

# House Bill 3124

Sponsored by Representative HOLVEY

## SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Prohibits consumer contract that limits consumer's right to make statement about company, product or service.

Declares emergency, effective on passage.

## A BILL FOR AN ACT

1  
2 Relating to consumer contracts that purport to limit a consumer's right to make certain statements;  
3 creating new provisions; amending ORS 646.608; and declaring an emergency.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1. (1) A provision in a contract or proposed contract to sell or lease consumer**  
6 **goods or services that purports to waive or limit a consumer's right to make any statement**  
7 **regarding the seller or lessor or the seller's or lessor's employees or agents, or concerning**  
8 **the goods or services, is contrary to public policy and is void and unenforceable.**

9 **(2) A seller or lessor of consumer goods or services may not enforce, attempt to enforce**  
10 **or threaten to enforce a provision that is void and unenforceable under subsection (1) of this**  
11 **section.**

12 **(3) A person who violates subsection (2) of this section engages in an unlawful practice**  
13 **under ORS 646.608.**

14 **SECTION 2.** ORS 646.608, as amended by section 3, chapter 19, Oregon Laws 2014, is amended  
15 to read:

16 646.608. (1) A person engages in an unlawful practice if in the course of the person's business,  
17 vocation or occupation the person does any of the following:

18 (a) Passes off real estate, goods or services as the real estate, goods or services of another.

19 (b) Causes likelihood of confusion or of misunderstanding as to the source, sponsorship, ap-  
20 proval, or certification of real estate, goods or services.

21 (c) Causes likelihood of confusion or of misunderstanding as to affiliation, connection, or asso-  
22 ciation with, or certification by, another.

23 (d) Uses deceptive representations or designations of geographic origin in connection with real  
24 estate, goods or services.

25 (e) Represents that real estate, goods or services have sponsorship, approval, characteristics,  
26 ingredients, uses, benefits, quantities or qualities that the real estate, goods or services do not have  
27 or that a person has a sponsorship, approval, status, qualification, affiliation, or connection that the  
28 person does not have.

29 (f) Represents that real estate or goods are original or new if the real estate or goods are de-  
30 teriorated, altered, reconditioned, reclaimed, used or secondhand.

31 (g) Represents that real estate, goods or services are of a particular standard, quality, or grade,

**NOTE:** Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted.  
New sections are in **boldfaced** type.

1 or that real estate or goods are of a particular style or model, if the real estate, goods or services  
2 are of another.

3 (h) Disparages the real estate, goods, services, property or business of a customer or another  
4 by false or misleading representations of fact.

5 (i) Advertises real estate, goods or services with intent not to provide the real estate, goods or  
6 services as advertised, or with intent not to supply reasonably expectable public demand, unless the  
7 advertisement discloses a limitation of quantity.

8 (j) Makes false or misleading representations of fact concerning the reasons for, existence of,  
9 or amounts of price reductions.

10 (k) Makes false or misleading representations concerning credit availability or the nature of the  
11 transaction or obligation incurred.

12 (L) Makes false or misleading representations relating to commissions or other compensation to  
13 be paid in exchange for permitting real estate, goods or services to be used for model or demon-  
14 stration purposes or in exchange for submitting names of potential customers.

15 (m) Performs service on or dismantles any goods or real estate if the owner or apparent owner  
16 of the goods or real estate does not authorize the service or dismantling.

17 (n) Solicits potential customers by telephone or door to door as a seller unless the person pro-  
18 vides the information required under ORS 646.611.

19 (o) In a sale, rental or other disposition of real estate, goods or services, gives or offers to give  
20 a rebate or discount or otherwise pays or offers to pay value to the customer in consideration of  
21 the customer giving to the person the names of prospective purchasers, lessees, or borrowers, or  
22 otherwise aiding the person in making a sale, lease, or loan to another person, if earning the rebate,  
23 discount or other value is contingent upon an event occurring after the time the customer enters  
24 into the transaction.

25 (p) Makes any false or misleading statement about a prize, contest or promotion used to publi-  
26 cize a product, business or service.

27 (q) Promises to deliver real estate, goods or services within a certain period of time with intent  
28 not to deliver the real estate, goods or services as promised.

29 (r) Organizes or induces or attempts to induce membership in a pyramid club.

30 (s) Makes false or misleading representations of fact concerning the offering price of, or the  
31 person's cost for real estate, goods or services.

32 (t) Concurrent with tender or delivery of any real estate, goods or services fails to disclose any  
33 known material defect or material nonconformity.

34 (u) Engages in any other unfair or deceptive conduct in trade or commerce.

35 (v) Violates any of the provisions relating to auction sales, consignment sales, auctioneers,  
36 consignees or auction marts under ORS 698.640, whether in a commercial or noncommercial situ-  
37 ation.

38 (w) Manufactures mercury fever thermometers.

39 (x) Sells or supplies mercury fever thermometers unless the thermometer is required by federal  
40 law, or is:

41 (A) Prescribed by a person licensed under ORS chapter 677; and

42 (B) Supplied with instructions on the careful handling of the thermometer to avoid breakage and  
43 on the proper cleanup of mercury should breakage occur.

44 (y) Sells a thermostat that contains mercury unless the thermostat is labeled in a manner to  
45 inform the purchaser that mercury is present in the thermostat and that the thermostat may not be

1 disposed of until the mercury is removed, reused, recycled or otherwise managed to ensure that the  
 2 mercury does not become part of the solid waste stream or wastewater. For purposes of this para-  
 3 graph, “thermostat” means a device commonly used to sense and, through electrical communication  
 4 with heating, cooling or ventilation equipment, control room temperature.

5 (z) Sells or offers for sale a motor vehicle manufactured after January 1, 2006, that contains  
 6 mercury light switches.

7 (aa) Violates the provisions of ORS 803.375, 803.385 or 815.410 to 815.430.

8 (bb) Violates ORS 646A.070 (1).

9 (cc) Violates any requirement of ORS 646A.030 to 646A.040.

10 (dd) Violates the provisions of ORS 128.801 to 128.898.

11 (ee) Violates ORS 646.883 or 646.885.

12 (ff) Violates ORS 646.569.

13 (gg) Violates the provisions of ORS 646A.142.

14 (hh) Violates ORS 646A.360.

15 (ii) Violates ORS 646.553 or 646.557 or any rule adopted pursuant thereto.

16 (jj) Violates ORS 646.563.

17 (kk) Violates ORS 759.690 or any rule adopted pursuant thereto.

18 (LL) Violates the provisions of ORS 759.705, 759.710 and 759.720 or any rule adopted pursuant  
 19 thereto.

20 (mm) Violates ORS 646A.210 or 646A.214.

21 (nn) Violates any provision of ORS 646A.124 to 646A.134.

22 (oo) Violates ORS 646A.095.

23 (pp) Violates ORS 822.046.

24 (qq) Violates ORS 128.001.

25 (rr) Violates ORS 646A.800 (2) to (4).

26 (ss) Violates ORS 646A.090 (2) to (4).

27 (tt) Violates ORS 87.686.

28 (uu) Violates ORS 646A.803.

29 (vv) Violates ORS 646A.362.

30 (ww) Violates ORS 646A.052 or any rule adopted under ORS 646A.052 or 646A.054.

31 (xx) Violates ORS 180.440 (1) or 180.486 (1).

32 (yy) Commits the offense of acting as a vehicle dealer without a certificate under ORS 822.005.

33 (zz) Violates ORS 87.007 (2) or (3).

34 (aaa) Violates ORS 92.405 (1), (2) or (3).

35 (bbb) Engages in an unlawful practice under ORS 646.648.

36 (ccc) Violates ORS 646A.365.

37 (ddd) Violates ORS 98.854 or 98.858 or a rule adopted under ORS 98.864.

38 (eee) Sells a gift card in violation of ORS 646A.276.

39 (fff) Violates ORS 646A.102, 646A.106 or 646A.108.

40 (ggg) Violates ORS 646A.430 to 646A.450.

41 (hhh) Violates a provision of ORS 744.318 to 744.384.

42 (iii) Violates a provision of ORS 646A.702 to 646A.720.

43 (jjj) Violates ORS 646A.530 30 or more days after a recall notice, warning or declaration de-  
 44 scribed in ORS 646A.530 is issued for the children’s product, as defined in ORS 646A.525, that is the  
 45 subject of the violation.

- 1 (kkk) Violates a provision of ORS 697.612, 697.642, 697.652, 697.662, 697.682, 697.692 or 697.707.
- 2 (LLL) Violates the consumer protection provisions of the Servicemembers Civil Relief Act, 50
- 3 U.S.C. App. 501 et seq., as in effect on January 1, 2010.
- 4 (mmm) Violates a provision of ORS 646A.480 to 646A.495.
- 5 (nnn) Violates ORS 646A.082.
- 6 (ooo) Violates ORS 646.647.
- 7 (ppp) Violates ORS 646A.115.
- 8 (qqq) Violates a provision of ORS 646A.405.
- 9 (rrr) Violates ORS 646A.092.
- 10 (sss) Violates a provision of ORS 646.644.
- 11 (ttt) Violates a provision of ORS 646A.295.
- 12 (uuu) Violates ORS 646A.564.
- 13 (vvv) Engages in the business of, or acts in the capacity of, an immigration consultant, as de-
- 14 fined in ORS 9.280, in this state and for compensation, unless federal law authorizes the person to
- 15 do so or unless the person is an active member of the Oregon State Bar.
- 16 (www) Violates ORS 702.012, 702.029, 702.032 or 702.054.
- 17 (xxx) Violates ORS 646A.806.
- 18 (yyy) Violates section 2 (2), chapter 19, Oregon Laws 2014.
- 19 **(zzz) Violates section 1 of this 2015 Act.**

20 (2) A representation under subsection (1) of this section or ORS 646.607 may be any manifesta-

21 tion of any assertion by words or conduct, including, but not limited to, a failure to disclose a fact.

22 (3) In order to prevail in an action or suit under ORS 646.605 to 646.652, a prosecuting attorney

23 need not prove competition between the parties or actual confusion or misunderstanding.

24 (4) An action or suit may not be brought under subsection (1)(u) of this section unless the At-

25 torney General has first established a rule in accordance with the provisions of ORS chapter 183

26 declaring the conduct to be unfair or deceptive in trade or commerce.

27 (5) Notwithstanding any other provision of ORS 646.605 to 646.652, if an action or suit is brought

28 under subsection (1)(xx) of this section by a person other than a prosecuting attorney, relief is lim-

29 ited to an injunction and the prevailing party may be awarded reasonable attorney fees.

30 **SECTION 3. Section 1 of this 2015 Act and the amendments to ORS 646.608 by section 2**

31 **of this 2015 Act apply to contracts executed or renewed on or after the effective date of this**

32 **2015 Act.**

33 **SECTION 4. This 2015 Act being necessary for the immediate preservation of the public**

34 **peace, health and safety, an emergency is declared to exist, and this 2015 Act takes effect**

35 **on its passage.**

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