

SB 797 A STAFF MEASURE SUMMARY

Carrier: Sen. Monnes Anderson

Senate Committee On Judiciary

Action Date: 04/03/19

Action: Do pass with amendments. (Printed A-Eng.)

Vote: 7-0-0-0

Yeas: 7 - Bentz, Fagan, Gelser, Linthicum, Manning Jr, Prozanski, Thatcher

Fiscal: No fiscal impact

Revenue: No revenue impact

Prepared By: Michael Lantz, Counsel

Meeting Dates: 4/3

WHAT THE MEASURE DOES:

Provides that national or wholesale vehicle auction company is exempt from prohibitions on certain consignment practices if taking vehicle from a non-retail customer. Declares emergency, effective on passage.

ISSUES DISCUSSED:

- Need to align statute with current practice
- Difference between wholesale and retail vehicle transactions
- Number of wholesale transactions in Oregon
- Continued protections for consumers

EFFECT OF AMENDMENT:

Clarifies application of measure.

BACKGROUND:

Oregon law contains a list of requirements and prohibitions related to vehicle consignments. ORS 822.060. This includes bans on taking consignments from an individual who is not either the registered owner of a vehicle or a vehicle dealer, taking a vehicle from a security interest holder who has not first completed a repossession action with documentary proof, or taking a vehicle without having the terms of the consignment agreement in writing.

Senate Bill 797 A provides that wholesale vehicle auction companies and national auction companies specializing in totaled vehicles do not have to comply with the requirements and prohibitions contained in ORS 822.060 so long as the auction company is taking the vehicle from a non-retail consignor, such as a bank or consignment company.