

REVENUE: No revenue impact

FISCAL: Minimal fiscal impact, no statement issued

Action:	Do Pass as Amended and Be Printed Engrossed
Vote:	10 - 0 - 0
Yeas:	Barton, Cowan, Gilliam, Krieger, Matthews, Riley, Tomei, Weidner, Wingard, Holvey
Nays:	0
Exc.:	0
Prepared By:	Victoria Cox, Administrator
Meeting Dates:	5/20, 5/22, 5/27

WHAT THE MEASURE DOES: Extends time period available for consumer remedy for vehicle that does not conform to manufacturer's warranty. Grants manufacturer, agent or dealer at least three attempts to correct nonconformity during the earlier of the two-year period after delivery or date mileage reaches 24,000. Allows one additional attempt at repair of motor home by manufacturer. Grants manufacturer, agent or dealer at least one attempt to correct a nonconformity that is likely to cause death or serious injury. Specifies calculations for reasonable allowance for use when consumer returns vehicle to manufacturer. Makes decision resulting from informal dispute settlement binding on manufacturer but not on consumer. Allows award of attorney fees to prevailing consumer or prevailing party in cases involving motor homes. Allows award of attorney fees to manufacturer if court finds consumer brought action in bad faith or for purposes of harassment. Clarifies refundable charges and procedure for return of aftermarket item and recognizes that non-dealer installation of aftermarket additions may constitute an affirmative defense in cases where they are determined to have caused a nonconformity. Requires manufacturer to request title inscription identifying vehicle subject to provisions of measure. Requires disclosure of manufacturer buyback of nonconforming vehicle in future sale, lease or transfer. Makes failure to disclose an unlawful trade practice. Grants Director of Oregon Department of Transportation rulemaking authority. Defines collateral charge. Declares an emergency; effective on passage.

ISSUES DISCUSSED:

- Extension of applicability period
- Reimbursement for aftermarket installations
- Importance of title branding
- Motor home living facility components covered by other statute

EFFECT OF COMMITTEE AMENDMENT: Specifies that motor home "living facility components" are not covered. Allows one additional opportunity for manufacturer to correct motor home nonconformity following three attempts by dealer. Allows for award of attorney fees to prevailing party in cases involving motor homes. Streamlines mileage allowance deduction process for service calls by replacing requirement for odometer readings with allowance of ten miles per visit for test drives. Specifies that non-dealer installed aftermarket additions may constitute an affirmative defense in cases where they are determined to have caused a nonconformity. Adds collateral charges to reasonable allowance for use calculation.

BACKGROUND: Oregon's Lemon Law, ORS 646A.400 to 646A.418, provides protection for consumers who purchase a new motor vehicle that does not conform to the manufacturer's warranty. SB 515B provides additional consumer protections by extending the statute of limitations, expanding the law to vehicles registered, not just purchased, in Oregon, and by requiring that subsequent purchasers be told of the vehicle's history of defect and manufacturer buyback. SB 515B also adds a reasonable allowance for use formula to current statute and makes some changes in provisions relating to informal dispute resolution.

5/28/2009 1:56:00 PM

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