



February 5, 2026

Re: Support for HB 4098

Chair Sosa, Vice Chair Chaichi, Vice Chair Osborne, and Members of the Committee:

The Oregon Consumer League urges your support of HB 4098, Strengthening Consumer Protections in Oregon's Insurance Industry. This bill will close a critical gap in consumer protection, ensuring that insurance companies are held to the same ethical and fairness standards as other businesses in Oregon.

For over 59 years, the Oregon Consumer League has worked to protect Oregonians' rights through education, policy development and advocacy. Our mission includes advancing pro-consumer legislation on the state and national level and defending against policies that harm Oregon consumers.

Oregonians spend thousands of dollars each year buying insurance. Insurance is an essential and often required service that consumers rely on to safeguard their homes, vehicles, and property, and to provide financial security for their families in the event of unexpected events. Oregonians expect to get what we pay for and we expect companies to uphold their commitments during times of crisis or hardship.

Unlike other companies doing business in Oregon, 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.

That one industry is exempted from a consumer protection statute as important as the UTPA is unfair. Although the Unfair Claims Settlement Practices Act (ORS 746.230(1)) prohibits certain actions of insurance industry bad actors, the statute does not provide the same remedies and procedural protections for consumers as does the UTPA.

Insurers assert that because they are already regulated by the Oregon Department of Consumer and Business Services (DCBS), protection for consumers under the UTPA is not necessary. Many other businesses and industries are also regulated by DCBS, and the legislature has applied the UTPA protections to other regulated industries. Although DCBS provides representatives to assist consumers with insurance complaints, resources and remedies are limited.

HB 4098 would:

- Bring the insurance industry under the scope of the Oregon Unlawful Trade Practices Act and align it with all other major consumer industries.
- Increase consumer trust and confidence in their insurance purchases.
- Provide Oregonians with protections when an insurance company is using deceptive or unfair business practices.
- Ensure Oregonians have meaningful remedies when insurers engage in unfair or deceptive conduct.

It is important that consumers trust their insurance providers. When insurance providers engage in unlawful trade practices, consumers deserve to have the protections and remedies provided for in the UTPA. Oregonians deserve a fair and equitable marketplace. There is no equitable reason why the goods and services we purchase and investments we make are covered by the UTPA but the insurance policies that we purchase to protect those goods, services, and investments are not.

We urge your support of HB 4098 to protect Oregonians from fraudulent and unethical insurance practices. Thank you for the opportunity to submit testimony and for your service to Oregon communities.

Sincerely,

Michelle Druce
Executive Director
Oregon Consumer League