

Written Testimony in Support of House Bill 4098

February 5, 2026
House Committee on Commerce & Consumer Protection

Chair Sosa and members of the Committee,

My name is Dr. Gerardo Arellano and I am here today to urge your support of HB 4098. I am Chief HR of the Arellano Law Firm, a litigation firm in the State of Oregon with offices in Salem, Hillsboro, and Portland. Around 70-80 percent of our clients are involved in personal injury cases, and we have extensive knowledge in working with insurance adjusters from all major carriers. We have resolved hundreds of cases and have first-hand experience of the lowball and sabotage tactics insurance adjusters engage in to undermine rightful compensation to our clients.

The Need for HB 4098

We have noticed a pattern where insurance adjusters specifically target the Latinx and immigrant community by making lowball offers and not explaining everything that they are entitled to. I am here to be the voice for so many in our community who are too scared to stand up for themselves, especially in this current climate.

A Case Study in Bad Faith Practices

I would like to share the story of one of our clients, who was too afraid to be here today because of ICE and the national climate, but what happened to her and her family is something we see time and time again. This case illustrates the urgent need for the accountability measures proposed in HB 4098.

Our client's husband, an auto mechanic who starts his workday early, was involved in a serious collision in 2022. A tired, reckless driver slammed into the back of his car at about 50 miles per hour while he was dead stopped at a light, causing him to crash into the car in front of him. The force of the impact caused severe injuries from head to toe. CT scans revealed three ruptured discs and a broken neck.

While the family was still at the hospital dealing with this traumatic situation, a major insurance carrier representative for the at-fault driver called and insisted on speaking to the injured party through an interpreter. Despite the wife's ability to speak English, the insurance company demanded to speak directly to the injured husband. The insurance interpreter told him, because you live in Oregon, you get a \$500 flat settlement, so let's settle this today.

When the family rightfully refused this insulting offer, the insurance adjuster tactics became increasingly aggressive. Three days later, they offered \$1,500 and demanded photos of the car and a doctor's note, again pushing for immediate settlement. The adjusters called daily with incrementally higher offers - \$2,000, then \$2,500, then \$3,000 - each time pressuring for a quick settlement. The family recognized that the husband was seriously injured and would be unable to work for an extended period, not to mention their car was totaled.

The injured worker ended up being out of work for six full weeks with no pay, trying to recover and heal his body. The insurance carrier final offer was \$3,500 for everything - his injuries, the car, everything. Almost a year later, the family had lost all their savings because of this ordeal. The husband could only return to work part-time and even that was a struggle, as he could barely sit in a chair or help with the children when home. The family was paying out of pocket for prescriptions to help him heal and manage ongoing pain.

Systemic Targeting of Vulnerable Communities

This case is not an isolated incident. We see this pattern repeatedly where insurance companies target families where English is not the first language. Hispanic insurance consumers, customers who faithfully pay month after month, year after year, are routinely profiled to increase company profits. When something bad happens, they are assumed easy marks for lowball offers, adjusters purposely confuse and mislead them, and refuse to offer interpreters.

The Broader Impact of HB 4098

HB 4098 would establish the accountability measures necessary to prevent these predatory practices. The legislation would require insurance companies to operate in good faith, protecting all consumers but especially those most vulnerable at the intersections of immigration and race. When insurance companies can operate without meaningful oversight, they exploit the most vulnerable members of our communities, causing devastating financial and personal consequences that extend far beyond the immediate victims.

The good faith requirements in HB 4098 would ensure that insurance companies cannot take

advantage of language barriers, immigration status, or racial profiling to minimize legitimate claims. This legislation would create a level playing field where all Oregonians receive fair treatment from insurance companies, regardless of their background or primary language.

Conclusion

The stories I have shared today should not live in the shadows. Insurance companies must be held accountable for their bad faith practices, particularly when they target our most vulnerable community members. HB 4098 represents a crucial step toward ensuring that all Oregon consumers receive fair treatment from insurance companies.

Thank you for hearing my testimony today. I urge you to vote Yes on HB 4098.