

# Senate Bill 734

Sponsored by Senator GIROD (Pre-session filed.)

## 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**.

Requires advertisement for auction sale, or auctioneer or auction mart operator in course of auction, to state whether item that is subject to auction has reserve price and, if so, to disclose reserve price.

Takes effect on 91st day following adjournment sine die.

## A BILL FOR AN ACT

1  
2 Relating to disclosures of reserve prices in connection with auction sales; creating new provisions;  
3 amending ORS 698.640; and prescribing an effective date.

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

5 **SECTION 1.** ORS 698.640 is amended to read:

6 698.640. (1) Except as provided in ORS 698.650:

7 (a) This section establishes requirements for auction sales, consignment sales, auctioneers, con-  
8 signees and auction marts.

9 (b) A person who violates a requirement under this section commits an unlawful practice as  
10 described in ORS 646.608 (1)(v) that is subject to enforcement and penalty as provided under ORS  
11 336.184 and 646.605 to 646.652.

12 (c) The requirements of this section are in addition to the provisions of ORS 72.3280 that relate  
13 to auctions and in addition to other provisions of law that govern consignment sales.

14 (2) The following requirements apply to auction sales, consignment sales, auctioneers, con-  
15 signees and auction marts as described:

16 (a) An advertisement of an auction sale or consignment sale must include the name of the  
17 auctioneer who will conduct the auction sale or the person responsible for conducting the auction  
18 sale or consignment sale.

19 (b) An auctioneer, auction mart operator or consignee may not use any method of bidding at an  
20 auction or selling at a consignment sale that will allow the auctioneer, auction mart operator or  
21 consignee to purchase property in an undisclosed manner on the auctioneer's, auction mart  
22 operator's or consignee's own behalf.

23 (c) An auctioneer, auction mart operator or consignee may not use a method of bidding at an  
24 auction or selling at a consignment sale that allows the auctioneer, auction mart operator or con-  
25 signee to avoid selling property offered for sale at auction or at a consignment sale.

26 (d) An auctioneer, auction mart operator or consignee may not employ or use another person  
27 to act as a bidder or buyer at the auction or consignment sale on behalf of the auctioneer, auction  
28 mart operator or consignee.

29 **(e) An advertisement for an auction sale, or an auctioneer or auction mart operator in**  
30 **the course of an auction, as appropriate, must state whether an item subject to auction has**

**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 **a reserve price and, if so, must disclose the reserve price.**

2 [(e)] (f) If an auctioneer, auction mart operator or consignee does not immediately pay moneys  
3 that the auctioneer, auction mart operator or consignee owes to a person after selling real or per-  
4 sonal property that the person offered, gave or entrusted to the auctioneer, auction mart operator  
5 or consignee to sell on the person's behalf at auction or at a consignment sale, the auctioneer,  
6 auction mart operator or consignee shall:

7 (A) Maintain the moneys in trust for the person in a trust account that is separate from any  
8 account that the auctioneer, auction mart operator or consignee uses for personal reasons or other  
9 business reasons, and identify and account for the moneys so that the moneys may be distinguished  
10 from moneys that are subject to the auctioneer's, auction mart operator's or consignee's other debts;

11 (B) Account to the person for all moneys the auctioneer, auction mart operator or consignee  
12 receives in payment for the person's real or personal property;

13 (C) Pay the moneys the auctioneer, auction mart operator or consignee owes to the person  
14 within 21 calendar days after the date of the auction or the consignment sale at which the  
15 auctioneer, auction mart operator or consignee sold the person's real or personal property, unless  
16 the person and the auctioneer, auction mart operator or consignee have mutually agreed in writing  
17 to payment on a different date; and

18 (D) Return the person's unsold property within 21 calendar days after the auction or consign-  
19 ment sale unless the parties have mutually agreed in writing to another date.

20 **SECTION 2. The amendments to ORS 698.640 by section 1 of this 2023 Act apply to auc-**  
21 **tion sales that occur on and after the effective date of this 2023 Act.**

22 **SECTION 3. This 2023 Act takes effect on the 91st day after the date on which the 2023**  
23 **regular session of the Eighty-second Legislative Assembly adjourns sine die.**

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