

House Bill 2849

Sponsored by COMMITTEE ON BUSINESS AND LABOR (at the request of State Farm Insurance Companies)

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 **as introduced**.

Prevents insurers from considering individual's driving record when determining rates for and whether to issue or renew policy of personal insurance that provides certain types of coverage, except in specified circumstances when insurer may consider abstract of individual's nonemployment driving record to make determinations.

A BILL FOR AN ACT

1
2 Relating to policies of personal insurance; creating new provisions; and amending ORS 746.260 and
3 746.265.

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

5 **SECTION 1.** ORS 746.260 is amended to read:

6 746.260. (1) **As used in this section, "employment driving record" and "nonemployment**
7 **driving record" mean the employment driving record and nonemployment driving record de-**
8 **scribed in ORS 802.200.**

9 [(1)] (2) Except as provided in subsection (4) of this section, [*when an individual applies for a*
10 *policy or a renewal of a policy of casualty insurance providing*] **an insurer may not consider an**
11 **individual's employment driving record or nonemployment driving record in determining**
12 **rates for, or whether to issue or renew, a policy of personal insurance, as defined in ORS**
13 **746.600, for the individual that provides** automobile liability coverage, uninsured motorist cover-
14 age, automobile medical payments coverage or automobile physical damage coverage on an individ-
15 ually owned passenger vehicle, including pickup and panel trucks and station wagons[, *an insurer*
16 *shall not consider either the employment driving record or the nonemployment driving record of the*
17 *individual in determining whether the policy will be issued or renewed or in determining the rates for*
18 *the policy*]. An insurer [*shall*] **may** not cancel [*such*] **the** policy or discriminate in regard to other
19 terms or conditions of the policy based upon the **individual's** employment driving record or [*the*]
20 nonemployment driving record [*of the individual*].

21 [(2)] *As used in this section, "employment driving record" and "nonemployment driving record"*
22 *mean the employment driving record and nonemployment driving record described in ORS 802.200.*

23 (3) This section [*is not intended to*] **does not** affect the enforcement of the motor vehicle laws.

24 (4) An insurer may use the abstract of the individual's nonemployment driving record as au-
25 thorized under ORS 746.265.

26 **SECTION 2.** ORS 746.265 is amended to read:

27 746.265. (1) Subject to subsection (2) of this section, [*when an individual applies for a policy or*
28 *a renewal of a policy of casualty insurance providing*] **an insurer may consider the abstract of an**
29 **individual's nonemployment driving record under ORS 802.220 when evaluating the**
30 **individual's application to obtain or renew personal insurance, as defined in ORS 746.600, that**

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.

1 **provides** automobile liability coverage, uninsured motorist coverage, automobile medical payments
2 coverage or automobile physical damage coverage on an individually owned passenger vehicle, in-
3 cluding pickup and panel trucks and station wagons[, *the insurer may consider the abstract of the*
4 *nonemployment driving record of the individual under ORS 802.220*]:

5 (a) For the purpose of determining whether to issue or renew the individual's policy.

6 (b) For the purpose of determining the rates of the individual's policy.

7 (2) For the purposes specified in subsection (1) of this section, an insurer [*issuing or renewing*]
8 **that issues or renews** a policy described in subsection (1) of this section [*shall*] **may** not consider
9 any:

10 (a) Accident or conviction for violation of motor vehicle laws that occurred more than three
11 years immediately preceding the application [*for the policy or renewal of the*] **to issue or renew the**
12 **policy**;

13 (b) Diversion agreements under ORS 813.220 that were entered into more than three years im-
14 mediately preceding the application [*for the policy or renewal of*] **to issue or renew** the policy; or

15 (c) Suspension of driving privileges pursuant to ORS 809.280 (6) or (8) if the suspension is based
16 on a nondriving offense.

17 (3) Subsection (2) of this section does not apply if an insurer considers [*the*] **an individual's**
18 nonemployment driving record [*of an individual*] under ORS 802.220 for the purpose of providing a
19 discount to the individual.

20 **SECTION 3. The amendments to ORS 746.260 and 746.265 by sections 1 and 2 of this 2013**
21 **Act apply to insurance policies that an insurer issues or renews on or after the effective date**
22 **of this 2013 Act.**