



February 24, 2017

Oregon State Legislature
Senate Committee on Business and Transportation

via hand delivery

RE: SB 332, Consumer rebate/promotional items
Chairman Beyer, Vice-chair Thomsen, and honorable members of the Senate Committee on Business and Transportation. Thank you for affording me the opportunity to speak to you today about Senate Bill 332.

Senate bill 332 amends existing Oregon law to allow insurers to offer limited advertising and promotional materials to policyholders. It creates a limited safe-harbor exception from rebate prohibitions.

The lack of such a provision in Oregon law keeps Oregon residents from accessing benefits that insurance customers in many other states can receive. By way of example, you may be a member of or at least aware of the Plenti program. Plenti is a rewards program that involves a number of different enterprises. Consumers can use one Plenti account to accumulate points from any of the partners with whom he or she does business. The customer chooses, within program parameters, where and how they want to use the points that they accumulate from any of the partners. Plenti partners include a variety of businesses including gas station chains, drug store chains, rental car agencies, and even, in many states, Nationwide.

In Nationwide's case, members who belong to Plenti, are in an approved state, and select Nationwide can receive points based on the premiums that they pay. While they are not allowed to use accumulated Plenti points to pay for premium, they can add the points that they get from paying their Nationwide premiums and use those points at Macy's, Exxon, or any number of other partners. While the dollar amount of the points may not be huge, Nationwide believes that it is a meaningful way to promote the company and thank those members who chose to participate.

In Oregon, Nationwide members who are also Plenti members are not allowed to accumulate Plenti points based on premium paid to Nationwide because Oregon law does not allow it. This is but one small example of an advertising or promotional type program that offers consumers a small benefit to thank them for their patronage or consideration. Nationwide believes that such programs are appreciated by consumers.

Nationwide believes that a safe-harbor exception is a pro-consumer bill which would allow insurers such as Nationwide the opportunity to offer some type of small advertising or promotional benefit to our Oregon customers.



Nationwide respectfully requests that you vote YES on SB 332.

Thank you for your time and attention. Please feel free to contact me at 720-889-1242 or at crawfm12@nationwide.com, if you would like to discuss Nationwide's testimony.

Respectfully,

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