TESTIMONY ON HB 2188 CONSUMER PRICE INDEX FOR ADJUSTMENTS TO TORT CLAIMS ACT LIMITS BEFORE THE HOUSE COMMITTEE ON REVENUE FEBRUARY 4, 2019

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

The Oregon Judicial Department supports Sections 2, 3, and 4 of HB 2188.

Those three sections specify a new Consumer Price Index (CPI) for the State Court Administrator to use in calculating adjustments to the liability limits in the state Tort Claims Act. The federal government no longer issues the current CPI specified in statute.

OJD requests that the committee add amendments to clarify the impact of the changes in those sections and to allow the State Court Administrator to fulfill her statutory duty within the time prescribed in statute.

OJD recognizes the need to change the specified CPI in these statutes. Chief Justice Martha Walters introduced 2019 SB 186, to make the same statutory changes as presented in Sections 2-4 of HB 2188. The Senate amended the bill and passed SB 186-A last week on a 28-1 vote and has not yet been referred to a House committee.

The Senate amendment to SB 186 (found in Section 4 of SB 186-A) establish that the change in the CPI only applies to calculations made on or after the effective date of the bill. That was added to establish that OJD does not need to re-calculate its previous adjustments.

In addition, OJD requested an emergency clause on SB 186. Current law establishes that the adjusted tort claims limits take effect for actions commenced on or after July 1 of each year. OJD needs an emergency clause on Sections 2-4 in order to meet its statutory obligation to adjust the tort claims limits before July 1.

Thank you for your assistance in helping OJD complete its statutory duties. I would be glad to answer questions.