

05/21/2014 12:31:50 PM

HOUSE OF REPRESENTATIVES  
CONFERENCE COMMITTEE REPORT

Mr. President:  
Mr. Speaker:

The Conference Committee, to which was referred

**HB3359**

By: Echols of the House and Jolley of the Senate

Title: Liens; creating the Oklahoma Construction Registry Act; effective date.










Together with Engrossed Senate Amendments thereto, beg leave to report that we have had the same under consideration and herewith return the same with the following recommendations:

1. That the Senate recede from its amendment;
2. That the attached Conference Committee Substitute be adopted.

Respectfully submitted,

House Action \_\_\_\_\_ Date \_\_\_\_\_ Senate Action \_\_\_\_\_ Date \_\_\_\_\_

HB3359 CCR (A)  
**HOUSE CONFEREES**

Cleveland, Bobby		Henke, Katie	<hr/>
Matthews, Kevin	<hr/>	McBride, Mark	
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Nollan, Jadine		Ortega, Charles	<hr/>
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Coates \_\_\_\_\_

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David \_\_\_\_\_

Ellis \_\_\_\_\_

Fields *[Signature]*

Ford *[Signature]*

Griffin *[Signature]*

Halligan *[Signature]*

Holt *[Signature]*

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C. Johnson \_\_\_\_\_

R. Johnson *[Signature]*

Jolley \_\_\_\_\_

Justice *[Signature]*

Marlatt *[Signature]*

Mazzer \_\_\_\_\_

Newberry *[Signature]*

Paddack \_\_\_\_\_

Standridge *[Signature]*

Stanislawski *[Signature]*

Sykes \_\_\_\_\_

House Action \_\_\_\_\_ Date \_\_\_\_\_ Senate Action \_\_\_\_\_ Date \_\_\_\_\_

**AUTHOR(s)/COAUTHOR(s) CURRENTLY IN THE QUEUE for HB3359**

**As of 5/21/2014 12:16:27 PM**

Add as coauthor Senator Ivester

1 STATE OF OKLAHOMA

2 2nd Session of the 54th Legislature (2014)

3 CONFERENCE COMMITTEE  
4 SUBSTITUTE  
5 FOR ENGROSSED  
6 HOUSE BILL NO. 3359

By: Echols and McBride of the  
House

and

Jolley of the Senate

7  
8  
9  
10 CONFERENCE COMMITTEE SUBSTITUTE

11 An Act relating to liens; creating the Oklahoma  
12 Construction Registry Act; making use of registry  
13 voluntary; requiring provider to register if project  
14 is registered in order to preserve lien or bond  
15 rights; defining terms; excepting residential  
16 construction projects; directing administrator employ  
17 personnel, procure supplies and promulgate rules;  
18 permitting registration of project by owner or  
19 general contractor; prescribing timing for  
20 registration; directing administrator assign registry  
21 number; requiring number be provided in certain  
22 contracts; listing information to be disclosed to  
23 administrator; providing applicability of current law  
24 if registry is not used; requiring provider to  
register; permitting provider registration at any  
time during project; clarifying frequency of  
registration; listing information to be disclosed to  
administrator; directing administrator send notice to  
provider, owner and general contractor; barring lien  
and bond rights for failure to register in time  
provided; waiving pre-lien notice for registrants;  
prescribing maximum fees; directing deposit of fees;  
describing how funds should be expended; creating  
revolving fund; specifying type of fund; directing  
budgeting and spending of funds by administrator;  
limiting fund; creating industry advisory council to  
assist and advise administrator; describing

1 membership and appointment of council members;  
2 providing for codification; and providing an  
3 effective date.  
4

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

6 SECTION 1. NEW LAW A new section of law to be codified  
7 in the Oklahoma Statutes as Section 160.1 of Title 42, unless there  
8 is created a duplication in numbering, reads as follows:

9 This act shall be known and may be cited as the "Oklahoma  
10 Construction Registry Act". The owner or project general contractor  
11 may choose to use the Construction Registry. Once a project is  
12 registered, all project providers shall register, and any provider  
13 who does not register shall forfeit all rights to file a lien or  
14 collect on a bond.

15 SECTION 2. NEW LAW A new section of law to be codified  
16 in the Oklahoma Statutes as Section 160.2 of Title 42, unless there  
17 is created a duplication in numbering, reads as follows:

18 A. As used in the Oklahoma Construction Registry Act:

19 1. "Administrator" means the Secretary of State or designee;

20 2. "Construction Registry" means a centralized electronic  
21 database maintained by the administrator that provides a central  
22 repository for the submission and management of notices of  
23 commencement of work on a commercial construction project;  
24

1        3. "Construction Registry Number" (CRN) means the unique number  
2 assigned by the administrator for each construction project  
3 registered on the Construction Registry. This number shall be used  
4 to associate all data to a project;

5        4. "General contractor" (GC) means the person or entity that  
6 directly contracts with the owner for the construction or  
7 construction management of an owner's project. For purposes of this  
8 act, the term general contractor (GC) encompasses construction  
9 managers including construction manager at risk (CMR) and  
10 construction manager of agency (CMA);

11        5. "Owner" means the property owner or the owner's  
12 representative who has a legal right to contract with providers for  
13 services and materials for a construction project; and

14        6. "Provider" means any person or entity, other than employees,  
15 who furnishes labor, services, materials or rental equipment on a  
16 construction project.

17        B. Nothing in this act shall apply to residential construction  
18 projects. "Residential" means a single-family or multifamily  
19 project of four or fewer dwelling units.

20        SECTION 3.        NEW LAW        A new section of law to be codified  
21 in the Oklahoma Statutes as Section 160.3 of Title 42, unless there  
22 is created a duplication in numbering, reads as follows:

23        The administrator of the Construction Registry shall:  
24

1 1. Employ personnel and procure supplies and equipment as may  
2 be necessary to carry out and implement the requirements of the  
3 Oklahoma Construction Registry Act;

4 2. Promulgate rules and prescribe forms to implement the  
5 provisions of the act;

6 3. Contract with any company to develop the data system  
7 necessary to accomplish the requirements of the act; and

8 4. Administer any provision of the act through the use of the  
9 Internet or other technology as deemed necessary or appropriate.

10 SECTION 4. NEW LAW A new section of law to be codified  
11 in the Oklahoma Statutes as Section 160.4 of Title 42, unless there  
12 is created a duplication in numbering, reads as follows:

13 A. The owner or general contractor may register the project  
14 within ten (10) business days after the contract signing date or the  
15 start of construction, whichever occurs first. Any project that is  
16 not registered within the prescribed time shall not be afforded the  
17 benefits of the Oklahoma Construction Registry Act and shall be  
18 subject to the current lien laws of the state. The administrator  
19 shall assign a Construction Registry Number to the project upon  
20 registration. The Construction Registry Number shall be provided in  
21 every contract with subcontractors or subcontractors of  
22 subcontractors. Any person or entity acquiring materials, services,  
23 labor or rental equipment from any provider on a project that has  
24



1 | been assigned a Construction Registry Number shall furnish the  
2 | provider with that Construction Registry Number.

3 |       B. The owner or general contractor shall provide the following  
4 | information to the administrator:

5 |       1. The owner's name, physical and mailing address, name of  
6 | contact person, name of project if any, email address and telephone  
7 | number;

8 |       2. The architect, physical and mailing address, name of contact  
9 | person, email address and telephone number;

10 |       3. The general contractor, physical and mailing address, name  
11 | of contact person, email address and telephone number;

12 |       4. The project's street address or the project's legal  
13 | description or the parcel number when available; and

14 |       5. The bond information to include name of issuer and bond  
15 | number if project is bonded.

16 |       C. When the owner or general contractor elects not to register  
17 | or fails to register a project on the Construction Registry within  
18 | the time allowed in subsection A of this section the project shall  
19 | default to the current lien and bond law.

20 |       SECTION 5.       NEW LAW       A new section of law to be codified  
21 | in the Oklahoma Statutes as Section 160.5 of Title 42, unless there  
22 | is created a duplication in numbering, reads as follows:

23 |       A. In order to preserve its lien rights, a provider shall  
24 | register on the Construction Registry each project assigned a

1 Construction Registry Number for which that provider is furnishing  
2 materials, labor, services or rental equipment. A provider may  
3 register at any time during the construction project. Registration  
4 is required only one time for each project. However, any provider  
5 who may furnish labor, services, materials or rental equipment to  
6 more than one entity on a project shall register each entity to  
7 which it is providing the labor, services, materials or rental  
8 equipment. Registration by any provider using the Construction  
9 Registry shall preserve the lien rights of that provider for  
10 activity up to sixty (60) days prior to the date of registration  
11 through the completion date of the project. Registration by  
12 provider eliminates the pre-lien notice requirement in Section 142.6  
13 of Title 42 of the Oklahoma Statutes. The registration shall  
14 contain all of the following information:

- 15 1. The Construction Registry Number;
- 16 2. The provider's name, mailing address, physical address,  
17 email address, telephone number and contact person;
- 18 3. The date of first supply of materials, labor, services or  
19 rental equipment by the provider if the provider has done so at the  
20 time of registration; and
- 21 4. Any other information required by the administrator pursuant  
22 to rule.

23 B. At the time a provider first registers on the Construction  
24 Registry, the administrator shall electronically send notification

1 to the owner, general contractor, and confirmation notice to the  
2 provider and shall docket the notice on the Construction Registry as  
3 prescribed by the administrator pursuant to rule. Confirmation of  
4 registration shall be provided at no cost to any registrant.  
5 Registry subscription shall facilitate the registering entity to  
6 obtain reporting on all filings for any project on which the entity  
7 is a registrant.

8 C. A provider who fails to register in the time provided for in  
9 subsection A of this section shall forfeit that provider's lien and  
10 bond rights for that time period under the lien and bonding laws of  
11 the state on a private construction project or to proceed against a  
12 contractor's bond on a public or private construction project. Any  
13 provider who has properly registered under the Oklahoma Construction  
14 Registry Act shall retain all lien rights and bond rights, and the  
15 provider shall not be required to give the pre-lien notice required  
16 in Section 142.6 of Title 42 of the Oklahoma Statutes.

17 SECTION 6. NEW LAW A new section of law to be codified  
18 in the Oklahoma Statutes as Section 160.6 of Title 42, unless there  
19 is created a duplication in numbering, reads as follows:

20 A. The following are the maximum fees for each posting to the  
21 Construction Registry and review by any party that is not registered  
22 on the project:

23 1. Project registration \$10.00  
24

1 After a project is registered, the owner and general contractor  
2 may review at no additional charge.

3 2. Provider registration \$5.00

4 The provider shall register each additional entity to whom  
5 they sell on the project \$2.00

6 After a provider is registered, the provider may review at no  
7 additional charge.

8 3. Nonregistered party's review \$10.00

9 4. The administrator may, by rule, establish a subscription fee  
10 system for a provider in lieu of the above individual fees.

11 B. All monies collected by the administrator for registration  
12 fees shall be deposited to the Oklahoma Construction Registry  
13 Revolving Fund created by Section 7 of this act. These funds shall  
14 be used by the administrator to implement, administer and maintain  
15 the Oklahoma Construction Registry Act. Payment may be made to the  
16 administrator in the same manner as other fees are paid to the  
17 administrator.

18 SECTION 7. NEW LAW A new section of law to be codified  
19 in the Oklahoma Statutes as Section 160.7 of Title 42, unless there  
20 is created a duplication in numbering, reads as follows:

21 There is hereby created in the State Treasury a revolving fund  
22 for the administrator to be designated the "Oklahoma Construction  
23 Registry Revolving Fund". The fund shall be a continuing fund, not  
24 subject to fiscal year limitations, and shall consist of monies from

1 registration fees and any other monies collected pursuant to the  
2 Oklahoma Construction Registry Act. All monies accruing to the  
3 credit of the fund are hereby appropriated and may be budgeted and  
4 expended by the administrator for implementation, administration and  
5 maintenance of the Oklahoma Construction Registry Act. Expenditures  
6 from the fund shall be made upon warrants issued by the State  
7 Treasurer against claims filed as prescribed by law with the  
8 Director of the Office of Management and Enterprise Services for  
9 approval and payment. This fund shall be subject to and comply with  
10 the provisions of Section 211 of Title 62 of the Oklahoma Statutes.

11 SECTION 8. NEW LAW A new section of law to be codified  
12 in the Oklahoma Statutes as Section 160.8 of Title 42, unless there  
13 is created a duplication in numbering, reads as follows:

14 There is hereby created a nine-member industry advisory council  
15 to assist and advise the administrator in the development, design,  
16 implementation and operation of the Construction Registry.

17 Membership and appointments for the advisory council shall be as  
18 follows:

19 1. The Governor shall appoint one member from a statewide  
20 general contractor trade association, one member from a statewide  
21 state association providing service or materials to the construction  
22 industry, and one member from a statewide banking trade association;

23 2. The Speaker of the House of Representatives shall appoint  
24 one member from a statewide general contractor trade association and

1 two members from statewide state associations providing services or  
2 materials to the construction industry; and

3 3. The President Pro Tempore of the Senate shall appoint one  
4 member from a statewide general contractor trade association and two  
5 members from statewide state associations providing services or  
6 materials to the construction industry.

7 SECTION 9. This act shall become effective July 1, 2015.

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9 54-2-11058 EK 05/19/14

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