

# **GORDON WOOD INSURANCE & FINANCIAL SERVICES**

*"We never forget how important you are"*

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**Written testimony against SB 512, 513, 514, and 686**  
*Senate General Government, Consumer and Small Business Protection Committee*  
2013 Oregon Legislative Session

March 15, 2013

Dear Legislators:

1. Oregon's Unlawful Trade Practices Act is intended to prevent and/or provide relief from factual misrepresentations about the characteristics of products or services at the time of the sale of those products or services. Expansion of the act to apply to insurance would result in lawsuits related to performance under the insurance contract – already satisfied by breach of contract laws.
2. The Oregon insurance Division already thoroughly regulates insurers and agents, and provides consumer protection that could be interfered with if this legislation is approved.
3. The expansion of this law to apply to insurance will only lead to second lawsuits, more litigation and ultimately, higher costs for insurance. The result of this bill would be to expose insurers and their agents to claims for tort damages, treble damages and punitive damages, as well as investigation costs and attorney fees.

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 SB 512, 513, 514, and 686.

Consumers in Roseburg simply can't withstand increased costs of insurance, nor wade through further regulation to obtain needed insurance. Almost weekly, some of the few business customers I have left who are still surviving are driven to remove precious coverage to simply avoid bankruptcy. Not long ago, a long-standing customer dropped three valuable policies due to the dramatic reduction in her clientele. And as an agent, my cost in time, staffing and money to conform to today's strict regulation causes limitations for public access. We simply can't take much more.

Please, do not subject one of the most regulated industries to a second set of regulatory laws and agencies. Do not further compound the cost and difficulty by the industry to deliver a stable, long-standing financial protection for consumers against unforeseen catastrophes. Don't destroy such a well-regulated industry, that even in the times of world financial meltdown, stands financially strong and solvent. An industry delivering services to the consumer in a robust and healthy way.

Sincerely,

Kelsey Wood  
GORDON WOOD INSURANCE & FINANCIAL SERVICES  
Roseburg, Oregon