

**TESTIMONY OF SAL PERALTA ON HB 3160(a):  
Relating to unlawful trade practices;**

**before the Senate Committee on Rules**

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Sal Peralta  
925 SE Davis St.  
McMinnville, OR 97128  
503-437-2833  
sal@salperalta.com

Distinguished Senators,

I am writing on behalf of the Independent Party of Oregon (IPO) to express the party's support for HB 3160.

In April, we conducted a preference survey of our members in which this legislation was identified as a strong priority for our members. These questions were drawn from an earlier, more generic survey in which members identified consumer protection as a main priority of our members. Over 84% of those responding agreed with the principal feature of HB 3160--that insurance companies should be liable to consumers, under the Unlawful Trade Practices Act, for fraud and other unfair practices.

We encourage members of this committee, particularly those who have accepted IPO nominations, to move this bill to the floor with a "do pass" recommendation.

**Below is a list of proposals that are being considered by the legislature in the current legislative session. Which ones do you support? (select all that apply)**

CATEGORY	RESPONSES	PERCENT
Ban private utilities from charging a fee to Oregon rate payers to cover taxes that the utility does not pay.	256	89.5%
Remove the exemption for insurance providers from its Unlawful Trade Practices Act, so that the insurance providers are liable to consumers for fraud and other unfair practices.	241	84.3%
Give preference to Oregon-based companies when awarding government contracts.	226	79.0%
Give the Insurance Division greater power to limit unreasonable health insurance rate increases and allow citizen participation in cases involving health insurance premium hikes.	216	75.5%
Provide tax credits for businesses that engage in capital construction to expand their facilities in Oregon and then hire new Oregon workers.	191	66.8%
Lower the cost of attending Oregon colleges and universities.	173	60.5%
Automatically register to vote all persons who prove their U.S. citizenship and Oregon residency to a government agency, such as the Department of Motor Vehicles (DMV).	143	50.0%
Increase spending on transportation infrastructure, including roads, rail, ports.	128	44.8%

I have had the opportunity to review the audio recordings of the most recent Senate hearing, and I am skeptical about claims by opponents that this legislation will substantially increase costs for insurers.

I note that a study by the State of Washington using National Insurance Commissioner data that found insurance costs across all sectors dropped relative to other states after adopting a similar policy in 2007.

Malfeasance by actors within the insurance industry may be rare. If it is as rare as opponents of this legislation claim, then this legislation will not be a significant driver of costs. But there are times when consumers are legitimately harmed. When that happens, those who have been victimized deserve legitimate recourse.

The current regulatory framework dramatically favors corporations, often forcing Oregonians to seek relief in jurisdictions outside of Oregon where the actual harm was caused, often at a time when they are most physically and financially vulnerable.

The extreme disparity in terms of power between insurance companies and individuals is such that some of the most grievously harmed victims have no opportunity for relief. This bill is an important step towards allowing people to find remedy.

Sincerely,

Sal Peralta  
Secretary, Independent Party of Oregon