

Atiyeh's effort to end insurance crisis all but forgotten

By ETHAN RARICK
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SALEM—Gov. Vic Atiyeh's lame duck effort to find a solution to the liability insurance crisis has been all but forgotten by the Oregon Legislature.

But the two-term Republican who left office Jan. 12 said his recommendations are still kicking and if the Legislature won't recognize them he'll present them to voters through the initiative petition process.

After more than a week of hearings, the Senate Judiciary Committee has focused only on recommendations that came out of a liability insurance task force created after the close of the 1985 legislative session.

The solutions offered by Atiyeh's Task Force on Liability Insurance are nowhere to be seen and it appears no one on the committee appears interested in giving them any consideration.

When asked what happened to Atiyeh's recommendations, Sen. Bill Frye, D-Eugene, chairman of the Judiciary Committee, said, "I don't know. Don't ask me."

Frye said he didn't think much of the task force and that he only read a brief summary of its final report.

Atiyeh, now a private consultant in international trade, said he plans to introduce the recommendations of his task force as bills.

He admits, however, that he has little faith in the ability of the Leg-

islature to come up with a solution to the problem.

"To assume the Legislature can come up with a comprehensive package is naive," said Catherine Mater, who chaired Atiyeh's hand-picked task force.

Mater said she thinks the group's strong tort reforms will be watered down by legislators who are feeling the heat from powerful interest groups such as the Oregon Trial Lawyers Association.

Mater and Atiyeh also strongly criticized Frye, who has expressed doubts about the effect of tort reform on insurance rates and said the situation is not a crisis.

"I don't know where he's been lately, but the crisis is not over," Atiyeh said.

Atiyeh and other supporters of the task force's recommendations are planning to bypass lawmakers and go to the voters with an initiative petition that would attempt to implement some of the task force's four major recommendations.

Mater, who is working on the initiative petition drive, said the initiative will deal with one of four

major recommendations approved by the task force:

- Capping awards for non-economic damages, such as "pain and suffering," at \$100,000. That compares with a \$500,000 cap proposed by the legislative task force.

- Eliminating punitive damages except where they are required by state law. The legislative task force merely proposed making them non-insurable and requiring half of the damages go to the state.

- Eliminating joint liability, which means that someone who is only partially at fault can be forced to pay all the damages simply because the other defendants can't afford to pay. The legislative task force suggested doing that only for defendants who are less than 20 percent liable.

- Allowing other payments, such as health insurance to the plaintiff, to be deducted from damage awards. That is essentially the same recommendation the legislative task force made.

Atiyeh said his panel's recommendations haven't been sent to

the Legislature so far because he has been consulting with Attorney General Dave Frohnmayer's office about how many of the proposals can be put in one bill.

Frohnmayer's office has now told him all the tort reforms can be put in one bill, and Atiyeh said he has lined up legislators to introduce the measure.



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