

MEMORANDUM

TO: Oregon Association of Defense Counsel

FROM: Inga Deckert

DATE: July 30, 2013

SUBJECT: 2013 End of State Legislative Session Report

It was a pleasure to represent the Oregon Association of Defense Counsel in the 2013 Oregon Legislative Session. This memorandum is meant to provide a general overview of the session and highlight OADC's priority bills and legislative efforts.

Session Overview

With the economic recovery still sluggish, budgetary and cost-saving measures were a primary focus of the session. The legislature passed cost-saving reforms to the Public Employees Retirement System (PERS), correctional system and additional reforms in education, particularly in higher education. Two significant taxes that were set to expire this fall—the tax on large hospitals and long-term care facilities—were re-enacted. The legislature also followed up on reforms passed in prior sessions with additional legislation to assist in the implementation of health care reform via Coordinated Care Organizations (CCO) and Cover Oregon, Oregon's health insurance exchange, which will begin enrollment this fall.

There was strong bi-partisan support to increase funding for K-12 schools to stem the tide of cutting teachers and school days. In the end, the legislature added roughly \$1 billion in K-12 funding. An attempt, led by the Governor, to achieve additional bi-partisan PERS reform and tax increases to boost school funding even further became known as the "Grand Bargain." After several fits and starts, delaying adjournment of the session and nearly achieving a compromise, the Grand Bargain collapsed. The Governor, however, continues to meet with legislators in attempt to reach a compromise and has said he would be willing to call a special session of the legislature if one can be found.

OADC Legislation

We tracked a total of 73 bills on behalf of OADC this session. Of these, 18 passed into law and 55 died in committee. The OADC Government Affairs Committee reviewed, prioritized and determined OADC's position on bills that may impact the practice of its members. We actively advocated in support of, or in opposition to, bills determined by the committee to be high priorities.

Attached to this report is a spreadsheet containing all 73 tracked bills. This spreadsheet is intended as a reference tool, so association members and staff are able to quickly and easily find a bill number, read the summary of the bill and learn whether the bill passed or failed.

The highest priority bills for OADC include:

HB 3160 would have included insurance in the definition of “real estate, goods or services” in the Unfair Trade Practices Act (UTPA), made a violation of the Unfair Claim Settlement Practices Act in ORS Chapter 746, a violation of the UTPA, and created a private right of action for individuals. Several house and senate bills relating to unlawful insurance practices and unlawful trade practices were introduced. None were passed into law. HB 3160 was the only such bill to gain any traction and pass one chamber.

- OADC’s position: OADC opposed HB 3160, concerned that attorneys could be liable in representing their clients for violations of the bill. OADC worked with the proponents of the legislation on amendments to ensure that the bill would not apply to attorneys in representation of their clients.
- Status: HB 3160 died in committee.

SB 483 is the product of the Patient Safety and Defensive Medicine Task Force established by the passage of SB 1580 in 2012. OADC closely monitored the work of the task force and SB 483 as it moved through the process. SB 483 is referred to as the “early disclosure and offer bill,” because it allows a filing of notice of an adverse health incident with the Oregon Patient Safety Commission to begin a process whereby providers can discuss the incident with legal protections in the hopes of resolving the incident early and without the filing of a lawsuit. SB 483 passed and became effective on March 18, 2013.

HB 2561 & HB 2562: HB 2561 would have allowed the Chief Justice of the Oregon Supreme Court to establish fees for the eCourt system. OADC and several other stakeholders participated in discussions about the reasonableness of the fees and how the fees would be applied. HB 2561 did not pass, but HB 2562 did. HB 2562 places a 5% surcharge on filing fees for eCourt filings and services. The bill has a short lifespan with a sunset date of June 30, 2014, so conversations about the appropriate structure and amount of fees for the eCourt system will continue into the interim and OADC will continue to be involved.

SB 46 shortens the statute of ultimate repose for architects, landscape architects and engineer design professionals from 10 years to six years for large commercial structures. SB 46 passed and applies to causes of action on or after January 1, 2014.

Legislative Interim

The legislature has set its interim committee meetings for three consecutive days in the months of September, November and January, in preparation for the February 2014 regular session. If the Governor is able to find compromise and enough votes for a Grand Bargain, he may call the legislature into a special session before then. Either way, at the direction of the government

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affairs committee I will monitor and participate in legislative efforts throughout the interim as we prepare for the next legislative session.