

Submitter: Laura Powell

On Behalf Of:

Committee: House Committee On Business and Labor

Measure: HB2920

Chair Holvey, Vice Chairs Elmer & Sosa, members of the committee:

Please vote no on HB 2920. Currently, when insurers set a rate for auto insurance, they look at

a whole host of factors that assess a customer's risk for having a claim. Based on a customer's

age, credit information, education and occupation, and more, we are able to model a personalized claim that in the majority of cases, saves the customer money on their rate.

The truth is the majority of Oregon drivers benefit from our current law, a rate setting practice

known as "risk-based pricing." The use of credit information when creating a policy for a

potential customer saves drivers anywhere from 30% to 59% on their car insurance.

And it's

worth noting that Oregon is one of the 10 highest states when it comes to residents' credit

history, which means Oregonians benefit when credit history is used to assess automobile

insurance rates compared to consumers in other states.

What is proposed in HB 2920 – radically altering the way insurance is priced by prohibiting use

of these factors – would mean the majority of Oregonians, including firefighters, teachers,

nurses, retired seniors, and active military, would lose their discounts and see increased rates.

That is exactly what has happened when other states, including California and Washington,

have enacted similar policies.

HB 2920 would ban true risk-based rating, eliminating discounts and increasing insurance

premiums for most Oregonians. Please vote no on this harmful legislation.