

Chair Holvey and Members of the Committee,

Thank you for inviting me to speak today. My name is Steve Nielsen and I live in Gates with my wife and three sons. We have been in Oregon since 1989, much of that time in the Santiam Canyon. I'm here to tell you about our experience during the devastating Beachie Creek Fire in September and the struggles that have ensued since. Specifically, working with our insurance company, Allstate.

We live on Gates Bridge East on the Linn County side of the river. We are a close-knit community that come together in times of need. When the pandemic first hit, we started a group text thread of neighbors so we could look out for each other and keep in contact safely. Going into Labor Day weekend, many of us were aware of the strong east winds forecast by the National Weather Service well in advance of the event. We knew this could be a big problem with wildfires already burning to our east. We are used to strong east winds east of the bridge during wintertime, but not in early September. Conditions were ripe for wildfire spread.

This intel was shared throughout our neighborhood network and we all agreed to be on watch and prepared to evacuate at a moment's notice. Shortly after dark on Labor Day evening, the east wind kicked up and we saw a fire break out on Potato Hill, which is very close to our home. All neighbors were alerted, and we caravanned out to safety around 10:30pm. Everyone ended up at the Stayton Park and Ride shortly after midnight, where we figured out next steps. We are thankful for safety, but heartbroken for the five Canyon residents who lost their lives and for their families.

When folks could finally safely return to access their property, the loss was devastating. Our home did not burn down, but many of our neighbors lost absolutely everything. Their homes were burned down to the foundation and nothing was salvageable. Shock and dismay quickly set in. In addition, the destruction to the beautiful surrounding landscape is hard to grasp. Please take the time to drive up the Canyon if you haven't yet done so. It's hard to look at and brings tears to your eyes.

Just when you can't imagine it getting any worse, you have to start the insurance claim process. I have heard some folks talk about the low, take it or leave it offers they are getting, basically forcing them to settle or risk holding out for sufficient resources to rebuild with no guarantee other than further delay in trying to piece their lives back together. People who have been paying their premiums for years to be covered for emergencies like this. However, when they finally make their claim, they aren't getting what they paid for. Some insurance companies are looking for any opportunity to deny paying their customers what they are due.

The fire burned much of our property, like trees and fences, but our home still stands. However, it is still uninhabitable due to smoke damage, as the fire burned less than 20 yards from our home.

Working with insurance has been frustrating and is like another full-time job. It's clear to us that Allstate is not committed to restoring our home to pre-loss condition. Our local agent has been generally helpful, but his office isn't involved in the adjustment decisions related to the claim. That is handled by the National Catastrophe Team, headquartered in Mobile, Alabama. They are masters at delaying and then denying the work that needs to be done to restore a smoke damaged home.

In 3 ½ months, we've already worked with three desk adjusters, two contents adjusters and two field adjusters. They are extremely disorganized, slow in their response time and unsympathetic to our situation. They didn't help us find temporary living arrangements and they still haven't reimbursed us for a number of additional living expenses. They make things as difficult as possible to navigate, which is a tremendous burden when added to the stress of what happened and just trying to figure out how to live and function each day.

In the first phone call with our first adjuster, two days after the fire, he said we would have to “negotiate” for mandatory evacuation funds. Over the past three months, we’ve moved five times and have lived with friends, in a trailer, and a vacant building owned by a Church in Silverton. Much of that time, we’ve been divided up as a family, in two different locations at once. We finally just settled into a rental home, where we are all finally under one roof.

As for restoring our smoke damaged home, Allstate will not replace our ceiling insulation or repaint the inside of our home. They are saying the home must be cleaned again before they will consider it. They’ve paid very little towards the restoration of the structure itself to this point. They also initially denied a total pack out of contents and replacement of soft, porous items, such as mattresses. They did finally cover those items and services. However, everything is a negotiation and a struggle.

As for process, it took 19 days for a field adjuster to come and assess our home and 18 days post visit for his report to be issued. His October 15th report provided only a fraction of what really needs to be done. After cleaning and content manipulation was completed in early November, we submitted our Contractor’s estimate for their work like replacing crawlspace and attic insulation, shellacking the attic and other necessary work. Allstate’s response was to send out a second field adjuster to re-evaluate the property.

This adjuster, from Tennessee, visited our home on November 18th. He was basically there to tell me everything Allstate wouldn’t cover. He refused to replace attic insulation since it’s not exposed and entails cutting out the ceiling. He also refused to repaint the inside of the house until it went through another cleaning effort, among other things. He treated me with disrespect and showed no sympathy for our situation. He also didn’t complete his report until November 29th. Delay, deny, defend.

Where do we stand now? Our home still smells and is uninhabitable. My son has vertigo and severe eczema, so living there isn’t an option. We are at a standstill with Allstate. We will not settle for anything less than pre-loss condition. We feel this is what insurance companies count on. Wear people down so that they end up settling for less. We will not do that.

I feel the lack of accountability these companies face opens the door for this type of treatment. All we want is for our home to be restored to pre-loss condition. My hope is we can do something to level the playing field for insurance consumers who have to depend on our insurance companies in times of crisis and we are counting on you to hold them accountable.