

February 19, 2025

House Committee on Economic Development, Small Business, and Trade Oregon State Capitol 900 Court Street NE Room 453 Salem, Oregon 97301

Re: SUPPORT for HB 3140 Relating to recreation

Chair Nguyen and Members of the Committee:

The Protect Oregon Recreation Coalition was formed in 2023 to support liability waiver reform in Oregon. To date, we have grown to represent 250 organizational supporters, and we are growing in support nearly every day.

Our supporters include local businesses, non-profits, user groups, and advocates who provide and support recreation and fitness opportunities to Oregonians of all backgrounds and abilities.

Our goal is simple: Take immediate action<sup>1</sup> to address liability reform to realign Oregon's policy with all other Western states and lay the groundwork to address the challenges created by extreme weather events like wildfires. By doing so, we seek to promote economic stability and reduce costs for small businesses which translates into lower costs and greater access to recreation and fitness for Oregon consumers.

What sets Oregon apart from the other states is a single Oregon Supreme Court case: *Bagley vs. Mt. Bachelor*. Although the circumstances of that case are ski-specific, the impacts are being felt industry-wide. The *Bagley* case effectively nullified the effectiveness of liability waivers in Oregon. As a result of the elevated risk exposure they must cover, insurers have pulled out of the state, declined to offer coverage for many historic uses, and have had no choice but to radically raise premiums on the policies they still provide.

This is not the insurers' fault. Many recreational providers know their insurers well and recognize that insurers are getting squeezed. That, in turn, squeezes recreation and fitness providers, many of whom have gone out of business, closed recreational opportunities, and raised rates on consumers.

In the 2014 *Bagley* decision, the Oregon Supreme Court spoke extensively about the public policy pros and cons of enforcing liability waivers. Because the Oregon legislature had not

<sup>&</sup>lt;sup>1</sup> Oregon Governor's Task Force on the Outdoors, Oregon Office of Outdoor Recreation;



addressed the issue, the Court looked at other states' policies and appellate rulings and derived its own analysis. In so doing, it implied an invitation to the Oregon Legislature to pass legislation addressing this important issue. Generally, the Court would rather that the Legislative Branch speak on matters of public policy than leave those decisions to the courts.

It's time that the Oregon Legislature accept the invitation of the Bagley court and address the public policy challenges created by the *Bagley vs. Mt. Bachelor* decision. Liability waivers need to matter again, as they did before *Bagley* and as they do in every other Western state. That's what HB 3140 is intended to accomplish. And that's why we strongly support the bill's passage.

69% of Oregonians participate in recreation each year.<sup>2</sup> And over 190,000 Oregonians are employed by indoor and outdoor recreation and fitness job sectors, which generates over \$16 billion in annual revenue. That's a huge tax base for the state. Reducing recreation and fitness opportunities will disproportionately harm small businesses and communities across Oregon, both urban and rural.

Oregon's recreation and fitness industry needs the support of lawmakers and the public to survive, and waiver reform is a meaningful step toward a more certain future and protecting Oregon recreation for all.

Sincerely,

**Protect Oregon Recreation** 

<sup>&</sup>lt;sup>2</sup> Outdoor Industry Association, <u>Oregon Fact Sheet</u>; IHRSA Health Club Consumer Report Study, https://oregonhfa.org/



## Partner organizations for Liability Waiver Reform for Oregon Recreation and Fitness































































































































































































































































































