

Kym Housley, Farmers Insurance

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

My name is Kym Housley and I am the owner of Housley Insurance in Junction City, OR. I'm writing to you today to urge you to vote no on House Bills 3171 and 3272.

If passed, House Bills 3171 and 3272 would facilitate frivolous litigation in our state and risk having Oregonians' insurance costs raised at the worst possible moment. Proponents of these bills, who stand to profit immensely from the increased litigation, cite a need for "consumer protection". However, as you may remember, Oregon already has strong, unique laws protecting consumers.

In 2013, Oregon passed SB 414, which allows the Department of Consumer and Business Services to directly pursue restitution and other damages a consumer suffers if an insurer were to violate the state Insurance Code. Insurers are required to treat their policyholders fairly and settle covered claims in a timely manner. Should a problem arise, consumers already have the power to seek recourse in a court of law or through the Oregon Division of Financial Regulation. Consumers can even ask the agency to impose sanctions and recover restitution through DCBS if an insurer violates the state Insurance Code.

These protections are robust and have proven effective. They represent the extra step Oregon has taken to protect consumers in this area and their existence underlines the redundancy of legislation like HB 3171 and HB 3272. The only motivation for seeking the supposed additional protections under these bills would be for the profit that comes with costly, frivolous lawsuits.

Oregonians are facing truly historic challenges right now, between the COVID pandemic we've endured for the past year, the wildfires that claimed the lives and homes of those already struggling, and now unprecedented ice storms that have disconnected our communities from power for days on end. Millions of Oregonians faced unemployment last year and many are still struggling to pay their bills even now. As Oregon's consumers face increased economic struggles, so do our small businesses, and the families that survive from that income. We've seen this ripple effect throughout the pandemic.

We know these bills are redundant protections that only serve to benefit those able to profit off of the resultant lawsuits, and we know that the increased costs of fighting those lawsuits could mean a rate increase for home, auto, and other insurance.

So, the question you are faced with today is simple: Is now really the time to risk increased insurance costs for Oregonians?

The answer is clear. We do not need to place additional strain on our consumers in the name of redundant protections. Please vote no on House Bills 3171 and 3272.

Thank you,

Kym Housley
Housley Agency Inc - Farmers Insurance