

February 5, 2026

Mike Leib, Beaverton, OR

House Committee on Commerce & Consumer Protection

In Support of HB 4098

Chair Sosa and members of the Committee,

My name is Mike Leib, and I am the CEO of Precision Body & Paint Inc. We are a locally owned collision repair business with 51 years in industry and five locations across Oregon. As the state's most independently certified collision repair facility, we hold over 25 combined advanced vehicle manufacturer certifications, including being Oregon's one and only Porsche and Audi Aluminum structural repair facility.

This means my team is extensively trained and audited by multiple organizations and OEM vehicle manufacturers to ensure we perform safe and high-quality repairs on our customers' property.

I am here today because I am deeply concerned about the troubling trend among insurance companies and their representatives, some of whom are failing to properly indemnify consumers following a loss. In many instances, representatives from insurance companies provide false or misleading information, such as claiming that required safety inspections and repair procedures are simply "guidelines" and not necessary for proper repair, or that parts that come from junkyards are equivalent to new replacement ones. In some cases, they intentionally create delays by shifting the channels through which documentation needs to be submitted, refusing to return ours or the customers' requests for communication. We have witnessed insurance representatives outright lying about their legal requirements knowing that most consumers do not have the financial means to fight them.

This leaves customers to face an impossible choice: pay significant out-of-pocket expenses to ensure their vehicle is properly repaired, or take the vehicle to an insurance-approved repair facility, which is forced to follow an estimate approved by an unqualified insurance adjuster. Most of the time, the adjuster lacks the basic automotive training let alone the manufacturer-specific training to make proper decisions about repair procedures. Instead of prioritizing safe and quality repairs, insurance companies focus on cost containment, time of repair and THE BOTTOM LINE. This effectively strips consumers of their right to choose the shop they trust for repairs which is supposed to be protected by law.

Currently, I have a customer's 2025 Toyota Camry in my shop for re repair because after returning to the insurance company's directed facility for the third time, he and his wife were fed up with the lies and damage the shop was causing. Upon our first inspection of the vehicle, it was clear the shop should not have repaired the car in the manner they did. When I reviewed photos of the car prior to repair and the Toyota factory repair instructions and compared them to what the insurance company approved, I found the estimate to be missing more than 150 individual required lines of repair.

When I called the shop that did the work, their response was that they refunded the money collected from the customer to the insurance company and per their contract with the insurance company, its "not their problem anymore". I then contacted the customers insurance company since they happened to be the same as the party that hit him. After speaking with the adjustor, it became clear that they were not interested in ensuring the customers repair was corrected.

Instead of doing the right thing and making the process faster since months had passed since the original repair, they proceeded to delay response to review and took more than four weeks from our initial contact to the first in person actual appraisal.

When the adjustor arrived and reviewed the estimate, he verbally agreed in our repair plan completely but still left the customer with an out-of-pocket expense of more than \$4000! Did I mention that the original shop only bill approximately \$3500 for the original repair? The current repair sits at just under \$14,000.

In the past, my company has been able to provide clear documentation to the insurance company proving the necessity of the repairs we bill for. However, since the onset of COVID-19, this has changed. Many insurance providers now seem less concerned about procedures and safe repairs, prioritizing cost over quality. We are finding that the frequency of unapproved items has increased by more than 200% since the onset of Covid. Independent repair shops like mine are left to defend our positions at the expense of our time, resources, and reputation.

Since repair agreements are between the shop and the consumer, and the insurer typically contracts directly with the consumer, our business has limited ability to protect the consumer. As a result, consumers are left without adequate support and must often bear significant out-of-pocket expenses, such as legal fees, rental car costs, and lost wages, just to secure the indemnification they rightfully deserve.

To be abundantly clear, if I cared about profits over safety, I would not be here today. I would sign agreements to repair cars the way insurance companies are approving. There is significantly more profit available to the business when repairing vehicles to their standard. It requires less administrative time, lower material costs, and higher profitability in using Non-OEM parts.

Lastly, the opposition is going to argue that this will cause an increase in frivolous lawsuits, or increase their costs which will cause a rise in premiums that Oregonians can't afford. I urge you to remember that this bill only costs companies' money when they break contract, violate statute or law, and it's proven in court. The defendant recoups all reasonable costs if they are found to not have had cause to bring suit.

I strongly urge you to support all Oregonians by adopting HB 4098 to address this critical issue and protect consumers rights in our state.

Sincerely,
Mike Leib
CEO, Precision Body & Paint Inc.