



April 18, 2023

Subject: **Strong Opposition to HB 3243-A**

Senate Judiciary Committee

Dear Mr. Chair and Members of the Committee:

The Professional Insurance Agents of Oregon/Idaho (PIA) is a statewide trade association of independent insurance agents. Most of these agents represent more than one insurance company, and all of them care greatly about their customers – the insurance consumers.

PIA stands strongly opposed to HB 3243-A, which includes insurance in the definition of real estate, goods and services that are subject to penalties for unlawful trade practices.

HB 3243-A has the potential to really harm Oregon insurance consumers. It would:

- redefine the relationship of insurer to insured, to the detriment of insurance consumers
- lead to inflated settlement demands
- encourage more lawsuits
- increase underlying costs related to insurance claims
- raise insurance premiums significantly
- create incentives for insurance fraud
- clog the court system.

HB 3243-A, by authorizing secondary lawsuits regarding the resolution of claims and authorizing suits against insurers, would undermine the existing strong protections we have for consumers already in Oregon. These policies negatively impacted insurance rates in other states that adopted them.

The Division of Financial Regulation has said that this bill will also impact insurance agents (producers), most of whom are very small businesses.

We ask the committee to vote NO on HB 3243-A.

Thank you for the opportunity to share our thoughts.

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