Vote NO on HB 3160.

- **The wrong solution**
- **Higher insurance costs for consumers**
- **A threat to ALL Oregon employers & businesses**

HB 3160 is harmful, and does more than "just adding insurers" to the UTPA.

HB 3160 would establish **dual regulation** of insurance for the first time in Oregon. Insurers and insurance producers, already closely regulated by one of the nation's best-run insurance departments, under a thoughtfully-developed insurance code, would also be regulated by the state Attorney General under the Unfair Trade Practices Act (UTPA). In addition, insurers will face **"second suits"** from claimants, accusing insurers of unfair claims settlement practices whenever an insurer contests questionable or fraudulent claims. HB 3160 was written by plaintiffs' lawyers to provide them with leverage to increase settlements in all types of insurance claims.

HB 3160 "remedies" are extreme

Only 10 states have combined their Unfair Claims Settlement Practices (UCSP) statute into their Unlawful Trade Practices Acts (UTPA). Five of those states do not allow private rights of action. And the UTPA statutes of only 2 states, (FL, MA), allow both first *and* third parties to sue insurers for alleged UCSP violations. But HB 3160 is even **more extreme** than remedies in those high-cost insurance states, providing unrestrained first and third party private rights of action, with no required notice to allow cure, while imposing punitive damages, one-way attorney fees and class actions, and allowing individuals to act as "private regulators" of insurers.

HB 3160 impacts ALL Oregon businesses

HB 3160 amends the UTPA to allow plaintiffs' lawyers to seek injunctions, cease-and-desist orders, and even orders of restitution, *in addition to claims for damages*, against **any** Oregon business, not just insurance companies.

Higher insurance premiums?

Insurance premiums skyrocketed by up to 53% in California during the decade when the law allowed filing two lawsuits for the same claim – one against a party for damages and another against their insurer for "bad faith." In Washington State, where first-party bad faith lawsuits have been allowed since 2007, insurance costs in personal property coverage rose by nearly $200 million! Is Oregon next?

> *"A jurisdiction choosing to provide for a private cause of action should consider a different statutory scheme. This Act (Unfair Claims Settlement Practices) is inherently inconsistent with a private cause of action."*
>
> **-National Association of Insurance Commissioners**

HB 3160 specifically includes the Unfair Claims Settlement Practices Act as a source of litigation under the UTPA – dramatically increasing the number of lawsuits that will be filed. The nation's insurance regulators never intended the law to be a source for private party lawsuits.

Existing remedies protect consumers

Oregon's laws and regulations protect consumers, and provide remedies when those laws aren't followed. Existing legal remedies include:

1. Breach of contract for policy benefits;
2. Consequential damages for breach of contract (including, potentially, punitive damages);
3. Emotional distress damages for breaches of contract that directly causes physical injury;
4. Damages in excess of the stated policy limit for failing to adequately defend the insured;
5. Unrestricted damages for the tort of intentional infliction of emotional distress;
6. Unrestricted damages for the tort of intentional interference with contractual relations;
7. Unrestricted damages for the tort of fraudulent reductions or denials of benefits;
8. Punitive damages where the misconduct of the insurer has been deliberate, intentional, wanton and willful;
9. Assignability of claims against insurers;
10. Attorney fees for actions on the policy;
11. Actions against the insurer to recover policy proceeds following entry of a judgment.

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Contact: Shawn Miller - 503.551.7738