



336 SW Cyber Dr. Suite #104 Bend, OR 97702 541-382-7772 Fax: 541-388-5403

March 15, 2013

Senate General Government, Consumer and Small Business Protection Committee

Subject: **Opposition to Senate Bills 512, 513, 514, and 686**

Mr. Chair, Members of the Committee:

Senate Bills 512, 513, 514, and 686 will lead to unnecessary duplication of regulation to our industry and increased expenses from additional "second lawsuit" litigation. We see consumers face-to-face every day, and we do not believe this proposed legislation will be helpful.

Currently the Oregon Insurance Division under Oregon law within Chapter 746 has authority to regulate the insurance industry. By passing Senate Bills 512, 513, 514, and 686, the Attorney General would be granted authority over the insurance industry under the Unlawful Trade Practices Act in Chapter 646. Duplicate regulation of the insurance industry is an added expense that is not necessary.

Claims for tort damages, treble damages and punitive damages, as well as investigation costs and attorney fees for claims regarding alleged deceptive or fraudulent sales tactics will only increase the amount that our customers must pay to obtain insurance. Our agency has been operating in Central Oregon for many years, and we have seen the effects of the economy in this area. Passage of Senate Bills 512, 513, 514, and 686 will increase the number of lawsuits and cost of litigation without providing any significant benefit to the consumer. We see this from the perspective of being very close to consumers and knowing their situations in regard to insurance.

With individuals going uninsured and local businesses having to close their operations in Central Oregon due to economic conditions, the cost of insurance is a significant factor. Please vote no on Senate Bills 512, 513, 514, and 686.

Sincerely,

Patrick O'Keefe
Cascade Insurance Center
336 SW Cyber Dr. Ste D-104
Bend, OR 97702