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Dear Chair Holvey, Vice-Chairs Bonham and Grayber, and members of the committee:

Please oppose House Bills 3171 and 3272. I am the agent/owner of Charlotte Lehto Insurance Agency, Inc. I am appointed with Farmers Insurance Group of Oregon as well as other insurance carriers and I have over 20 years of experience in the industry and proudly serve Newport, Lincoln City, Pacific City, Depoe Bay, Otis, Cloverdale, Grande Ronde and McMinnville.

The goal of our Agency is to provide our clients with insurance products which best meet their insurance needs and budget. Part of client advocacy means opposing legislation that I believe would raise rates for our clients. I ask you to vote no on House Bills 3171 and 3272. These pieces of legislation have the potential to seriously harm our existing and effective insurance system and raise insurance rates for hard working Oregonians.

Given the economic hardships many Oregonians are experiencing due to the COVID-19 pandemic, I am especially concerned about how potential increases in insurance rates would impact our clients. Even before this pandemic, 75% of Oregon voters said they were unwilling to pay more for their insurance to have additional avenues to sue their insurance provider. That is exactly what these pieces of legislation would do – encourage overlitigation.

House Bills 3171 and 3272 open the door for unnecessary and frivolous lawsuits because they allow two lawsuits for a single insurance claim – one seeking damages from an at-fault party, then another against their insurance company. Even when they don't go to trial, more lawsuits mean higher costs which can end up spiking consumers' insurance premiums.

We do not need these laws – 91% of Oregonians who have filed claims have indicated their insurance company handled the claim fairly, and Oregon already has strong protections in place for Oregon consumers.

The Division of Financial Regulation investigates claims on behalf of consumers and can order an insurer to pay claims or restitution if they are found to have acted wrongfully. Oregonians can bring suit if they

do not agree with the state's findings. If House Bills 3171 and 3272 are passed, it would likely expand litigation and stretch the state government's ability to investigate complaints – something we can't afford when budgets are already so tight.

For all of the reasons outlined above, I urge you to vote NO on House Bills 3171 and 3272. Thank you.

Sincerely,

Charlotte R. Lehto
Farmers Insurance Group of Oregon
Charlotte Lehto Insurance Agency, Inc.
The Insurance Store NW, Inc.