



Chair Prozanski, Vice Chair Thatcher, Members of the Committee,

My name is Lisa Runyan and I am an Owner of Pacific Rim Insurance. I urge you to oppose House Bills 3242 and 3243. It is my duty to seek out the best solutions for my clients to ensure they are protected and get the best value for their valuable dollars.

I take this obligation seriously. Insurance is something you don't fully appreciate until you need it and only if I have done my job will my customers have that safety net when they need it most. House Bills 3242 and 3243 seek to move our insurance market away from the current approach to reward high-stakes litigation. That would be a bad move for Oregon consumers and the state.

Right now, Oregon's market works well for Oregon consumers. For instance, a July 2022 analysis by the website Policygenius looked at the homeowners' policy rates in 26 states.¹ Oregon was the cheapest state by far, with an average rate of \$609. Utah was the next cheapest at \$740. The states of Washington and California, which allow bad faith lawsuits, were \$873 and \$1,089 respectively.

Bad faith lawsuits make resolving insurance claims more difficult because they insert an attorney into the mix who depends on boosting the size of the claim to get compensated. There is also significant risk this will actually translate into cost shifting to the taxpayers as there is an incentive to file a complaint with the Department of Consumer and Business Services, and then use that investigatory file as the basis to pursue a lawsuit. In other words, this would allow trial attorneys to shift discovery costs to the taxpayers. Oregon doesn't need to increase the that our residents are already feeling with inflation, by adding on the potential of increases in their premiums. I urge you to oppose House Bill 3242 and 3243.

Lisa Runyan

Pacific Rim Insurance

¹Policygenius, July 12, 2022, <https://www.policygenius.com/homeowners-insurance/home-insurance-pricing-report-july-2022/>