

2023 Legislative Agenda

January 20, 2023

SDTA

STOP THE DEBT TRAP ALLIANCE

Table Of Contents

01.

Introductions

03.

Overview of SDTA

05.

Questions

02.

Legislator Remarks

04.

Legislative Agenda

06.

Get Involved



— Introductions —



Things are More Expensive

+16.4%

UTILITIES



+23.2%

AUTO PURCHASES



+49%

over the last
6 years



HEALTH
CARE

+92.8%

for those with commercial
insurance over the past 2 years

+185%

over the same period for
Medicare patients

PRESCRIPTION
DRUGS



+58.9%

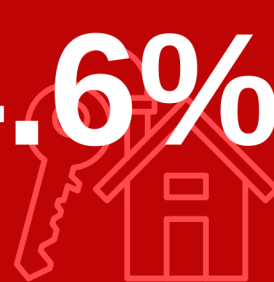
GAS



Up to

+14.6%

RENT



The high cost of living has a real impact.

- The Oregon Law Center's Eviction Defense Project reported earlier last year that **evictions have increased by 119% since August 2021.**
- OSPIRG's 2021 report on medical debt showed that among Oregonians who filed for bankruptcy, **roughly 60% of all Chapter 7 and Chapter 13 bankruptcy filings in Oregon included medical debt.**



Legislator Remarks



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Stop the Debt Trap Alliance Overview



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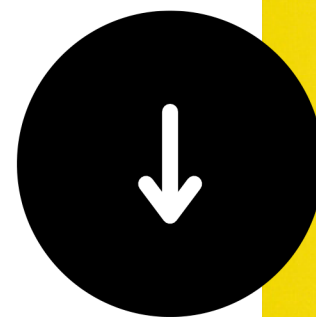
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HB 2801 Eliminates Yo-Yo Auto Financing Uncertainty



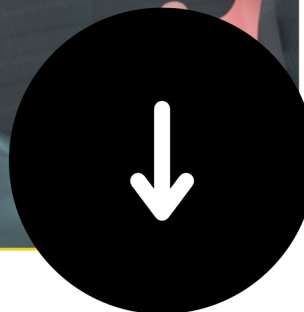
Oregon
Consumer
Justice



Consumers should be able to feel confident that car dealerships will fulfill their promises and stick to the financing terms agreed to at the dealership.



HB 2801 will:



Ensure auto sales are **not based on contingent financing**



Give **dealers 14 days to finalize a lender** or hold the loan at the initial agreed-upon terms



Ensure that **loan payments to the dealer are clearly outlined** in notices and processes



Require **auto dealers to comply with loan and payment notice requirements and timelines**, or they will lose all collection rights

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LC 0960 Make Common-Sense Updates to Safeguard Economic Well-Being

The Family Financial Protection Act of Oregon protects consumers by modernizing outdated consumer protection and debt collection laws.



SOLIDIA

LC 0960 will:



Protect a living wage.

Raises per week take-home pay after wage seizure to a more reasonable amount of \$1,000 or 85%.



Protect the ability to work. Ensures that a working car, work tools, and equipment are shielded from debt collection seizures.



Protects critical funds.

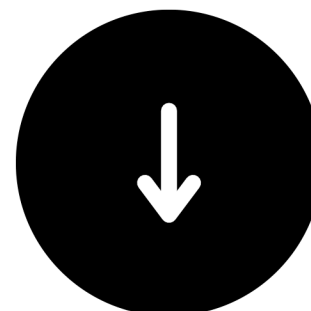
Ensures that specifically identified funds cannot be seized, including small business loans and pension payments.



Provides clear protection for consumers sued over unowed debt. Fixes a loophole in the current law.



Extends the timeframe to seek justice. Matches the statute of limitations to six years for both consumers and debt collectors.

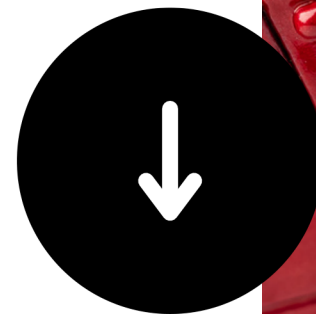


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Fairness in Auto Insurance Rating (HB 2920)

**How is your auto insurance
rating determined?**

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Auto insurance companies take into account various factors:

- Driving information: years of driving experience, annual mileage, type of vehicle, etc.
- Insurance information: insurance history, claims history, level of insurance coverage over time
- Information about the driver: age, gender, marital status, education, location and **credit history**

Use of your credit history in auto insurance:

Oregon Law permits credit history use only if used in combination with other factors (ORS 746.661)



1

Enormous effect on communities of color and low-income consumers

2

NO direct link to safe driving

3

Frequently inaccurate, unreliable, not always indicative of ability to pay

4

Not well understood by consumers, consumers may have trouble improving this metric

More on race:

BIPOC communities are more likely to have lower credit scores, errors on scores, or no credit history.



Reflects generations of predatory lending, economic discrimination, and racist history of Oregon



Reflects lack of access to financial institutions/credit



There is no direct link to safe driving:

A low credit-based insurance score can result higher auto insurance premiums, even with a clean driving record.



Excellent credit (baseline)

\$1,014/yr

Good credit (+\$219)

\$1,233/yr

Poor credit (+\$1,288)

\$2,302/yr

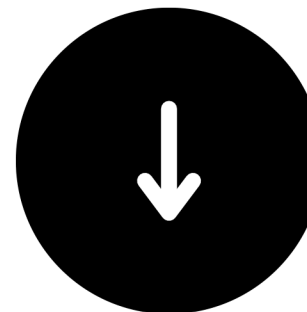
Excellent credit (but with DWI,+\$762)

\$1,777/yr

Auto insurance **MAY NOT** consider the following factors in determining rates, including:

- **CREDIT HISTORY***
- Marital status
- Sex or gender
- Previous accidents/claims where the insured was not at fault
- Employment status
- Occupation
- Whether the insured owns or rents a home

**Including a credit-based insurance score*



Auto insurance **MAY consider** factors like:



History of **safe driving**



Number of **miles an applicant drives**, years of driving experience



And any other **information DCBS determines**

High Value Health Care

Health care costs too much and delivers too little for Oregonians

OSPIRG

This bill will:

- Provide **low cost high quality health coverage** for individuals and small businesses
- Align the commercial market with **value-based payments** and other systems that **reward quality of care and outcomes** over number of services
- Transition Oregon from the federal marketplace limited to commercial insurance to a **one-stop-shop for all health insurance enrollment** in a state-based marketplace



Lowering Prescription Drug Costs

Prescription drugs are a large portion of health care spending in Oregon, often at a cost to consumers.

OSPIRG



This bill will:

- Give the state authority to lower the cost of some of the most expensive prescriptions



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OPPOSING:

Keeping third parties out of your rental agreements

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The bill:

Allows a landlord and tenant to agree to a monthly payment in lieu of a security deposit.

Tenant agrees to pay a landlord a monthly charge, folded into the rent you usually pay.

A glass jar filled with gold coins, with a white label that says "DEPOSIT". The jar is set against a yellow background.

DEPOSIT

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OPPOSING

The problem:

Your relationship with your landlord gets even more complicated.



The charge is paid to purchase insurance that will pay claims made by the landlord up to a policy limited determined by parties.

- The landlord is the insured party, not the tenant.
- Insurer can potentially recover directly from the Tenant for any unpaid rent or other charges.

“Tenant further understands that Tenant is not insured under this policy, and that this insurance does not preclude the insurer or landlord from recovering from Tenant the unpaid rent, charges and damages for which Tenant is responsible, together with reasonable attorney fees and costs.”

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Questions



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