



March 10, 2021

Subject: **Strong Opposition to HB 3171 and HB 3272**

House Business and Labor Committee

Dear Mr. Chair and Members of the Committee:

I am Wendy Abel-Hatzel of Abel Insurance Agency in Coos Bay and its branches in Oregon coastal communities. I am here representing the Professional Insurance Agents of Oregon/Idaho (PIA) and serve on its Oregon Government Relations Committee.

The Professional Insurance Agents of Oregon/Idaho (PIA) stands strongly opposed to HB 3171, which includes insurance in definition of real estate, goods and services that are subject to penalties for unlawful trade practices, as well as Sections 4 and 6 of HB 3272.

HB 3171 has the potential to really harm Oregon insurance consumers. It would:

- redefine the relationship of insurer to insured, to the detriment of insurance consumers
- lead to inflated settlement demands
- encourage more lawsuits
- increase underlying costs related to insurance claims
- raise insurance premiums significantly
- create incentives for insurance fraud
- clog the court system.

HB 3171, by authorizing secondary lawsuits regarding the resolution of claims and authorizing suits against insurers, would undermine the existing strong protections we have for consumers already in Oregon. These policies negatively impacted insurance rates in other states that adopted them. We ask the committee to vote NO on HB 3171.

The same reasoning applies to Section 4 of HB 3272. On Section 6, the Insurance Commissioner already has great authority over insurance agents under ORS 744.052 to 744.089. A new duty on agents is not necessary and could contribute to further lawsuits against our errors and omissions insurance.

Thank you for the opportunity to share our thoughts.

Sincerely,

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