



March 5, 2019

Senate Committee on Judiciary
900 Court St. NE,
Salem, OR 97301

Dear Chair Prozanski, Vice-Chair Thatcher and Members of the Committee;

I am very concerned that SB 728 will turn Oregon into a high cost insurance state. Currently, Oregon insurance rates are affordable in comparison to other states. Should SB 728 pass, rates for Oregon families and businesses could skyrocket and I hope you will do what you can to avoid that outcome and stop this bill.

As someone who has been involved with liability field claims for over fourteen years, I have seen first-hand how existing regulations and laws ensure the highest level of consumer protections. If an insurance company acts in bad faith, they are held accountable under Oregon law by the Department of Consumer Business Services (DCBS). Insurers are required to treat their policyholders fairly and settle claims in a timely manner. Should a problem arise, consumers can seek recourse in a court of law or through the Oregon Division of Insurance. In fact, current Oregon law allows DCBS to seek restitution for any damages a consumer suffers if an insurer violates the state insurance code. This is a fast, fair, and affordable way to protect consumers.

The fact that the system works so well on behalf of the consumer makes SB 728 unnecessary and disruptive. Disruptive because the bill allows "second suits" from claimants, accusing insurers of unfair claims settlement practices whenever an insurer contests questionable or fraudulent claims. SB 728 was written by plaintiffs' lawyers to provide them with leverage to increase settlements in all types of insurance claims. States that have allowed "second suits" have seen the rates of frivolous lawsuits increase right along with the insurance rates.

My job is to make sure that claims are handled correctly, fairly and professionally. SB 728 will not help the consumer and may actually hurt Oregonians by acting as a catalyst for increased insurance costs.

I ask you to vote NO on SB 728

Thank you,

April L. Dieterle