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March 15, 2013

TO: Senate General Government, Consumer and Small Business Protection Committee

Re: Opposition to Senate Bills 512, 513, 514, and 686

Mr. Chair and Members of the Committee:

I am Bob Foster, with Rhodes Warden Insurance Agency, Inc. in Albany, Lebanon and Stayton, Oregon. We are members of The Professional Insurance Agents of Oregon and Idaho, or PIA. I sincerely regret that I cannot be with you to testify in person at this hearing, as it is very important to me.

PIA is a statewide group of independent insurance agents. Like me, most are small business people. We serve both residential customers and main street businesses, and there are independent agents in many communities through Oregon. We are strongly opposed to Senate Bills 512, 513, 514, and 686 on behalf of our industry, our member producers, and insurance policyholders - our customers, who ultimately will have to foot the bill for increase in cost due to this legislation.

Insurance is already highly regulated by the Oregon Insurance Division. They can and do fine and remove a company's or agent's license. Insurance does not need a second state regulator on trade practice matters. Dual regulation will be costly and confusing. The Unlawful Trade Practices Act is not an appropriate vehicle for regulating insurance transactions.

Senate Bills 512, 513, 514, and 686 would lead to more lawsuits. The net effect of these bills will be to increase the volume and cost of litigation while accomplishing no significant benefit for consumers. Litigation adds to the cost of the product we offer. Such costs are passed along to consumers in the form of higher premiums. In today's economic climate, consumers cannot afford Senate Bills 512, 513, 514, and 686.

**Oregon has many small business owners who will be negatively impacted by these bills. This is most certainly a small business issue, not just about "big bad insurance companies."**

We encourage the legislature to vote no on Senate Bills 512, 513, 514, and 686. Thank you for your consideration.

A handwritten signature in black ink that reads "Bob Foster". The signature is written in a cursive, flowing style.

Bob Foster  
Rhodes-Warden Insurance, Inc.  
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