

A-Engrossed
Senate Bill 484

Ordered by the Senate May 4
Including Senate Amendments dated May 4

Sponsored by COMMITTEE ON COMMERCE

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.

[Provides that person commits unlawful trade practice if person includes clause in contract for sale, lease or other transfer of real estate, goods or services that requires mandatory arbitration or that otherwise prohibits bringing of civil action for purpose of enforcing terms of contract.]

Allows consumer to revoke provision of contract that requires consumer to assert claim against other party to contract in forum that is less convenient, more costly or more dilatory than judicial forum in this state. Allows parties to appear by telephone in proceedings arising out of consumer contract.

A BILL FOR AN ACT

1
2 Relating to unlawful trade practices.

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

4 **SECTION 1. (1) For the purposes of this section, "consumer" means a person who is**
5 **purchasing goods or services for personal, family or household purposes.**

6 **(2) Except to the extent provided by federal law for the enforceability of the provision,**
7 **a consumer may revoke any provision in a contract that requires the consumer to assert a**
8 **claim against the other party of the contract in a forum that is less convenient, more costly**
9 **or more dilatory than a judicial forum established in this state for the resolution of a dis-**
10 **pute.**

11 **(3) Revocation of a provision under this section must be made in writing and communi-**
12 **cated by the revoking party within a reasonable time after a dispute arises. A party seeking**
13 **to enforce a revoked provision is liable for reasonable attorney fees incurred by a consumer**
14 **in any litigation that results from the attempted enforcement of the revoked provision.**

15 **(4) Notwithstanding ORS 45.400, in any civil action, arbitration or other civil proceeding**
16 **arising out of a consumer contract, any party may appear by telephone unless the judge,**
17 **arbitrator or other decision maker determines that there is good reason not to allow ap-**
18 **pearance by telephone.**

19 **(5) This section does not apply to a contract for the sale or lease of real property.**

20 **SECTION 2. Section 1 of this 2007 Act applies only to contracts entered into on or after**
21 **the effective date of this 2007 Act.**

22

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.