

February 14, 2023

Chair, Senator Floyd Prozanski (D) Oregon Senate Judiciary Committee 900 Court St NE, S-415, Salem, OR, 97301

Email: Sen.FloydProzanski@state.or.us

RE: Senate Bill 754

Dear Senator Prozanski and Members of the Senate Judiciary Committee:

I am Chairman and CEO of Mt. Hood Meadows OREG., LLC. Our resort holdings include Mt. Hood Meadows Ski Resort and Cooper Spur Mountain Resort -- both located on scenic Mt. Hood.

I am a fourth-generation Oregonian. My father, Franklin G. Drake founded Mt. Hood Meadows in 1967. I have been involved with the company since its first year of operations fifty-five years ago, and became CEO in 2006. We are an Oregon-owned, medium-sized family business providing year-around recreational services to the public.

I am a member of the Governor's Oregon Recreation Advisory Commission, serving since 2017. In this volunteer position I have heard the concerned voices of many Oregon recreation service providers on the issues which SB 754 has been drafted to help resolve. Recreation liability and dramatically reduced access to affordable general liability insurance have been identified by the Governor's Oregon Recreation Advisory Committee as the key issues threatening the economic sustainability of recreation service providers and equitable public access to recreation in Oregon.

On behalf of Mt. Hood Meadows and all recreation service providers in Oregon, SB 754 will help support both the accessibility and the affordability of financially sustainable general liability insurance. For Mt. Hood Meadows, and likely other Federal Permittees, access to financially sustainable general liability insurance is the life blood of our business for several important reasons:

- It is a requirement of our Special Use Permit issued by the United States Forest Service;
- It is a requirement of lenders providing financing for operating lines and capital improvements that help us expand recreation access to the public;
- It is a provision of our corporate Operating Agreement and helps protect our company, employees and shareholders;
- It affords us the opportunity to effectively compete against similar recreation service providers located in neighboring states.

Why is the Oregon Liability Wavier critically important to Mt. Hood Meadows and ALL Recreation Service providers in Oregon?

- Mt. Hood is the icon of Oregon. Year-around recreation activities on Mt. Hood have been enjoyed by many since before Statehood.
- Oregonians share a unique cultural history of pioneering self-reliance. Personal responsibility and accountability are woven into the fabric of our values and identity.
- Oregonians understand that most recreational activities have an inherent risk associated with them and take precautions to protect themselves and manage potential inherent risks.
- Oregon recreation service providers cannot shoulder the responsibility for accidents or incidents
 resulting from the inherent risks associated with recreational activities. Such incidents fall under
 the legal category of "ordinary negligence" which is the foundation of the updated liability
 waiver language found in SB 754. I note that SB 754 does NOT excuse a recreation service
 provider from "gross negligence" claims.
- Since 2014, Oregon Courts have 'blurred the line' between ordinary negligence and gross negligence, thus rendering existing liability waivers unenforceable. SB 754 clarifies longstanding liability waiver language to focus on gross negligence so that plaintiffs have the opportunity to bring lawsuits against a recreation service provider for gross negligence claims only. Accordingly, passage of SB 754 will provide conscientious recreation service providers in Oregon with the opportunity to obtain general liability insurance at an economically sustainable cost.

In summary, The Senate Judiciary Committee and the 2023 Oregon Legislature have the opportunity to make recreation liability waivers in Oregon effective and enforceable again. This proposal will protect equitable recreation access, reduce ordinary negligence claims that are part of the inherent risks of recreation activities, reduce dramatic increases in insurance costs, and improve the potential economic sustainability of Oregon recreation service providers.

I respectfully request your support in passing SB 754 to the Senate Floor with a DO PASS recommendation.

Sincerely,

Matthew B. Drake

Chairman and CEO

Mt. Hood Meadows OREG., LLC