Oregon Department of Justice

Office of the Attorney General

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HB 2130: Ending Obsolete Mediation Program

Background:

The Oregon Environmental Cleanup Assistance Act (OECAA) was enacted in 1999 to speed up and simplify the settlement of environmental claims. In 2013, OECAA was expanded (SB 814) to require that insurers participate in nonbinding environmental claim mediation when requested by an insured.

SB 814 also directed the Attorney General to appoint a mediation service provider and to operate an environmental claims mediation program (ORS 465.484(2)(e)), to help both insurers and those insured find qualified mediators. Since then, DOJ has operated the program, and the contracted mediation service provider has maintained an active mediation roster. Despite advertising the program, it has been underutilized because parties involved in environmental claims disputes are typically familiar with qualified mediators.

Without legislative action, DOJ has an ongoing statutory obligation to administer this unnecessary program. With DOJ's current provider contract set to expire in 2024, and anticipating that DOJ may not be able to find another contractor, this is a good time to end the requirement that the Attorney General operate this obsolete mediation program.

Concept:

HB 2130 repeals the requirement that the Attorney General operate an environmental claims mediation program, but makes no other substantial changes to the law. Parties will still have an obligation to mediate, and they will continue to choose their own mediators without DOJ assistance.

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