

Submitter: Brian Pojas

On Behalf Of:

Committee: House Committee On Business and Labor

Measure: HB2920

My name is Brian Pojas, an owner of AIC Insurance Agency here in the Portland metro area for the past 30 years, with additional offices in WA, ID and Arizona.

As an agency owner, I am opposed the HB2920 bill that would remove limited credit (insurance score) as one of the many rating tools that insurance carriers use in Oregon.

With the introduction of credit evaluation to determine an insurance score over a decade ago, we have seen many clients aware of its inclusion and impact. The majority are accepting and approving of the process, as they understand the benefits of having an individual premium based upon multiple rating tools that include credit. They do not want to be lumped into a generalized standard category, otherwise known as "One demographic size fits all" plan that dictates their premium. We have experienced this situation with our Washington State business when they implemented a similar bill last year. Over 85% of our insureds were hit with an increase in premium at their renewal, while the remaining 15% had seen some reduction. That is the real impact this bill will have. Additionally, forcing us agents to explain Washington State legislature which led to some uncomfortable conversations. Some insureds directed their frustration towards the agent because they had no other immediate recourse. We often advised them to contact or write their representatives. This bill may help a few, but you would be penalizing the overwhelmingly majority of policy holders.

Several of our insureds have voiced negative concerns with the current economic climate and all the financial increases they are facing now, many are making hard choices on what they can or cannot afford. Those insureds with limited or fixed incomes may be greatly harmed with increased insurance premiums, as a direct result if this bill is passed. They may be faced with reducing or eliminating coverage all together. Thus, impacting all Oregonians as a result.

Another thing to consider as brought up by clients, is that many of them have longevity with their current insurance carrier. Providing them with discounted or additional benefits for continuous renewals or a claim free history. These are things that clients have earned and appreciated for their continued business with the same carrier. If the majority of our clients see their insurance premiums increase suddenly and dramatically as a result of this bill, it will force more of our clients to be looking at switching carriers on a frequent basis for their auto insurance needs. Sacrificing previously earned benefits in the pursuit of ever-changing affordable insurance. It's a

lose / lose situation for both the client and the insurance company.

Washington and California have already shown us the negative impact caused by similar bills. Directly affecting the majority of consumers with much higher premiums. That is the reality.

These are just a few things to consider. Thank you.

Brian Pojas