CORRECTED

SB 484 B

Rep. Bonamici

MEASURE:

CARRIER:

74th OREGON LEGISLATIVE ASSEMBLY - 2007 Regular Session

STAFF MEASURE SUMMARY

House Committee on Consumer Protection

REVENUE: No revenue impact FISCAL: No fiscal impact

Action: Do Pass as Amended and Be Printed Engrossed

Vote: 4 - 3 - 0

Yeas: Bonamici, Galizio, Riley, Holvey

Nays: Gilliam, Girod, Nelson

Exc.: 0

Prepared By: Steve Dixon, Administrator

Meeting Dates: 5/16, 5/31

WHAT THE MEASURE DOES: Allows consumer to revoke provision of consumer contract that requires the consumer to assert or respond to claim in another state. Defines consumer contract as a contract for personal, family or household purposes of \$15,000, or less. Remedies include requiring proceedings to be conducted in this state and reasonable attorney fees against attempted enforcement of revoked provision.

ISSUES DISCUSSED:

Consumer contracts, arbitration clauses and their effect on consumers and businesses.

EFFECT OF COMMITTEE AMENDMENT: Adds definition of consumer contract and limits bill to those consumer contracts of \$15,000 or less. Clarifies that the remedy for violation is to require proceeding to be within Oregon. Removes provision allowing appearance by telephone.

BACKGROUND: Consumer contracts may have clauses that require a consumer to assert or to respond to a claim in a different state. Consumers in Oregon may have trouble enforcing terms of a contract because of the cost of traveling to another state. SB 484 B requires that the forum for deciding disputes involving consumer contracts be within Oregon.