

HB 3178-1
(LC 2551)
3/17/25 (TSB/ps)

Requested by Representative SOSA

**PROPOSED AMENDMENTS TO
HOUSE BILL 3178**

1 On page 1 of the printed bill, delete lines 5 through 22 and delete pages
2 2 through 7 and insert:

3 **“SECTION 1.** ORS 646A.090 is amended to read:

4 “646A.090. (1) As used in this section:

5 “(a) ‘Buyer’ means a person that purchases **a motor vehicle from a**
6 **seller** or leases a motor vehicle **from a lessor**.

7 “(b) ‘Final approval of funding’ means a lender’s irrevocable agreement
8 to purchase a retail installment contract or lease agreement from a seller
9 according to the exact terms that the seller and buyer have negotiated.

10 “(c) ‘Lender’ means a person that purchases **from a seller** a retail in-
11 stallment contract or lease agreement for a motor vehicle.

12 “(d) ‘Motor vehicle’ means a motor vehicle, as defined in ORS 801.360,
13 that is sold or leased in this state for personal, family or household purposes.

14 “(e) ‘Seller’ means a person that holds a current, valid vehicle dealer
15 certificate issued under ORS 822.020.

16 “(2) A seller may offer to sell or lease a motor vehicle to a buyer or
17 prospective buyer under a retail installment contract or lease agreement that
18 is subject to a lender’s agreement to purchase the retail installment contract
19 or lease agreement into which the buyer enters.

20 “(3) In any transaction described in subsection (2) of this section:

21 **“(a) A seller shall provide to a buyer before concluding the trans-**

1 action a conspicuous notice written in the English language, separate
2 from all other documents that the seller provides to the buyer, that
3 reads:

4 “

5 **RETAIL INSTALLMENT CONTRACT DISCLOSURE**

6
7 **Availability of Disclosure in Other Languages:**

8
9 Please ask the seller if you would like to receive this document in a
10 language other than English.

11
12 **Name:** _____

13 **Address:** _____

14 **Phone:** _____

15
16 **Buyer Information:**

17
18 **Name:** _____

19 **Address:** _____

20 **Phone:** _____

21
22 **Vehicle Information:**

23
24 **Make:** _____

25 **Model:** _____

26 **Year:** _____

27 **VIN:** _____

28 **Mileage:** _____

29
30 **Right to Cancel:**

1 You have a right to cancel this motor vehicle transaction within 10
2 days after you take possession of the motor vehicle if a lender does
3 not agree to purchase the retail installment contract on the exact
4 terms that you and the seller negotiated.

5
6 **Seller's Failure to Comply:**
7

8 If the seller refuses to comply with your right to cancel the retail in-
9 stallment contract, you may wish to consult with a lawyer. You can
10 contact the Oregon State Bar's lawyer referral service at:
11 _____. You may also contact the consumer protection hotline
12 at the Oregon Department of Justice at: (____)_____ or file a
13 complaint online at: _____.

14
15 **Acknowledgement and Signature:**
16

17 By signing below, you acknowledge receiving this disclosure and that
18 you understand the terms and your rights that are outlined above.

19
20 **Seller's signature:** _____

21 **Date:** _____
22

23 **Buyer's signature:** _____

24 **Date:** _____
25

26 “ _____

27 “(b) The Attorney General may adopt a model form for the disclo-
28 sure described in paragraph (a) of this subsection.

29 “(c) A seller shall make good faith efforts to sell the retail install-
30 ment contract or lease agreement to a lender on the exact terms that

1 **the seller and buyer negotiated.**

2 “[a)] (d) If, within [14] **10 calendar** days after a buyer takes possession
3 of a motor vehicle, a lender does not agree to purchase a retail installment
4 contract or lease agreement on the exact terms that the seller and the buyer
5 negotiate and the seller does not receive final approval of funding from the
6 lender, the seller shall *[return to the buyer all items of value the seller re-*
7 *ceived from the buyer as part of the transaction; and]*:

8 **“(A) Unconditionally accept the retail installment contract or lease**
9 **agreement after satisfying, removing or waiving any conditions on the**
10 **seller’s acceptance or performance, including financing, assignment,**
11 **lease approval and delivery and finance the transaction under the ex-**
12 **act terms to which the seller and buyer previously agreed; or**

13 **“(B) Reject the retail installment contract or the lease agreement**
14 **and thereby void the transaction.**

15 **“(e) If the seller chooses to void the transaction as described in**
16 **paragraph (d)(B) of this subsection, the seller shall:**

17 **“(A) Send, within two days after the period described in paragraph**
18 **(d) of this subsection expires, a notice by first class mail and written**
19 **electronic communication, unless the buyer declines to receive the**
20 **notice in one of those forms, stating that a lender has not agreed to**
21 **purchase the retail installment contract or lease agreement and that**
22 **the seller has chosen to void the transaction; and**

23 **“(B) Return to the buyer all items of value the seller received from**
24 **the buyer as part of the transaction.**

25 **“(f) If the seller neither affirmatively accepts the retail installment**
26 **contract as provided in paragraph (d)(A) of this subsection nor ex-**
27 **pressly rejects and voids the transaction as provided in paragraph**
28 **(d)(B) of this subsection, the seller has chosen to void the retail in-**
29 **stallment contract as provided in paragraph (d)(A) of this subsection.**

30 “[b)] (g) If the seller has accepted a trade-in motor vehicle from the

1 buyer, the seller may not sell, [or] lease **or pay off an outstanding loan**
2 **balance that the buyer owes on** the buyer's trade-in motor vehicle before
3 the seller receives final approval of funding from the lender.

4 **“(h) If, before receiving final approval of funding from the lender,**
5 **the seller:**

6 **“(A) Sells the trade-in motor vehicle, the seller is liable to the buyer**
7 **for the greater of:**

8 **“(i) The amount of the payoff balance for the loan on the trade-in**
9 **motor vehicle;**

10 **“(ii) The trade-in value of the trade-in motor vehicle; or**

11 **“(iii) Any payment the seller received from selling the trade-in**
12 **motor vehicle.**

13 **“(B) Sells the trade-in motor vehicle and pays off the outstanding**
14 **loan balance that the buyer owes, the seller is liable to the buyer as**
15 **provided in subparagraph (A) of this paragraph, less the amount the**
16 **seller paid on the outstanding loan balance.**

17 **“(C) Pays off the outstanding loan balance that the buyer owes on**
18 **the trade-in motor vehicle but does not sell the trade-in motor vehicle,**
19 **the seller must return the trade-in motor vehicle to the buyer and fi-**
20 **nance the balance of the outstanding amount that the buyer owed on**
21 **the trade-in motor vehicle on the same terms and conditions that ap-**
22 **plied to the loan that the buyer originally had for the trade-in motor**
23 **vehicle.**

24 (4) In any transaction described in subsection (2) of this section **or in**
25 **instances in which the seller voids a transaction as provided in sub-**
26 **section (3)(d)(B) of this section,** if the buyer has accepted a motor vehicle
27 from the seller that is subject to a retail installment contract or lease
28 agreement, and a lender does not agree to purchase the retail installment
29 contract or lease agreement on the exact terms the seller and the buyer ne-
30 gotiated, the buyer shall return to the seller all items of value the buyer

1 received from the seller as part of the transaction. The seller may charge the
2 buyer only for *[amounts that the retail installment contract or lease agreement*
3 *provides in writing that the seller may charge. The retail installment contract*
4 *or lease agreement may provide only for these amounts:]*

5 “[(a)] the fair market value of damage to, excessive wear and tear on or
6 loss of the motor vehicle that occurs between the date the buyer takes pos-
7 session of the motor vehicle and the date the buyer returns the motor vehicle
8 to the seller’s custody[; and], **and only if the retail installment contract**
9 **or lease agreement provides for the charge in writing.**

10 “[b) If, within 14 days after the date on which the buyer takes possession
11 of the motor vehicle, the seller sends notice to the buyer by first class mail or
12 written electronic communication that a lender has not agreed to purchase the
13 retail installment contract or lease agreement, a reasonable charge per mile for
14 the use of the motor vehicle. The charge may not exceed the rate per mile al-
15 lowed under federal law as a deduction for federal income tax purposes for
16 an ordinary and necessary business expense.]

17 “[5) If the buyer makes a reasonable attempt to return the vehicle within
18 five days after the seller sends a notice under subsection (4)(b) of this section,
19 but the seller is not available to accept the return, the seller may not charge
20 the buyer under subsection (4)(b) of this section.]

21 “[6)(a)] **(5)(a)** Subject to paragraph (b) of this subsection, a seller has an
22 affirmative defense to a claim or charge of violating subsection [(3)(a)] **(3)(d)**
23 of this section by showing that the buyer failed to return the motor vehicle
24 after the seller sent the notice described in subsection [(4)(b)] **(3)(e)(A)** of
25 this section.

26 “(b) A seller shall retain proof of the date on which the seller sent to the
27 buyer the notice described in subsection [(4)(b)] **(3)(e)(A)** of this section.

28 **“SECTION 2.** ORS 646.608, as amended by section 6, chapter 410, Oregon
29 Laws 2023, is amended to read:

30 “646.608. (1) A person engages in an unlawful practice if in the course of

1 the person's business, vocation or occupation the person does any of the
2 following:

3 "(a) Passes off real estate, goods or services as the real estate, goods or
4 services of another.

5 "(b) Causes likelihood of confusion or of misunderstanding as to the
6 source, sponsorship, approval, or certification of real estate, goods or ser-
7 vices.

8 "(c) Causes likelihood of confusion or of misunderstanding as to affil-
9 iation, connection, or association with, or certification by, another.

10 "(d) Uses deceptive representations or designations of geographic origin
11 in connection with real estate, goods or services.

12 "(e) Represents that real estate, goods or services have sponsorship, ap-
13 proval, characteristics, ingredients, uses, benefits, quantities or qualities that
14 the real estate, goods or services do not have or that a person has a spon-
15 sorship, approval, status, qualification, affiliation, or connection that the
16 person does not have.

17 "(f) Represents that real estate or goods are original or new if the real
18 estate or goods are deteriorated, altered, reconditioned, reclaimed, used or
19 secondhand.

20 "(g) Represents that real estate, goods or services are of a particular
21 standard, quality, or grade, or that real estate or goods are of a particular
22 style or model, if the real estate, goods or services are of another.

23 "(h) Disparages the real estate, goods, services, property or business of a
24 customer or another by false or misleading representations of fact.

25 "(i) Advertises real estate, goods or services with intent not to provide
26 the real estate, goods or services as advertised, or with intent not to supply
27 reasonably expectable public demand, unless the advertisement discloses a
28 limitation of quantity.

29 "(j) Makes false or misleading representations of fact concerning the
30 reasons for, existence of, or amounts of price reductions.

1 “(k) Makes false or misleading representations concerning credit avail-
2 ability or the nature of the transaction or obligation incurred.

3 “(L) Makes false or misleading representations relating to commissions
4 or other compensation to be paid in exchange for permitting real estate,
5 goods or services to be used for model or demonstration purposes or in ex-
6 change for submitting names of potential customers.

7 “(m) Performs service on or dismantles any goods or real estate if the
8 owner or apparent owner of the goods or real estate does not authorize the
9 service or dismantling.

10 “(n) Solicits potential customers by telephone or door to door as a seller
11 unless the person provides the information required under ORS 646.611.

12 “(o) In a sale, rental or other disposition of real estate, goods or services,
13 gives or offers to give a rebate or discount or otherwise pays or offers to pay
14 value to the customer in consideration of the customer giving to the person
15 the names of prospective purchasers, lessees, or borrowers, or otherwise
16 aiding the person in making a sale, lease, or loan to another person, if
17 earning the rebate, discount or other value is contingent upon an event oc-
18 curring after the time the customer enters into the transaction.

19 “(p) Makes any false or misleading statement about a prize, contest or
20 promotion used to publicize a product, business or service.

21 “(q) Promises to deliver real estate, goods or services within a certain
22 period of time with intent not to deliver the real estate, goods or services
23 as promised.

24 “(r) Organizes or induces or attempts to induce membership in a pyramid
25 club.

26 “(s) Makes false or misleading representations of fact concerning the of-
27 fering price of, or the person’s cost for real estate, goods or services.

28 “(t) Concurrent with tender or delivery of any real estate, goods or ser-
29 vices, fails to disclose any known material defect or material nonconformity.

30 “(u) Engages in any other unfair or deceptive conduct in trade or com-

1 merce.

2 “(v) Violates any of the provisions relating to auction sales, consignment
3 sales, auctioneers, consignees or auction marts under ORS 698.640, whether
4 in a commercial or noncommercial situation.

5 “(w) Manufactures mercury fever thermometers.

6 “(x) Sells or supplies mercury fever thermometers unless the thermometer
7 is required by federal law, or is:

8 “(A) Prescribed by a person licensed under ORS chapter 677; and

9 “(B) Supplied with instructions on the careful handling of the
10 thermometer to avoid breakage and on the proper cleanup of mercury should
11 breakage occur.

12 “(y) Sells a thermostat that contains mercury, unless the thermostat is
13 labeled in a manner to inform the purchaser that mercury is present in the
14 thermostat and that the thermostat may not be disposed of until the mercury
15 is removed, reused, recycled or otherwise managed to ensure that the mer-
16 cury does not become part of the solid waste stream or wastewater. For
17 purposes of this paragraph, ‘thermostat’ means a device commonly used to
18 sense and, through electrical communication with heating, cooling or venti-
19 lation equipment, control room temperature.

20 “(z) Sells or offers for sale a motor vehicle manufactured after January
21 1, 2006, that contains mercury light switches.

22 “(aa) Violates the provisions of ORS 803.375, 803.385 or 815.410 to 815.430.

23 “(bb) Violates ORS 646A.070 (1).

24 “(cc) Violates any requirement of ORS 646A.030 to 646A.040.

25 “(dd) Violates the provisions of ORS 128.801 to 128.898.

26 “(ee) Violates ORS 646.883 or 646.885.

27 “(ff) Violates ORS 646.569 or 646A.374.

28 “(gg) Violates the provisions of ORS 646A.142.

29 “(hh) Violates ORS 646A.360.

30 “(ii) Violates ORS 646.553 or 646.557 or any rule adopted pursuant thereto.

1 “(jj) Violates ORS 646.563.

2 “(kk) Violates ORS 759.680 or any rule adopted pursuant thereto.

3 “(LL) Violates the provisions of ORS 759.705, 759.710 and 759.720 or any

4 rule adopted pursuant thereto.

5 “(mm) Violates ORS 646A.210 or 646A.214.

6 “(nn) Violates any provision of ORS 646A.124 to 646A.134.

7 “(oo) Violates ORS 646A.095.

8 “(pp) Violates ORS 822.046.

9 “(qq) Violates ORS 128.001.

10 “(rr) Violates ORS 646A.800 (2) to (4).

11 “(ss) Violates ORS 646A.090 [(2) to (5)].

12 “(tt) Violates ORS 87.686.

13 “(uu) Violates ORS 646A.803.

14 “(vv) Violates ORS 646A.362.

15 “(ww) Violates ORS 646A.052 or any rule adopted under ORS 646A.052 or

16 646A.054.

17 “(xx) Violates ORS 180.440 (1) or 180.486 (1).

18 “(yy) Commits the offense of acting as a vehicle dealer without a certifi-

19 cate under ORS 822.005.

20 “(zz) Violates ORS 87.007 (2) or (3).

21 “(aaa) Violates ORS 92.405 (1), (2) or (3).

22 “(bbb) Engages in an unlawful practice under ORS 646.648.

23 “(ccc) Violates ORS 646A.365.

24 “(ddd) Violates ORS 98.853, 98.854, 98.856 or 98.858.

25 “(eee) Sells a gift card in violation of ORS 646A.276.

26 “(fff) Violates ORS 646A.102, 646A.106 or 646A.108.

27 “(ggg) Violates ORS 646A.430 to 646A.450.

28 “(hhh) Violates a provision of ORS 744.318 to 744.384.

29 “(iii) Violates a provision of ORS 646A.702 to 646A.720.

30 “(jjj) Violates ORS 646A.530 30 or more days after a recall notice, warning

1 or declaration described in ORS 646A.530 is issued for the children's product,
2 as defined in ORS 646A.525, that is the subject of the violation.

3 "(kkk) Violates a provision of ORS 697.612, 697.642, 697.652, 697.662,
4 697.682, 697.692 or 697.707.

5 "(LLL) Violates the consumer protection provisions of the
6 Servicemembers Civil Relief Act, 50 U.S.C. 3901 et seq., as in effect on Jan-
7 uary 1, 2010.

8 "(mmm) Violates a provision of ORS 646A.480 to 646A.495.

9 "(nnn) Violates ORS 646A.082.

10 "(ooo) Violates ORS 646.647.

11 "(ppp) Violates ORS 646A.115.

12 "(qqq) Violates a provision of ORS 646A.405.

13 "(rrr) Violates ORS 646A.092.

14 "(sss) Violates a provision of ORS 646.644.

15 "(ttt) Violates a provision of ORS 646A.295.

16 "(uuu) Engages in the business of, or acts in the capacity of, an immi-
17 gration consultant, as defined in ORS 9.280, in this state and for compen-
18 sation, unless federal law authorizes the person to do so or unless the person
19 is an active member of the Oregon State Bar.

20 "(vvv) Violates ORS 702.012, 702.029 or 702.054.

21 "(www) Violates ORS 646A.806.

22 "(xxx) Violates ORS 646A.810 (2).

23 "(yyy) Violates ORS 443.376.

24 "(zzz) Violates a provision of ORS 646A.770 to 646A.787.

25 "(aaaa) Violates ORS 815.077.

26 "(2) A representation under subsection (1) of this section or ORS 646.607
27 may be any manifestation of any assertion by words or conduct, including,
28 but not limited to, a failure to disclose a fact.

29 "(3) In order to prevail in an action or suit under ORS 336.184 and 646.605
30 to 646.652, a prosecuting attorney need not prove competition between the

1 parties or actual confusion or misunderstanding.

2 “(4) An action or suit may not be brought under subsection (1)(u) of this
3 section unless the Attorney General has first established a rule in accord-
4 ance with the provisions of ORS chapter 183 declaring the conduct to be
5 unfair or deceptive in trade or commerce.

6 “(5) Notwithstanding any other provision of ORS 336.184 and 646.605 to
7 646.652, if an action or suit is brought under subsection (1)(xx) of this section
8 by a person other than a prosecuting attorney, relief is limited to an in-
9 junction, and the prevailing party may be awarded reasonable attorney fees.

10 **“SECTION 3. The amendments to ORS 646A.090 by section 1 of this**
11 **2025 Act apply to retail installment contracts and lease agreements**
12 **into which a seller and buyer enter on or after the effective date of**
13 **this 2025 Act.”.**

14 _____