

HB 2292 STAFF MEASURE SUMMARY**Carrier:** Sen. Gelser Blouin**Senate Committee On Judiciary**

Action Date: 05/01/23
Action: Do pass.
Vote: 3-2-0-0
Yeas: 3 - Gelser Blouin, Manning Jr, Prozanski
Nays: 2 - Linthicum, Thatcher
Fiscal: Has minimal fiscal impact
Revenue: No revenue impact
Prepared By: Patricia Pascone, LPRO Analyst
Meeting Dates: 4/24, 5/1

WHAT THE MEASURE DOES:

Permits a property owner or renter to rescind a written contract for landscaping services within three business days of that person executing the agreement, unless the work is agreed to occur within that time or the contract is amended after that time. Requires landscape contracting businesses to provide notice at the time of executing an agreement of the right to rescind, and allows the Oregon Landscape Contractors Board to specify the form and content of the notice. Right of rescission becomes operative on January 2, 2024. Takes effect on 91st day following adjournment sine die.

ISSUES DISCUSSED:

- Consumer protection measure
- Landscape Contractors Board received complaints from consumers about high-pressure tactics and large nonrefundable deposits
- Measure would not provide right of rescission for amendments to contracts

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

The Oregon Landscape Contractors Board is a semi-independent state agency and its structure and duties are set out in ORS 671.630 to ORS 671.710. It has authority to investigate activities of persons engaging in a landscape contracting business to determine compliance with landscape contractor license laws and rules. It is tasked with establishing minimum standards for written contracts and billings, which are contained in OAR 808-002-0020. It also has statutory duties regarding acceptance, investigation, and resolution of claims filed by property owners that are payable from a bond, letter of credit, or deposit required of a landscape contracting business.

Under ORS 671.625, a landscape job for which a landscape contracting business charges \$2,000 or more may only be performed under a written contract. A home solicitation for services must also be evidenced in writing, per ORS 83.730, and contain a notice of the right to cancel or rescind the agreement as specified in statute. The buyer has until midnight three business days after signing the agreement to cancel or rescind, and ORS 83.750 provides that any services performed by the seller within that time are at the seller's risk.

House Bill 2292 provides the right to rescind a written contract for landscaping services within three business days of executing the agreement, requires the business to provide notice of the right to rescind, and permits the Oregon Landscape Contractors Board to specify the form and content of the notice.