

HB 3605 A STAFF MEASURE SUMMARY

Senate Committee On Judiciary

Prepared By: Kris Kolta, LPRO Analyst

Meeting Dates: 4/24, 5/6

WHAT THE MEASURE DOES:

The measure establishes that violations of the Oregon Home Solicitation Act are unlawful practices under the Unlawful Trade Practices Act. It takes effect on the 91st day following adjournment sine die.

HOUSE VOTE: Ayes, 51; Nays, 4

REVENUE: No revenue impact

FISCAL: No fiscal impact

ISSUES DISCUSSED:

- High pressure home sales tactics
- Change in penalty and not substance to existing law
- Codification and clarification of existing case law along with private right of action
- Protecting the elderly from being targeted

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

The Unlawful Trade Practices Act (UTPA) is one tool consumers can use to recover damages that occur because of deceptive sales or business practices. The UTPA provides individuals with a right to sue for deceptive practices with the sale of real estate, goods, or services. It prohibits both general and specific conduct.

Generally, the UTPA says that a person engages in unlawful practices if, during business, the person

- employs unconscionable tactics when selling, renting, or disposing of real estate, goods or services; and
- fails to deliver the goods or services or refuses to refund money to the consumer for undelivered goods.

An individual may bring an action for any of the specific acts prohibited by the UTPA, but only a prosecuting attorney (district attorney or attorney general) may bring an action for the more general “unconscionable tactics” outlined in statute.

Oregon's Home Solicitation Sales Act (HSSA) is a consumer protection statute that grants a customer in a home solicitation sale the right to cancel the transaction within three business days of either signing the sales agreement or paying by cash or check. The HSSA generally applies to sales, leases, or rentals of goods or services in an amount of at least \$25 and purchased primarily for personal, family, or household purposes. The HSSA requires sellers to provide buyer with a written agreement with specified details, including a notice informing the buyer of their right to cancel. The HSSA also sets baseline requirements for telephone solicitation sales.

A different version of this measure was considered by the Legislative Assembly during the 2023 session as House Bill 2620.