

STATE OF OREGON  
DEPARTMENT OF CONSUMER AND BUSINESS SERVICES  
DIVISION OF FINANCIAL REGULATION

In the Matter of:

Case No. INS-20-0064

ALLSTATE INSURANCE COMPANY,

Respondent.

ORDER TO CEASE AND DESIST,  
FINAL ORDER ASSESSING CIVIL  
PENALTY AND CONSENT TO  
ENTRY OF ORDER

THIS IS A FINAL ORDER

The Director of the Department of Consumer and Business Services for the State of Oregon (“Director”), acting in accordance with Oregon Revised Statutes (“ORS”) chapters 731, 732, 733, 734, 735, 737, 742, 743, 743A, 743B, 744, 746, 748 and 750 (“Insurance Code”), has conducted an investigation into the insurance related activities of Allstate Insurance Company (“Respondent”).

Respondent submits to the Director’s jurisdiction and agrees to waive its rights to notice and an administrative hearing that arise under ORS 183.415 and wishes to resolve this matter by consenting to entry of this Final Order.

Now, therefore, as evidenced by the authorized signatures subscribed on this document, the Director issues the following Findings of Fact, Conclusions of Law, and Final Order.

FINDINGS OF FACT

The Director FINDS that:

1. Respondent has been licensed as a foreign insurer since August 10, 1935 and provides property and casualty products in Oregon. Respondent’s principle place of

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Labor and Industries Building  
350 Winter Street NE, Suite 410  
Salem, OR 97301-3881  
Telephone: (503) 378-4387





1 business is 3075 Sanders Road, Suite H1E, Northbrook, IL 60062. Respondent’s National  
2 Association of Insurance Commissioners company code is 19232.

3 2. On March 8, 2020, Oregon Governor Kate Brown signed Executive Order 20-  
4 03, which declared a state of emergency due to the COVID-19 outbreak in Oregon under  
5 ORS 401.165.

6 3. On March 25, 2020, the Director issued a temporary emergency order<sup>1</sup>  
7 (“Emergency Order”) to all insurers transacting insurance in Oregon in response to the  
8 COVID-19 outbreak, effective March 25, 2020 through April 23, 2020.

9 4. The Emergency Order required, in relevant part, that all insurers immediately  
10 suspend all cancellations and non-renewals for all active insurance policies in the state until  
11 the Order was no longer in effect.<sup>2</sup>

12 5. On April 23, 2020 the Director extended the Emergency Order to be in effect  
13 through May 23, 2020.

14 6. On June 11, 2020, the Division of Financial Regulation (the “Division”) issued  
15 a data call to insurers requesting information regarding cancellations and non-renewals.

16 7. On June 18, 2020, Respondent responded to the data call, which revealed that,  
17 from March 25, 2020 through May 23, 2020, 84 insurance policies (“Policies”) issued to  
18 Oregon consumers were either cancelled or non-renewed by Respondent for nonpayment  
19 of premiums.<sup>3</sup>

20 8. Between June 18, 2020 and July 2, 2020, all Policies were either reinstated or  
21 the policyholder was offered reinstatement but chose to terminate the policy.

22 ///

23 ///

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25 <sup>1</sup> <https://dfr.oregon.gov/insure/health/understand/Documents/20200325Order.pdf>

26 <sup>2</sup> *Id.* at Paragraph 12(a).

<sup>3</sup> Respondent explained to the Division that “our processes inadvertently allowed cancellation of policies that are either on easy payment plans, recurring credit charge plans or payment by the mortgage company during the time period when cancellations were prohibited for non-payment.”

1 CONCLUSIONS OF LAW

2 The Director CONCLUDES that:

3 9. Pursuant to ORS 731.252(1), whenever the Director has reason to believe that  
4 any person has been engaged or is engaging or is about to engage in any violation of the  
5 Insurance Code, the Director may issue an order, directed to such person, to discontinue or  
6 desist from such violation or threatened violation.

7 10. Pursuant to ORS 731.870(1)(c), when the Governor declares a state of  
8 emergency under ORS 401.165, the Director may issue an order that addresses temporary  
9 postponement of cancellations and non-renewals.

10 11. Respondent violated Paragraph 12(a) of the Emergency Order in 84 instances,  
11 as described in Paragraph seven above.

12 12. Pursuant to ORS 731.988(1), the Director may impose a civil penalty of up to  
13 \$10,000 per violation upon any person who violates a provision of the Insurance Code.

14  
15 ORDERS

16 Now therefore, the Director issues the following Orders:

17 13. As authorized by ORS 731.252(1), the Director ORDERS Respondent to  
18 CEASE AND DESIST from violating the Emergency Order.

19 14. Based upon the foregoing and as authorized by ORS 731.988(1), the Director  
20 ORDERS that Respondent pay a total CIVIL PENALTY of \$50,000 for 84 violations of  
21 the Emergency Order.

22 15. The \$50,000 total CIVIL PENALTY assessed above is due and payable at the  
23 time this Order is returned to the Director.

24 16. This Order is a "Final Order" under ORS 183.310(6)(b). Subject to that  
25 provision, entry of this Order in no way limits or prevents further remedies, sanctions, or  
26 actions which may be available to the Director under Oregon law to enforce this Order, for

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1 violations of this Order, for conduct or actions of Respondent that are not covered by this  
2 Order, or against any party not covered by this Order.

3  
4 SO ORDERED this 19<sup>th</sup> day of October, 2020.

5 ANDREW R. STOLFI, Director  
6 Department of Consumer and Business Services

7  
8 /s/ Dorothy Bean  
9 Dorothy Bean, Chief of Enforcement  
10 Division of Financial Regulation

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