

REVENUE: No revenue impact

FISCAL: Minimal fiscal impact, no statement issued

Action:	Do Pass as Amended and Be Printed Engrossed
Vote:	7 - 3 - 0
Yeas:	Barton, Garrett, Olson, Shields, Smith J., Stiegler, Barker
Nays:	Cameron, Krieger, Whisnant
Exc.:	0
Prepared By:	Anna Braun, Counsel
Meeting Dates:	3/11, 4/22

WHAT THE MEASURE DOES: Repeals the prohibition on class actions for unlawful trade practices, Truth in Lending Act, and similar lawsuits. Applies retroactively unless a judgment was entered before the date of enactment. Declares emergency, effective upon passage.

ISSUES DISCUSSED:

- Incentives for bringing actions for small damages
- Standard of willful in unlawful trade practice act

EFFECT OF COMMITTEE AMENDMENT: Adds language in the unlawful trade practices act that allows class actions for minimum statutory damages only, if plaintiffs can show members have suffered an ascertainable loss as a result of reckless or knowing use of an unlawful practice.

BACKGROUND: Oregon Rules of Civil Procedure (ORCP) K states that a class action lawsuit cannot be brought for the recovery of statutory minimum penalties for any class member provided in ORS 646.638, the unlawful trade practices act, or 15 U.S.C. 1640(a), the Truth in Lending Act, or any other similar statute. HB 2585 A repeals ORCP K. Oregon's unlawful trade practices act, ORS 646.638, allows recovery for actual damages or \$200, whichever is greater. The Truth in Lending Act 15 USC §1640(a) allows recovery of a minimum penalty of \$100 and a maximum penalty of \$1,000. (For credit secured by real property the limits are \$200 minimum and \$2000 maximum).

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This summary has not been adopted or officially endorsed by action of the committee.