



# Division of Financial Regulation Overview

Department of Consumer and Business Services

Presenters:

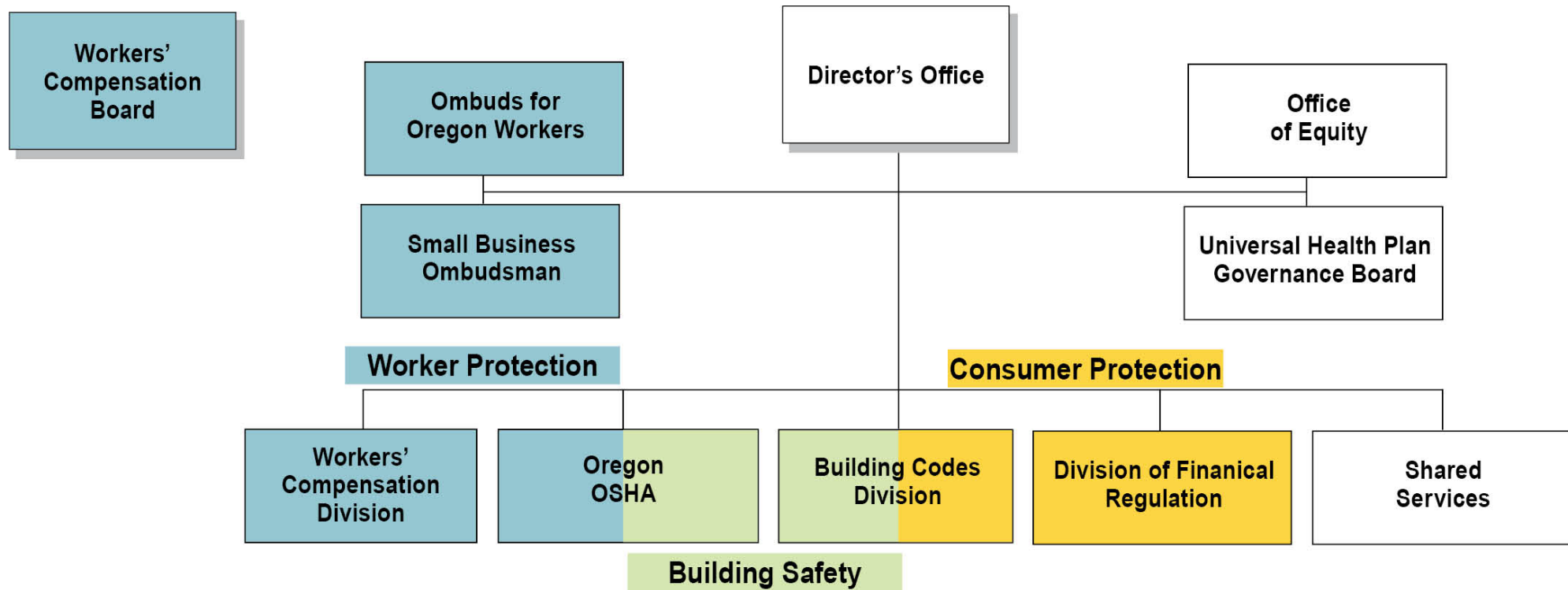
Andrew Stolfi, DCBS Director

Jesse O'Brien, DFR Policy Manager

Tricia Goldsmith, DFR Consumer Advocacy Manager



# DCBS organizational chart

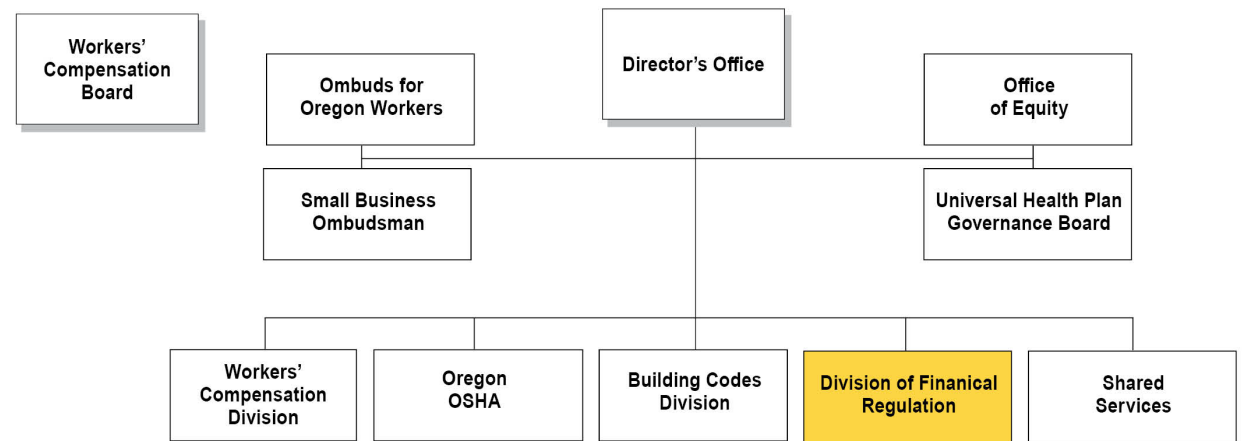


*Mission: To protect and serve Oregon's consumers and workers while supporting a positive business climate.*



# Division of Financial Regulation

Protecting Oregonians' access to fair products and services through education, regulation, and consumer assistance



# Division of Financial Regulation: Mission

## **The Division of Financial Regulation ensures that:**

- Insurance companies, banks, and credit unions are financially sound
- Consumers are treated fairly
- Insurance agents, investment advisors, and other licensed professionals are held to high standards
- Transparency occurs to the greatest extent possible within the pharmaceutical drug ecosystem

# DFR: Major areas of oversight

- All lines of insurance (auto, health, homeowners, life, etc.)
- State-chartered banks and credit unions
- Securities
- Nondepository and consumer finance (e.g., payday loans)
- Prescription drug pricing

# DFR: Major regulatory functions

- Complaints and consumer advocacy
- Public education and outreach
- Product regulation
- Compliance
- Investigations
- Enforcement

# DFR: Insurance regulation

- States are primary insurance regulators
  - ERISA pre-emption limits scope of health insurance regulation
- Review of rates and forms
  - Advance approval required for most insurance policies
  - Advance approval required for some health insurance rates
- Licensure of companies and producers
  - Companies: 1,576
  - Producers: 204,380
- Solvency oversight

# DFR: Banks and credit unions

- Regulatory authority limited to state-chartered institutions
  - 12 state-chartered banks
  - 20 state-chartered credit unions
  - Many institutions doing business in Oregon are federally chartered or chartered in another state
- Oversight a shared responsibility with Oregon DOJ and federal regulators
- DFR oversight focused on safety and soundness



# DFR: Securities regulation

- Registration of securities offerings
  - Shared responsibility with SEC, other federal regulators
- Licensure and oversight of securities professionals
  - Investment advisors
    - ❑ Licensed firms: 376
    - ❑ Licensed representatives: 6,718
  - Broker-dealers
    - ❑ Licensed firms: 1,544
    - ❑ Licensed representatives: 197,179
  - Shared responsibility with FINRA, other federal regulators

# DFR: Nondepository programs

DFR oversees nondepository financial services, including:

- Collection agencies
- Consumer finance lending
- Debt buyers
- Debt management service providers
- Money transmitters
- Mortgage lenders and servicers
- Pawnbrokers
- Student loan servicing

As of Jan. 1, the NDP program also operates a new registry for data brokers under HB 2052 (2023)

# DFR: Prescription drug programs

- Drug price transparency
  - Receives reports on drug pricing from manufacturers, insurers, PBMs and consumers
- Prescription Drug Affordability Board
  - Affordability reviews of certain high-cost drugs
- Pharmaceutical sales representative licensing (2021 SB 763)
- Pharmacy Benefit Manager (PBM) regulation
  - Recently expanded by HB 4149 (2024)

# DFR: Hot topics and policy priority areas 1/2

- Property/casualty insurance
  - Wildfire risk
  - Availability and affordability of coverage
  - Fairness of rating and underwriting practices
- Health
  - Access to care, network adequacy
  - Behavioral health access, parity
  - Prescription drug costs, PBM regulation

# DFR: Hot topics and policy priority areas 2/2

## Financial products and services

- Financial fraud
  - Emphasis on protecting vulnerable populations (seniors, students)
  - “Scam Jam” events in partnership with DOJ and AARP
- Student loan servicing issues



# DFR: How we can help

- Direct consumer assistance in 2023
  - In-person outreach across the state, participated in events in every county in 2023
  - \$12.5 million in consumer recoveries
  - 16,333 phone calls and emails from consumers
  - Wide range of public education materials available on DFR website: [dfr.oregon.gov](http://dfr.oregon.gov)
- Constituent issues
  - We are available to help when constituents raise concerns about insurance and finance
  - We can often resolve issues without the need for legislation



# Questions?