



The Agents' Advocate

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Legislature Hears Construction Claims Issues

Two separate interim legislative committees, one in the House and one in the Senate, have scheduled or held hearings on issues related to construction contractors. The House Business, Labor and Consumer Affairs Committee met on January 18. They heard from the Construction Contractors Board, the Building Codes Division, a builder/remodeler panel, and some homeowners. Much of the testimony echoed what we have already heard at the meetings of the Construction Claims Task Force (CCTF) at the Department of Business and Consumer Services (DCBS). This committee will likely not hear the issue again until fall.

The Senate Interim Committee on Consumer Protection will meet on January 26, with much the same agenda. They may pursue the issue more aggressively than the House committee, but that remains to be seen.

The DCBS Construction Claims Task Force will meet again on the morning of January 25. Presentations include a developer panel, an owner representatives panel, as well as a continued discussion with the Building Codes Division about the regulatory environment.

DCBS interviewed three candidates for the insurance study consultant position, and I'm told that the finalist will be announced soon. If you would like to review Task Force issues and materials in depth, I encourage you to sign up for the CCTF electronic notification service and to explore their website at <http://egov.oregon.gov/DCBS/CCTF/meetings.shtml>.

MVR Electronic Interface Project Hits A Rocky Patch

The path of the real-time electronic interface project to update DMV's computer system (so that you can access motor vehicle records online) has not been smooth lately. ChoicePoint and DMV had some trouble agreeing on a memorandum of understanding, and the insurance industry had to play a supporting role. But it appears to be resolved now. ChoicePoint asked me to share their thanks with the industry. Also, ChoicePoint is facing some budget constraints and has to cut costs; thus they will not be funding this project as expected. Instead they will charge a small increase per online record for several months; details to follow.

Insurance Division Credit Score Proposed Bulletin Vanishes

The Oregon Insurance Division met with the insurance lobby before the holidays to discuss a proposed bulletin on SB 573 (use of credit score in the event of death or divorce). The meeting was quite stormy, and we were slated to meet again this month. I was told today that, after review, the Division will likely not publish a bulletin or hold another meeting on the subject but may do some market conduct analysis instead.

Temporary Producer Rules Become Permanent

In a move that should be transparent to producers, the Division has permanently adopted the temporary rules that establish minimum terms of disclosure when an insurance consumer pays compensation to an insurance producer and the transaction is not subject to ORS 735.455,

744.091 or 744.093, or pays compensation to an insurance consultant who also receives other compensation. There is no change to the existing language (except for a typo) in the current rule. You can read the rule for yourself at http://www.cbs.state.or.us/external/ins/docs/rules/recent_adopt/rec_rule.htm.

2006 Election Cycle Gets Interesting

Yesterday's newspaper announced that State Senator Charlie Ringo (Democrat/Senate District 17) will not be running for re-election. That is major news for the insurance lobby, as we have had to face off against Charlie (who served on the Senate judiciary and business-related committees, and who is a trial lawyer) over many different insurance issues over the years. Also up in the air is the decision about Senator Vicki Walker's (D/SD 7) plans, whose Senate seat is being sought by former Eugene mayor Jim Torrey, a liberal and popular Republican.

In the House, all 33 Republicans plan to return, and most likely there will be few if any primary challenges. Meanwhile the Democrats say goodbye to Representatives Ackerman (D/HD 13), Wirth (D/16), Hanson (D/HD 44), March (D/HD 46), and Haas (D/HD 27), who are not running for re-election or have resigned, and there are others who may face a primary opponent. The Democrats are targeting Speaker Karen Minnis (R/HD 49), hoping to take others in her party down with her. If you want to discuss specific district races, please give me a call.

We'll be sending out a separate letter soon for our political action committee. This is very important, so please plan ahead in terms of making a contribution. Many of our members have never supported our lobbying efforts in this way, and I would ask you to please consider doing so this year. Thanks to all who donated during 2005!

We will miss Lawton Verger, husband of State Senator Joanne Verger (D/SD 5). Lawton, who passed away earlier this month at his home in Coos Bay, was a familiar figure in the state capitol where he served as legislative aide to his wife. Lawton was always friendly and cheerful, and I'm happy to have known him.

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