

John W. Mangan

Vice President & Deputy, State Relations

February 4, 2026

To: Members of the House Commerce & Consumer Protection Committee

Oppose Unless Amended: HB 4098 – Unfair Trade Practices

Dear Chair Sosa, Vice Chairs Chaichi and Osborne, and Members of the Committee:

The American Council of Life Insurers writes to express our strong opposition to House Bill 4098, which would undermine the effective regulation of life insurers by Oregon's Division of Financial Regulation, raise cost pressures for Oregonians trying to save for retirement and protect their families and small businesses, and threaten the capital available to invest in Oregon's infrastructure and economy.

ACLI supports strong consumer protections governing the creation, distribution and administration of all life insurance products. The existing state-based system of insurance regulation has proven the most effective means to deliver those strong consumer protections, while ensuring a vibrant insurance market with affordable options for consumers.

Every state, including Oregon, has enacted the NAIC Uniform Unfair Trade Practices Act ("NAIC UTPA"), which includes an array of regulatory tools to address suspected wrongful conduct, including cease & desist orders, mandatory hearings and discovery, and even license suspension and revocation. The NAIC UTPA was developed and is maintained by regulators from Oregon and all other jurisdictions. As such, it is particularly tailored to the conduct of insurance companies and producers.

The data show that this system works well for Oregon consumers, for state government and for our economy as a whole. Life insurers pay Oregonians \$2.6 billion per year in life insurance and annuity benefits alone. That is \$7.2 million per day.

Life insurers pay both the Oregon corporate excise tax and a special insurance tax based on gross premiums, making our industry a prominent contributor to Oregon's General Fund.

Life insurers invest more than \$81 billion of their capital in Oregon businesses and job creation, public infrastructure, education, agriculture and housing. We have invested \$10 billion in mortgage loans for farms and ranches, residential and commercial projects, including \$2.7 billion for multi-family housing and \$592 million in agricultural loans throughout the state. We have invested \$1.1 billion in ports, transportation and utilities, including \$134 million in the Portland Airport, \$495 million in the Port of Morrow and \$40 million in Washington County water treatment services, to name a few. We have invested

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The American Council of Life Insurers (ACLI) is the leading trade association driving public policy and advocacy on behalf of the life insurance industry. 90 million American families rely on the life insurance industry for financial protection and retirement security. ACLI's member companies are dedicated to protecting consumers' financial wellbeing through life insurance, annuities, retirement plans, long-term care insurance, disability income insurance, reinsurance, and dental, vision and other supplemental benefits. ACLI's 275 member companies represent 94 percent of industry assets in the United States.

\$1.6 billion in education bonds supporting Oregon universities as well as school districts in many Oregon counties.

All these contributions are possible because of the fair, rational and predictable regulatory environment for our industry.

HB 4098 would destroy this delicate balance, carefully crafted over decades. Unpredictable, case-by-case application of unfair trade practices through litigation will unavoidably result in higher costs, inconsistent outcomes, and undermine public trust in the insurance regulatory system. The bill will harm Oregon consumers by consuming enormous resources that would likely be reflected in higher insurance premiums and less capital available for life insurers to invest in the state.

Oregon's Insurance regulators are experts in the products and practices they oversee, and they should continue to be afforded exclusive jurisdiction over the insurance marketplace, as is the case in every other state.

For these reasons, we respectfully urge you to preserve Oregon's insurance regulatory system and oppose HB 4098.

Contact: John Powell