

Testimony to the**Senate Committee on Judiciary in Support of SB 1575**

February 8, 2024

Good afternoon, Chair Prozanski, Vice Chair Thatcher and members of the Senate Committee on Judiciary. For the record, my name is Karen Tatman representing Consor North America, Inc. We have been in business in Oregon since 1982 and employ 250+ employees in four offices in Oregon. **I am writing today to strongly support Senate Bill 1575.**

Oregon's engineers, architects and land surveyors care deeply about our communities, which is why we invest in our local economy, creating jobs and housing for Oregonians. Right now, we are being forced into unfair contracting practices called "duty to defend" clauses, which require us to pay the legal expenses for those involved in construction projects even before fault is determined. This is detrimental to all design firms but especially women, minority and emerging small businesses, all of whom are often part of our design and construction services teams. Because engineers, architects and land surveyors are being forced to shoulder all the legal liability and legal expense far beyond what they're able to be insured for, fewer projects are being designed and built in our communities. This includes low-income public housing to help address Oregon's homelessness crisis.

Our firm's experience with duty to defend has been that this unfair contract language is pervasive in our public agency contracts as an attempt to unfairly transfer their risk and associated costs onto A&E consultants. In an environment where minority businesses are struggling to start up and then stay in business, this unfair language is a significant barrier.

We respectfully ask this committee to support SB 848. Passing this bill would eliminate bad and unfair contract practices and ensure everyone involved in a project pays their fair share of legal expenses. **This isn't about shirking responsibility – it's about ensuring fairness so everyone is paying their own way and adequately protected by their insurance.**

Thank you for your service and we are happy to be a resource if you have additional questions.

Thank you. Sincerely,
Consor North America, Inc



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