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February 5, 2026

To: The House Committee on Commerce and Consumer Protection
From: Anthony K. Smith, National Federation of Independent Business
Re: NFIB Written Testimony in Opposition to HB 4098

Chair Sosa, Vice-chairs Chaichi and Osborne, and members of the Committee:

On behalf of Oregon's small business members of the National Federation of Independent Business, I would like to express our opposition to HB 4098, which would add trade practices already prohibited by Oregon's insurance statutes to Oregon's Unlawful Trade Practices Act (UTPA).

NFIB is the Voice of Small Business. We are a nonprofit, nonpartisan, member-driven organization that advocates on behalf of America's small and independent business owners – both in Washington, D.C. and in all 50 state capitals. NFIB represents thousands of small businesses across the state, many being the smallest of small businesses, with about 90% of our members in Oregon having fewer than 25 employees and 70% having fewer than 10 employees. Together, our members provide jobs for tens of thousands of Oregonians.

HB 4098 would risk increasing insurance rates at a time when Oregonians and their businesses cannot afford any additional cost burdens. As Oregon's business climate continues to decline, we ask lawmakers to oppose policies that could further negatively impact Oregon's small businesses. Our members rely on affordable insurance rates to protect their businesses, their employees, and the customers they serve.

HB 4098 would move Oregon's insurance market away from a regulatory model to one that incentivizes litigation. Oregon already has a system in place for consumers to bring a lawsuit or file a complaint with the state's insurance commissioner if they feel they have been treated unfairly. Under Oregon's Unfair Claims Settlement Practices Act, the Division of Financial Regulation (DFR) can order insurers to pay claims, as well as require restitution and impose fines against insurers that act in bad faith.

Additional enforcement under Oregon's UTPA will lead to more lawsuits and increased costs for insurers. This creates market pressure to increase premiums for insurance customers. For many Oregon consumers and businesses, this would mean policyholders will have to pay more for the same coverage – and if they cannot afford to pay more, they risk leaving themselves under-insured.

For these reasons NFIB urges the committee to oppose HB 4098.

Thank you for your time and consideration,

A handwritten signature in blue ink, appearing to read "Anthony K. Smith".

Anthony K. Smith
NFIB Oregon State Director