

**REVENUE:** No revenue impact

**FISCAL:** No fiscal impact

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**Action:** Do Pass the A-Engrossed Measure

**Vote:** 3 - 1 - 1

**Yeas:** Beyer, Burdick, Rosenbaum

**Nays:** Ferrioli

**Exc.:** Starr

**Prepared By:** Lori Brocker, Administrator

**Meeting Dates:** 6/12

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**WHAT THE MEASURE DOES:** Allows Director of Department of Consumer and Business Services to seek restitution and other equitable relief on behalf of consumer for actual damages consumer suffers as result of insurer's violation of Insurance Code, breach of contract or policy, or violation of applicable federal law. Clarifies action by Director is regulatory and does not create cause of action for any other person. Declares emergency, effective on passage.

**ISSUES DISCUSSED:**

- Remedies available to consumers for insurer misconduct
- Current oversight of insurers by Department of Consumer and Business Services
- Private right of action
- Other legislation related to potential remedies for consumers for insurer misconduct

**EFFECT OF COMMITTEE AMENDMENT:** No amendment.

**BACKGROUND:** Oregon law gives authority to the Director of the Department of Consumer and Business Services (DCBS) to take action to enforce the Insurance Code and allows DCBS to refer a suspected violation of the Insurance Code to the Attorney General or appropriate district attorney.

Senate Bill 414A gives the Director of DCBS the power to seek restitution and other equitable relief on behalf of a consumer who suffers damage as a result of an insurer's violation of the Insurance Code. The measure clarifies that the restitution power derives from regulatory authority and does not create a cause of action for any other person.