



TO: Senate Committee on Judiciary
FROM: Brenna Stevens, OSPIRG
RE: Support for SB 174

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

OSPIRG urges your support of SB 174, Strengthening Consumer Protections in Oregon's Insurance Industry. The bill aims to close a critical gap in consumer protection, ensuring that insurance companies are held to the same ethical standards as other businesses in Oregon.

OSPIRG is a statewide, member-based organization representing thousands of Oregonians across the state. We stand up to special interests on behalf of the public on issues that impact their health, safety and wellbeing.

Consumers should feel secure in knowing that insurance companies will deliver on the promises they've made. However; because insurance agencies are exempt from the UTPA's requirements, consumers are left without adequate recourse or protection from bad actors.

Insurance is an essential that consumers rely on to safeguard their homes and vehicles, provide financial security for their loved ones in the event of an unexpected passing, and ensure access to long-term care in case of a serious injury from significant unforeseen costs. Given that consumers are often required by law to purchase insurance is all the more reason it should be covered under the UTPA. When we invest in insurance, we expect companies to uphold their commitments during times of crisis or hardship.

Oregon's insurance industry is currently the only major industry not covered by Oregon's Unlawful Trade Practices Act (UTPA). The insurance industry should be held to the same standards of accountability and transparency as other industries, and Oregon consumers should have the same protections and avenues for recourse when dealing with all industries. As it stands, consumers harmed by fraudulent or unethical insurance practices have limited protections when dealing with bad actors in the industry.

When Oregonians spend their hard-earned money on a car, home, and other types of insurance, they should be able to feel confident that insurance companies will hold up their end of the bargain. And they should have recourse when insurance companies fail to honor their agreements.

We urge your support of SB 174 to protect Oregonians from fraudulent and unethical insurance practices. Thank you for the opportunity to submit testimony.

Sincerely,
Brenna Stevens
Campaign Associate
OSPIRG