

# VALAR Consulting Engineering LLC

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## Testimony to the Senate Committee on Judiciary in Support of SB 1575

February 8, 2024

Good afternoon Chair Prozanski, Vice Chair Thatcher and members of the Senate Committee on Judiciary. For the record, my name is Norm Faris representing VALAR Consulting Engineering, we are a local certified Minority and Emerging Small Business providing Structural Consulting Engineering to the State and beyond. As native Oregonian, and founder, I take pride in the service we provide to the built Environment. We have been in business in Oregon since 2014 and employ eight. I am writing today to strongly support Senate Bill 1575.

Oregon's engineers, architects and land surveyors care deeply about our communities, which is why we invest in our local economy, creating jobs and housing for Oregonians. Right now, we are being forced into unfair contracting practices called "duty to defend" clauses, which require us to pay the legal expenses for those involved in construction projects even before fault is determined. This is detrimental to all design firms but especially women, minority, veteran owned and emerging small businesses. Because engineers, architects and land surveyors are being forced to shoulder the legal liability and legal expense without any insurance to cover this onerous clause, not all Oregon firms are participating in public agency projects This problem persists and also includes low-income public housing to help address Oregon's homelessness crisis and its associated infrastructure.

Our firm's experience with duty to defend has been in nearly every medium and large scale contract we engage in, including many affordable housing projects supporting the local communities and non-profit organizations.

We respectfully ask this committee to support SB 1575. Passing this bill would eliminate bad and unfair contract practices and ensure everyone involved in a project pays their fair share of legal expenses. This isn't about shirking responsibility – it's about ensuring fairness so everyone is paying their own way and adequately protected by their insurance.

Thank you for your service and we are happy to be a resource if you have additional questions.

Thank you.

Sincerely,



Norman Faris, P.E., SE  
Principal