

**PRELIMINARY STAFF MEASURE SUMMARY****CARRIER:**

House Committee on Consumer Protection and Government Effectiveness

**REVENUE: No revenue impact****FISCAL: No fiscal impact****SUBSEQUENT REFERRAL TO: None****Action:****Vote:****Yeas:****Nays:****Exc.:****Prepared By:** Wendy Simons, Administrator**Meeting Dates:** 2/17

**WHAT THE MEASURE DOES:** Requires vehicle repair shops to post sign advising customer of certain rights. Requires estimate of repairs include check box for vehicle owner to request return of parts replaced during repair.

**ISSUES DISCUSSED:**

- Ownership of parts removed from a vehicle and replaced in the course of repairs
- Possibility of state agency creating a uniform sign for repair shops to download
- Possible environmental hazards if returned parts are not disposed of properly
- Possibility that prices of remanufactured parts will increase if fewer used parts are available

**EFFECT OF COMMITTEE AMENDMENT:**

Proposed -6: Requires that sign notify customers of right to inspect parts replaced during a repair. Requires that sign notify customers that some repairs may cost more if customer requests that replaced parts be returned. Requires that sign notify customers of the cost of reassembling a vehicle after an evaluation of the vehicle's condition. Requires that if owner or owner's designee requests return of, or opportunity to inspect, replaced parts, repair shop must give owner or owner's designee agreement in writing to that effect before undertaking repairs, and repair shop must return or offer opportunity to inspect parts before taking payment. Requirements to return parts do not apply to parts subject to a manufacturer's warranty or recall.

**BACKGROUND:** Oregon statutes require a vehicle repair shop to prepare a cost estimate of proposed repairs before beginning the work, and to provide a written estimate to the owner or owner's designee before receiving final payment for the work. Vehicle repair shops must provide certain information to the owner or owner's designee if the shop proposes to disassemble all or a portion of the vehicle in order to evaluate its condition, including a list of the total estimated cost of, and amount of time needed for, disassembly and reassembly if the owner decides not to proceed with any work recommended by the shop.

House Bill 2496 requires vehicle repair shops to post a sign informing customers of their right to obtain a written estimate, and provides minimum requirements to ensure the sign's visibility. The bill also requires vehicle repair shops to provide a check box or similar method for vehicle owners to instruct the vehicle repair shop to return any parts or components that are replaced during repairs. Failure to comply with the posting provision would be a violation of the Unlawful Trade Practices Act.

3/2/2015 4:01:00 PM \*

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