

REVENUE: Minimal revenue impact, no statement issued

FISCAL: No fiscal impact

Action:	Do Pass as Amended and Be Printed Engrossed
Vote:	5 - 0 - 0
Yeas:	Baertschiger Jr, George, Monnes Anderson, Prozanski, Shields
Nays:	0
Exc.:	0
Prepared By:	Channa Newell, Administrator
Meeting Dates:	2/10, 2/12

WHAT THE MEASURE DOES: Provides contracting person with five-day right to rescind contract for restoration work. Specifies that if contractor does not give written good-faith estimate of cost of services, rescission right is non-waivable. Specifies contract is void if contractor does not provide written notice of rescission right. Requires contractor provide contracting person with new, amended contract should cost of actual performance exceed cost estimate. Defines “restoration work” as repair, restoration or nonroutine cleaning services done as a result of disaster. Specifies restoration work does not include covering building openings to secure property against weather or unauthorized entry.

ISSUES DISCUSSED:

- Personal experiences with restoration companies after fire
- Fire department responses to restoration companies seeking work at scene of fire
- Efforts of work group
- Effects of amendments

EFFECT OF COMMITTEE AMENDMENT: Replaces measure.

BACKGROUND: Recently, the Committee has heard concerns from the public on restoration companies approaching homeowners to solicit work immediately after their homes and belongings were lost to fire. Some restoration services, such as “board up” and construction services are regulated by the Construction Contractors Board and such businesses are required to be licensed with the Board. Other services, such as cleaning, are not regulated. ORS 83.720 gives the public the opportunity to revoke a contract within three days for home solicitation sales.

Senate Bill 1571-A provides parameters for contracts entered into for restoration services after a disaster. The bill provides the homeowner with a five-day right to rescind the contract with the restoration company and specifies the notice and information the restoration company must give to the homeowner.