



February 5, 2026

Oregon State Legislature
House Committee on Commerce and Consumer Protection
900 NE Court St.
Salem, OR 97301

RE: Oppose HB 4098

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

On behalf of stakeholders representing small businesses and professional associations we write to express our opposition to HB 4098, legislation that would expand lawsuits against insurers.

Adding instability in the insurance market by allowing the expansion of costly and excessive lawsuits would hurt Oregonians who are already struggling with rising costs due to inflation, natural disasters, and wildfires. Lawsuits are a top driver of insurance price increases, which means everyone will have to pay more. For Oregonians this means:

- **Increased costs for families:** The average Oregon family could see rates climb as much as 16% or about \$740 added to family expenses at a time when affordability is at an all-time low.
- **Rent increases:** Housing providers raise rent to cover insurance cost increases. Nationally, 58% of housing providers say they plan to raise rent to cover insurance costs.
- **Stifling economic growth:** Premiums are skyrocketing for small businesses, which employ more than half of Oregon's workers. High insurance costs will stifle economic growth and prevent hiring.
- **Even higher premiums in communities impacted by wildfires:** Insurance premiums have increased 30% since 2020. Some wildfire prone communities have seen spikes of up to 600%.

These pressures are real and felt by residents across the state.

After California adopted a similar policy, personal insurance premiums rose 32-53%. Voters rejected the policy after ten years, and premiums sharply declined. Although Washington doesn't allow the type of lawsuits proposed in HB 4098, their law allowing first party lawsuits contributed to a 20% spike (adjusting for inflation) in the cost of major property lines of insurance.

Bills that would have allowed multiple lawsuits for a single insurance claim and encouraged expensive and unnecessary legal action have been introduced before. Oregon lawmakers recognized the potential harmful impact and rejected similar proposals in past legislative sessions, protecting consumers from potentially higher insurance premiums. Now, our lawmakers need to reject HB 4098.

Oregon already has effective laws in place to protect consumers. Insurers are heavily regulated by the Oregon Department of Consumer and Business Services (DCBS) and they must treat consumers fairly and settle claims in a timely manner. Allowing more lawsuits would drive higher litigation and settlement costs, which are passed on to consumers in the form of higher insurance rates. At a time when Oregonians are already facing affordability challenges, policies that could risk higher insurance costs are the wrong approach.

We strongly urge you to **OPPOSE** HB 4098 to protect consumers, preserve access to insurance, and promote affordability for families, businesses, and communities across Oregon.

Thank you for listening to our concerns.

Sincerely,

Associated Oregon Loggers
Keizer Chamber of Commerce
Northwest Automotive Trades Association
Oregon Plumbing Heating and Cooling Contractors Association
Oregon Power Sports Association
Oregon Restaurant and Lodging Association
Oregon Vehicle Dealers Association
Pendleton Chamber of Commerce
Professional Land Surveyors of Oregon