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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 Thomas D. Prevish, president of NorthWest Engineering Service, Inc., an employee-owned company of 65 people based in Beaverton, OR, with offices in Hillsboro and Coburg. We have been in business since 1958. 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. As a small business, we need to be very cautious about what kind of indemnification language has been inserted into contracts, and we are often pressured by large organizations into unfair contracting practices called "duty to defend" clauses, which would require us to pay the legal expenses for those involved in construction projects even before fault is determined. Not infrequently, we are forced to turn down contracts if I cannot convince lawyers in large organizations into removing onerous clauses that require our company to pay full damages for any degree of negligence on our part. This is not about shirking responsibility for our decisions. We fully support the language allowed by SB 1575, requiring companies to be liable for damages for which they are culpable.

I respectfully ask this committee to support SB 1575. Passing this bill would eliminate bad and unfair contract practices and ensure everyone involved in a project pays their fair share of legal expenses.

Thank you for your diligence in studying this issue.	If I can provide further information,	please
contact me.		

Sincerely,

Thomas D. Prevish, Ph.D., P.E., C.E.M.