

HB 2292 STAFF MEASURE SUMMARY

Carrier: Rep. Sosa

House Committee On Business and Labor

Action Date: 01/30/23

Action: Do Pass.

Vote: 9-2-0-0

Yeas: 9 - Elmer, Grayber, Holvey, Hudson, Nelson, Nosse, Osborne, Owens, Sosa

Nays: 2 - Boshart Davis, Scharf

Fiscal: Has minimal fiscal impact

Revenue: No revenue impact

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Meeting Dates: 1/23, 1/30

WHAT THE MEASURE DOES:

Provides, with respect to contract with landscape contracting business, right of rescission within three business days after contract execution. Specifies exceptions to right. Takes effect on 91st day following adjournment sine die.

ISSUES DISCUSSED:

- Ability to protect consumers who feel pressure to sign contracts with large, nonrefundable deposits
- Provides consumers protections equal to construction contracting businesses or door-to-door sales
- Exceptions to three-day right to cancel
- Rulemaking authority

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

The Oregon Landscape Contractors Board (Board) is a semi-independent agency responsible for regulating landscape construction work in Oregon. The agency is overseen by a board of seven individuals, appointed by the Governor, who serve a maximum of six years. The Board promotes consumer protection and contractor competency in the Oregon landscape contracting industry through five major program areas: Examinations, Licensing, Enforcement, Claims/Dispute Resolution, and Education.

Currently, when a consumer enters a contract with a landscape construction business, the person does not have the right to cancel the contract. A consumer does have the right of rescission when they enter a contract with a construction contracting business or door-to-door sales.

House Bill 2292 provides a consumer the ability to rescind a contract with a landscape construction business within three business days after contract execution. The measure provides exceptions: a person may not rescind a contract if parties agreed, in writing, to begin the work before the three-day period ends and only applies to original contract, not any contract amendments.