



March 12, 2013

House Consumer Protection and Government Efficiency

HB 2821

Mr. Chair and Members of the Committee:

The Professional Insurance Agents of Oregon/Idaho (PIA) is strongly opposed to **HB 2821** on behalf of the insurance consumers whom we serve. This is a top priority bill for us because we know how devastating it could be to families and all insured drivers, particularly at this time of economic stress in Oregon.

HB 2821 would restrict an insurer's ability to recover Personal Injury Protection (PIP) claims costs from an at-fault party in personal injury claims from auto accidents. It would also extend the benefit period for a PIP claim from one year to two years.

A bill identical to this session's bill was considered in the 2009 Oregon legislative session. During the course of that legislation, the Insurance Division's review of the potential impact showed that it could result in a 21.5% average increase in Personal Injury Protection premiums for Oregon drivers. **HB 2821** would remove insurance carriers' ability to manage their claims process through subrogation.

This is a mandated coverage under the state's financial responsibility law. All drivers are required to purchase it. If you enact this bill, you will be hurting Oregon drivers at a time when they simply cannot afford to pay more for their insurance. Insurance agents who see insurance consumers face to face on a daily basis know that right now price is extremely important to Oregon's citizens. Please don't force them to pay more.

Vote no on HB 2821!

Lana Butterfield, Oregon Lobbyist
Professional Insurance Agents of Oregon/Idaho