

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;

As a liability claims adjuster, I take pride in delivering on our agreements with individuals and business throughout Oregon when they need help the most. I always work to help protect my customers, their families, their workers, their businesses and assets.

I am contacting to your offices to ask you to oppose SB 728. This bill not only will adversely affect my ability to do my job, but will make insurance more expensive for all Oregonians. Oregon already has strong laws and regulations which protect consumers. Because SB 728 will hurt Oregon consumers by increasing costs and therefore pricing, I am urging you oppose this bill.

Under Oregon's current laws, if an insurance company acts were to act in bad faith, they are held accountable under Oregon law by the Department of Consumer Business Services (DCBS). As a claims adjuster, I am required to treat all policyholders fairly and settle claims in a prompt manner. If a problem does arise, consumers can seek recourse in a court of law or through the Oregon Division of Insurance. Current Oregon law even allows DCBS to seek restitution for any damages a consumer suffers if an insurer violates Oregon's insurance code. The present system allows consumers and insurers to address any issues that arise in a timely, fair, and economical way and it keeps Oregon consumers protected.

The changes proposed under SB 728 will upend this entire process. The changes that the new bill creates will transform the process into a contentious, cumbersome one that requires DCBS to investigate all insurance complaints while shifting costs of "discovery" from attorneys for plaintiffs and defendants to Oregon taxpayers. One of my biggest concerns with this bill, is that it will allow lawyers to file two lawsuits on a single insurance claim – one against the defendant for damages, and one against the defendant's insurance company for claims handling procedures.

The end result of this will not be increased protections for Oregon consumers but will result in increased insurance costs for all Oregonians. When other states that have passed similar legislation they saw

substantial increases in frivolous lawsuits as well as insurance costs. While trail lawyers may stand to benefit financially from this bill, average Oregonians will not.

I enjoy serving in Oregon's competitive insurance market that today offers consumers and small businesses fair rates for the protection and peace of mind that insurance brings, without overburdening their budgets or pricing them out of those protections. I urge you to oppose SB 728.

Respectfully,

Dan Grossen

Claim Owner II

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