B-Engrossed Senate Bill 484

Ordered by the House June 5 Including Senate Amendments dated May 4 and House Amendments dated June 5

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.

Allows consumer to revoke provision of **consumer** 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] not in this state. [Allows parties to appear by telephone in proceedings arising out of consumer contract.] Provides that if provision in contract requires arbitration in forum that is not in this state, sole effect of revocation is that proceeding that requires or allows attendance by consumer must be conducted in this state. Provides that party seeking to enforce revoked provision is liable for reasonable attorney fees incurred by consumer.

A BILL FOR AN ACT

2 Relating to unlawful trade practices.

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- Be It Enacted by the People of the State of Oregon:
 - **SECTION 1. (1) For the purposes of this section:**
- (a) "Consumer" means an individual who is purchasing goods or services for personal, family or household purposes.
- (b) "Consumer contract" means a contract entered into by a consumer for the purchase of goods or services for personal, family or household purposes, in which the total cost of the purchase is \$15,000 or less.
- (2) A consumer may revoke a provision in a consumer contract that requires the consumer to assert a claim against the other party to the contract, or respond to a claim by the other party to the contract, in a forum that is not in this state. If the provision requires arbitration in a forum that is not in this state, the sole effect of a revocation under this section is that any evidentiary hearing, oral argument or other proceeding that requires or allows attendance by the consumer must be conducted in this state.
- (3) Revocation of a provision under this section must be made in writing and communicated by the consumer to the other party within a reasonable time after a dispute arises.
- (4) This section applies only to a consumer contract that was entered into by a consumer when the consumer was a resident of this state.
- (5) A party seeking to enforce a revoked provision is liable for reasonable attorney fees incurred by a consumer in any litigation that results from the attempted enforcement of the revoked provision.
- SECTION 2. Section 1 of this 2007 Act applies only to consumer contracts entered into on or after the effective date of this 2007 Act.

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