

**Testimony Submitted by  
Jagjit Nagra, Executive Director  
Oregon Consumer Justice  
To the Senate Committee on Judiciary**

March 5, 2025

Regarding: Support for SB 174 with the dash 2 amendment

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

For the record, my name is Jagjit Nagra. I appreciate the opportunity to provide testimony today in support of SB 174-2 on behalf of Oregon Consumer Justice.

Oregon Consumer Justice (OCJ) envisions a vibrant future where all Oregonians live with dignity and abundance and experience health, joy, and economic opportunity. We work collaboratively across policy and advocacy, community engagement, and the law, to realize a more just and equitable Oregon where people come first. For too long, flawed systems and policies have stood in the way of this reality, with communities of color most often experiencing significant harm. Informed by consumer insights, OCJ works to make financial and business transactions reliably safe and supports Oregonians in knowing and exercising their consumer rights.

SB 174 removes the long-standing carve out of the insurance industry from the Oregon Unlawful Trade Practices Act (UTPA), Oregon's foundational consumer protection law. With the dash 2 amendment, this bill makes it clear that Oregon small business insurance agents will not be affected by this change. Passing this bill closes a critical gap in consumer protections and creates a fair, equitable marketplace where consumers can feel confident and secure in their insurance dealings. Under this legislation, insurance companies will operate according to the same legal standards as other Oregon businesses, giving consumers a legal framework to hold insurers accountable for any fraudulent or unethical practices.

Insurance is a fundamental and often mandatory service that every Oregonian interacts with throughout their lives—from purchasing auto insurance for their first car to insuring a first home or rental property to obtaining life insurance to protect loved ones. These transactions are not routine, but vital to assure financial security and stability for individuals and families across our state.

Findings from our Fall 2024 statewide survey of Oregonians<sup>1</sup> found that a strong majority of Oregonians (81%) believe it is important for insurance companies to adhere to the same foundational consumer protection laws that apply to other industries.

We have seen firsthand what happens when an industry is not adequately regulated. The 2008 Great Recession remains a stark reminder of the global impact wrought when banks are allowed to operate without sufficient oversight. That crisis resulted in millions of people worldwide experiencing job loss and housing foreclosures, among other severe economic hardships. Acting to protect Oregonians, the Oregon legislature passed HB 3706 in 2010, which extended UTPA protections to banks, which left insurance as the sole industry exempt from this statute. In this effort, Legislators recognized that both "private and public enforcement play complementary roles"<sup>2</sup> to ensure consumers who experience harm by unfair practices have recourse.

Insurance regulation is handled at the state level. With the current federal administration focused on dismantling critical consumer protection agencies including the Consumer Finance Protection Bureau (CFPB), it is increasingly important for Oregon to safeguard its residents from the impacts of unfair practices in the insurance industry.

Over the past several years, rates for consumers have been increasing, while the property and casualty insurance industry had its most profitable year ever in 2024, with profits reaching \$144 billion<sup>3</sup>. Yet, consumers have no recourse to hold insurance

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<sup>1</sup> Oregon Consumer Justice, "[Fall 2024 Consumer Survey Results.](#)"

<sup>2</sup> Oregon Legislative Information System, "HB 3706 - Overview," Oregon State Legislature, accessed February 27, 2025, <https://olis.oregonlegislature.gov/liz/2010SI/Measures/Overview/HB3706>.

<sup>3</sup> Déjà vu All Over Again: More Secondary Events as US P/C Industry Marches Toward Rate Adequacy, AM Best, February 20, 2025.

companies accountable if they break the law regarding coverage following a car accident, a house flooding, or another destabilizing event.

Climate change, inflation, and other economic uncertainties will continue to shape the insurance landscape, making rising premiums a likely reality for Oregonians—with or without added protections from SB 174-2. By extending UTPA protections to insurance companies, Legislators can ensure all consumer industries in Oregon are held to the same legal standards, and uphold the rights of consumers to fair and equitable treatment in the insurance marketplace. Passing SB 174-2 can help individuals and families feel secure in their insurance transactions, building trust that their insurers will provide the coverage they paid for, especially in times of crisis.

I urge you to support this bill and your commitment to a more just and transparent insurance market for all Oregonians.

Thank you for your consideration and your service in building the future that Oregonians deserve.