

House Bill 2618

Sponsored by Representative SCHAUFLER (at the request of Randy Dage) (Presession filed.)

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 person to bring action for treble damages against insurers and operators of motor vehicle body and frame repair shops violating laws relating to insurance and vehicle repair. Requires notice to Director of Department of Consumer and Business Services in certain circumstances. Directs court to award attorney fees in certain circumstances. Specifies what may constitute prima facie evidence of unfair claim settlement practice.

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to motor vehicle insurance; creating new provisions; amending ORS 746.300; and declaring
3 an emergency.

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

5 **SECTION 1.** ORS 746.300 is amended to read:

6 746.300. [*An insured whose insurer violates ORS 746.280 or 746.290, or a customer whose motor*
7 *vehicle body and frame repair shop violates ORS 746.292, may file an action to recover actual damages*
8 *or \$100, whichever is greater, for each violation.*] (1) **A person who suffers an injury or loss as a**
9 **result of an insurer's or another person's committing or performing a practice prohibited**
10 **under ORS 746.275 to 746.300 may bring an individual action in contract or tort to recover**
11 **triple the amount of actual and consequential damages. The court may provide equitable re-**
12 **lief the court considers necessary or proper.**

13 (2) **A person who brings an action under subsection (1) of this section shall at the same**
14 **time mail a copy of the complaint or other initial pleading to the Director of the Department**
15 **of Consumer and Business Services. The person's failure to mail a copy of the complaint to**
16 **the director does not constitute a jurisdictional defect, but a court may not enter judgment**
17 **for the person until the person files proof with the court that the person has complied with**
18 **this requirement. An affidavit or return receipt is proof of mailing. The person shall also**
19 **mail a copy of any judgment rendered in the action to the director immediately after the**
20 **court renders the judgment.**

21 (3) The court [*may*] **shall** award reasonable attorney fees to [*the*] **a prevailing [*party*] plaintiff**
22 **in an action under this section.**

23 (4) **Any civil or administrative penalty that the Department of Consumer and Business**
24 **Services imposes on a respondent in a final order for a violation of ORS 746.275 to 746.300**
25 **or any judgment a court renders against a respondent for a violation of ORS 746.275 to**
26 **746.300 is prima facie evidence in an action brought under this section that the respondent**
27 **committed or performed a practice prohibited by ORS 746.275 to 746.300. A respondent's as-**
28 **surance of voluntary compliance, whether or not approved by the court, is not evidence of**
29 **a violation.**

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 **(5) The statute of limitations period does not begin or run while any complaint that the**
2 **Director of the Department of Consumer and Business Services has filed to punish violations**
3 **of ORS 746.275 to 746.300 is pending, if the person's action is based in whole or in part on any**
4 **matter that is also a basis for the director's complaint.**

5 **SECTION 2. The amendments to ORS 746.300 by section 1 of this 2011 Act apply to any**
6 **action for a violation of ORS 746.275 to 746.300 brought on or after the effective date of this**
7 **2011 Act.**

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

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