

*June 23, 2025*

**Chair Bowman, Vice-Chairs Drazan & Pham, and Members of the Committee:**

My name is Patrick O’Keefe, and I have been a part of the insurance industry, as an independent agent, for over 30 years. I am writing today in strong opposition to SB 174.

This bill would expand the Unlawful Trade Practices Act to include insurance, placing the industry under the authority of both the Department of Consumer and Business Services and the Attorney General’s office. This type of dual regulation is unnecessary and would increase costs for consumers without improving accountability or service.

Insurance is already highly regulated by DCBS, which provides a clear and effective oversight structure. Adding an additional enforcement mechanism through the Attorney General’s office would create confusion, increase legal risk, and ultimately result in higher premiums for Oregon families and businesses.

At a time when Oregonians are already facing high costs and financial uncertainty, the last thing they need is another factor driving up insurance rates. Increased litigation and regulatory exposure will be priced into the system, raising costs for everyone.

We’ve seen what happens when states adopt policies like this. Studies have found that similar legislation will lead to premium increases of 7-16%, costing consumers up to \$1.4 billion. In California, allowing bad faith lawsuits led to a dramatic rise in litigation expenses and a 53% increase in bodily injury insurance premiums, until the state’s Supreme Court reversed course after litigation costs and insurance premiums skyrocketed.

**Oregon should not repeat that mistake.**

As an independent agent, I work directly with people in my community to help them understand their coverage, navigate claims, and find affordable insurance options. We provide a personal connection and a level of service that online platforms or national call centers cannot replicate. Proposals like SB 174 make it harder for us to do our jobs and harder for Oregonians to afford the protection they need.

For these reasons, I urge you to oppose SB 174.

**Sincerely,**

Patrick O’Keefe