

Submitter: Mark Gentle  
On Behalf Of: self  
Committee: House Committee On Commerce and Consumer Protection  
Measure, Appointment or Topic: HB3089

Chairman and Committee Members,

I am a homeowner residing in Bend Oregon. I strongly oppose HB 3089. The proponents are misguided and apparently do not fully understand that the bill as written would roll back years of regulatory success in bringing comprehensive homeowners insurance coverage together in a single policy, thereby making the product affordable for homeowners across the country. Any effort to separate "wildfire" risk from "fire" risk would most certainly result in fewer consumer options, more expensive coverage, and gaps in coverage. The vague definition of "wildfire" in this bill will undoubtedly bring litigation stringing out for years, leaving insureds in legal limbo.

The proponents testified that the goal of the bill is to open the door to having conversations with insurance companies and the Insurance Services Office for creating a separate policy for wildfire coverage. Such conversations will not happen, or at least should not happen. No entity can speak for the insurance industry concerning coverage, rating or underwriting without risking antitrust scrutiny.

This legislation could well result in widespread dislocation of fire coverage for virtually every homeowner in Oregon. The only potential beneficiary of this legislation would be a narrow market segment that does not want wildfire coverage, leaving all homeowners that want and need comprehensive fire coverage in distress. In areas at medium or high risk of a wildfire hazard, a separate policy, if available, would most certainly be price prohibitive as the coverage would be rated as a standalone product based on standalone data. The underwriting criteria would be so exacting that most insureds would not qualify for the coverage. These are just a few of the concerns such a strategy raises.

Prior to my retirement, I was privileged to serve the state of Texas in various capacities including Special Legal Counsel to the Board of Insurance, and Assistant Attorney General in the Antitrust Division working exclusively on a single insurance antitrust case. This was part of over 40 years of professional experience, primarily related to insurance and risk related advice, litigation and coverage evaluation.

Respectfully,

Mark Gentle