

Sheri Weber Testimony, HB 3171 and HB 3272

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

My name is Sheri Weber and I am the Regional Director of Sales for diBrokerWest, based in Tualatin, OR. I am here today to ask you to vote no on House Bills 3171 and 3272. We are proud to offer quality protection at affordable rates to members of our community. These bills will jeopardize our ability to do just that.

These unnecessary bills open the door for excessive and frivolous lawsuits, because it allows two lawsuits for a single insurance claim – one seeking damages from an at-fault party, then another against their insurance company. As we've seen in other states with similar legislation, even when they don't go to trial, more lawsuits mean higher costs that often end up in consumers' insurance premiums. Now is the worst time to risk an increase in insurance costs.

A year ago, a global pandemic forced most of our state to shut down, costing millions of Oregonians their jobs throughout the year and causing an unprecedented economic crisis. While the rates of COVID-19 are improving slightly as the vaccine becomes available slowly throughout the country, the economic impact is still felt and our consumers, our families, will not recover swiftly.

On top of the pandemic, Oregon's wildfire season reached new levels of severity this past fall, causing devastating destruction and unsafe conditions around our state. Over 4,000 homes were lost, more than 40 times the number of homes lost to wildfires in the last five years combined.

Then, just last month, our communities faced severe winter weather and mass power outages across the state. Tens of thousands of buildings lost power for days on end, causing businesses to close, families to lose access to heat, schools to shut down, and more as we waited to hear when the lights would turn back on.

I know you all are well aware of the challenges we are facing as a state. I know you're wondering what this has to do with insurance rates or lawsuits. But I emphasize the struggles we've faced and are facing because it is important to remember that Oregonians are in crisis.

Too many of our friends and neighbors, your constituents, are barely able to pay their bills. House Bills 3171 and 3272 would allow for frivolous lawsuits, costing the state's Department of Business and Consumer Services time and resources we do not have, all while benefiting only

the few who stand to profit from these lawsuits. Oregon's current consumer protections already hold insurers accountable for fair practices, and allow consumers to seek damages if the state's Insurance Code has been violated.

These bills are redundant and costly. The resultant cost of an increase in frivolous lawsuits, or, worse, could raise insurance rates for consumers as it has done in the other states where similar legislation was adopted. It is a risk we cannot afford to take, especially as the protections it supposedly provides are redundant at best and as Oregonians are facing increased economic struggles.

Now is not the time to increase costs to Oregonians. Please vote no on HB 3171 and HB 3272.

Thank you/



Sheri Weber

diBrokerWest