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Testimony of Arthur Towers

OTLA Political Director

**In Support of HB 2982**

Before the House Committee on Business and Labor

February 22, 2023

Chair Holvey, Vice-Chairs Elmer and Sosa, and members of the committee, thank you for the opportunity to submit testimony in support of HB 2982.

Our members fight for the rights of Oregonians who have paid their insurance premiums month in and month out and played by the rules. Then, when the premium payers try to collect a claim, their claim is denied or unfairly delayed. This puts financial pressure on the consumer to accept less than they are due in order to avoid economic calamity.

HB 2982 is a common-sense approach to helping Oregon consumers in times of disaster. Streamlining the claims process when thousands of people have suffered losses simultaneously will help not just individuals but also communities rebound from disasters. Community resilience will be critical in the wake of the impending tsunami and earthquake and other disasters that may be in our state's future.

The basic provisions of the bill give Oregon premium payers the right:

- a. To collect 70% of contents benefits without the trauma of having to inventory a lifetime of possessions
- b. To know how an insurer calculated depreciation by requiring the insurer to disclose their methodology
- c. To be notified by the insurer that additional benefits may be available if the insured submits an inventory
- d. To receive payments from the insurer within 30 days for undisputed contents when proof of loss forms are completed.

We believe that a violation of this law should also be considered a violation of the Unfair Claims Settlement Practices Act.

The Unfair Settlement Act (746.230(1)) -- makes it illegal for the insurance industry to:

<ol style="list-style-type: none"><li>1. Lie about provisions in the policy when settling claims.</li><li>2. Fail to respond to phone calls or letters or emails about claims.</li><li>3. Fail to promptly investigate a claim.</li><li>4. Refuse to pay a claim without conducting an investigation.</li><li>5. Fail to approve or deny a claim within a reasonable amount of time.</li></ol>	<ol style="list-style-type: none"><li>6. Fail to make a good faith attempt to fairly settle a claim when liability is clear.</li><li>7. Make lowball offers to settle which force the customer to sue to collect what is due.</li><li>8. Attempt to settle a claim for less than the advertising material for the policy would lead one to believe they could collect.</li><li>9. Fail to explain why a claim was denied.</li></ol>
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The legislature should make sure this statute can be effectively enforced, and we urge this committee to Vote YES on HB 2982.