

# House Bill 2473

Ordered printed by the Speaker pursuant to House Rule 12.00A (5). Pre-session filed (at the request of House Interim Committee on Consumer Protection and Government Accountability)

## 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 **as introduced**.

Permits consumer to terminate consumer contract for services without fee or penalty under certain conditions.

Declares emergency, effective on passage.

## A BILL FOR AN ACT

1  
2 Relating to consumer contracts for services; creating new provisions; amending ORS 81.150; and  
3 declaring an emergency.

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

5 **SECTION 1.** ORS 81.150 is amended to read:

6 81.150. (1) For the purposes of this section:

7 (a) "Consumer" means an individual who [*is purchasing*] **purchases** goods or services for per-  
8 sonal, family or household purposes.

9 (b) "Consumer contract" means a contract [*entered into by*] a consumer [*for the*] **enters into to**  
10 purchase [*of*] goods or services for personal, family or household purposes, in which the total cost  
11 of the purchase is \$15,000 or less **or the periodic payment for the service is not more than \$250**  
12 **for any one period.**

13 (c) "**Terminal illness**" means a sickness or other medical condition that can reasonably  
14 **be expected to result in death within 24 months.**

15 (2)(a) A consumer may revoke a provision in a consumer contract that requires the consumer  
16 to assert a claim against the other party to the contract, or respond to a claim by the other party  
17 to the contract, in a forum that is not in this state. If the provision requires arbitration in a forum  
18 that is not in this state, the sole effect of a revocation under this section is that [*any*] **an** evidentiary  
19 hearing, oral argument or other proceeding that requires or allows [*attendance by*] the consumer **to**  
20 **attend** must be conducted in this state.

21 [(3)] (b) **The consumer must make the** revocation of a provision under this section [*must be*  
22 *made*] in writing and [*communicated by the consumer*] **communicate the revocation** to the other  
23 party within a reasonable time after a dispute arises.

24 (3)(a) **A consumer may terminate a consumer contract for services without incurring a**  
25 **fee or other penalty if the consumer has a terminal illness and:**

26 (A) **Moves permanently or for a period of time longer than one month into a residential**  
27 **nursing home or treatment facility that provides necessary care for the consumer's illness;**

28 (B) **Stays in a hospital or other medical facility and receives care or treatment for the**  
29 **consumer's illness for a period of time longer than one month; or**

30 (C) **Begins receiving care in or through a hospice program, as defined in ORS 443.850.**

**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.

1       **(b) The consumer shall notify the other party to the contract that the consumer is ter-**  
2 **minating the consumer contract in writing, and shall include with the notice a letter bearing**  
3 **a signature from a doctor, registered nurse or other licensed medical practitioner that con-**  
4 **firms that the conditions described in paragraph (a) of this subsection exist.**

5       (4)(a) This section applies only to a consumer contract that [*was entered into by*] a consumer  
6 **enters into** when the consumer [*was*] is a resident of this state.

7       **(b) Subsection (3) of this section does not apply to a consumer contract for services that**  
8 **a consumer enters into:**

9       **(A) For services from a residential nursing home, treatment facility, hospital, hospice**  
10 **program, medical practitioner or medical facility if the services are related to caring for or**  
11 **treating the consumer's terminal illness; or**

12       **(B) After the consumer has actual notice of the consumer's terminal illness or has**  
13 **moved into a nursing home or treatment facility, has begun a stay in a hospital or other**  
14 **medical facility or has begun to receive care from a hospice program as provided in sub-**  
15 **section (3) of this section.**

16       (5) A party [*seeking*] **that seeks** to enforce a [*revoked*] provision **that a consumer revokes or**  
17 **a contract that a consumer terminates under this section** is liable for reasonable attorney fees  
18 [*incurred by a*] **that the** consumer **incurs** in [*any*] litigation that results from the attempted  
19 enforcement of the revoked provision **or terminated contract.**

20       **SECTION 2. The amendments to ORS 81.150 by section 1 of this 2011 Act apply to con-**  
21 **sumer contracts that a consumer enters into on or after the effective date of this 2011 Act.**

22       **SECTION 3. This 2011 Act being necessary for the immediate preservation of the public**  
23 **peace, health and safety, an emergency is declared to exist, and this 2011 Act takes effect**  
24 **on its passage.**