

A-Engrossed
House Bill 2781

Ordered by the House April 20
Including House Amendments dated April 20

Sponsored by COMMITTEE ON CONSUMER PROTECTION

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure.

[Requires Director of Department of Consumer and Business Services to appoint Construction Contractors Insurance Advisory Committee. Requires committee to advise director concerning data needed to monitor availability and affordability of construction contractor liability insurance and to assess effectiveness of recommendations of Task Force on Construction Claims.]

[Permits director, after consultation with committee, to determine data needed, to establish data reporting system and to require insurers to provide data. Requires director to weigh costs to insurers and state agencies against expected benefits from data collection.]

Authorizes Director of Department of Consumer and Business Services to establish reporting, collection and processing system to monitor availability and affordability of liability insurance for construction contractors and others in construction industry. Authorizes director to determine and assess claim trends related to construction defect liability claims.

Authorizes director to require insurers to provide data that allow director to establish system and to determine and assess claim trends.

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to construction liability insurance; and declaring an emergency.

3 **Be It Enacted by the People of the State of Oregon:**

4 **SECTION 1. Section 2 of this 2007 Act is added to and made a part of the Insurance Code.**

5 **SECTION 2. (1) The Director of the Department of Consumer and Business Services may:**

6 (a) **Determine which data or categories of data the Department of Consumer and Business Services collects in order to:**

7
8 (A) **Monitor the availability and affordability of liability insurance for construction contractors and others in the construction industry; and**

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10 (B) **Determine and assess, to the extent possible, claim trends related to the occurrence and resolution of construction defect liability claims.**

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12 (b) **Establish a reporting, collection and processing system for the data that the director identifies in paragraph (a) of this subsection.**

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14 (c) **Require insurers, including surplus lines insurers, to provide the data the director identifies under paragraph (a) of this subsection.**

15
16 (2) **The director may adopt rules to implement and enforce the provisions of this section including, but not limited to, rules that require admitted and nonadmitted insurers to provide data in accordance with this section.**

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18
19 **SECTION 3. This 2007 Act being necessary for the immediate preservation of the public**
20 **peace, health and safety, an emergency is declared to exist, and this 2007 Act takes effect**
21 **on its passage.**

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

