

February 15, 2025

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

RE: HB 3140

Chair Nguyen and Members of the Committee:

This letter is being written in support of HB 3140 to help protect consumers ability to recreate in Oregon.

My name is Tim Hendrickson, I am the Senior Vice President/Program Manager within AmWins, the largest wholesale insurance broker in North America. I manage the MountainGuard Program which has been one of the largest insurers of ski and summer recreation facilities for the last 63 years. I have been involved in risk management, safety, operations and insurance for recreation providers for the last 28 years.

We support HB 3140 as there is growing concern over the insurability of recreation in the State of Oregon. We now underwrite Oregon differently than the rest of the Western US States because of the erosion of the enforceability to release claims of ordinary negligence in the State of Oregon. In other Western states such as Washington, California, Idaho, and Utah allow recreation providers and user/guest to enter into a pre-activity release or acknowledgement of risk agreements.

MountainGuard insures a variety of recreation activities including skiing and snowboarding, tubing, snowcat/heli skiing, mountain biking, cycling, e-biking, snowmobiling, paddleboarding, kayaking, hiking, golf, sightseeing, fishing, camping, swimming, climbing walls, youth camps, youth ski teams, avalanche education, recreation day care, disability programs, sport competitions, ziplines, adventure courses, weddings and outdoor concerts and festivals.

Releases are key components of recreational providers as they give the opportunity to educate guests on the risk of the activity they are undertaking and to accept those risks or walkway from the activity. Releases are also key components of underwriting for an insurance company in the recreation space. Without pre-activity releases many times it becomes a non-starter for an insurance carrier to underwrite the risk.

We are in an uncertain time in Oregon because of the lack of provider and consumer protection from the unenforceability of release. We underwrite in Oregon with caution and trepidation for the future. If we continue to see increased litigation related to the inherent risks of recreation that are traditionally covered under a release of liability agreement, we will be forced to make difficult decisions for our ski and summer resort clients in Oregon.

In the best-case scenario insurance premiums will continue to increase for recreation providers in Oregon. This increase will no doubt be passed down to the consumer thus limiting access to some people. In the worst case and more likely scenario, some recreation will become uninsurable which will lead to reduction in recreational opportunities for citizens of Oregon.

MountainGuard is one of the two main insurance programs in the United States that will support and insure the long-term viability of the ski and summer recreation industry. The Oregon Ski Industry has been hit with not only uncertainty in the liability landscape but also significant uncertainty in the property insurance market due to wildfire risk and other catastrophic risks that are driving insurance premiums. Uncertainty in the insurance landscape is never good for the end user as it leaves insurers only two choices:..... increase rates or leave the market.

To be clear we are not in support of blanket immunity for the ski industry in Oregon. We do need common sense protections where a guest can be warned and informed of the risks of the recreational activity and where the courts will uphold those agreements between the guests and operators.

Supporting HB 3140 will have a direct result on mitigating increased insurance premiums and ensuring recreation opportunities remain accessible for the people of Oregon.

Thank you for your consideration.

Sincerely,

Timothy Hendrickson