



February 17, 2025

My name is Leslie Frazee, I work for CBIZ Insurance Service. CBIZ Insurance provides insurance policies for Adventure Sports and Outdoor Sports in all 50 states. We insure businesses offering camping, dude ranches, yurts, charter boat excursions, canoeing, kayaking, white water rafting, fishing, big game hunting, horse rides, jet boats, snow cats, snowmobiles, ATVs, UTVs, Heli skiing, and even llama trekking.

I represent and support the insurance industry as a specialist in the recreation industry sector. As a broker that has been representing outfitters and guides and adventure sports businesses nationwide since 1995, I can attest that it is the industry standard, nationwide, to allow for pre-activity releases.

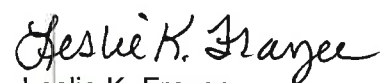
Historically, the recreation industry is at a disadvantage to an insurance company when presented to an underwriter without a pre-trip release. Insurance Companies that represent insureds in the outdoor recreation industry will not underwrite an account that does not have a release or waiver that is reviewed and signed by trip participants. The release gives the opportunity to the outfitter/guide to explain the inherent risks that the participant will be embarking on, as well as an opportunity for them to step away from the activity if they are not comfortable with the situation ahead of them. Oregon's lack of support for releases puts its providers at a distinct disadvantage as compared to other states.

In our increasingly litigious society, the United States is seeing more businesses face a higher frequency of liability incident lawsuits, whether actual or alleged, as well as higher penalties from these suits. Over the past decade, there has been a sharp rise in nuclear verdicts and a ~300% increase in the median value of major US verdicts. Together, increased litigation and social inflation have added to the elevated liability insurance claims costs, which has resulted in much higher insurance premiums in this industry. In Oregon, these impacts have been further compounded by the impacts of the 2014 *Bagley v Bachelor* case.

These claims, including those that are non-meritorious, impact the insurability and insurance premiums for outfitters and guides. I have seen the average insurance rates increase over 175% since 2016 and continue to rise. This has also led to fewer insurance companies insuring the outdoor industry. As of this year, there are only 3-4 insurance companies that provide a viable insurance option for outfitters and guides. Those insurance companies that continue to provide the liability coverage are facing capacity issues, which reduces or limits the amount of general liability coverage that a trip provider can purchase. Oregon's lack of protection for releases makes it a particularly challenging state to operate in.

Improving the enforceability of the liability release in Oregon would help slow and stabilize this rate of premium increase and improve the availability of outfitter and guide, adventure sport, and recreation provider insurance

I urge the support of HB 3140, as the liability release is an important tool to help sustain an outfitter and guide, adventure sports, and recreation providers' ability to obtain liability insurance and, more importantly, provides an educational tool to trip participants about the inherent risks associated with recreating in the State of Oregon.


Leslie K. Frazee