

**Seventy-Eighth Oregon Legislative Assembly - 2015 Regular Session**  
**STAFF MEASURE SUMMARY**  
**House Committee On Consumer Protection and Government Effectiveness**

**MEASURE: HB 2383**  
**CARRIER: Rep. Stark**

**Fiscal:** No Fiscal Impact

**Revenue:** No Revenue Impact

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**Action Date:** 02/24/15

**Action:** Do Pass.

**Meeting Dates:** 02/12, 02/24

**Vote:**  
Yeas: 7 - Buehler, Fagan, Gallegos, Holvey, Nearman, Rayfield, Stark

**Prepared By:** Wendy Simons, Committee Administrator

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**WHAT THE MEASURE DOES:**

Requires people soliciting purchase of business opportunities by telephone to make certain disclosures before completing transaction. Defines business opportunity. Becomes operative 91 days after effective date. Declares emergency, effective upon passage.

**ISSUES DISCUSSED:**

- Methods used to gain consumer trust
- Subsequent selling of personal information to other telephone solicitors once a consumer makes initial purchase from a telephone solicitor
- High percentage of illegitimate telephone solicitors in scam-prone industries
- Regulation in other states, especially states with high percentage of elder residents

**EFFECT OF COMMITTEE AMENDMENT:**

No amendment.

**BACKGROUND:**

With a few exceptions, sellers who conduct telephone solicitations from an Oregon address, or of a purchase by an Oregon resident, must register annually with the Oregon Department of Justice and provide certain disclosures to potential purchasers. Disclosure include the seller's physical address and the number of individuals who have actually received items that the seller represents or implies the prospective purchaser will receive without charge as a gift, premium, bonus or prize. People soliciting purchases of securities, insurance, and newspaper or magazine subscriptions are not covered by the registration and disclosure requirements.

House Bill 2383 defines "business opportunity" and adds telephone solicitation of purchases of business opportunities to the activities requiring registration with the Department of Justice and disclosure to potential purchasers.