House Bill 2105

Sponsored by Representative CLEM (at the request of Rachel Wolf) (Presession filed.)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced.**

Allows Department of Consumer and Business Services to issue specialty vehicle mechanic licenses and master vehicle mechanic licenses to qualified applicants. Prohibits unlicensed persons from performing actions of specialty vehicle mechanics and master vehicle mechanics. Provides exceptions to prohibition.

Allows department to impose discipline for certain violations. Directs department to provide administrative and regulatory oversight.

Requires vehicle repair shops and motor vehicle body and frame repair shops to ensure that persons performing activities of specialty vehicle mechanic or master vehicle mechanic are licensed. Becomes operative January 1, 2020.

Declares emergency, effective on passage.

1 A BILL FOR AN ACT

- Relating to vehicle mechanics; creating new provisions; amending ORS 646A.490 and 746.292; and declaring an emergency.
- 4 Be It Enacted by the People of the State of Oregon:
 - SECTION 1. Definitions. As used in sections 1 to 7 of this 2019 Act:
- 6 (1) "Heavy motor vehicle" means a motor vehicle that has a gross vehicle weight of more than 10,000 pounds.
 - (2) "Light motor vehicle" means a motor vehicle that has a gross vehicle weight of less than 10,000 pounds.
 - (3) "Master vehicle mechanic" means a person licensed to repair or service motor vehicles as a master vehicle mechanic under section 2 of this 2019 Act.
 - (4)(a) "Motor vehicle" means a self-propelled device, that is used:
 - (A) To transport persons or property upon a public highway; and
 - (B) For personal, family or household purposes.
 - (b) "Motor vehicle" does not include:
- 16 (A) The dwelling or sleeping portions that are not directly connected with the drive mechanism of:
 - (i) A motor home as defined in ORS 801.350.
 - (ii) A recreational vehicle as defined in ORS 446.003.
- 20 (iii) A trailer as defined in ORS 801.560.
 - (B) A motor vehicle owned as part of a fleet and maintained under the terms of a maintenance contract.
 - (5) "Specialty vehicle mechanic" means a person who is licensed to repair or service motor vehicles as a specialty vehicle mechanic under section 2 of this 2019 Act.
 - SECTION 2. Specialty vehicle mechanic license; master vehicle mechanic license; issuance. (1) Except as provided in section 5 of this 2019 Act, a person may not engage in the business of a specialty vehicle mechanic or a master vehicle mechanic or assume or use any

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

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- title, words or abbreviations, including but not limited to the title or designation "vehicle mechanic," that indicates that the person is a specialty vehicle mechanic or master vehicle mechanic unless the person is licensed under this section.
 - (2) The Department of Consumer and Business Services may issue a specialty vehicle mechanic license to perform repair or service work for light motor vehicles to an applicant who:
 - (a) Is at least 18 years old;
- (b) Demonstrates to the department that the applicant is qualified to perform specific repair or service for light motor vehicles by passing an examination for one or more of the following categories:
- (A) Engine repair;

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- 12 (B) Automatic transmission;
- 13 (C) Manual transmission, front and rear drive axle;
- 14 (D) Front end, suspension and steering systems;
- 15 (E) Brakes and braking systems;
- 16 (F) Electrical systems;
- 17 (G) Heating and air conditioning;
- 18 (H) Engine tune-up and performance;
- 19 (I) Collision-related mechanical repair; or
- 20 (J) Unitized body structural repair;
- 21 (c) Pays a licensure fee; and
- 22 (d) Meets any other qualifications required by the department by rule.
- 23 (3) The department may issue a specialty vehicle mechanic license to perform repair or 24 service work on heavy motor vehicles to an applicant who:
- 25 (a) Is at least 18 years old;
 - (b) Demonstrates to the department that the applicant is qualified to perform specific repair or service for heavy motor vehicles by passing an examination for one or more of the following categories:
- 29 (A) Engine repair;
- 30 **(B) Drivetrains**;
- 31 (C) Brakes and braking systems;
- 32 (D) Suspension and steering systems;
- 33 (E) Electrical systems; or
- 34 (F) Collision-related mechanical repair;
- 35 (c) Pays a licensure fee; and
 - (d) Meets any other qualifications required by the department by rule.
- 37 (4) The department may issue a master vehicle mechanic license to perform repair or 38 service work for light motor vehicles to an applicant who:
 - (a) Is at least 18 years old;
- 40 (b) Demonstrates to the department that the applicant is qualified to perform repair or 41 service for light motor vehicles by passing an examination for all the categories listed in 42 subsection (2)(b) of this section;
 - (c) Pays a licensure fee; and
- 44 (d) Meets any other qualifications required by the department by rule.
- 45 (5) The department may issue a master vehicle mechanic license to perform repair or

service work for heavy motor vehicles to an applicant who:

(a) Is at least 18 years old;

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- (b) Demonstrates to the department that the applicant is qualified to perform repair or service for heavy motor vehicles by passing an examination for all the categories listed in subsection (3)(b) of this section;
 - (c) Pays a licensure fee; and
 - (d) Meets any other qualifications required by the department by rule.
- (6) A person issued a license under this section is not required to renew the license.
 - SECTION 3. Examination. (1) The Department of Consumer and Business Services shall allow an applicant for a specialty vehicle mechanic license or a master vehicle mechanic license issued under section 2 of this 2019 Act the option of satisfying all or parts of any examination requirement for the license by:
 - (a) Passing a written examination; or
 - (b) Passing a practical skills test.
 - (2) If the board establishes a practical skills test for a type of license, the board must offer the practical skills test at least once every 12 months.
 - SECTION 4. Display of license required. (1) A person who holds a license under section 2 of this 2019 Act shall notify the Department of Consumer and Business Services, in the manner prescribed by rule by the department, of the regular address of the place or places where the person performs or intends to perform repair or service of motor vehicles and shall keep the license conspicuously posted in the place of business at all times.
 - (2) The department shall keep a record of the place or places of business of each person who holds a license.
 - (3) Any notice required to be given by the department to a person who holds a license may be given by mailing the notice to the address of the last place of business of which the person has notified the department.
 - SECTION 5. Exemptions. (1) As used in this section, "family or household member" means a spouse, intimate partner, mother, father, child or sibling of the respondent or any person living within the same household as the respondent.
 - (2) Sections 1 to 7 of this 2019 Act do not apply to a person who:
 - (a) Repairs or services a motor vehicle owned by the person or a motor vehicle owned by a family or household member.
 - (b) Is employed by a motor vehicle manufacturer or a public body, as defined in ORS 174.109, or the federal government and is acting as a specialty vehicle mechanic or master vehicle mechanic within the scope of employment.
 - <u>SECTION 6.</u> Grounds for discipline. (1) The Department of Consumer and Business Services may revoke, suspend or refuse to issue or reissue a specialty vehicle mechanic license or a master vehicle mechanic license if the department determines after notice and opportunity for hearing:
- (a) That the licensee or applicant has violated a provision of sections 1 to 7 of this 2019 Act.
 - (b) That the licensee has violated a rule or order of the department.
- (c) That the licensee has knowingly assisted an unlicensed person to act in violation of sections 1 to 7 of this 2019 Act.
 - (d) That the licensee has knowingly provided false information to the department.

- (e) That the licensee or applicant has engaged in conduct as a specialty vehicle mechanic or master vehicle mechanic that is dishonest or fraudulent and that the department finds injurious to the welfare of the public.
- (2)(a) In addition to all other remedies, if the department has reason to believe that a person is engaging in an act, practice or transaction that violates sections 1 to 7 of this 2019 Act or a department rule, the department may issue an order directing the person to cease the act or to take corrective action.
- (b) The department shall mail a copy of an order issued under this subsection to the person by first class mail with certificate of mailing. The department shall include with the order a notice informing the person of the right to request a hearing concerning the order. The notice shall inform the person that any hearing request must be received by the department no later than 21 days after the date the order was mailed by the department.
- (c) If the department receives a timely request for a hearing concerning an order issued under this subsection, the department shall schedule the hearing no later than 30 days after receiving the request. The department shall mail written notice of the hearing to the person by first class mail with certificate of mailing no later than seven days before the scheduled hearing date.
- (d) An order described in this subsection becomes final if the person does not file a timely request for a hearing concerning the order or fails to appear at the requested hearing as scheduled.
- (e) The issuance of a department order under this subsection is subject to ORS 183.413 to 183.497.
- (3) In addition to all other remedies, if it appears to the department that a person has engaged in, or is engaging in, any act, practice or transaction that violates the provisions of sections 1 to 7 of this 2019 Act, the department may direct the Attorney General or the district attorney of the county in which the act, practice or transaction occurs to apply to the court for an injunction restraining the person from violating the provisions of sections 1 to 7 of this 2019 Act.
- <u>SECTION 7.</u> <u>Rules.</u> (1) The Department of Consumer and Business Services shall adopt rules to:
- (a) Establish a process for issuing specialty vehicle mechanic licenses and master vehicle mechanic licenses;
 - (b) Establish licensure fees;

- (c) Determine qualifications for applicants for licensure;
- (d) Administer examinations; and
- (e) Develop and maintain a publicly available record of specialty vehicle mechanics and master vehicle mechanics.
- (2) The department may adopt other rules as necessary to carry out the provisions of sections 1 to 7 of this 2019 Act.
 - **SECTION 8.** ORS 646A.490 is amended to read:
- 41 646A.490. (1) A vehicle repair shop may not:
 - (a) Charge a person for work not performed on a motor vehicle even if the work is shown on an estimate for which the vehicle repair shop has obtained an authorization from the owner or the owner's designee.
 - (b) Provide or install used parts or any component system composed of new and used parts if

an estimate prepared under ORS 646A.482 indicates that the vehicle repair shop will use new parts or component systems in work performed on the motor vehicle.

- (c) Knowingly provide or install, without disclosing to the owner or the owner's designee, a used or reconditioned part.
 - (2) A vehicle repair shop shall:
- (a) Reassemble, if all necessary parts are available, approximately within the time indicated on an estimate prepared under ORS 646A.482 (2), a motor vehicle that the vehicle repair shop has disassembled or from which the vehicle repair shop has removed parts in order to evaluate the condition of the motor vehicle.
- (b) Maintain for not less than one year, in electronic or printed form, legible copies of all documents required or provided under ORS 646A.480 to 646A.495.
- (c) Ensure that employees acting as specialty vehicle mechanics or master vehicle mechanics are licensed under section 2 of this 2019 Act.

SECTION 9. ORS 746.292 is amended to read:

746.292. (1) All work done by a motor vehicle body and frame repair shop shall be recorded on an invoice and shall describe all service work done and parts supplied. If any used parts are supplied, the invoice shall clearly state that fact. If any component system installed is composed of new and used parts, such invoice shall clearly state that fact. One copy of the invoice shall be given to the customer and one copy shall be retained by the motor vehicle body and frame repair shop.

- (2) Before commencing repair work and upon the request of any customer, a motor vehicle body and frame repair shop shall make an estimate in writing of the parts and labor necessary for the repair work, and shall not charge for the work done or parts supplied in excess of the estimate without the consent of such customer.
- (3)(a) If crash parts to be used in the repair work are supplied by the original equipment manufacturer, the parts shall be accompanied by a warranty that guarantees the customer that the parts meet or exceed standards used in manufacturing the original equipment.
- (b) If crash parts to be used in the repair work are not supplied by the original equipment manufacturer, the estimate shall include a statement that says:

This estimate has been prepared based on the use of a motor vehicle crash part not made by the original equipment manufacturer. The use of a motor vehicle crash part not made by the original equipment manufacturer may invalidate any remaining warranties of the original equipment manufacturer on that motor vehicle part. The person who prepared this estimate will provide a copy of the part warranty for crash parts not made by the original equipment manufacturer for comparison purposes.

- (4) [No] A motor vehicle body and frame shop may **not**:
- (a) Supply or install used parts, or any component system composed of new and used parts, when new parts or component systems are or were to be supplied or installed.
- (b) Supply or install, without the owner's consent, any aftermarket crash part unless the part has been certified by an independent test facility to be at least equivalent to the part being replaced. For purposes of this paragraph, an aftermarket crash part is at least equivalent to the part being replaced if the aftermarket crash part is the same kind of part and is at least the same quality with

- 1 respect to fit, finish, function and corrosion resistance.
 - (c) Charge for repairs not actually performed, or add the cost of repairs not actually to be performed to any repair estimate.
 - (d) Refuse any insurer, or its insured, or their agents or employees, reasonable access to any repair facility for the purpose of inspecting or reinspecting the damaged vehicle during usual business hours.
 - (5) A motor vehicle body and frame repair shop shall ensure that employees acting as specialty vehicle mechanics or master vehicle mechanics are licensed under section 2 of this 2019 Act.
 - [(5)] (6) As used in ORS 746.287 and this section, "aftermarket crash part" means a motor vehicle replacement part, sheet metal or plastic, that constitutes the visible exterior of the vehicle, including an inner or outer panel, is generally repaired or replaced as the result of a collision and is not supplied by the original equipment manufacturer.
 - <u>SECTION 10.</u> Captions. The section captions used in this 2019 Act are provided only for the convenience of the reader and do not become part of the statutory law of this state or express any legislative intent in the enactment of this 2019 Act.
 - SECTION 11. Operative date. (1) Sections 1 to 7 of this 2019 Act and the amendments to ORS 646A.490 and 746.292 by sections 8 and 9 of this 2019 Act become operative on January 1, 2020.
 - (2) The Department of Consumer and Business Services may take any action before the operative date specified in subsection (1) of this section that is necessary to enable the department to exercise, on and after the operative date specified in subsection (1) of this section, all of the duties, functions and powers conferred on the department by sections 1 to 7 of this 2019 Act and the amendments to ORS 646A.490 and 746.292 by sections 8 and 9 of this 2019 Act.
 - <u>SECTION 12.</u> <u>Effective date.</u> This 2019 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2019 Act takes effect on its passage.