

REVENUE: No revenue impact

FISCAL: Minimal fiscal impact, no statement issued

Action:	Do Pass as Amended and Be Printed Engrossed
Vote:	5 - 0 - 0
Yeas:	Baertschiger, George, Monnes Anderson, Prozanski, Shields
Nays:	0
Exc.:	0
Prepared By:	Channa Newell, Administrator
Meeting Dates:	2/20, 2/22

WHAT THE MEASURE DOES: Allows Director of Department of Consumer and Business Services to disqualify dealer whose license is revoked, or any person involved in material acts or omissions that led to revocation of manufactured structure dealer license, from obtaining license as manufactured structure dealer or working in a substantive capacity for a manufactured structure dealer for seven years. Allows Director to rescind order of disqualification or not issue order of revocation if disqualified person pays restitution to customer who suffered harm as result of disqualified person's acts or omissions. Declares emergency; effective on passage.

ISSUES DISCUSSED:

- Instances of situations when bill needed
- Administrative appeal process
- Effects of amendment

EFFECT OF COMMITTEE AMENDMENT: Extends period of disqualification for prohibited practices from five years to seven years. Applies disqualification to dealer and any other person whose act or omissions were material to events that led to disqualification. Prohibits dealer and individuals from working in administrative or managerial capacity for dealer and prohibits dealer from obtaining new license for seven years.

BACKGROUND: Current law allows the Department of Consumer and Business Services (DCBS) to revoke or suspend the license of a manufactured structure dealer if the dealer engages in acts prohibited by ORS 446.741, including knowingly making false statements, defrauding customers, or filing false information with DCBS. In practice, most manufactured structure dealer licenses are held by entities, not individuals. If an entity's license is revoked, the individuals responsible for the bad acts could dissolve the disqualified entity and reform under a new entity, or individuals may continue to work under a different dealer's license.

Senate Bill 189A allows DCBS to disqualify individuals involved in prohibited practices that led to a license revocation from working in a managerial or administrative capacity for another licensed manufactured structure dealer for a period of seven years. Individuals subject to the ban have the right to contest the ban through the administrative appeal process found in ORS 183. Senate Bill 189A also allows individuals or disqualified dealers to pay restitution to customers harmed by their actions as an alternative to disqualification, but leaves with DCBS the determination of whether to disqualify the person.

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