

February 22, 2320

House Business and Labor Committee

## **HB 2920**

Chair Holvey and Members of the Committee:

HB 2920 could make auto insurance more expensive for most Oregonians by prohibiting the use of factors critical to a fair risk assessment including credit, education and occupation when determining pricing for motor vehicle liability insurance. Most consumers save money when these factors are used to assess how much they pay for insurance.

But HB 2920 could raise auto insurance rates. This would expose millions of Oregon policy holders to higher insurance costs at a time when many households are struggling to make ends meet.

**Oregon voters have already overwhelmingly rejected this approach. In 2006, 64% of Oregon voters said NO to Measure 42, a statewide ballot measure that would have prohibited the use of credit as a tool to accurately price insurance premiums.**

Insurance agents care deeply about those we serve – insurance consumers. Using risk-based factors, such as credit and other tools, allows insurers to accurately underwrite risks, which translates to lower rates, more choices, and market stability for consumers. Most people save money when credit is used to assess how much you pay for insurance. By eliminating these tools, politicians could cause dramatic cost increases for many Oregon policyholders if HB 2920 is passed.

Insurance professionals want to make sure insurance is more affordable, particularly in these difficult times when so many families are facing financial difficulties. While HB 2920 could increase insurance costs for those already struggling, there are other legislative proposals that would enjoy widespread support and help consumers that lawmakers should consider.

Best,

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