

**Senate Committee On Business and Transportation**

**Fiscal:** No Fiscal Impact

**Revenue:** No Revenue Impact

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**Action Date:** 02/09/15

**Action:** Do Pass With Different Amendments. (Printed A-Eng Minority)

**Meeting Dates:** 02/04, 02/09

**Signers of the Report:** Sen. Fred Girod, Sen. Chuck Thomsen

**Prepared By:** James LaBar, Committee Administrator

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**WHAT THE MEASURE DOES:**

Changes order of subrogation of liens so injured policyholder recovers all damages, to the extent funds are available, before reimbursing personal injury protection (PIP) insurer for benefits paid out before fault determined. Extends PIP benefit coverage from one year after date of injury to two years after date of injury without increasing policy maximums.

**ISSUES DISCUSSED:**

- Comparison of Oregon, Washington and Georgia law and rates
- Insurance stacking in different contexts
- Impact of measure on insured, uninsured and underinsured regarding severe injuries
- Relationship between personal injury protection and health coverage
- Consumer awareness of insurance coverage
- Alternative amendments

**EFFECT OF COMMITTEE AMENDMENT:**

Deletes underinsured motorist protection portion of the bill and maintains PIP section.

**BACKGROUND:**

Oregon law requires every insurance policy for private motor vehicles to include PIP coverage against damages caused by uninsured or underinsured motorists. PIP benefits are intended to offset immediate expenses associated with an accident. PIP benefits are paid by the insurer to the policyholder for only economic damages, up to the limits of the policy. The insurer may recover PIP benefits paid from any remaining benefits received after the policyholder's economic damages have been satisfied. "Benefits received" may include at-fault driver's liability insurance or payments by an at-fault driver.