

HB 3322 STAFF MEASURE SUMMARY

House Committee On Business and Labor

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Meeting Dates: 3/15

WHAT THE MEASURE DOES:

Requires certification from Department of Consumer and Business Services to operate vehicle repair shop. Requires bond or letter of credit in amount of \$40,000 for each location of repair shop. Requires insurance coverage meeting minimum requirement set by Department. Sets application at \$1,100 plus \$350 for each additional location. Directs Department to set in rule expiration date for certificate and renewal fee. Allows Department to petition court to enjoin person from engaging in business as vehicle repair shop if not certified. Allows court to assess penalty not to exceed \$15,000 if business is not certified. Allows Department to inspect premises of any business engaged in vehicle repair. Allows Department to suspend, revoke or refuse to renew a certificate and may issue an order compelling person to comply with statutory provisions for vehicle repair shops (ORS 646A.480 to 646A.495). Becomes operative January 1, 2018. Declares emergency, effective on passage.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

A vehicle repair shop is a business entity that in exchange for payment evaluates the condition of, maintains or repairs a motor vehicle; body and frame shops are not considered vehicle repair shops. Current law establishes business practices that must be followed, including preparing an estimate of the cost of the repair before beginning the work and obtaining the customer's authorization before working on the vehicle when the estimate exceeds \$200. The current law does not require a vehicle repair shop to be licensed or certified by the State.

House Bill 3322 requires vehicle repair shops to obtain certification from the Department of Consumer and Business Services. Certification requires an application fee, a bond or letter of credit, as well as insurance coverage.