

OREGON TRIAL LAWYERS ASSOCIATION

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**Testimony Regarding SB 369
Senate Judiciary Committee
Arthur Towers, on behalf of
Oregon Trial Lawyers Association
April 5, 2019**

Thank you for the opportunity to testify today. OTLA members fight for consumers, the seriously injured, victims of abuse, and other underdogs.

We are concerned about protecting the rights of homeowners and homeowner associations who are victimized by poorly designed and constructed homes.

SB 369 in its current form shields design professionals from being held accountable when their negligence causes damages to newly-constructed homes.

However, stakeholders came together to hash out our differences, and the -1 and -2 amendments protect consumers by adding a great deal of clarity about the statute of limitations for filing a claim against a design professional for shoddy design. This clarity will reduce the need to litigate whether or not a claim is filed in a timely fashion.

With the adoption of the -1 and -2 amendments, OTLA supports SB 369. We appreciate the willingness of the stakeholders to hash out a compromise on this issue.

One cautionary note: there is some discussion of amending this bill in the House to change the law regarding construction defect laws for condominiums. At this point, we strongly oppose that change. The change contemplated would increase the likelihood that first-time homebuyers would invest their savings in shoddily constructed homes and then have limited recourse to hold developers accountable for the defects. This would create a crisis analogous to the mortgage crisis of the 2000's. First-time homebuyers who were sold toxic mortgages a decade ago would now be sold toxic properties that are uninhabitable, that are unable to be sold and too costly to repair.