

SB 186 A STAFF MEASURE SUMMARY

Carrier: Sen. Manning Jr

Senate Committee On Judiciary

Action Date: 01/22/19

Action: Do pass with amendments. (Printed A-Eng.)

Vote: 7-0-0-0

Yeas: 7 - Bentz, Fagan, Gelser, Linthicum, Manning Jr, Prozanski, Thatcher

Fiscal: No fiscal impact

Revenue: Has minimal revenue impact

Prepared By: Channa Newell, Counsel

Meeting Dates: 1/22

WHAT THE MEASURE DOES:

Changes cost of living index used in yearly adjustments to Oregon Tort Claims Act liability limits to the Consumer Price Index for All Urban Consumers, West Region. Declares emergency, effective on passage.

ISSUES DISCUSSED:

- Use of Consumer Price Index for adjustment to Tort Claims Act limitations on liability
- Department of Labor's Bureau of Statistics is discontinuing statutorily referenced index
- Agreement among analysts that new index is appropriate replacement
- Variation of adjustments based on index used
- July 1, 2019 deadline for completion of adjustment

EFFECT OF AMENDMENT:

Clarifies that new index applies only prospectively; does not require calculation of adjustments made under prior index.

BACKGROUND:

Tort claims against a public body, or the employee, officer, or agent of a public body that occur when the employee, officer, or agent is acting within the scope of their employment or duties, are covered by the Oregon Tort Claims Act. Under the Act, the public body indemnifies the employee, officer, or agent and there are limits on the liability that can be imposed on the public body. Currently, those monetary figures are subject to an annual adjustment by the State Court Administrator to adjust for cost of living changes. Statute directs use of the Portland-Salem, OR-WA Consumer Price Index for All Urban Consumers for All Items in order to make that adjustment. The Consumer Price Indexes are maintained by the US Department of Labor Bureau of Statistics, which has discontinued use of the index specified in statute.

Senate Bill 186-A directs the State Court Administrator to use the Consumer Price Index for All Urban Consumers, West Region, for adjustments to the limits on liability.