

House Bill 2374

Sponsored by Representative DALLUM (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 motor vehicle body and frame repair shop to display sign disclosing preferred provider agreement with motor vehicle insurer.

Makes failure of repair shop to display required sign or sign noting that insurer may not require that repairs be made by particular person or shop unlawful trade practice.

A BILL FOR AN ACT

1
2 Relating to signs displayed by motor vehicle repair shops; creating new provisions; and amending
3 ORS 646.608 and 746.285.

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

5 **SECTION 1.** ORS 746.285 is amended to read:

6 746.285. (1) A person operating a motor vehicle body and frame repair shop shall display in a
7 conspicuous place in the shop a sign in [*bold face*] **boldfaced** type in letters at least two inches high
8 reading substantially as follows:

9
10
11 PURSUANT TO OREGON INSURANCE LAW, AN INSURANCE COMPANY MAY NOT RE-
12 QUIRE THAT REPAIRS BE MADE TO A MOTOR VEHICLE BY A PARTICULAR PERSON OR
13 REPAIR SHOP.
14

15
16 (2) **If a person operating a motor vehicle body and frame repair shop has a preferred**
17 **provider agreement, the person shall display in a conspicuous place in the shop and in close**
18 **proximity to or as a part of the sign required in subsection (1) of this section a sign in**
19 **boldfaced type in letters at least two inches high reading substantially as follows:**
20

21
22 **THIS REPAIR SHOP HAS A FINANCIAL AGREEMENT WITH ONE OR MORE INSUR-**
23 **ANCE COMPANIES TO DIRECT BUSINESS TO THIS FACILITY. DETAILS OF THESE**
24 **AGREEMENTS ARE AVAILABLE UPON REQUEST.**
25

26
27 (3) **A person operating a motor vehicle body and frame repair shop that has a preferred**
28 **provider agreement shall keep a copy of the agreement on the premises of the shop and shall**
29 **provide a copy of the agreement or an explanation of the details of the agreement to any**
30 **person upon request.**

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 **(4) As used in this section, “preferred provider agreement” means an agreement between**
2 **an insurer that issues motor vehicle liability insurance policies and the operator of a motor**
3 **vehicle body and frame repair shop through which the operator agrees to offer a discounted**
4 **price for parts or services or a limitation on the scope of work performed in exchange for**
5 **the insurer’s suggestion of the repair shop as a shop in which a person with a physically**
6 **damaged vehicle may obtain repairs.**

7 **SECTION 2.** ORS 646.608 is amended to read:

8 646.608. (1) A person engages in an unlawful practice when in the course of the person’s busi-
9 ness, vocation or occupation the person does any of the following:

10 (a) Passes off real estate, goods or services as those of another.

11 (b) Causes likelihood of confusion or of misunderstanding as to the source, sponsorship, ap-
12 proval, or certification of real estate, goods or services.

13 (c) Causes likelihood of confusion or of misunderstanding as to affiliation, connection, or asso-
14 ciation with, or certification by, another.

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

17 (e) Represents that real estate, goods or services have sponsorship, approval, characteristics,
18 ingredients, uses, benefits, quantities or qualities that they do not have or that a person has a
19 sponsorship, approval, status, qualification, affiliation, or connection that the person does not have.

20 (f) Represents that real estate or goods are original or new if they are deteriorated, altered,
21 reconditioned, reclaimed, used or secondhand.

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

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

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

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

31 (k) Makes false or misleading representations concerning credit availability or the nature of the
32 transaction or obligation incurred.

33 (L) Makes false or misleading representations relating to commissions or other compensation to
34 be paid in exchange for permitting real estate, goods or services to be used for model or demon-
35 stration purposes or in exchange for submitting names of potential customers.

36 (m) Performs service on or dismantles any goods or real estate when not authorized by the
37 owner or apparent owner thereof.

38 (n) Solicits potential customers by telephone or door to door as a seller unless the person pro-
39 vides the information required under ORS 646.611.

40 (o) In a sale, rental or other disposition of real estate, goods or services, gives or offers to give
41 a rebate or discount or otherwise pays or offers to pay value to the customer in consideration of
42 the customer giving to the person the names of prospective purchasers, lessees, or borrowers, or
43 otherwise aiding the person in making a sale, lease, or loan to another person, if earning the rebate,
44 discount or other value is contingent upon occurrence of an event subsequent to the time the cus-
45 tomer enters into the transaction.

- 1 (p) Makes any false or misleading statement about a prize, contest or promotion used to publi-
 2 cize a product, business or service.
- 3 (q) Promises to deliver real estate, goods or services within a certain period of time with intent
 4 not to deliver them as promised.
- 5 (r) Organizes or induces or attempts to induce membership in a pyramid club.
- 6 (s) Makes false or misleading representations of fact concerning the offering price of, or the
 7 person's cost for real estate, goods or services.
- 8 (t) Concurrent with tender or delivery of any real estate, goods or services fails to disclose any
 9 known material defect or material nonconformity.
- 10 (u) Engages in any other unfair or deceptive conduct in trade or commerce.
- 11 (v) Violates any of the provisions relating to auction sales, auctioneers or auction marts under
 12 ORS 698.640, whether in a commercial or noncommercial situation.
- 13 (w) Manufactures mercury fever thermometers.
- 14 (x) Sells or supplies mercury fever thermometers unless the thermometer is required by federal
 15 law, or is:
- 16 (A) Prescribed by a person licensed under ORS chapter 677; and
- 17 (B) Supplied with instructions on the careful handling of the thermometer to avoid breakage and
 18 on the proper cleanup of mercury should breakage occur.
- 19 (y) Sells a thermostat that contains mercury unless the thermostat is labeled in a manner to
 20 inform the purchaser that mercury is present in the thermostat and that the thermostat may not be
 21 disposed of until the mercury is removed, reused, recycled or otherwise managed to ensure that the
 22 mercury does not become part of the solid waste stream or wastewater. For purposes of this para-
 23 graph, "thermostat" means a device commonly used to sense and, through electrical communication
 24 with heating, cooling or ventilation equipment, control room temperature.
- 25 (z) Sells or offers for sale a motor vehicle manufactured after January 1, 2006, that contains
 26 mercury light switches.
- 27 (aa) Violates the provisions of ORS 803.375, 803.385 or 815.410 to 815.430.
- 28 (bb) Violates ORS 646.850 (1).
- 29 (cc) Violates any requirement of ORS 646.661 to 646.686.
- 30 (dd) Violates the provisions of ORS 128.801 to 128.898.
- 31 (ee) Violates ORS 646.883 or 646.885.
- 32 (ff) Violates any provision of ORS 646.195.
- 33 (gg) Violates ORS 646.569.
- 34 (hh) Violates the provisions of ORS 646.859.
- 35 (ii) Violates ORS 759.290.
- 36 (jj) Violates ORS 646.872.
- 37 (kk) Violates ORS 646.553 or 646.557 or any rule adopted pursuant thereto.
- 38 (LL) Violates ORS 646.563.
- 39 (mm) Violates ORS 759.690 or any rule adopted pursuant thereto.
- 40 (nn) Violates the provisions of ORS 759.705, 759.710 and 759.720 or any rule adopted pursuant
 41 thereto.
- 42 (oo) Violates ORS 646.892 or 646.894.
- 43 (pp) Violates any provision of ORS 646.249 to 646.259.
- 44 (qq) Violates ORS 646.384.
- 45 (rr) Violates ORS 646.871.

- 1 (ss) Violates ORS 822.046.
- 2 (tt) Violates ORS 128.001.
- 3 (uu) Violates ORS 646.649 (2) to (4).
- 4 (vv) Violates ORS 646.877 (2) to (4).
- 5 (ww) Violates ORS 87.686.
- 6 (xx) Violates ORS 646.651.
- 7 (yy) Violates ORS 646.879.
- 8 (zz) Violates ORS 646.402 or any rule adopted under ORS 646.402 or 646.404.
- 9 (aaa) Violates ORS 180.440 (1).
- 10 (bbb) Commits the offense of acting as a vehicle dealer without a certificate under ORS 822.005.
- 11 (ccc) Violates ORS 87.007 (2) or (3).
- 12 (ddd) Violates ORS 92.405 (1), (2) or (3).
- 13 (eee) Engages in an unlawful practice under ORS 646.648.
- 14 **(fff) Fails to display a sign as required by ORS 746.285.**
- 15 (2) A representation under subsection (1) of this section or ORS 646.607 may be any manifesta-
- 16 tion of any assertion by words or conduct, including, but not limited to, a failure to disclose a fact.
- 17 (3) In order to prevail in an action or suit under ORS 646.605 to 646.652, a prosecuting attorney
- 18 need not prove competition between the parties or actual confusion or misunderstanding.
- 19 (4) An action or suit may not be brought under subsection (1)(u) of this section unless the At-
- 20 torney General has first established a rule in accordance with the provisions of ORS chapter 183
- 21 declaring the conduct to be unfair or deceptive in trade or commerce.
- 22 (5) Notwithstanding any other provision of ORS 646.605 to 646.652, if an action or suit is brought
- 23 under subsection (1)(aaa) of this section by a person other than a prosecuting attorney, relief is
- 24 limited to an injunction and the prevailing party may be awarded reasonable attorney fees.
- 25 **SECTION 3. The amendments to ORS 746.285 by section 1 of this 2007 Act apply to per-**
- 26 **sons operating motor vehicle body and frame repair shops that have preferred provider**
- 27 **agreements in effect on or after the effective date of this 2007 Act.**

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