

Submitter: Paul Holvey

On Behalf Of:

Committee: House Committee On Rules

Measure, Appointment or Topic: SB174

My name is Paul Holvey. I am traveling in Europe and on trains currently, and request the following testimony be entered into the record in support of SB 174:

As former chair of the House Consumer Protection and Business and Labor Committees, we first attempted to bring the insurance industry under the UTPA in 2009, when we brought the financial industry into those statutes, after the sub-prime mortgage crisis (predatory lending). We've had ongoing discussions and introduced bills every long session since that time to put insurance under the UTPA.

After massive consumer losses from wildfire, it was greatly recognized that there was little accountability to consumers from the insurance industry for providing the contractual protections promised to premium payers, the House passed legislation to finally bring them under the UTPA. They remain the only Oregon industry not subject to the UTPA.

The proposal is similar to the 2009 financial industry legislation, where they are first subject to the regulatory requirements of the DCBS, and when that fails to protect consumers, DCBS is joined by the DOJ under the UTPA for accountability to consumers.

It is unfortunate some in the medical community fear massive premium increases as a result of this kind of legislation, which has remained unsubstantiated (ie Washington State). Even though some exemptions have been provided to the medical industry as requested, some are still opposing, claiming their premium fears are more important than the losses continually suffered by all Oregon consumers, including their own peers.

The Senate has always been a stumbling block because they wanted more discussion on the Senate side. They have now had it, and it is a Senate bill. It is time to get this done and deal with perceived issues, if they come to pass, in the future. Legislation is a dynamic process and should not be approached as a do nothing because a few aren't sure of the future. Please give consumers their recourse just as they have in all other industries, vote aye on SB 174. Thank you.