HB 3746: Amendment Summary

Updated 3/17/25

1. Special Inspections: Certification

<u>Proposed Change</u>: Remove the requirement for certification or registration of specialized inspectors - and instead require property owners to hire a specialized inspector for moisture intrusion.

<u>Purpose</u>: 1) Ensures continuity of the existing workforce by allowing all qualified inspectors to continue working without additional barriers, as well as facilitating cross-state mobility for multistate firms, 2) Maintains established industry practices for insurance, contracting, and inspection processes, aligning with current contractor workflows.

From BCD:

"The existing processes for specialized inspectors are sufficient from BCD's point of view. Rather than a certification or registration system for the specialized inspector, you could just include a requirement that the owner hire a specialized inspector for moisture intrusion. This would avoid limiting the workforce, so that all the qualified folks that do that work today will be immediately ready to go, and it will allow folks to easily navigate from state to state (we understand some of the specialized inspector firms are multistate). This will also allow the specialized inspectors to use their existing processes for insurance, contracting, etc., and will use a process contractors are already familiar with."

Existing special inspection code language from BCD (for reference):

Special inspections provide a means of quality assurance. Structural properties of concrete or steel are not usually discernible by a mere visual inspection. Typically, construction materials must be tested and their installation must be monitored in order to provide a finished structure that performs in accordance with the design professional's intent. Trained specialists performing these inspections give the building official and engineer an indication that the intended structural performance will be achieved. According to Section 105.1, the permit applicant may be the owner or authorized agent in connection with the project (see Section 105.1 for further details).

Neither special inspections nor observations by the design professional replace inspections performed by the jurisdiction. Rather, they are intended as an enhancement to those inspections. Similarly, observations by the design professional do not replace special inspections, though the building official may accept inspections by the design professional if the design professional is sufficiently competent to perform the inspections.

2. Special Inspections: Frequency

<u>Proposed Change</u>: Remove the requirement that special inspections be conducted semiannually, and instead require at least one special inspection be completed by the end of Year 2, and another completed by the end of Year 5.

<u>Purpose</u>: Makes it easier for condo associations (especially smaller ones) to comply with special inspection requirements while still ensuring defects are caught before the statute of repose expires.

3. Notice Requirements

<u>Proposed Change</u>: Extend the 60 day time limit for residents of a condo association to initiate litigation to 90 days (Sections 4,5 and 6).

<u>Purpose</u>: Gives more time for condo associations to reach owners, give them proper notice, and allow for an informed decision.

4. Technical Fixes

<u>Proposed Change:</u> Page 9 [§3 (5)] about adding individually owned property. We suggest the following: "Notwithstanding any contrary provision in a declaration or bylaws, a homeowners association may not initiate or intervene in litigation or administrative proceedings <u>under</u> subsection (1)(e)(E) of this section regarding a matter that results from a defect in, or damage arising from a defect in, common property <u>or individually owned real property</u> unless owners representing a majority of the lots approve in writing of the initiation or intervention within 90 days after the mailing date of the notice required under ORS 94.662."

Purpose: Technical fix.