

Oregon design professionals are thrilled with the strong bipartisan 24-6 Senate vote that confirms the good work done on the compromise bill, SB 1575-A. This bill will ensure fairness for engineers, architects, land surveyors and others working on public agency projects and has been four years in the making. We look forward to a robust conversation in the House.

This bill is important because design professionals will no longer be contractually required to defend others for legal claims or damages even though the design professional is not responsible. This "duty to defend" language is legally problematic, expensive and a barrier to entry for many small, emerging, veteran, women and minority owned businesses. No insurance is available to purchase to cover this huge liability. As you can see by the logos above and quotes on the back page, this issue cuts to the heart of all design firms in Oregon – large and small.

Important facts about SB 1575-A:

- This is a compromise bill. We've worked with construction contractors, local and state government, and numerous professional organizations to reach this compromise.
- This has been a 4 year negotiation process. The pandemic wasn't conducive to a quality discussion and last session it passed from Senate Judiciary on a 5-0 vote but died in the rush to adjournment.
- The Senate added a sunset provision. While we think this is a very straightforward bill, opponents continue to suggest great misunderstanding and nefarious intentions. The sunset will ensure our goals and visions are met or the law will revert back.
- 20 states have adopted this bill in the past decade. Oregon should join them.
- With supportive bipartisan comments, the Senate voted 24-6. No one spoke in opposition.
- This isn't about shirking responsibility it's about ensuring fairness so everyone is paying their own way and are adequately protected by their insurance.

For more information, please contact Marshall Coba with ACEC, Cindy Robert with AIA, or Darrell Fuller with PLSO.



Ending Unfair Contracts Harming Minority Businesses Will Aid Gov. Kotek's Affordable Housing Goals "As a Hispanic woman who founded and owns a small engineering firm, I'm urging Oregon lawmakers to pass Senate Bill 1575, which will protect businesses like mine from state and local government's unfair contract practices," said Tina Adams, Professional Engineer and President of Casso Consulting, Inc., with 10 employees.

"The defense costs they may be compelled to pay would be directly tied to their liability or fault, if Senate Bill 1575 becomes law. That may sound like the way things already should be. But it's not," said The Bend Bulletin Editorial Board.

## The Bulletin

## Editorial: Contractors Should be Liable Only for Their Own Fault



## Unfair Contracting Will Thwart Affordable Housing Investment

"We want more public works projects, we want to employ more Oregonians, we want to help solve the state's affordable housing shortage. But sadly, we must ask is it worth risking our livelihoods?" said Krey Younger, Vice President of Central Geotechnical, LLC, a service-disabled, veteran-owned engineering firm with 18 employees.

"This practice of including a 'duty to defend' clause in contracts for design professionals is neither equitable nor inclusive and does nothing to help our communities," said Samuel Brooks, founder and chair emeritus of the Oregon Association of Minority Entrepreneurs.



## Duty to defend hurts design firms