

FROM THE DESK OF SAL PERALTA

February 10, 2014

HB 4140

**Relating to waiver of
consumer rights; declaring
an emergency**

Honorable Representatives,

I am writing today to testify in favor of HB 4140 on behalf of the Independent Party of Oregon. HB 4140, provides that:

An individual may not, by agreement or otherwise, waive any right that the individual has by reason of a law, rule, ordinance or other regulation of this state, or a political subdivision of this state, that provides for protecting consumer health, safety or welfare unless the law, rule, ordinance or regulation specifically permits the waiver.

This legislation appears to be written in response to the *AT&T Mobility v. Concepcion*, [563 U.S. 321](#) (2011) decision of the U. S. Supreme Court, which allows businesses to nullify state consumer protections by inserting class action waivers in arbitration clauses of boilerplate agreements.

Insurance companies, banks, private utilities, and other large corporations have substantially unequal bargaining power relative to consumers. These “fine print” agreements are often contrary to verbal representations by the companies inserting them into contracts, and most consumers do not have the legal training to understand the significance of the rights they have signed away.

More importantly, businesses operating in Oregon should not be allowed to circumvent Oregon law with regard to their treatment of Oregon consumers through the use of such agreements.

In January, 2014, the membership of the Independent Party of Oregon voted to make protecting Oregon consumers, particularly with respect to banks, insurance companies and private utilities, a priority for the party.

We strongly encourage that the committee send this bill to the floor with a “do pass” recommendation.

Sincerely,

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Sal Peralta
Secretary, Independent Party of Oregon

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