

**TESTIMONY ON SB 186
CONSUMER PRICE INDEX FOR ADJUSTMENTS TO TORT CLAIMS ACT LIMITS
BEFORE THE SENATE JUDICIARY COMMITTEE
JANUARY 22, 2019**

PRESENTED BY: PHILLIP LEMMAN, OFFICE OF THE STATE COURT ADMINISTRATOR

SB 186 amends three statutes to change the specific Consumer Price Index used to calculate annual adjustments to the Oregon Tort Claims Act liability limits. Pursuant to ORS 30.271, 30.272, and 30.273 the State Court Administrator makes annual adjustments to those limits, effective each July 1.

The index currently specified in those statutes is the "Portland-Salem, OR-WA Consumer Price Index for All Urban Consumers for All Items." However, the U.S. Bureau of Labor Statistics no longer issues that index.

We have consulted with the Legislative Revenue Office and the Office of Economic Analysis and both agree that the "Consumer Price Index for all Urban Consumers, West Region (All Items)" is an appropriate replacement index. In addition, the House Revenue Committee has introduced HB 2118, which would adopt the same West Region index for use in all statutory and session law references, including the three statutes amended in SB 186. As of last Friday, the bill was at the Speaker's desk for referral.

We seek early passage of SB 186 so that we can complete our calculations, post them for public comment, and finalize the 2019 adjustments in time to meet the July 1 deadline. For that reason, the bill includes an emergency clause.

You also have before you the -1 amendments. We have worked with committee counsel on this amendment to specify that the changes in this bill apply to adjustments made on or after January 1 of this year. This makes it clear that adjustments made in previous years will not be recalculated.

Thank you for considering this measure and the -1 amendment.