

1 ENGROSSED HOUSE  
2 BILL NO. 1828

By: Martin, Osborn and Stone of  
the House

3 and

4 Loveless of the Senate

5  
6  
7 [ professions and occupations - Construction  
8 Industries Board - creating the Oklahoma  
9 Professional Residential and Commercial Builders  
10 Registration Act - effective date ]  
11  
12

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

14 SECTION 1. AMENDATORY 59 O.S. 2011, Section 1000.2, as  
15 amended by Section 2, Chapter 332, O.S.L. 2013 (59 O.S. Supp. 2014,  
16 Section 1000.2), is amended to read as follows:

17 Section 1000.2 A. The Construction Industries Board is hereby  
18 created to continue until July 1, 2016, in accordance with the  
19 provisions of the Oklahoma Sunset Law. The Board shall regulate the  
20 plumbing, electrical and mechanical trades, the building and  
21 construction inspectors, ~~and~~ the roofing contractors, and the  
22 registered residential and commercial builders through the powers  
23 and duties set forth in the Construction Industries Board Act and in  
24

1 the respective licensing or registration acts for such trades, or as  
2 otherwise provided by law.

3 B. 1. Beginning July 1, ~~2013~~ 2016, the Board shall be composed  
4 of seven (7) members appointed by the Governor with the advice and  
5 consent of the Senate, as follows:

6 a. ~~two members~~ one member shall have at least ten (10)  
7 years' experience in the plumbing trade, ~~of which one~~  
8 and shall be a plumbing contractor ~~and one shall be or~~  
9 a journeyman plumber,

10 b. ~~two members~~ one member shall have at least ten (10)  
11 years' experience in the electrical trade, ~~of which~~  
12 ~~one~~ and shall be an electrical contractor ~~and one~~  
13 ~~shall be or~~ a journeyman electrician,

14 c. ~~two members~~ one member shall have at least ten (10)  
15 years' experience in the mechanical trade, ~~of which~~  
16 ~~one~~ and shall be a mechanical contractor ~~and one shall~~  
17 ~~be or~~ a mechanical journeyman, ~~and~~

18 d. one member shall have at least ten (10) years'  
19 experience in residential construction as a general  
20 contractor,

21 e. one member shall have at least ten (10) years'  
22 experience in commercial or industrial construction as  
23 a general contractor,

1           f. one member shall have at least ten (10) years'  
2           experience as a roofing contractor, and

3           g. one member shall have at least ten (10) years'  
4           experience as a building and construction inspector.

5           2. Members shall be appointed for staggered terms of four (4)  
6 years, as designated by the Governor. Members shall be limited to  
7 two full terms and continue in office until a successor is appointed  
8 by the Governor. The Governor shall fill all vacancies and  
9 unexpired terms in the same manner as the original appointment of  
10 the member whose position is to be filled. A member may be removed  
11 by the Governor at any time. A person is eligible for reappointment  
12 after a vacancy period of not less than two (2) years.

13           SECTION 2.       NEW LAW       A new section of law to be codified  
14 in the Oklahoma Statutes as Section 1160.1 of Title 59, unless there  
15 is created a duplication in numbering, reads as follows:

16           Sections 2 through 12 of this act shall be known and may be  
17 cited as the "Oklahoma Professional Residential and Commercial  
18 Builders Registration Act".

19           SECTION 3.       NEW LAW       A new section of law to be codified  
20 in the Oklahoma Statutes as Section 1160.2 of Title 59, unless there  
21 is created a duplication in numbering, reads as follows:

22           As used in the Oklahoma Professional Residential and Commercial  
23 Builders Registration Act:

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

1           2. "Committee" means the Advisory Committee of Professional  
2 Residential and Commercial Registered Builders;

3           3. "Builder or contractor" means a person engaged in the  
4 practice or business of constructing, remodeling or building a  
5 residential, retail or commercial building in this state;

6           4. "Registered builder or registered contractor" means a person  
7 registered with the Construction Industries Board to construct,  
8 remodel or build in this state; and

9           5. "Residential, retail or commercial building" means any  
10 building in this state. "Residential, retail or commercial  
11 building" shall not mean roads, highways, bridges, public sanitation  
12 or water facilities.

13           SECTION 4.       NEW LAW       A new section of law to be codified  
14 in the Oklahoma Statutes as Section 1160.3 of Title 59, unless there  
15 is created a duplication in numbering, reads as follows:

16           The Construction Industries Board, acting upon the advice of the  
17 Advisory Committee of Professional Residential and Commercial  
18 Registered Builders, shall issue all registrations required by the  
19 Oklahoma Professional Residential and Commercial Builders  
20 Registration Act, and shall exercise the following powers and  
21 duties:

22           1. To make rules and regulations deemed necessary to implement  
23 the provisions of this act;  
24

1           2. To prescribe application forms for registration applicants,  
2 certificate forms and such other forms as necessary to implement the  
3 provisions of this act;

4           3. To establish a curriculum of study for registration in the  
5 practice and theory of building and construction in this state to be  
6 conducted by a statewide organization or its affiliates representing  
7 the construction industry;

8           4. To keep a complete record of all registered builders and to  
9 prepare an official listing of the names and addresses of all  
10 registered builders which shall be kept current. A copy of such  
11 listing shall be available on the website of the Board;

12           5. To keep a permanent record of all proceedings pursuant to  
13 this act;

14           6. To employ and establish the duties of clerical personnel  
15 necessary to carry out the provisions of this act;

16           7. To conduct hearings to deny, revoke, suspend or refuse  
17 renewal of registrations under this act, and to issue subpoenas to  
18 compel witnesses to testify or produce evidence at such hearings in  
19 accordance with the Administrative Procedures Act; and

20           8. To set the fees imposed by the provisions of this act in  
21 amounts that are adequate to collect sufficient revenue to meet the  
22 expenses necessary to perform the duties of the Board without  
23 accumulating an unnecessary surplus.

1           SECTION 5.           NEW LAW           A new section of law to be codified  
2 in the Oklahoma Statutes as Section 1160.4 of Title 59, unless there  
3 is created a duplication in numbering, reads as follows:

4           A. There is hereby created the Advisory Committee of  
5 Professional Residential and Commercial Registered Builders. The  
6 Committee shall consist of five (5) members appointed by the  
7 Construction Industries Board. The Board shall appoint the  
8 Committee members from a list of six persons submitted annually,  
9 three of whom are from a statewide organization representing the  
10 residential construction industry and three of whom are from a  
11 statewide organization representing the commercial construction  
12 industry, with one member to be a certified building or code  
13 official recommended from a list of at least two persons recommended  
14 by either a statewide organization representing municipalities or  
15 the Oklahoma Uniform Building Code Commission. Four of the members  
16 shall be contractors in this state with at least five (5) years of  
17 experience. For the initial appointments the persons appointed  
18 shall have been actively engaged in and practicing building and  
19 construction for at least five (5) years in this state. All members  
20 appointed shall be residents of this state and actively engaged as  
21 builders as herein defined. No person shall be appointed to the  
22 Committee who has been convicted of any felony or any crime  
23 involving moral turpitude.

1 B. The terms of the members shall be for three (3) years and  
2 shall continue until their successors are appointed and qualify.  
3 Members will be term-limited to three full terms. Provided however,  
4 of those first appointed, one shall serve for one (1) year, one  
5 shall serve for two (2) years, and one shall serve for three (3)  
6 years. Vacancies shall be filled in the manner of the original  
7 appointment for the unexpired portion of the term only. The Board,  
8 after notice and opportunity for hearing, may remove any member of  
9 the Committee for neglect of duty, incompetence, revocation or  
10 suspension of his or her registration, or other dishonorable  
11 conduct.

12 C. A member of the Committee may hold another license for a  
13 profession or trade which requires a license for purposes of the  
14 construction industry. Each member shall be duly registered as a  
15 residential builder within ninety (90) days of their appointment and  
16 maintain a valid registration during their term.

17 D. Members of the Committee shall elect from their number a  
18 chairperson. Special meetings of the Committee shall be called by  
19 the chairperson on the written request of any three members. The  
20 Committee may recommend to the Board the adoption of rules necessary  
21 to govern its proceedings and implement the purposes of this act.

22 E. Each member of the Committee may be reimbursed for his or  
23 her reasonable and necessary expenses as provided for in the State  
24

1 Travel Reimbursement Act from the Construction Industries Board or  
2 any fund established pursuant to this act.

3 SECTION 6. NEW LAW A new section of law to be codified  
4 in the Oklahoma Statutes as Section 1160.5 of Title 59, unless there  
5 is created a duplication in numbering, reads as follows:

6 A. No person shall engage in or practice building or  
7 construction or hold himself or herself out as a contractor or  
8 builder, or use the title "Registered Builder" or "Licensed  
9 Contractor", or the initials "R.B." or "L.C.", in this state, unless  
10 he or she is registered in accordance with the provisions of the  
11 Oklahoma Professional Residential and Commercial Builders  
12 Registration Act. No other person shall in any way, orally or in  
13 writing, in print, or by sign or transmission of sound or sight,  
14 directly or by implication, represent himself or herself as a  
15 builder or contractor. Such misrepresentation, upon conviction,  
16 shall constitute a misdemeanor and shall be punishable as provided  
17 in this act.

18 B. Nothing in this act shall prohibit any person in the  
19 construction industry in this state under any other law or rule from  
20 engaging in the practice for which he or she is duly licensed,  
21 registered or otherwise authorized by law.

22 SECTION 7. NEW LAW A new section of law to be codified  
23 in the Oklahoma Statutes as Section 1160.6 of Title 59, unless there  
24 is created a duplication in numbering, reads as follows:

1           A. On and after July 1, 2016, a registered builder or  
2 registered contractor means all persons who are currently registered  
3 by the Construction Industries Board and all persons who have  
4 satisfactorily passed other requirements as herein created or  
5 authorized. On and after July 1, 2016, all applicants for  
6 registration as builders or contractors shall be required to furnish  
7 to the Board evidence of being in the construction business for at  
8 least two (2) years.

9           B. The applicant shall be registered as a builder or contractor  
10 for the remainder of that calendar year if the applicant meets the  
11 rules and criteria established by the Board. Each registration  
12 shall be signed by the chairperson of the Advisory Committee of  
13 Professional Residential and Commercial Registered Builders or  
14 designee and the chairperson of the Board and shall bear the seal of  
15 the Board.

16           C. The Board may issue a registration to an applicant from  
17 another state who has met the requirements established by this act.  
18 The applicant to be registered in this state may provide proof of  
19 licensure or registration in good standing in another state at the  
20 time of making application for registration in this state. The  
21 applicant shall show proof of an established business address in  
22 this state or be a resident of this state at the time of  
23 application.  
24

1 D. The Board shall establish continuing education requirements  
2 of not less than nine (9) hours to include at least one (1) hour of  
3 ethics to facilitate the maintenance of current practice skills of  
4 all persons registered pursuant to this act. The Board shall  
5 designate and approve authorized sources for continuing education  
6 annually. Courses established by a statewide organization or its  
7 affiliates representing the construction industry shall be approved  
8 for continuing education.

9 E. The Board shall meet at least three times per calendar year  
10 for the purpose of examining applicants for registration and  
11 training and transacting other business as may be necessary. The  
12 meetings shall be held at the office of the Board.

13 F. Every person registered pursuant to this act who desires to  
14 continue the practice of building shall annually, on the month of  
15 his or her birthdate, make application for renewal of the  
16 registration and shall pay fees established by the Board.

17 G. If any person fails to renew his or her registration within  
18 thirty (30) days from the date same becomes due, the registration of  
19 such person shall become inactive and, in order to have such license  
20 reinstated, it shall be necessary for such person to apply to the  
21 Board as provided in this act and to meet the requirements  
22 established by the Board for reinstatement.

23 H. All applicants shall be required to show proof and maintain  
24 a valid general liability policy and workers' compensation insurance

1 acceptable to the Board with a minimum of One Million Dollars  
2 (\$1,000,000.00) aggregate on general liability and a minimum premium  
3 policy of workers' compensation even if no employees are currently  
4 employed.

5 I. Each applicant shall show proof of a written one-year  
6 warranty policy that shall be available and in use for each  
7 residential structure upon completion. Such residential  
8 construction warranty policy shall be a third-party warranty, a  
9 warranty approved by the Committee or a policy developed by a  
10 statewide organization representing the residential construction  
11 industry.

12 J. Each registered builder must use a written contract for  
13 projects exceeding Five Hundred Dollars (\$500.00).

14 K. Each registered builder shall obtain builder's risk  
15 insurance for the project unless obtained by the owner or covered by  
16 a third-party bonding policy, if a bond is required by the owner.

17 L. Only the principal, designated company representative or  
18 owner of a company is to be registered. Nothing in this act shall  
19 be construed to require the registration of all employees in a  
20 construction firm.

21 M. Each registered builder shall submit their registration  
22 number to the Oklahoma Tax Commission and the Oklahoma Employment  
23 Security Commission.

1           SECTION 8.           NEW LAW           A new section of law to be codified  
2 in the Oklahoma Statutes as Section 1160.7 of Title 59, unless there  
3 is created a duplication in numbering, reads as follows:

4           A. Every person who is registered pursuant to the provisions of  
5 the Oklahoma Professional Residential and Commercial Builders  
6 Registration Act to practice as a builder in this state shall keep  
7 said registration displayed in his or her place of business as long  
8 as he or she is engaged in the practice of building. The receipt  
9 for the annual renewal of registration shall be kept at such  
10 person's place of business and shall be shown to any person  
11 requesting to see the same. The registered builder shall keep the  
12 Construction Industries Board informed of his or her current  
13 address. A registration issued by the Board is the property of the  
14 Board and shall be surrendered on demand of the Board.

15           B. Nothing in this act shall require or permit the registration  
16 or licensing of any builder by a municipality or any political  
17 subdivision of this state.

18           SECTION 9.           NEW LAW           A new section of law to be codified  
19 in the Oklahoma Statutes as Section 1160.8 of Title 59, unless there  
20 is created a duplication in numbering, reads as follows:

21           A. The Advisory Committee of Professional Residential and  
22 Commercial Registered Builders may suspend or revoke the  
23 registration of any person authorized to engage and practice as a  
24 builder pursuant to the provisions of the Oklahoma Professional

1 Residential and Commercial Builders Registration Act upon proof that  
2 the registrant:

3 1. Has used fraud or deception in applying for a registration;

4 2. Has been guilty of unprofessional conduct defined by the  
5 rules recommended by the Committee and established by the  
6 Construction Industries Board or has violated the Code of Ethics  
7 adopted by the Board; or

8 3. Has willfully violated any of the provisions of this act or  
9 any regulation adopted hereunder.

10 B. No suspension or revocation shall be made until such person  
11 appears before the Committee for a hearing. Failure to appear is  
12 grounds for suspension or revocation. Proceedings for the  
13 suspension or revocation of a license are governed by rules and  
14 regulations of the Board and by the Administrative Procedures Act.

15 C. Decisions by the Committee may be appealed to the  
16 Construction Industries Board for adjudication.

17 SECTION 10. NEW LAW A new section of law to be codified  
18 in the Oklahoma Statutes as Section 1160.9 of Title 59, unless there  
19 is created a duplication in numbering, reads as follows:

20 A. The basic personnel and necessary facilities which are  
21 required to administer the Oklahoma Professional Residential and  
22 Commercial Builders Registration Act shall be the personnel and  
23 facilities of the Construction Industries Board. The Board  
24 personnel shall act as agents of the Advisory Committee of

1 Professional Residential and Commercial Registered Builders. If  
2 necessary for the administration or implementation of this act, the  
3 Board may secure and provide for compensation for services that the  
4 Board considers necessary and may employ and compensate within  
5 available resources professional consultants, technical assistants,  
6 and employees on a full-time or part-time basis.

7 B. The Board shall maintain the records of all registered  
8 residential builders, process all applications for registration for  
9 review by the Committee, and investigate all complaints deemed to be  
10 appropriate allegations of violations of this act.

11 C. The Board shall employ such staff, equipment, and supplies  
12 as are necessary to carry out administrative and investigative  
13 functions required to maintain and support the objectives of the  
14 Committee in exercising its duties as prescribed by this act.

15 SECTION 11. NEW LAW A new section of law to be codified  
16 in the Oklahoma Statutes as Section 1160.10 of Title 59, unless  
17 there is created a duplication in numbering, reads as follows:

18 On and after July 1, 2016, any person who engages in or  
19 practices or holds himself or herself out as a builder in violation  
20 of the provisions of the Oklahoma Professional Residential and  
21 Commercial Builders Registration Act, upon conviction, shall be  
22 guilty of a misdemeanor punishable by a fine of not less than Five  
23 Hundred Dollars (\$500.00) for a first offense, not less than One  
24 Thousand Dollars (\$1,000.00) for a second offense, and not less than

1 Two Thousand Five Hundred Dollars (\$2,500.00) for any third or  
2 subsequent offense. Each day of such violation shall constitute a  
3 separate offense. Any person who fails to register for any period  
4 of twelve (12) months or more or who continues to practice or hold  
5 himself or herself out as a builder or contractor shall be  
6 permanently prohibited from registration by the Construction  
7 Industries Board.

8 SECTION 12. NEW LAW A new section of law to be codified  
9 in the Oklahoma Statutes as Section 1160.11 of Title 59, unless  
10 there is created a duplication in numbering, reads as follows:

11 A. The application and registration fees shall be set by the  
12 Construction Industries Board by rules adopted pursuant to this act.  
13 The initial application and registration fees shall be Three Hundred  
14 Dollars (\$300.00) each. The renewal fee shall be the same as the  
15 initial registration fee. The registration shall be valid for one  
16 (1) year.

17 B. Each registrant shall be required to have his or her  
18 registration number disclosed on all company vehicles bearing  
19 company signs, equipment, contracts, and any written advertising or  
20 broadcast materials.

21 C. The registrant shall be required to include his or her  
22 registration number on all building permits.

23 SECTION 13. This act shall become effective November 1, 2015.  
24

1 Passed the House of Representatives the 10th day of March, 2015.

2  
3 \_\_\_\_\_  
4 Presiding Officer of the House  
of Representatives

5 Passed the Senate the \_\_\_\_ day of \_\_\_\_\_, 2015.

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8 \_\_\_\_\_  
9 Presiding Officer of the Senate