

REVENUE: No revenue impact

FISCAL: No fiscal impact

Action:	Do Pass as Amended and Be Printed Engrossed and Rescind the Subsequent Referral to the Committee on Ways and Means
Vote:	10 - 0 - 0
Yeas:	Garrett, Hicks, Nolan, Olson, Schaufler, Tomei, Wand, Whisnant, Barker, Krieger
Nays:	0
Exc.:	0
Prepared By:	Cheyenne Ross, Counsel
Meeting Dates:	3/15, 4/5

WHAT THE MEASURE DOES: Protects consignor’s art work or consignor’s portion of proceeds from sale of same, from creditor’s claims against consignee. Inserts reference to art law provisions that are subject of this measure into Oregon’s Uniform Commercial Code. Declares emergency, effective on passage.

ISSUES DISCUSSED:

- History of measure and Law Commission’s role
- Consistency of terms, using “consignee” and “consignor” throughout
- Repeal of section now preempted by federal copyright law
- Consignment of artworks separate from sale of goods subject to Uniform Commercial Code

EFFECT OF COMMITTEE AMENDMENT: Inserts reference to art law provisions that are the subject of this measure into Oregon’s Uniform Commercial Code.

BACKGROUND: House Bill 2708 A comes from the Oregon Law Commission in response to an opinion in a New York case that pointed out an error in Oregon law. In deciding *Zucker v. Hirschl & Adler Galleries, Inc.*, 170 Misc.2d 426 (1996), the New York court reviewed existing laws in other states, including Oregon, and discovered the error. As currently written, Oregon’s law protects an artist’s work not only from a gallery’s creditors, as intended, but from the artist’s creditors as well. House Bill 2708 A corrects this over-protection to allow an artist’s creditors to reach art work to satisfy an artist’s debt, but not a gallery’s creditors to satisfy a gallery debt.