House Bill 3343

Sponsored by Representatives SOLLMAN, NOSSE; Representatives NOBLE, STARK (at the request of Oregon Council for Behavioral Health)

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.**

Requires person that provides mental health care or services to prevent substance abuse to make certain disclosures in any advertisement for or following any communication regarding person's services or facilities. Prohibits person from paying or accepting compensation for referring or referral of resident of this state for mental health care or services to prevent substance abuse. Provides that failure to comply with or violation of Act is unlawful practice under Unlawful Trade Practices Act.

Becomes operative on January 1, 2020.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

- Relating to communications by persons that provide certain treatments to residents of this state; creating new provisions; amending ORS 646.608; and prescribing an effective date.
 - Be It Enacted by the People of the State of Oregon:
 - **SECTION 1. (1) As used in this section:**
 - (a) "Advertisement" means a public notice, announcement or communication in any form or by means of any media that describes a mental health or substance abuse treatment service or facility for the purpose of promoting, soliciting the purchase of or selling mental health care or services to prevent substance abuse that a person provides to residents of this state.
 - (b) "Clear and conspicuous" means:
 - (A) In larger type than surrounding text, in contrasting type, font or color to surrounding text of the same size or set off from surrounding text of the same size by symbols or other marks in a manner that clearly calls attention to the language; or
 - (B) In a volume and cadence that is readily audible and understandable.
 - (c) "Mental health care or services to prevent substance abuse" means performing any of the following functions:
 - (A) Providing a safe, clean and supervised environment for individuals who are suffering from a mental illness or who are acutely intoxicated in which the individuals can receive attention for the mental illness or recover from the intoxication.
 - (B) Providing treatment, counseling, training, advice or consultation for a mental illness or addiction.
 - (C) Serving as an inpatient or outpatient facility for medical care, detoxification, rehabilitation or other social services for individuals who suffer from a mental illness or who are alcohol dependent or drug dependent.
 - (d)(A) "Person" means a natural person, a partnership, a limited partnership, a limited liability partnership, a corporation, a professional corporation, a nonprofit corporation, a

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limited liability company, a business trust or another business entity.

- (B) "Person" does not include a public body, as defined in ORS 174.109, or the Oregon Health and Science University.
- (2)(a) A person that provides mental health care or services to prevent substance abuse shall display or announce, in a clear and conspicuous manner in any advertisement for the person's services or in any initial communication the person has with an individual who is seeking services in a facility at which the person provides mental health care or services to prevent substance abuse:
- (A) The full street address, city, state and zip code at which the person provides mental health care or services to prevent substance abuse;
- (B) Contact information for the Oregon Health Authority in a form and with the contents that the authority specifies by rule;
- (C) In accordance with requirements the authority specifies by rule, that mental health care or services to prevent substance abuse may be available for residents of this state from state administered mental health or substance abuse treatment facilities at no charge or at a cost lower than the cost associated with the person's mental health care or services to prevent substance abuse;
- (D) Whether the person's services or facilities are registered or licensed by, and provided or located in, this state; and
- (E) Which health insurance policies the person accepts and whether the person is within or outside the insurer's provider network, if the advertisement appears or the person communicates the advertisement in print or on the Internet.
- (b) If the person communicates with an individual who is seeking mental health care or services to prevent substance abuse at the person's facility, the person shall provide the disclosure described in paragraph (a) of this subsection in a communication that is separate and distinct from all other communications the person has with the individual.
- (c) If an advertisement is in the form of an audio or video broadcast, a telephone call or an oral presentation, the person must make the disclosure described in paragraph (a) of this subsection in writing on a website, in a separate electronic communication or in print, as appropriate, and the advertisement must, in a clear and conspicuous manner, identify the website, an electronic mail address or other means by which a recipient of the advertisement can obtain the complete disclosure. The Oregon Health Authority by rule shall prescribe the form and contents of, and the time within which a person must make, the identifications required under this paragraph.
- (3) A person that provides mental health care or services to prevent substance abuse may not:
- (a) Accept or pay a fee, commission, bonus, rebate or other compensation to another person to refer, or for a referral of, a resident of this state for mental health care or services to prevent substance abuse.
- (b) Issue, engage, pay for, disseminate or otherwise make available an advertisement that falsely states or misrepresents the need for a resident of this state to obtain mental health care or services to prevent substance abuse outside this state or at a facility that is located outside this state.
- (4) A person that fails to comply with or violates a prohibition set forth in this section engages in an unlawful practice under ORS 646.608 that is enforceable under ORS 646.632 and

1 is subject to an action under ORS 646.638.

SECTION 2. ORS 646.608 is amended to read:

- 646.608. (1) A person engages in an unlawful practice if in the course of the person's business, vocation or occupation the person does any of the following:
 - (a) Passes off real estate, goods or services as the real estate, goods or services of another.
 - (b) Causes likelihood of confusion or of misunderstanding as to the source, sponsorship, approval, or certification of real estate, goods or services.
 - (c) Causes likelihood of confusion or of misunderstanding as to affiliation, connection, or association with, or certification by, another.
 - (d) Uses deceptive representations or designations of geographic origin in connection with real estate, goods or services.
 - (e) Represents that real estate, goods or services have sponsorship, approval, characteristics, ingredients, uses, benefits, quantities or qualities that the real estate, goods or services do not have or that a person has a sponsorship, approval, status, qualification, affiliation, or connection that the person does not have.
 - (f) Represents that real estate or goods are original or new if the real estate or goods are deteriorated, altered, reconditioned, reclaimed, used or secondhand.
 - (g) Represents that real estate, goods or services are of a particular standard, quality, or grade, or that real estate or goods are of a particular style or model, if the real estate, goods or services are of another.
 - (h) Disparages the real estate, goods, services, property or business of a customer or another by false or misleading representations of fact.
 - (i) Advertises real estate, goods or services with intent not to provide the real estate, goods or services as advertised, or with intent not to supply reasonably expectable public demand, unless the advertisement discloses a limitation of quantity.
 - (j) Makes false or misleading representations of fact concerning the reasons for, existence of, or amounts of price reductions.
 - (k) Makes false or misleading representations concerning credit availability or the nature of the transaction or obligation incurred.
 - (L) Makes false or misleading representations relating to commissions or other compensation to be paid in exchange for permitting real estate, goods or services to be used for model or demonstration purposes or in exchange for submitting names of potential customers.
 - (m) Performs service on or dismantles any goods or real estate if the owner or apparent owner of the goods or real estate does not authorize the service or dismantling.
 - (n) Solicits potential customers by telephone or door to door as a seller unless the person provides the information required under ORS 646.611.
 - (o) In a sale, rental or other disposition of real estate, goods or services, gives or offers to give a rebate or discount or otherwise pays or offers to pay value to the customer in consideration of the customer giving to the person the names of prospective purchasers, lessees, or borrowers, or otherwise aiding the person in making a sale, lease, or loan to another person, if earning the rebate, discount or other value is contingent upon an event occurring after the time the customer enters into the transaction.
 - (p) Makes any false or misleading statement about a prize, contest or promotion used to publicize a product, business or service.
 - (q) Promises to deliver real estate, goods or services within a certain period of time with intent

1 not to deliver the real estate, goods or services as promised.

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- (r) Organizes or induces or attempts to induce membership in a pyramid club.
- 3 (s) Makes false or misleading representations of fact concerning the offering price of, or the 4 person's cost for real estate, goods or services.
 - (t) Concurrent with tender or delivery of any real estate, goods or services fails to disclose any known material defect or material nonconformity.
 - (u) Engages in any other unfair or deceptive conduct in trade or commerce.
- 8 (v) Violates any of the provisions relating to auction sales, consignment sales, auctioneers, 9 consignees or auction marts under ORS 698.640, whether in a commercial or noncommercial situ-10 ation.
 - (w) Manufactures mercury fever thermometers.
- 12 (x) Sells or supplies mercury fever thermometers unless the thermometer is required by federal law, or is:
 - (A) Prescribed by a person licensed under ORS chapter 677; and
 - (B) Supplied with instructions on the careful handling of the thermometer to avoid breakage and on the proper cleanup of mercury should breakage occur.
 - (y) Sells a thermostat that contains mercury unless the thermostat is labeled in a manner to inform the purchaser that mercury is present in the thermostat and that the thermostat may not be disposed of until the mercury is removed, reused, recycled or otherwise managed to ensure that the mercury does not become part of the solid waste stream or wastewater. For purposes of this paragraph, "thermostat" means a device commonly used to sense and, through electrical communication with heating, cooling or ventilation equipment, control room temperature.
 - (z) Sells or offers for sale a motor vehicle manufactured after January 1, 2006, that contains mercury light switches.
 - (aa) Violates the provisions of ORS 803.375, 803.385 or 815.410 to 815.430.
- 26 (bb) Violates ORS 646A.070 (1).
- 27 (cc) Violates any requirement of ORS 646A.030 to 646A.040.
- 28 (dd) Violates the provisions of ORS 128.801 to 128.898.
- 29 (ee) Violates ORS 646.883 or 646.885.
- 30 (ff) Violates ORS 646.569.
- 31 (gg) Violates the provisions of ORS 646A.142.
- 32 (hh) Violates ORS 646A.360.
- 33 (ii) Violates ORS 646.553 or 646.557 or any rule adopted pursuant thereto.
- 34 (ii) Violates ORS 646.563.
- 35 (kk) Violates ORS 759.680 or any rule adopted pursuant thereto.
- 36 (LL) Violates the provisions of ORS 759.705, 759.710 and 759.720 or any rule adopted pursuant thereto.
- 38 (mm) Violates ORS 646A.210 or 646A.214.
- 39 (nn) Violates any provision of ORS 646A.124 to 646A.134.
- 40 (oo) Violates ORS 646A.095.
- 41 (pp) Violates ORS 822.046.
- 42 (qq) Violates ORS 128.001.
- 43 (rr) Violates ORS 646A.800 (2) to (4).
- 44 (ss) Violates ORS 646A.090 (2) to (5).
- 45 (tt) Violates ORS 87.686.

- 1 (uu) Violates ORS 646A.803.
- 2 (vv) Violates ORS 646A.362.
- 3 (ww) Violates ORS 646A.052 or any rule adopted under ORS 646A.052 or 646A.054.
- 4 (xx) Violates ORS 180.440 (1) or 180.486 (1).
- 5 (yy) Commits the offense of acting as a vehicle dealer without a certificate under ORS 822.005.
- 6 (zz) Violates ORS 87.007 (2) or (3).
- 7 (aaa) Violates ORS 92.405 (1), (2) or (3).
- 8 (bbb) Engages in an unlawful practice under ORS 646.648.
- 9 (ccc) Violates ORS 646A.365.
- 10 (ddd) Violates ORS 98.853, 98.854, 98.856 or 98.858 or a rule adopted under ORS 98.864.
- 11 (eee) Sells a gift card in violation of ORS 646A.276.
- 12 (fff) Violates ORS 646A.102, 646A.106 or 646A.108.
- 13 (ggg) Violates ORS 646A.430 to 646A.450.
- 14 (hhh) Violates a provision of ORS 744.318 to 744.384
- 15 (iii) Violates a provision of ORS 646A.702 to 646A.720.
 - (jjj) Violates ORS 646A.530 30 or more days after a recall notice, warning or declaration described in ORS 646A.530 is issued for the children's product, as defined in ORS 646A.525, that is the subject of the violation.
- 19 (kkk) Violates a provision of ORS 697.612, 697.642, 697.652, 697.662, 697.682, 697.692 or 697.707.
- 20 (LLL) Violates the consumer protection provisions of the Servicemembers Civil Relief Act, 50
- 21 U.S.C. App. 501 et seq., as in effect on January 1, 2010.
- 22 (mmm) Violates a provision of ORS 646A.480 to 646A.495.
- 23 (nnn) Violates ORS 646A.082.
- 24 (000) Violates ORS 646.647.

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- 25 (ppp) Violates ORS 646A.115.
- 26 (qqq) Violates a provision of ORS 646A.405.
- 27 (rrr) Violates ORS 646A.092.
- 28 (sss) Violates a provision of ORS 646.644.
- 29 (ttt) Violates a provision of ORS 646A.295.
- 30 (uuu) Violates ORS 646A.564.
- 31 (vvv) Engages in the business of, or acts in the capacity of, an immigration consultant, as de-32 fined in ORS 9.280, in this state and for compensation, unless federal law authorizes the person to 33 do so or unless the person is an active member of the Oregon State Bar.
- 34 (www) Violates ORS 702.012, 702.029 or 702.054.
- 35 (xxx) Violates ORS 646A.806.
- 36 (yyy) Violates ORS 646A.810 (2).
- 37 (zzz) Violates a provision of sections 1 to 7, chapter 523, Oregon Laws 2015.
- 38 (aaaa) Violates ORS 443.376.

(bbbb) Fails to comply with or violates section 1 of this 2019 Act.

- (2) A representation under subsection (1) of this section or ORS 646.607 may be any manifestation of any assertion by words or conduct, including, but not limited to, a failure to disclose a fact.
- (3) In order to prevail in an action or suit under ORS 336.184 and 646.605 to 646.652, a prosecuting attorney need not prove competition between the parties or actual confusion or misunderstanding.
- 45 (4) An action or suit may not be brought under subsection (1)(u) of this section unless the At-

- torney General has first established a rule in accordance with the provisions of ORS chapter 183 declaring the conduct to be unfair or deceptive in trade or commerce.
- (5) Notwithstanding any other provision of ORS 336.184 and 646.605 to 646.652, if an action or suit is brought under subsection (1)(xx) of this section by a person other than a prosecuting attorney, relief is limited to an injunction and the prevailing party may be awarded reasonable attorney fees.
- **SECTION 3.** ORS 646.608, as amended by section 10, chapter 523, Oregon Laws 2015, section 15, chapter 113, Oregon Laws 2017, section 3, chapter 241, Oregon Laws 2017, section 16, chapter 480, Oregon Laws 2017, and section 6, chapter 656, Oregon Laws 2017, is amended to read:
- 646.608. (1) A person engages in an unlawful practice if in the course of the person's business, vocation or occupation the person does any of the following:
 - (a) Passes off real estate, goods or services as the real estate, goods or services of another.
- (b) Causes likelihood of confusion or of misunderstanding as to the source, sponsorship, approval, or certification of real estate, goods or services.
- (c) Causes likelihood of confusion or of misunderstanding as to affiliation, connection, or association with, or certification by, another.
- (d) Uses deceptive representations or designations of geographic origin in connection with real estate, goods or services.
- (e) Represents that real estate, goods or services have sponsorship, approval, characteristics, ingredients, uses, benefits, quantities or qualities that the real estate, goods or services do not have or that a person has a sponsorship, approval, status, qualification, affiliation, or connection that the person does not have.
- (f) Represents that real estate or goods are original or new if the real estate or goods are deteriorated, altered, reconditioned, reclaimed, used or secondhand.
- (g) Represents that real estate, goods or services are of a particular standard, quality, or grade, or that real estate or goods are of a particular style or model, if the real estate, goods or services are of another.
- (h) Disparages the real estate, goods, services, property or business of a customer or another by false or misleading representations of fact.
- (i) Advertises real estate, goods or services with intent not to provide the real estate, goods or services as advertised, or with intent not to supply reasonably expectable public demand, unless the advertisement discloses a limitation of quantity.
- (j) Makes false or misleading representations of fact concerning the reasons for, existence of, or amounts of price reductions.
- (k) Makes false or misleading representations concerning credit availability or the nature of the transaction or obligation incurred.
- (L) Makes false or misleading representations relating to commissions or other compensation to be paid in exchange for permitting real estate, goods or services to be used for model or demonstration purposes or in exchange for submitting names of potential customers.
- (m) Performs service on or dismantles any goods or real estate if the owner or apparent owner of the goods or real estate does not authorize the service or dismantling.
- (n) Solicits potential customers by telephone or door to door as a seller unless the person provides the information required under ORS 646.611.
- (o) In a sale, rental or other disposition of real estate, goods or services, gives or offers to give a rebate or discount or otherwise pays or offers to pay value to the customer in consideration of

- the customer giving to the person the names of prospective purchasers, lessees, or borrowers, or otherwise aiding the person in making a sale, lease, or loan to another person, if earning the rebate,
- 3 discount or other value is contingent upon an event occurring after the time the customer enters
- 4 into the transaction.

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- (p) Makes any false or misleading statement about a prize, contest or promotion used to publicize a product, business or service.
- (q) Promises to deliver real estate, goods or services within a certain period of time with intent not to deliver the real estate, goods or services as promised.
 - (r) Organizes or induces or attempts to induce membership in a pyramid club.
- 10 (s) Makes false or misleading representations of fact concerning the offering price of, or the 11 person's cost for real estate, goods or services.
 - (t) Concurrent with tender or delivery of any real estate, goods or services fails to disclose any known material defect or material nonconformity.
 - (u) Engages in any other unfair or deceptive conduct in trade or commerce.
 - (v) Violates any of the provisions relating to auction sales, consignment sales, auctioneers, consignees or auction marts under ORS 698.640, whether in a commercial or noncommercial situation.
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 - (x) Sells or supplies mercury fever thermometers unless the thermometer is required by federal law, or is:
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 - (B) Supplied with instructions on the careful handling of the thermometer to avoid breakage and on the proper cleanup of mercury should breakage occur.
 - (y) Sells a thermostat that contains mercury unless the thermostat is labeled in a manner to inform the purchaser that mercury is present in the thermostat and that the thermostat may not be disposed of until the mercury is removed, reused, recycled or otherwise managed to ensure that the mercury does not become part of the solid waste stream or wastewater. For purposes of this paragraph, "thermostat" means a device commonly used to sense and, through electrical communication with heating, cooling or ventilation equipment, control room temperature.
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- 1 (nn) Violates any provision of ORS 646A.124 to 646A.134.
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- 3 (pp) Violates ORS 822.046.
- 4 (qq) Violates ORS 128.001.
- 5 (rr) Violates ORS 646A.800 (2) to (4).
- 6 (ss) Violates ORS 646A.090 (2) to (5).
- 7 (tt) Violates ORS 87.686.
- 8 (uu) Violates ORS 646A.803.
- 9 (vv) Violates ORS 646A.362.
- 10 (ww) Violates ORS 646A.052 or any rule adopted under ORS 646A.052 or 646A.054.
- 11 (xx) Violates ORS 180.440 (1) or 180.486 (1).
- 12 (yy) Commits the offense of acting as a vehicle dealer without a certificate under ORS 822.005.
- 13 (zz) Violates ORS 87.007 (2) or (3).
- 14 (aaa) Violates ORS 92.405 (1), (2) or (3).
- 15 (bbb) Engages in an unlawful practice under ORS 646.648.
- 16 (ccc) Violates ORS 646A.365.
- 17 (ddd) Violates ORS 98.853, 98.854, 98.856 or 98.858 or a rule adopted under ORS 98.864.
- 18 (eee) Sells a gift card in violation of ORS 646A.276.
- 19 (fff) Violates ORS 646A.102, 646A.106 or 646A.108.
- 20 (ggg) Violates ORS 646A.430 to 646A.450.
- 21 (hhh) Violates a provision of ORS 744.318 to 744.384.
- 22 (iii) Violates a provision of ORS 646A.702 to 646A.720.
- 23 (jjj) Violates ORS 646A.530 30 or more days after a recall notice, warning or declaration de-24 scribed in ORS 646A.530 is issued for the children's product, as defined in ORS 646A.525, that is the
- 25 subject of the violation.
- 26 (kkk) Violates a provision of ORS 697.612, 697.642, 697.652, 697.662, 697.682, 697.692 or 697.707.
- 27 (LLL) Violates the consumer protection provisions of the Servicemembers Civil Relief Act, 50 U.S.C. App. 501 et seq., as in effect on January 1, 2010.
- 29 (mmm) Violates a provision of ORS 646A.480 to 646A.495.
- 30 (nnn) Violates ORS 646A.082.
- 31 (ooo) Violates ORS 646.647.
- 32 (ppp) Violates ORS 646A.115.
- 33 (qqq) Violates a provision of ORS 646A.405.
- 34 (rrr) Violates ORS 646A.092.
- 35 (sss) Violates a provision of ORS 646.644.
- 36 (ttt) Violates a provision of ORS 646A.295.
- 37 (uuu) Violates ORS 646A.564.
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- fined in ORS 9.280, in this state and for compensation, unless federal law authorizes the person to do so or unless the person is an active member of the Oregon State Bar.
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- 42 (xxx) Violates ORS 646A.806.
- 43 (yyy) Violates ORS 646A.810 (2).
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- 45 (aaaa) Fails to comply with or violates section 1 of this 2019 Act.

- (2) A representation under subsection (1) of this section or ORS 646.607 may be any manifestation of any assertion by words or conduct, including, but not limited to, a failure to disclose a fact.
- (3) In order to prevail in an action or suit under ORS 336.184 and 646.605 to 646.652, a prosecuting attorney need not prove competition between the parties or actual confusion or misunderstanding.
- (4) An action or suit may not be brought under subsection (1)(u) of this section unless the Attorney General has first established a rule in accordance with the provisions of ORS chapter 183 declaring the conduct to be unfair or deceptive in trade or commerce.
- (5) Notwithstanding any other provision of ORS 336.184 and 646.605 to 646.652, if an action or suit is brought under subsection (1)(xx) of this section by a person other than a prosecuting attorney, relief is limited to an injunction and the prevailing party may be awarded reasonable attorney fees.
- SECTION 4. (1) Section 1 of this 2019 Act and the amendments to ORS 646.608 by sections 2 and 3 of this 2019 Act become operative on January 1, 2020.
- (2) The Director of the Oregon Health Authority may adopt rules and take any other action before the operative date specified in subsection (1) of this section that is necessary to enable the director, on and after the operative date specified in subsection (1) of this section, to exercise all of the duties, functions and powers conferred on the director by section 1 of this 2019 Act and the amendments to ORS 646.608 by sections 2 and 3 of this 2019 Act.
- SECTION 5. This 2019 Act takes effect on the 91st day after the date on which the 2019 regular session of the Eightieth Legislative Assembly adjourns sine die.