

# GENERAL INFORMATION FOR A LANDSCAPE CONTRACTING BUSINESS LICENSE

## WHO MUST BE LICENSED?

Oregon's Landscape Construction Licensing Law, ORS 671.510-671.760, requires any business that offers the services of a landscape construction professional to have a valid landscape contracting business license. The law also states "no person shall use the title of a landscape contracting business, or any title, sign, card or other device indicating, or tending to indicate, advertise or represent in any manner that the person is a landscape contracting business unless the person has a valid landscape contracting business license issued pursuant to ORS 671.560."

The landscape contracting business license is required for any individual or business entity which advertises, offers, bids, arranges, or engages to "plan and install lawns, shrubs, vines, trees and other nursery stock, including the grading and preparation of plots and areas of land; constructing or repairing ornamental water features, drainage and irrigation systems for nursery stock; plan and install fences, decks, walkways, retaining walls, patios and landscape edging or do any part or combination of any such activities." Violations of the law can result in civil penalties of up to \$2,000 per offense.

## LICENSE CATEGORIES & EMPLOYMENT VERIFICATION

The business must **employ** an individual licensed landscape construction professional **or apply for and obtain the individual landscape construction professional license yourself** prior to submitting the landscape contracting business license application.

The LCB issues business licenses for All Phase plus Backflow; Standard-No Irrigation No Backflow; Irrigation plus Backflow; and Probationary All Phase plus Backflow. For a business to engage in any of these phases, at least one individual licensed landscape construction professional who is either an employee or an owner must be licensed for that phase of work. The business is licensed to perform the phase that coincides with the individual landscape construction professional(s)' license(s) that owns or is employed by the business.

All licensed landscape construction professionals whose license is partially or totally the basis of the landscape contracting business' license must submit the Employee Verification form, current pay stub with SSN redacted (blacked out) or a W-4. If the owner of a sole proprietorship is the phase basis, the pay stub or W-4 are not required. The Verification of Employment form certifies the licensed landscape construction professional understands the responsibility and accountability of being the supervising licensee for the landscape construction work that is done by this business. (OAR 808-003-0018)

## OWNER/MANAGING EMPLOYEE:

You must provide the Landscape Contractors Board with the name of the individual who will be designated to be the owner/managing employee. This individual must:

1. complete a 16-hour course and pass the Laws & Rules Section of the LCB examination.
2. be employed full time by the business and exercise operational or managerial control over the business activities of the landscape contracting business.

If this individual is also a landscape construction professional, the Laws & Rules section of the LCB examination has already been completed and the 16-hour course is not required.

### **INDEPENDENT CONTRACTOR LAW:**

Oregon law (ORS 671.525) requires all businesses (individual proprietorships, partnerships, joint ventures, corporations, and LLC's) to qualify as an independent contractor in order to be licensed with the LCB. This means you must demonstrate the business activities will be performed in compliance with Oregon's independent contractor law ORS 670.600.

### **FEES: \$300**

**The application fee is \$75. The annual fee for the landscape contracting business license is \$225.** The total of these two fees must be received in the LCB office before a landscape contracting business license will be issued. The LCB accepts checks, money orders, Visa or MasterCard. Make checks payable to the Landscape Contractors Board.

### **GENERAL LIABILITY INSURANCE: \$100,000 Minimum**

You must provide proof that the business carries public liability, personal injury and property damage insurance during the entire period of licensing. Failure to carry and continuously maintain this insurance will result in the immediate suspension of the landscape contracting business license and a possible civil penalty.

The insurance must be issued by an insurance company licensed with the Department of Insurance and Finance in order for you to do business in Oregon. It must cover the work that is subject to the provisions of ORS 671.510 to 671.760 and not have any exclusion for the type of damage the business might cause as a result of the landscape work the business performs.

1. Business liability, personal injury and property damage insurance is available from many insurance companies
2. You must carry a minimum of \$100,000 per occurrence of general liability insurance.
3. The Certificate of Insurance must be made out in the exact name of the individual proprietor, partnership, corporation or LLC.
4. The Certificate of Insurance must show the LCB as the Certificate holder.

### **SURETY BOND: \$3,000, \$10,000 or \$15,000**

You must provide the Landscape Contractors Board an original surety bond\* as security for claims filed against the license. This bond must be a Landscape Contractors Board bond. **(The LCB will accept electronic facsimile of bonds but the surety provider shall provide the original bond document upon request.)**

1. Surety bonds are available from many bond and insurance companies.
2. The bond must be made out in the exact name of the landscape contracting business
3. The amount of the bond must be:
  - a.) **\$ 3,000** for landscape jobs under \$10,000;
  - b) **\$10,000** for landscape jobs between \$10,001 - \$25,000 or if your business constructs fences, decks, arbors, driveways, walkways, patios, landscape edging and/or retaining walls that are not done in conjunction with landscape work without a Construction Contractors Board license; or
  - c) **\$15,000** for landscape jobs over \$25,000.
- \* Landscape job is the total of one or more contracts for a project for the same consumer on the same job site during a 12 month period.
4. The bond must have the signature of the bond company's attorney-in-fact, and signature of the individual proprietor, a partner, a corporate officer or an LLC member.
5. The bond must include the bond company's seal.
6. If a Power of Attorney form is attached to the bond, do not remove it.

7. A lapse in bond will result in immediate suspension of the license and a possible civil penalty.

\*In lieu of a surety bond, an applicant may provide an assignment of savings or irrevocable letter of credit in a financial institution of their choice. For forms, call 503-378-5909 ext 221.

**CRIMINAL BACKGROUND:**

The LCB has the right to check on the criminal records of the applicant. The applicant is:

1. a sole proprietor of, general partner in or holder of a controlling interest in a business;
2. a majority stockholder in a limited partnership;
3. a manager in a manager-managed limited liability company;
4. a member in a member-managed limited liability company; or
5. a person who has a financial interest in a business and manages or shares in the managements of the business.

**ONCE THE BUSINESS BECOMES LICENSED, WHAT OTHER LICENSES OR PERMITS ARE NEEDED?**

**Local Business Licenses:** Contact your local city or county business license office to determine if a local business license is needed. Landscape contracting businesses in the Portland area may be able to purchase a reduced cost regional contractors license through the Portland Metropolitan Service District. Call Metro at 503-797-1620.

**Building Permits:** Building permits are issued through local city and county offices and in some areas of Oregon by the State of Oregon Building Codes Division. Contact the Building Codes Division at 503-378-4133.

**Plumbers, Electrician and other building trade licenses:** Call the Building Codes Division at 503-378-4133.

**Pesticide Applicators License or Nursery License:** Contact the Department of Agriculture at 503-986-4550.

**Construction Contractors License:** Contact the Construction Contractors Board (CCB) at 503-378-4621.

**Business Information Center (Corporation Division):** 503-986-2200