

1 STATE OF OKLAHOMA

2 1st Session of the 51st Legislature (2007)

3 SENATE BILL 641

By: Coates of the Senate

4 and

5 Cooksey of the House

6  
7  
8 AS INTRODUCED

9 An Act relating to professions and occupations;  
10 amending 59 O.S. 2001, Sections 1000.2, as amended by  
11 Section 3, Chapter 318, O.S.L. 2003, 1000.4, as last  
12 amended by Section 1, Chapter 163, O.S.L. 2004 and  
13 1000.5, as amended by Section 2, Chapter 457, O.S.L.  
14 2002 (59 O.S. Supp. 2006, Sections 1000.2, 1000.4 and  
15 1000.5), which relate to the Construction Industries  
16 Board; adding residential building contractors for  
17 Board to regulate; providing effective dates;  
18 modifying membership of Board; adding the Residential  
19 Building Contractors Licensing Act to Board's power  
20 to enforce; modifying power of Board to include Act;  
21 modifying range of certain fees; creating the  
22 Residential Building Contractors Licensing Act;  
23 providing short title; defining terms; authorizing  
24 certain powers and duties of Board; creating the  
Committee of Commercial Contractors; providing for  
membership, qualifications, terms, appointment,  
quorum, chair, travel expenses, vacancies and duties  
of Committee; providing for certain powers and duties  
of Board; requiring certain license; prohibiting  
filing lien in certain circumstances; requiring  
workers' compensation for issuance or renewal of  
certain license; providing for revocation of license  
if workers' compensation is not maintained; providing  
for reinstatement; requiring proof of certain  
insurance; authorizing Board to promulgate certain  
rules; requiring certain examination; authorizing  
Board to issue certain license; providing for failure  
to pass examination; providing for application for  
licensure; setting certain requirements for

1 applicants; providing certain applicant criteria for  
2 consideration by Board; providing for issuance of  
3 licenses and expiration; requiring continuing  
4 education for renewal; exempting certain late fees  
5 for military service; authorizing certain fees and  
6 disposition of fees; providing exemption; requiring  
7 certain information be provided to the county clerk;  
8 providing for prima facie evidence in certain  
9 actions; defining term; providing for certain  
10 temporary licenses for a state of emergency;  
11 providing for expiration and extension of certain  
12 temporary licenses; providing for certain licensure  
13 without examination; providing residential building  
14 contractors may act only in the name they are  
15 licensed; limiting use of license; prohibiting  
16 certain disposition of license for unauthorized use;  
17 providing for the Residential Building Contractors  
18 Hearing Board; authorizing Hearing Board to  
19 investigate certain business transactions; providing  
20 for suspension, revocation, refusal to issue or renew  
21 certain licenses or registrations; providing for  
22 application for new license or registration if  
23 revoked; providing for certain enforcement authority;  
24 providing for certain findings and determinations;  
creating the Oklahoma Residential Building  
Contractors Licensing Revolving Fund to consist of  
certain monies received by the Construction  
Industries Board; providing for disposition of Fund  
for certain purpose; providing for violation and  
penalties; providing for administrative fines and  
disposition of fines; making administrative fines  
enforceable; providing for enjoining certain acts or  
practices; authorizing Board to establish certain  
fines; charging the Board with formulating by rule a  
plan to implement a statewide permitting and  
inspection process to be submitted to the  
legislature; providing timeframe plan; providing for  
codification; providing an effective date; and  
declaring an emergency

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

1 SECTION 1. AMENDATORY 59 O.S. 2001, Section 1000.2, as  
2 amended by Section 3, Chapter 318, O.S.L. 2003 (59 O.S. Supp. 2006,  
3 Section 1000.2), is amended to read as follows:

4 Section 1000.2 A. The Construction Industries Board is hereby  
5 created to continue until July 1, 2007, in accordance with the  
6 provisions of the Oklahoma Sunset Law. Beginning January 1, 2002,  
7 the Board shall regulate the plumbing, electrical and mechanical  
8 trades, residential building contractors and building and  
9 construction inspectors through the powers and duties set forth in  
10 the Construction Industries Board Act and in the respective  
11 licensing acts for such trades.

12 B. 1. The Board shall be composed of eleven (11) members  
13 appointed by the Governor with the advice and consent of the Senate,  
14 as follows:

15 a. two members shall have at least ten (10) years'  
16 experience in the plumbing trade, of which one shall  
17 be a plumbing contractor and one shall be a journeyman  
18 plumber,

19 b. two members shall have at least ten (10) years'  
20 experience in the electrical trade, of which one shall  
21 be an electrical contractor and one shall be a  
22 journeyman electrician,

23 c. two members shall have at least ten (10) years'  
24 experience in the mechanical trade, of which one shall

1 be a mechanical contractor and one shall be a  
2 mechanical journeyman,

3 d. ~~two members~~ one member shall have at least ten (10)  
4 years' experience as a building and construction  
5 inspector,

6 e. ~~one member shall be a licensed professional engineer~~  
7 ~~and~~ two members shall have at least ten (10) years'  
8 experience ~~in the construction industry~~ as a  
9 residential building contractor,

10 f. one member shall represent a statewide organization of  
11 cities and towns, and

12 g. one member shall represent the public and shall not  
13 practice, have practiced, or be licensed to practice  
14 any of the trades regulated by the Board nor be  
15 employed by or be related by blood or marriage within  
16 the third degree to any person who practices, has  
17 practiced, or is licensed to practice any such trades.

18 2. Members shall be appointed for terms of four (4) years;  
19 provided, of those members initially appointed to the Board, five  
20 members shall be appointed for two-year terms, beginning September  
21 1, 2001, and four members shall be appointed for four-year terms,  
22 beginning September 1, 2001, as designated by the Governor. Members  
23 shall continue in office until a successor is appointed by the  
24 Governor. The Governor shall fill all vacancies and unexpired terms

1 in the same manner as the original appointment of the member whose  
2 position is to be filled. Such members may be removed by the  
3 Governor for cause.

4 SECTION 2. AMENDATORY 59 O.S. 2001, Section 1000.4, as  
5 last amended by Section 1, Chapter 163, O.S.L. 2004 (59 O.S. Supp.  
6 2006, Section 1000.4), is amended to read as follows:

7 Section 1000.4 A. 1. Beginning September 1, 2001, pursuant to  
8 and in compliance with Article I of the Administrative Procedures  
9 Act, the Construction Industries Board shall have the power to  
10 adopt, amend, repeal, and promulgate rules as may be necessary to  
11 regulate the plumbing, electrical and mechanical trades, beginning  
12 July 1, 2007, residential building contractors and building and  
13 construction inspectors. Rules authorized under this section shall  
14 not become effective prior to January 1, 2002 or July 1, 2007, for  
15 residential contractors.

16 2. Beginning January 1, 2002, the Board shall have the power to  
17 enforce the provisions of the Construction Industries Board Act, The  
18 Plumbing License Law of 1955, the Oklahoma Inspectors Act, the  
19 Electrical License Act, beginning July 1, 2007, the Residential  
20 Building Contractors Licensing Act and the Mechanical Licensing Act.

21 3. In addition to rules promulgated by the Construction  
22 Industries Board, rules promulgated by the State Board of Health  
23 prior to January 1, 2002, shall be the rules of the Construction  
24 Industries Board and shall continue in effect until such rules are

1 amended or repealed by rules promulgated by the Construction  
2 Industries Board.

3 4. Any order made or action taken prior to January 1, 2002, by  
4 the State Board of Health, the State Department of Health, or the  
5 State Commissioner of Health pursuant to the provisions of, or rules  
6 promulgated pursuant to, The Plumbing License Law of 1955, the  
7 Oklahoma Inspectors Act, the Electrical License Act, or the  
8 Mechanical Licensing Act shall be considered valid and in effect  
9 unless rescinded by the Construction Industries Board.

10 B. The Board shall have the following powers:

11 1. Exercise all incidental powers and duties which are  
12 necessary to effectuate the provisions of The Plumbing License Law  
13 of 1955, the Oklahoma Inspectors Act, the Electrical License Act,  
14 the Residential Building Contractors Licensing Act and the  
15 Mechanical Licensing Act;

16 2. Serve as a code variance and appeals board for the trades  
17 and industries it regulates which do not have statutory code  
18 variance and appeals boards;

19 3. Order or subpoena the attendance of witnesses, the  
20 inspection of records and premises, and the production of relevant  
21 books and papers for the investigation of matters that may come  
22 before the Board;

23 4. Initiate disciplinary proceedings, request prosecution of  
24 and initiate injunctive proceedings against any person who violates

1 any of the provisions of the Plumbing License Law of 1955, the  
2 Oklahoma Inspectors Act, the Electrical License Act, the Residential  
3 Building Contractors Licensing Act and the Mechanical Licensing Act;

4 5. Maintain an administrative staff including, but not limited  
5 to, a Construction Industries Administrator whose appointment shall  
6 be made as provided in Section 1000.6 of this title;

7 6. Establish and levy administrative fines against any person  
8 or entity denying the Board or its representatives access to a job  
9 site for purposes of enforcing any of the provisions of the Plumbing  
10 License Law of 1955, the Oklahoma Inspectors Act, the Electrical  
11 License Act, the Residential Building Contractors Licensing Act and  
12 the Mechanical Licensing Act; and

13 7. Direct such other expenditures as may be necessary in the  
14 performance of its duties including, but not limited to,  
15 expenditures for office space, equipment, furnishings and contracts  
16 for legal services. All expenditures shall be made pursuant to the  
17 Oklahoma Central Purchasing Act.

18 C. After July 1, 2004, the Board shall account for all receipts  
19 and expenditures of the monies of the Board, including annually  
20 preparing and publishing a statement of receipts and expenditures of  
21 the Board for each fiscal year. The Board's annual statement of  
22 receipts and expenditures shall be audited by the State Auditor and  
23 Inspector or an independent accounting firm, and the audit report  
24

1 shall be certified to the Governor of this state to be true and  
2 correct, under oath, by the chair and vice-chair of the Board.

3 D. Effective January 1, 2002, all powers, duties,  
4 responsibilities, employees, records, and equipment of the State  
5 Board of Health, the State Department of Health, and the State  
6 Commissioner of Health relating exclusively to the regulation of the  
7 plumbing, electrical and mechanical trades, and building and  
8 construction inspectors shall be placed under the authority of the  
9 Construction Industries Board. To the extent practicable, this  
10 shall include all computer hardware and software used in regulating  
11 industries listed in this section. Until July 1, 2004, the State  
12 Department of Health shall provide all necessary administrative  
13 support, including, but not limited to, office space, equipment,  
14 furnishings, and legal staff support for the Board and may manage  
15 the Board's funds, subject to Board approval. The Construction  
16 Industries Board may contract for additional legal and  
17 administrative services as necessary, pursuant to the Central  
18 Purchasing Act. Employees shall be under the direction of the  
19 Construction Industries Administrator and the Construction  
20 Industries Board.

21 E. The Construction Industries Board and the State Board of  
22 Health may enter into an agreement for the transfer of personnel  
23 into the unclassified service under the direction of the  
24 Construction Industries Board effective January 1, 2002. No

1 employee shall be transferred into the unclassified service under  
2 the direction of the Construction Industries Board except on the  
3 freely given written consent of the employee. All classified  
4 employees under the Merit System of Personnel Administration who are  
5 not transferred into the unclassified service as provided shall  
6 retain the status in the class occupied by the employee on July 1,  
7 2001, as allocated by the Office of Personnel Management. The  
8 salary of such an employee shall not be reduced as a result of such  
9 position allocation. Employees who are transferred as provided  
10 shall not be required to accept a lesser grade or salary than that  
11 in effect on July 1, 2001. All employees shall retain leave, sick  
12 and annual time earned, and any retirement and longevity benefits  
13 which have accrued during their tenure in the classified service.  
14 The transfer of personnel shall be coordinated with the Office of  
15 Personnel Management.

16 SECTION 3. AMENDATORY 59 O.S. 2001, Section 1000.5, as  
17 amended by Section 2, Chapter 457, O.S.L. 2002 (59 O.S. Supp. 2006,  
18 Section 1000.5), is amended to read as follows:

19 Section 1000.5 A. The Construction Industries Board may  
20 establish a system of fees to be charged for the application for  
21 licenses, for the issuance and renewal of licenses and permits, for  
22 administration of examinations and for formal project reviews under  
23 the Board's authority. This provision is subject to the following  
24 limitations:

1 1. No schedule of fees may be established or amended by the  
2 Board except during such times as the Legislature is in session;  
3 provided, the Board may establish or amend a schedule of fees at a  
4 time when the Legislature is not in session if the fees or schedule  
5 of fees has been specifically authorized by the Legislature pursuant  
6 to paragraph 2 of this subsection. The Board must follow the  
7 procedures required by Article I of the Administrative Procedures  
8 Act for adoption of rules in establishing or amending any such  
9 schedule of fees; and

10 2. The Board shall charge fees only within the following  
11 ranges, except as may be otherwise specified in this section.

12	For application for license	not to exceed \$30.00
13	For administration of license	
14	examinations:	not to exceed \$200.00
15	For license or permit issuance:	not to exceed <del>\$300.00</del>
16		<u>\$600.00</u>
17	For license or permit renewal:	not to exceed <del>\$200.00</del>
18		<u>\$500.00</u>
19	For formal project review for	
20	code conformance:	not to exceed \$200.00
21	For permit issuance for the use	
22	of alternative materials or	
23	methods:	not to exceed \$50.00

24

1 B. The Board shall base its schedule of fees upon the  
2 reasonable costs of review and inspection services rendered in  
3 connection with each license, permit, or review, but shall be within  
4 the ranges specified in paragraph 2 of subsection A of this section,  
5 except as otherwise specified in this section. The Board shall  
6 establish a system of training for all personnel who render review  
7 and inspection services in order to assure uniform statewide  
8 application of rules. The Board shall include the reasonable costs  
9 associated with such training in the fees provided for in this  
10 section.

11 C. The Board may exempt by rule any class of licensee or  
12 permittee from the requirements of the fee schedule if the Board  
13 determines that the creation of such a schedule for any such class  
14 would create an unreasonable economic hardship.

15 D. All statutory fees now in effect for the issuance and  
16 renewal of any license, permit, or review under the authority of the  
17 Construction Industries Board shall remain in effect until such time  
18 as the Board, by its rulemaking authority, acts to implement new fee  
19 schedules pursuant to the provisions of this section.

20 E. Unless otherwise provided, licenses and permits issued by  
21 the Construction Industries Board shall be for a one-year period.

22 SECTION 4. NEW LAW A new section of law to be codified  
23 in the Oklahoma Statutes as Section 3200.1 of Title 59, unless there  
24 is created a duplication in numbering, reads as follows:

1 Sections 4 through 21 of this act shall be known and may be  
2 cited as the "Residential Building Contractors Licensing Act".

3 SECTION 5. NEW LAW A new section of law to be codified  
4 in the Oklahoma Statutes as Section 3200.2 of Title 59, unless there  
5 is created a duplication in numbering, reads as follows:

6 As used in the Residential Building Contractors Licensing Act:

7 1. "Board" means the Construction Industries Board;

8 2. "Committee" means the Committee of Residential Building  
9 Contractors;

10 3. "Residential building contractor" means any person, firm,  
11 partnership, copartnership, association, corporation, or other  
12 organization or any combination thereof, which for a fixed price,  
13 commission, fee or wage, attempts to or submits a bid to construct  
14 or contract or undertakes to construct or assumes charge in a  
15 supervisory capacity or otherwise manages the construction or  
16 remodeling of a single family residence;

17 4. "Single family residence" means any project consisting of  
18 one (1) but not more than four (4) units of new construction for  
19 residential occupancy, when the cost of the project is Twenty  
20 Thousand Dollars (\$20,000.00) or more. Except as otherwise provided  
21 by law, this definition does not apply to subcontractors of licensed  
22 residential building contractors or to remodeling operations; and

23

24

1        5. "Remodeling" means any project including repair on a single  
2 family residence where the total compensation including cost of  
3 materials is in excess of Two Thousand Dollars (\$2,000.00).

4        SECTION 6.        NEW LAW        A new section of law to be codified  
5 in the Oklahoma Statutes as Section 3200.3 of Title 59, unless there  
6 is created a duplication in numbering, reads as follows:

7        The Construction Industries Board shall have the power and duty  
8 to:

9        1. Promulgate, prescribe, amend, and repeal rules necessary to  
10 implement the provisions of the Residential Building Contractors  
11 Licensing Act including, but not limited to, defining categories and  
12 limitations for such licenses and establishing bonding and insurance  
13 requirements precluding municipal requirements;

14        2. Adopt minimum standards for residential building contracting  
15 work; and

16        3. Require compliance with code and permitting processes.

17        SECTION 7.        NEW LAW        A new section of law to be codified  
18 in the Oklahoma Statutes as Section 3200.4 of Title 59, unless there  
19 is created a duplication in numbering, reads as follows:

20        A. There is created the Committee of Residential Building  
21 Contractors which shall consist of seven (7) members. All members  
22 shall be citizens of the United States and shall be residents of  
23 this state. The term of members shall be staggered and shall be for  
24 three (3) years or until a successor has been appointed.

1 B. Members of the Committee shall be appointed as follows:

2 1. Three members shall be appointed by the President Pro  
3 Tempore of the Senate, two of whom shall be appointed from a list of  
4 at least ten (10) names submitted by the statewide trade  
5 organization or organizations that represent the residential  
6 building construction industry and shall have at least five (5)  
7 years' experience in residential building construction and one of  
8 whom shall have at least three (3) years' experience in remodeling;

9 2. Three members shall be appointed by the Speaker of the House  
10 of Representatives, all of whom shall be appointed from a list of at  
11 least ten (10) names submitted by the statewide trade organization  
12 or organizations that represent the residential building  
13 construction industry and shall have at least five (5) years'  
14 experience in residential building construction; and

15 3. One member shall be appointed by the Construction Industries  
16 Board.

17 C. A majority of the Committee shall constitute a quorum. The  
18 Committee shall elect a chair from its number. Each member shall  
19 receive travel expenses in accordance with the provisions of the  
20 State Travel Reimbursement Act.

21 D. Vacancies shall be filled within thirty (30) days in the  
22 same manner as appointments were made. Persons appointed to fill  
23 vacancies shall serve the unexpired term of office and shall possess  
24

1 the same qualifications as if they were being appointed to a full  
2 term on the Committee.

3 E. The Committee shall:

4 1. Assist and advise the Board on all matters pertaining to the  
5 formation of rules pursuant to the provisions of the Residential  
6 Building Contractors Licensing Act;

7 2. Assist and advise the Board on the examinations for  
8 applicants for licenses as a residential building contractor and on  
9 all matters relating to the licensing of residential building  
10 contractors; and

11 3. Assist and advise the Board in such other matters as  
12 requested thereby.

13 SECTION 8. NEW LAW A new section of law to be codified  
14 in the Oklahoma Statutes as Section 3200.5 of Title 59, unless there  
15 is created a duplication in numbering, reads as follows:

16 The Construction Industries Board shall have the power and duty  
17 to:

18 1. Issue, renew, suspend, revoke, modify or deny licenses to  
19 engage in contracting work pursuant to the Residential Building  
20 Contractors Licensing Act;

21 2. Enter upon public and private property for the purpose of  
22 inspecting workers' licenses and contracting work for compliance  
23 with the provisions of the Residential Building Contractors  
24

1 Licensing Act and of the rules of the Board promulgated pursuant  
2 thereto;

3 3. Employ personnel to conduct investigations and inspections;

4 4. Enforce the standards and rules promulgated pursuant to the  
5 Residential Building Contractors Licensing Act;

6 5. Reprimand or place on probation, or both, any holder of a  
7 license pursuant to the Residential Building Contractors Licensing  
8 Act;

9 6. Investigate complaints and hold hearings;

10 7. Initiate disciplinary proceedings, request prosecution of  
11 and initiate injunctive proceedings against any person who violates  
12 any of the provisions of the Residential Building Contractors  
13 Licensing Act or any rule promulgated pursuant thereto;

14 8. Establish and levy administrative fines against any person  
15 who violates any of the provisions of the Residential Building  
16 Contractors Licensing Act or any rule promulgated pursuant thereto;

17 9. Conduct investigations into the qualifications of applicants  
18 for licensure and registration on the request of the Board;

19 10. Develop and administer the examinations approved by the  
20 Committee of Residential Building Contractors for applicants for  
21 licenses as a residential building contractor; and

22 11. Exercise all incidental powers as necessary and proper to  
23 implement and enforce the provisions of the Residential Building  
24

1 Contractors Licensing Act and the rules promulgated pursuant  
2 thereto.

3 SECTION 9. NEW LAW A new section of law to be codified  
4 in the Oklahoma Statutes as Section 3200.6 of Title 59, unless there  
5 is created a duplication in numbering, reads as follows:

6 A. No person shall engage or offer to engage in, by  
7 advertisement or otherwise, any work as a residential building  
8 contractor who does not possess a valid and appropriate license from  
9 the Construction Industries Board. No business entity shall act as  
10 a residential building contractor firm unless a licensed residential  
11 building contractor is associated with and responsible for all  
12 contracting work of such entity.

13 B. Any person or business entity engaging in work as a  
14 residential building contractor without a license as provided by law  
15 is prohibited from filing a lien on the project if such work was  
16 done without a license.

17 SECTION 10. NEW LAW A new section of law to be codified  
18 in the Oklahoma Statutes as Section 3200.7 of Title 59, unless there  
19 is created a duplication in numbering, reads as follows:

20 A. A residential building contractor required to be licensed by  
21 the Construction Industries Board shall secure the payment of  
22 workers' compensation under the Workers' Compensation Act.

23 B. The Board shall require proof of current workers'  
24 compensation coverage before issuing or renewing a license;

1 provided, if a residential building contractor fails to maintain  
2 workers' compensation coverage, the Board shall revoke the  
3 residential building contractor's license.

4 C. A residential building contractor's license that has been  
5 revoked due to failure to maintain workers' compensation coverage  
6 may be reinstated upon receipt of proof that the residential  
7 building contractor has secured workers' compensation coverage.

8 D. A residential building contractor required to be licensed by  
9 the Board shall provide proof of liability insurance of the amount  
10 set by the Board.

11 E. The Board shall promulgate rules necessary to enforce this  
12 section.

13 SECTION 11. NEW LAW A new section of law to be codified  
14 in the Oklahoma Statutes as Section 3200.8 of Title 59, unless there  
15 is created a duplication in numbering, reads as follows:

16 A. Except as otherwise provided in the Residential Building  
17 Contractors Licensing Act, no person shall be licensed as a  
18 residential building contractor unless the person has passed a  
19 written examination. Examinations for licenses as residential  
20 building contractors shall be uniform and practical in nature and  
21 shall be sufficiently strict as to test the qualifications and  
22 fitness of the applicants for licenses. Examinations shall be in  
23 whole or in part in writing. The Committee of Residential Building  
24 Contractors shall supply examinations.

1 B. If the result of the examination of any applicant shall be  
2 satisfactory to the Construction Industries Board, and if the  
3 application complies with the Board's rules, then the Board shall  
4 issue to the applicant a license to engage in residential building  
5 contracting in the this state.

6 C. Any applicant initially failing to pass the examination  
7 shall not be permitted to take another examination for a period of  
8 thirty (30) days. Any applicant subsequently failing to pass the  
9 examination shall not be permitted to take another examination for a  
10 period of ninety (90) days.

11 SECTION 12. NEW LAW A new section of law to be codified  
12 in the Oklahoma Statutes as Section 3200.9 of Title 59, unless there  
13 is created a duplication in numbering, reads as follows:

14 A. Application for licensure shall be made on forms prescribed  
15 by the Committee of Residential Building Contractors. Applicants  
16 shall have a Federal Tax ID number and a legal physical address and  
17 phone number.

18 B. In determining the qualifications of any applicant for  
19 original license or any renewal license, the Construction Industries  
20 Board shall consider, among other things, the following:

- 21 1. Experience;
- 22 2. Ability;
- 23 3. The manner of performance of previous contracts;
- 24 4. Education;

1 5. Any other fact tending to show ability and willingness to  
2 conserve the public health and safety; and

3 6. Default in complying with the provisions of the Residential  
4 Building Contractors Licensing Act or any other law of the state.

5 SECTION 13. NEW LAW A new section of law to be codified  
6 in the Oklahoma Statutes as Section 3200.10 of Title 59, unless  
7 there is created a duplication in numbering, reads as follows:

8 All licenses issued by the Construction Industries Board shall  
9 be issued for no longer than one (1) year expiring on the last day  
10 of the licensee's birthmonth. No residential building contractor  
11 license shall be renewed unless the licensee has completed the  
12 required hours of continuing education as determined by the  
13 Committee of Residential Building Contractors. No late fee shall be  
14 charged to renew a license which expired while the applicant was in  
15 military service, if application is made within one (1) year of  
16 discharge from the military. The Board may charge reasonable  
17 examination fees and delinquency fees and may charge a fee for new  
18 licenses or renewal of a license. All fees and other monies  
19 collected by the Committee shall be disposed of as provided in  
20 Section 19 of this act and shall be used by the Board to implement  
21 the Residential Building Contractors Licensing Act.

22 SECTION 14. NEW LAW A new section of law to be codified  
23 in the Oklahoma Statutes as Section 3200.11 of Title 59, unless  
24 there is created a duplication in numbering, reads as follows

1       The Residential Building Contractors Licensing Act shall not  
2 apply to owners of property who improve such property or who build  
3 or improve structures or appurtenances on such property and who do  
4 the work themselves, with their own employees or with duly licensed  
5 contractors, if the structure, group of structures or appurtenances,  
6 including the improvements thereto, are intended for occupancy  
7 solely by the owner and are not intended for occupancy by members of  
8 the public as the owner's employees or business visitors and the  
9 structures or appurtenances are not intended for sale or for rent;  
10 provided that, the property owner shall disclose to the county clerk  
11 for inclusion on the title that the construction was not performed  
12 by a licensed residential building contractor. In all actions  
13 brought under the Residential Building Contractors Licensing Act,  
14 proof of the sale or rent or the offering for sale or rent of any  
15 such structure by the owner-builder within one year after completion  
16 or issuance of a certificate of occupancy is prima facie evidence  
17 that such project was undertaken for the purpose of sale or rent.  
18 For the purposes of this section, "sale or rent" means any  
19 arrangement by which the owner receives compensation in money,  
20 provisions, chattels or labor from the occupancy or the transfer of  
21 the property or the structures on the property.

22       SECTION 15.       NEW LAW       A new section of law to be codified  
23 in the Oklahoma Statutes as Section 3200.12 of Title 59, unless  
24 there is created a duplication in numbering, reads as follows:

1       A. The Construction Industries Board by rule shall establish  
2 criteria and procedures for the issuance of a temporary residential  
3 building contractor's license, following an Oklahoma Governor's  
4 declaration of a state of emergency, to a person licensed as a  
5 residential building contractor in another state of the United  
6 States. The state of emergency for the purposes of this section  
7 must be a disaster involving the destruction of single family  
8 residences.

9       B. A temporary license issued under this section expires within  
10 ninety (90) days of the date of issuance.

11       C. The Board, with the advice of the Committee of Residential  
12 Building Contractors, may adopt rules that provide for the extension  
13 of a temporary license issued under this section.

14       SECTION 16.       NEW LAW       A new section of law to be codified  
15 in the Oklahoma Statutes as Section 3200.13 of Title 59, unless  
16 there is created a duplication in numbering, reads as follows:

17       The Construction Industries Board shall, upon proper application  
18 and payment of fees from ninety (90) days after the effective date  
19 of this act and until June 30, 2008, but not thereafter, issue a  
20 license without examination to any person who can demonstrate to the  
21 Board that the person has been engaged in the business of  
22 residential building contracting or residential remodeling for three  
23 (3) years preceding the effective date of this act and who has  
24

1 otherwise complied with the requirements of the Residential Building  
2 Contractors Licensing Act.

3 SECTION 17. NEW LAW A new section of law to be codified  
4 in the Oklahoma Statutes as Section 3200.14 of Title 59, unless  
5 there is created a duplication in numbering, reads as follows:

6 A. Residential building contractors may act as such only in the  
7 name under which they are licensed by the Construction Industries  
8 Board.

9 B. No residential building contractor license may be used for  
10 any purpose by any person other than the person to whom the license  
11 is issued. No license may be assigned, transferred or otherwise  
12 disposed of so as to permit the unauthorized use thereof.

13 SECTION 18. NEW LAW A new section of law to be codified  
14 in the Oklahoma Statutes as Section 3200.15 of Title 59, unless  
15 there is created a duplication in numbering, reads as follows:

16 A. The Construction Industries Board or its designee and the  
17 Committee of Residential Building Contractors shall act as the  
18 Residential Building Contractors Hearing Board and shall comply with  
19 the provisions of Article II of the Administrative Procedures Act.

20 B. The Residential Building Contractors Hearing Board may, upon  
21 its own motion, and shall, upon written complaint filed by any  
22 person, investigate the business transactions of any residential  
23 building contractor, or residential building contractor firm. The  
24 Residential Building Contractors Hearing Board shall suspend or

1 revoke or may refuse to issue or renew any license or registration  
2 under the Residential Building Contractors Licensing Act for any of  
3 the following:

4 1. Making a material misstatement in the application for a  
5 license or registration, or the renewal of a license or  
6 registration;

7 2. Obtaining any license or registration by false or fraudulent  
8 representation;

9 3. Loaning or allowing the use of such license by any other  
10 person or illegally using a license;

11 4. Demonstrating incompetence to act as a residential building  
12 contractor;

13 5. Failure to supply the license number with the name, address  
14 and phone number of the residential or remodel contractor on all  
15 contracts, bids, proposals, submittals and documents;

16 6. Violating any provisions of the Residential Building  
17 Contractors Licensing Act, or any rule or order prescribed by the  
18 Construction Industries Board pursuant to the provisions of the  
19 Residential Building Contractors Licensing Act; or

20 7. Willfully failing to perform normal business obligations  
21 without justifiable cause.

22 C. Any person whose license or registration has been revoked by  
23 the Residential Building Contractors Hearing Board may apply for a  
24 new license after one (1) year from the date of such revocation.

1 D. Enforcement of this section is authorized pursuant to the  
2 Residential Building Contractors Licensing Act, or under authority  
3 granted to the Construction Industries Board.

4 E. The Residential Building Contractors Hearing Board shall  
5 within a reasonable time make findings and determinations as a  
6 result of the hearings.

7 SECTION 19. NEW LAW A new section of law to be codified  
8 in the Oklahoma Statutes as Section 3200.16 of Title 59, unless  
9 there is created a duplication in numbering, reads as follows:

10 There is hereby created in the State Treasury a revolving fund  
11 for the Construction Industries Board, to be designated the  
12 "Oklahoma Residential Building Contractors Licensing Revolving  
13 Fund". The fund shall be a continuing fund, not subject to fiscal  
14 year limitations, and shall consist of all monies received by the  
15 Board pursuant to the Residential Building Contractors Licensing  
16 Act, including administrative fines authorized by Section 18 of this  
17 act. All monies accruing to the credit of said fund are hereby  
18 appropriated and may be budgeted and expended by the Board for the  
19 purpose of implementing the Residential Building Contractors  
20 Licensing Act. Expenditures from said fund shall be made upon  
21 warrants issued by the State Treasurer against claims filed as  
22 prescribed by law with the Director of State Finance for approval  
23 and payment.

24

1 SECTION 20. NEW LAW A new section of law to be codified  
2 in the Oklahoma Statutes as Section 3200.17 of Title 59, unless  
3 there is created a duplication in numbering, reads as follows:

4 A. Any residential building contractor or residential building  
5 contractor firm who violates any of the provisions of the  
6 Residential Building Contractors Licensing Act, in addition to  
7 suspension or revocation of a license, upon conviction, shall be  
8 guilty of a misdemeanor and punished by a fine or both such fine and  
9 imprisonment together with the costs of prosecution.

10 B. In addition to other penalties provided by law, if after a  
11 hearing in accordance with the provisions of Section 18 of this act  
12 the Residential Building Contractors Hearing Board shall find any  
13 residential building contractor or residential building contractor  
14 firm to be in violation of any of the provisions of the Residential  
15 Building Contractors Licensing Act, such person or firm may be  
16 subject to an administrative fine for each violation. Each day a  
17 person or firm is in violation of the Residential Building  
18 Contractors Licensing Act may constitute a separate violation. All  
19 administrative fines collected pursuant to the provisions of this  
20 subsection shall be deposited in the Oklahoma Residential Building  
21 Contractors Licensing Revolving Fund created in Section 19 of this  
22 act. Administrative fines imposed pursuant to this subsection shall  
23 be enforceable in the district courts of this state.

24

1 C. The Residential Building Contractors Hearing Board may make  
2 application to the appropriate court for an order enjoining the acts  
3 or practices prohibited by the Residential Building Contractors  
4 Licensing Act.

5 D. The Construction Industries Board, with the advice of the  
6 Committee of Residential Building Contractors, may establish  
7 administrative fines by rule.

8 SECTION 21. NEW LAW A new section of law to be codified  
9 in the Oklahoma Statutes as Section 3200.18 of Title 59, unless  
10 there is created a duplication in numbering, reads as follows:

11 The Construction Industries Board is charged with formulating by  
12 rule a plan to implement a statewide permitting and inspection  
13 process by January 1, 2010. This plan shall be finalized and ready  
14 to be submitted to the legislature for consideration by January 1,  
15 2009.

16 SECTION 22. This act shall become effective July 1, 2007.

17 SECTION 23. It being immediately necessary for the preservation  
18 of the public peace, health and safety, an emergency is hereby  
19 declared to exist, by reason whereof this act shall take effect and  
20 be in full force from and after its passage and approval.

21

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