

JANEEN SOLLMAN
STATE SENATOR
DISTRICT 15



OREGON STATE SENATE

June 19, 2025

Obadiah Rutledge
Secretary of the Senate

RE: Vote Explanation for Senate Bill 174 A

Dear Secretary Rutledge,

The state has a duty to protect consumers, and when we see that businesses are taking advantage of consumers and making a profit at their expense, we should act. That's why I have championed efforts giving consumers a fighting chance against large corporations, such as the Right to Repair personal electronic devices, wheelchairs, and mobility devices.

SB 174 A goes beyond giving consumers a path to fairness, and instead exposes insurance companies to litigation risk that will likely increase the cost of insurance and potentially limit access to insurance policies for all Oregon families. Oregon already has a robust regulatory framework that was designed to give the Insurance Commissioner broad authority to hold bad actors accountable, with a team of consumers advocates, and authority to demand restitution and penalties. The Division of Financial Regulation helped 3,357 consumers in 2024, recovering nearly \$9M for Oregonians at no cost to Oregonians. DFR also maintains a list of consumer complaints so that consumers can use that information to choose a company that is more likely to treat them fairly.

I believe supporters of this measure are well-intentioned and are responding to consumers who have been frustrated with their insurance companies. They say that applying the Unfair Trade Practices Act to insurance will fill a gap in regulation, but SB 174 A does more than apply the UTPA to insurance, if they wanted to simply add them to the UTPA, it would take four short words, and the insurance industry would be in. However, this bill adds the entire Unfair Claim Settlement Practices Act to the UTPA, opening the door to lawsuits based on regulations that were never meant to be litigated. Terms such as "reasonable standards", "acknowledging and promptly responding to communications," and "prompt notification," were meant to provide the Insurance Commissioner the ability to track patterns of behavior that are unfair to consumers, not for a single consumer to bring a lawsuit over one claim.

Oregonians are already facing higher insurance costs, especially in wildfire prone areas. The type of unpredictable litigation that SB 174 A would enable could destabilize the insurance market,

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resulting in higher costs and companies deciding it's just too risky to continue writing policies in Oregon.

I want to protect consumers, and the system we have in place provides consumers with support to fight back when they believe their insurance company is treating them unfairly, and we should address those insurance companies that don't.

I ultimately feel that SB 174 A will cause overall harm to Oregon families, which is why I voted no.

Sincerely,

A handwritten signature in black ink that reads "Janeen Sollman".

Senator Janeen Sollman
Senate District 15