

SB 430 A -A7 STAFF MEASURE SUMMARY

House Committee On Commerce and Consumer Protection

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Meeting Dates: 5/13, 5/20

WHAT THE MEASURE DOES:

The measure specifies that a person who offers or sells goods or services online to a resident of Oregon may not advertise, display, or offer a price for the goods or services that does not include all fees or charges that a purchaser must pay to complete a transaction for the goods or services except taxes or fees that a governmental body imposes on a transaction or reasonable charges that the person actually incurs to ship the goods or provide the services. Applies to transactions that conclude on or after the effective date of the measure. Takes effect on the 91st day following adjournment sine die.

Detailed Summary:

Section 1

Specifies that a person who offers or sells goods or services online to a resident of Oregon may not advertise, display, or offer a price for the goods or services that does not include all fees or charges that a purchaser must pay to complete a transaction for the goods or services except taxes or fees that a governmental body imposes on a transaction or reasonable charges that the person actually incurs to ship the goods or provide the services. Makes violation of this provision an unlawful business or trade practice. Provides exceptions to this requirement.

Section 2

Makes conforming amendment.

Section 3

Applies to transactions that conclude on or after the effective date of this measure.

Section 4

Takes effect on the 91st day following adjournment sine die.

Fiscal impact: Minimal Fiscal Impact

Revenue impact: No Revenue Impact

SENATE VOTE: Ayes, 18; Nays, 11

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

-A7 The amendment excludes a service fee calculated by distance or purchaser's selections, that must still be shown before a customer proceeds to agree to the purchase, from the requirement that all fees and charges be included in any advertisement, display, or offer for an online good or service.

BACKGROUND:

The Federal Trade Commission (FTC) was created on September 26, 1914. It is a government agency that is intended to protect the public from deceptive or unfair business practices, and from unfair methods of competition. Recently, the FTC issued a final rule on unfair or deceptive fees that will be effective on May 12, 2025. The final rule, 16 CFR Part 464, specifies that it is an unfair and deceptive practice for businesses to offer,

display, or advertise any price of live-event tickets or short-term lodging without clearly, conspicuously and prominently disclosing the total price. The rule defines "total price" to include the maximum total of all fees or charges a consumer must pay for any goods or services and any mandatory ancillary good or service, except that government charges, shipping charges, and fees or charges for any optional ancillary good or service may be excluded. The final rule also requires businesses to make specified disclosures before a consumer makes a purchase. Finally, the rule makes it an unfair and deceptive practice for businesses to misrepresent any fee or charge in any offer, display, or advertisement for live-event tickets or short-term lodging.

The Unlawful Trade Practices Act (UTPA) is one tool consumers may use to recover damages that occur as a result of deceptive sales or business practices. The UTPA was enacted in 1971. The UTPA provides individuals with a right of private action for deceptive practices with the sale of real estate, goods, or services. Additional recovery powers are given to the Attorney General and district attorneys.

Senate Bill 430 A specifies that a person who offers or sells goods or services online to a resident of Oregon may not advertise, display, or offer a price for the goods or services that does not include all fees or charges that a purchaser must pay to complete a transaction for the goods or services except taxes or fees that a governmental body imposes on a transaction or reasonable charges that the person actually incurs to ship the goods or provide the services