 or more, but less than \$50,000, for a landscape*  
19 *job.]*

20 *[(e) \$20,000 for an applicant who charges \$50,000 or more for a landscape job.]*

21 (2) The bond or letter of credit *[shall]* **must** be conditioned that the applicant **or licensed**  
22 **landscape contracting business** pays:

**NOTE:** Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

- 1 (a) All taxes and contributions due to the State of Oregon;
- 2 (b) All persons furnishing labor or material, or renting or supplying equipment to the **applicant**
- 3 **or licensed** landscape contracting business;
- 4 (c) All amounts that may be adjudged against the **applicant or licensed** landscape contracting
- 5 business by reason of negligent or improper work or breach of contract in performing any work
- 6 subject to ORS 671.510 to 671.760; and
- 7 (d) All amounts from the bond, letter of credit or deposit the board orders paid under ORS
- 8 671.703.
- 9 (3) In addition to providing the applicant **or licensed landscape contracting business** with
- 10 coverage for the activities described in ORS 671.520 (1), the bond or letter of credit must provide
- 11 the applicant **or licensed landscape contracting business** with coverage for:
- 12 (a) Backflow assembly testing services provided by employees of the **applicant or licensed**
- 13 landscape contracting business who are certified under ORS 448.279;
- 14 (b) The installation, repair or maintenance by the **applicant or licensed** landscape contracting
- 15 business of backflow assemblies for irrigation systems and ornamental water features as described
- 16 in ORS 447.060;
- 17 (c) The installation by the **applicant or licensed** landscape contracting business of landscape
- 18 irrigation control wiring and outdoor landscape lighting as described in ORS 479.940; and
- 19 (d) The removal or pruning of a tree, removal of limbs or stumps and tree or limb guying.
- 20 (4) In lieu of the surety bond or letter of credit, the applicant **or licensed landscape con-**
- 21 **tracting business** may file with the board, under the same terms and conditions as when a bond is
- 22 filed, a deposit in cash or negotiable securities acceptable to the board.
- 23 (5) The bond, letter of credit or deposit must be continuously on file with the board in the
- 24 amount required by this section and is for the exclusive purpose of payment of final orders and ar-
- 25 bitration awards in accordance with ORS 671.703. Upon termination or cancellation of the bond,
- 26 withdrawal of the deposit or reduction of the bond, letter of credit or deposit to less than the re-
- 27 quired amount, the [*licensee*] **licensed landscape contracting business** shall immediately:
- 28 (a) File a replacement bond, letter of credit or deposit; or
- 29 (b) Surrender the license to the board and cease operating as a landscape contracting business.
- 30 (6) If the cost of a project makes, or foreseeably will make, [*a licensee*] **an applicant or a li-**
- 31 **icensed landscape contracting business** subject to a higher bond or letter of credit requirement
- 32 under subsection (1) of this section, the [*licensee*] **applicant or licensed landscape contracting**
- 33 **business** shall immediately file additional bonds, letters of credit or deposits to meet the higher
- 34 requirements.
- 35 (7) The **licensed** landscape contracting business is responsible for all work subject to ORS
- 36 671.510 to 671.760 that is performed or contracted for by the **licensed landscape contracting**
- 37 business.

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