

MEMORANDUM

To: Chairman Meek, Vice-Chair Drazan, and Members of the Senate Committee on Commerce and General Government

From: Oregon Health & Fitness Alliance, Jim Zupancic, President and General Counsel

Re: **SUPPORT FOR SB 1593 (ORCA)**

Date: February 7, 2026

The more than 350 Oregon fitness clubs, gyms and exercise studios comprising the Oregon Health & Fitness Alliance (“**OHFA**”), join with hundreds of other recreation activity providers to enthusiastically endorse and support SB 1593.

Nearly all our members are small family-owned enterprises, disabusing the notion that only large corporate interests are impacted by Oregon’s out-of-step current policy to not enforce liability waivers for ordinary negligence. This policy harms these small businesses by causing liability policy premiums to skyrocket, resulting in higher operating costs and higher prices for consumers.

CONSUMER AFFORDABILITY STARTS WITH LOWERING COSTS, AND SB 1593 HELPS LOWER COSTS.

Since the *Bagley* decision in 2014, personal injury lawyers have enjoyed a gravy train in Oregon because liability waivers have been deemed invalid as a matter of law. This means that judges in recreational injury cases could no longer honor waivers in ordinary negligence cases, as they had for about 100 years before *Bagley*. As a practical matter, the value of every recreational injury case went up in Oregon because insurance companies were more inclined to write big checks than risk huge jury verdicts. As insurance companies wrote more checks, premiums increased for all recreational providers to help cover the rising costs of these settlement checks. In the past five years, our members have seen premium increases **THREE TIMES** the rate of inflation. Some insurance companies gave up and simply stopped doing business in Oregon. SB 1593 rebalances the playing field by restoring to the judges the **OPTION** but not the **OBLIGATION** to find certain waivers valid if they are fair and otherwise reasonable.

Every other western state, including progressive states like California and Washington, allow judges this prerogative to find recreational liability waivers valid. SB 1593 realigns Oregon with these other states, removing a huge economic impediment to doing business in Oregon.

We urge your YES vote for SB 1593, which will send a positive signal to not only recreational providers, but also to the broader national business community, that Oregon is **OPEN FOR BUSINESS** again and is willing to adjust when adjustments are needed.

Respectfully submitted for the record.