



## OREGON LAND TITLE ASSOCIATION

RE: 2025 Senate Bill 174A

Honorable Members of the House:

The Oregon Land Title Association opposes Senate Bill 174A, which for the first time in Oregon history would create a private right of action against insurers under the Unlawful Trade Practices Act (UTPA) for willful violations of the Unfair Claims Settlement Practices Act (UCSPA), a regulatory statute never enacted for that purpose. SB 174A:

Contradicts the legislative intent of each statutory scheme

- UTPA was designed for *consumer goods and services*, not regulated financial industries like insurance
- On the other hand, UCSPA is a regulatory framework – intended for administrative enforcement by the Insurance Division, not for private lawsuits.
- For many years, the Legislature has intentionally excluded insurance from the UTPA, and repeated attempts to repeal this exemption have failed.

Undermines the role of the Insurance Commissioner

- Shifting enforcement to private litigants and courts erodes the centralized oversight role of Oregon's Division of Financial Regulation (DFR). DFR did not propose SB 174 and has not testified in its support.
- Creating a risk of inconsistent interpretations (why should residents of one county have different remedies than another?) and duplicative penalties imposed by courts and the regulator.

Blurs the line between contract disputes and consumer fraud

- Insurance claims are fundamentally contractual and do not pertain to deceptive business practices.
- UTPA standards are vague and broad – creating unpredictable liability for insurers.

May create unintended consequences

- Could slow down payments and increase denials.
- Leading to reduced access to coverage / fewer insurers in the market.

Disregards the national consensus otherwise

- The vast majority of states keep UCSPA and UTPA enforcement separate.
- Only a small minority (e.g., New Mexico, and Washington) allow overlapping claims – often with court-imposed limits.

### Conclusion

Strengthen regulatory oversight if requested by the DFR – but do not expand the UTPA.

Submitted by Ian Kyle, Co-Chair, OLTA Legislative Committee

Direct dial: 503.796.6625; Email: [ian.kyle@fnf.com](mailto:ian.kyle@fnf.com)