

## HB 2292 STAFF MEASURE SUMMARY

### Senate Committee On Judiciary

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**Prepared By:** Patricia Pascone, LPRO Analyst

**Meeting Dates:** 4/24, 5/1

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#### WHAT THE MEASURE DOES:

Permits a property owner or renter to rescind a written contract for landscaping services within three business days of that person executing the agreement, unless the work is agreed to occur within that time or the contract is amended after that time. Requires landscape contracting businesses to provide notice at the time of executing an agreement of the right to rescind it, and allows the Oregon Landscape Contractors Board to specify the form and content of the notice. Right of rescission becomes operative on January 2, 2024. Takes effect on 91st day following adjournment sine die.

*REVENUE: No revenue impact*

*FISCAL: Has minimal fiscal impact*

*HOUSE VOTE: Ayes, 42; Nays, 15*

#### ISSUES DISCUSSED:

- Consumer protection measure
- Complaints from consumers about high-pressure tactics and large non-refundable deposits
- Bill would not provide right of rescission for amendments to contracts

#### EFFECT OF AMENDMENT:

No amendment.

#### BACKGROUND:

The Oregon Landscape Contractors Board is a semi-independent state agency, whose structure and duties are set out in ORS 671.630 to ORS 671.710. It has authority to investigate activities of persons engaging in a landscape contracting business to determine compliance with landscape contractor license laws and rules. It is tasked with establishing minimum standards for written contracts and billings, which are contained in OAR 808-002-0020. It also has statutory duties regarding acceptance, investigation, and resolution of claims filed by property owners that are payable from a bond, letter of credit or deposit required of a landscape contracting business.

Under ORS 671.625, a landscape job for which a landscape contracting business charges \$2,000 or more may only be performed under a written contract. A home solicitation for services must also be evidenced in writing, per ORS 83.730, and contain a notice of the right to cancel or rescind the agreement as specified in the statute. The buyer has until midnight three business days after signing the agreement to cancel or rescind it, and ORS 83.750 provides that any services performed by the seller within that time are at the seller's risk.

House Bill 2292 would provide the right to rescind a written contract for landscaping services within three business days of executing the agreement, require the business to provide notice of the right to rescind, and permit the Oregon Landscape Contractors Board to specify the form and content of the notice.