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Testimony of Arthur Towers

OTLA Political Director

In Support of HB 2920

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 2920.

HB 2920 improves the rate-setting process for insurance premiums. Liability insurance is a product that is mandatory for consumers to buy if they own a motor vehicle. The cost of insurance should be based on factors related to safe driving.

Consumers should not be subjected to arbitrary actuaries and their secretive, unreasonable, and discriminatory algorithms. Consumers who have safe driving records should be recognized, regardless of their age, gender, race, credit score and other irrelevant criteria.

Section 2(3) spells out the protections that consumers deserve to have.

Consumer protection in the area of insurance is desperately in need of reform in Oregon. The insurance industry is the one industry that is exempt from Oregon's basic consumer protection law, the Unlawful Trade Practices Act. The Unlawful Trade Act empowers individual consumers AND the Attorney General to hold businesses accountable for unfair pricing policies EXCEPT for the insurance industry.

HB 2920 is a common-sense approach to a fundamental issue of economic fairness. We urge a yes vote on HB 2920 and we applaud this committee's interest in giving insurance consumers a fairer shake when it comes to one of the most important economic transactions in consumers' lives.