

## **CHAPTER 2.09**

### **CONTRACTOR'S BUSINESS LICENSE PROGRAM**

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### **2.09.010 Purpose and Authority**

- (a) The purpose of this ordinance is to provide a procedure for Metro to issue a business license to contractors and landscape contracting businesses, establish a fee for the license, and distribute to participating jurisdictions the fees collected by Metro.
- (b) The authority for Metro to issue business licenses to contractors and landscape contracting businesses, establish requirements for the issuance of the license, charge a fee for the license, receive reimbursement for administrative expenses incurred in carrying out this program, determine the number of residential building permits issued within the Metro Area, and distribute the fees to participating jurisdictions is granted by ORS 671.750 – 671.755 and ORS 701.013 - 701.015. [Ord. 88-248, Sec. 1.; Ord. 91-411, Sec. 2; Ord. 02-967, Sec. 1; Ord. 14-1347.]

### **2.09.020 Definitions**

**Contractor** has the meaning given under ORS 701.005.

**Landscape contracting business** has the meaning given under ORS 671.520(2).

**Contractor business license** means a document issued by Metro to a contractor or landscape contracting business that permits the contractor or landscape contracting business to conduct business in participating jurisdictions.

**Contractor's business license fee** means any fee paid to Metro for the issuance of a contractor's business license.

**Business license tax** means any fee paid by a contractor or landscape contracting business to a city or county for any form of license that is required by the city or county to conduct business in that jurisdiction. The term does not include any franchise fee or privilege tax imposed by a participating jurisdiction upon a public utility under ORS 221.420 or 221.450 or any provision of a city charter.

**Conducting business** means engaging directly, or through officers, agents and employees, in any activity in pursuit of gain.

**Participating jurisdiction** means any city or county located wholly or partly within the boundaries of Metro that has a requirement for a contractor or landscape contracting business to obtain a business license to conduct business in that jurisdiction, and the fee for this license is not based on or measured by adjusted net income.

**Principal place of business** means the location of the central administrative office in this state of a contractor or landscape contracting business conducting business in the Metro Area.

**Residential building permit** means a building permit issued for the construction or alteration of a residential structure. A residential building permit does not mean an electrical permit, plumbing permit, or mechanical permit.

**Residential structure** has the meaning given under ORS 701.005. [Ord. 88-248, Sec. 1; Ord. 91-411, Sec. 3; Ord. 02-967, Sec. 1; Ord. 14-1347.]

### **2.09.030 Eligibility and License Issuance**

Any contractor or landscape contracting business wishing to conduct business in any participating jurisdiction shall be issued a contractor's business license if subsections (a) through (e) are met by the contractor or landscape contracting business:

- (a) Presents proof to Metro that the contractor or landscape contracting business has paid the business license tax imposed by each participating jurisdiction in which:
  - (1) The contractor or landscape contracting business has its principal place of business; and/or
  - (2) The contractor or landscape contracting business derives gross receipts of \$250,000 or more from business conducted within the boundaries of a participating jurisdiction during the calendar year for which the business license tax is owed.
- (b) Presents proof that the contractor or landscape contracting business is currently licensed by the State Construction Contractors Board or Landscape Contractors Board, respectively, unless exempted from the state licensing requirements by ORS Chapter 701 or 671.
- (c) Completes an application as required by Section 2.09.070 of this chapter;
- (d) Pays the contractor's business license fee established in Section 2.09.100 of this chapter; and
- (e) Meets all other license requirements provided under this chapter. [Ord. 88-248, Sec. 1; Ord. 91-411, Sec. 4; Ord. 02-967, Sec. 1; Ord. 14-1347.]

### **2.09.040 Denial of Issuance**

- (a) Metro shall refuse to issue a license for any one of the following reasons:
  - (1) Fraud, misrepresentation or false statement made in the applications at the time of application.
  - (2) Failure to present proof at the time of application that the applicant has met all other license requirements provided under this chapter.
  - (3) Failure to pay the contractor's business license fee established under Section 2.09.100 of this chapter.
- (b) Notice of denial of an application shall be given in writing to the applicant setting forth the grounds of the denial. Such notice shall be mailed to the applicant at the address that appears on the application for the license. This action of denial may be

appealed as provided in Section 2.09.140 of this chapter. [Ord. 88-248, Sec. 1; Ord. 91-411, Sec. 5; Ord. 02-967, Sec. 1; Ord. 14-1347.]

### **2.09.050 Exemptions**

- (a) A contractor or landscape contracting business that is required to be licensed by a city within the boundaries of Metro that imposes a business license tax based on or measured by adjusted net income earned by conducting business within the city may not obtain and possess a contractor's business license in lieu of that jurisdiction's business license. [Ord. 88-248, Sec. 1; Ord. 91-411, Sec. 6; Ord. 02-967, Sec. 1; Ord. 14-1347.]

### **2.09.060 License Effect**

Except as provided for in 2.09.050, a contractor or landscape contracting business issued a contractor's business license by Metro may conduct business without any other business license in participating jurisdictions in which the contractor or landscape contracting business:

- (1) Has no principal place of business;
- (2) Has not derived gross receipts of \$250,000 or more from business conducted within the boundary of the participating jurisdiction during the calendar year for which the business license tax is owed. [Ord. 88-248, Sec. 1; Ord. 91-411, Sec. 7; Ord. 99-817A, Sec. 1; Ord. 02-967, Sec. 1; Ord. 14-1347.]

### **2.09.070 Application for License**

To obtain a contractor's business license, a contractor or landscape contracting business must make application in person or by mail to Metro upon forms provided and prescribed by Metro. The completed application shall be filed with the fee described in Section 2.09.100 of this chapter with Metro before a contractor or landscape contracting business is issued a contractor's business license. [Ord. 88-248, Sec. 1; Ord. 91-411, Sec. 8; Ord. 02-967, Sec. 1; Ord. 14-1347.]

### **2.09.080 Application Contents**

Each application for a contractor's business license received by Metro shall contain:

- (a) The name of the contractor or landscape contracting business making application.
- (b) The name of a contact person.
- (c) The address of the principal place of business of the contractor or landscape contracting business.
- (d) The telephone number of the contractor or landscape contracting business.

- (e) State of Oregon Construction Contractor's Board or State Landscape Contractor's Board license number unless exempted from state licensing requirements by ORS 701 or 671, respectively. If exemption is claimed, the contractor or landscape contracting business making application shall provide a statement of exemption on the form approved by Metro.
- (f) Date of application.
- (g) The signature of the contractor or landscape contracting business making the application.
- (h) Proof that the contractor or landscape contracting business has paid the business license tax to the participating jurisdiction in which:
  - (1) The contractor or landscape contracting business has its principal place of business; and/or
  - (2) The contractor or landscape contracting business derives gross receipts of \$250,000 or more from business conducted within the boundaries of a participating jurisdiction during the calendar year for which the business license tax is owed.
- (i) Such other information as Metro shall determine. [Ord. 88-248, Sec. 1; Ord. 91-411, Sec. 9; Ord. 02-967, Sec. 1; Ord. 14-1347.]

### **2.09.090 Validity of the License**

- (a) The license shall be valid from the date of issuance to the first day of the month in the following year; if issued after the middle of any month, the license shall be valid to the first day of the following month of that year. The license shall not be issued for a portion of a year.
- (b) Before the expiration of the contractor's business license, Metro shall notify the contractor or landscape contracting business to whom the license was issued of the approaching expiration. Within 90 days prior to the expiration date, the notice shall be mailed to the contractor or landscape contracting business at the address shown on the original application for the license maintained by Metro.
- (c) Metro is not required to notify the contractor or landscape contracting business of an approaching expiration if the contractor's business license has been revoked under Section 2.09.130 of this chapter, or if the contractor or landscape contracting business failed to notify Metro of a change of address. [Ord. 88-248, Sec. 1; Ord. 91-411, Sec. 10; Ord. 02-967, Sec 1; Ord. 14-1347.]

### **2.09.100 Fee**

- (a) The fee to be paid by any contractor for a contractor's business license is to be set by Metro and is nonrefundable.

- (b) The fee to be paid by any landscape contracting business for a contractor's business license is to be set by Metro and is non-refundable.
- (c) The fees in (a) and (b) above are to be twice the average business license tax charged to contractors and landscape contracting businesses, respectively, in participating jurisdictions in Metro's jurisdiction, plus Metro's administrative expenses. [Ord. 88-248, Sec. 1; Ord. 91-411, Sec. 11; Ord. 99-817A, Sec. 2; Ord. 14-1347.]

### **2.09.110 License**

Each contractor's business license issued under this chapter shall state upon its face the following:

- (a) The name of the licensee.
- (b) The address of the licensee.
- (c) A unique license number established by Metro.
- (d) The date of issuance.
- (e) The date of expiration.
- (f) Such other information as Metro shall determine. [Ord. 88-248, Sec. 1; Ord. 91-411, Sec. 12; Ord. 02-967, Sec. 1]

### **2.09.120 Renewal**

Each contractor or landscape contracting business requesting renewal of a license must make application, as described in Section 2.09.070 of this chapter, to Metro upon forms provided and prescribed by Metro. The completed application for renewal of the contractor's business license shall be filed with the fee described in Section 2.09.100 of this chapter with Metro before a renewal license is issued. [Ord. 88-248, Sec. 1; Ord. 91-411, Sec. 14; Ord. 02-967, Sec. 1; Ord. 14-1347.]

### **2.09.130 Revocation**

- (a) A license issued under this chapter may be revoked by Metro, after notice, for any of the following reasons:
  - (1) Fraud, misrepresentation or false statement contained in the application for the license.
  - (2) Fraud, misrepresentation or false statement made in the course of carrying out the licensed activity.
  - (3) Conducting the licensed activity in an unlawful manner or in such a manner as to constitute a menace to the health, safety or general welfare of the public.

- (4) Failure to comply with the ordinances and resolutions of a jurisdiction within the boundaries of Metro in which the license holder is conducting business authorized by this license.
- (b) Notice of revocation of a license shall be given in writing to the licensee setting forth the grounds of the complaint. Such notice shall be mailed by certified mail at least 10 working days before the date of revocation to the licensee at the address that appears on the application for the license being revoked. Revocation shall be effective 10 working days after notice of revocation. [Ord. 88-248, Sec. 1; Ord. 91-411, Sec. 15; Ord. 02-967, Sec. 1.]

#### **2.09.140 Appeal of a Revoked License or Denied Application**

Any contractor or landscape contracting business aggrieved by the action of Metro in denying an application for or revocation of a contractor's business license is entitled to appeal action under the provisions of Metro Code chapter 2.05. [Ord. 88-248, Sec. 1; Ord. 91-411, Sec. 16; Ord. 02-967, Sec. 1; Ord. 14-1347.]

#### **2.09.150 Penalty**

Any contractor or landscape contracting business that fails to comply with or violates any provision of this chapter is subject to penalties under Section 1.01.110 of this Code. In the event that a provision of this chapter is violated by a firm or corporation, the officer or contractor or landscape contracting business responsible for the violation shall be subject to the penalty provided in Section 1.01.110 of this Code. [Ord. 88-248, Sec. 1; Ord. 91-411, Sec. 17; Ord. 14-1347.]

#### **2.09.160 Distribution of Fees**

Metro shall distribute the contractor's business license fees collected by Metro under this chapter to participating jurisdictions after Metro has received reimbursement for administrative expenses incurred in carrying out the provisions of this chapter. At least once a year, each participating jurisdiction shall receive a share of the contractor's business license fees collected by Metro based on a ratio of the number of residential building permits issued by each participating jurisdiction to the total number of residential building permits issued during that year by all participating jurisdictions. Metro shall determine the number of residential building permits issued by participating jurisdictions as required to by ORS 701.015 and 671.755 or otherwise in Metro's discretion if no data anticipated by statute is available. [Ord. 88-248, Sec. 1; Ord. 91-411, Sec. 18; Ord. 02-967, Sec. 1; Ord. 14-1347.]

#### **2.09.170 Regulations**

The Chief Operating Officer may establish such other contractor's business license regulations, not inconsistent with this chapter, as may be necessary and expedient. [Ord. 88-248, Sec. 1; Ord. 91-411, Sec. 19; Ord. 02-967, Sec. 1.]