

STAFF MEASURE SUMMARY

Senate Committee On Veterans and Emergency Preparedness

**Fiscal:** No Fiscal Impact

**Revenue:** No Revenue Impact

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**Action Date:** 04/14/15

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

**Meeting Dates:** 04/14

**Vote:**

Yeas: 4 - Boquist, Monnes Anderson, Olsen, President Courtney

**Prepared By:** Cheyenne Ross, Committee Administrator

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**WHAT THE MEASURE DOES:**

Exempts longstanding associations of current or former members of the Armed Forces, as specified, from operation of insurance code. Requires exempt associations provide certain documentation and records to the Department of Consumer and Business Services (DCBS). Permits DCBS to require increase in capital or surplus. Requires specified notice issue with exempt associations' policies. Declares emergency, effective on passage.

**ISSUES DISCUSSED:**

- History and establishment of Navy Mutual Aid Association and its presence in Oregon
- Voluntary moratorium on issuance of policies to Oregonians, pending this clarifying legislation

**EFFECT OF COMMITTEE AMENDMENT:**

Makes minor technical change. Adds emergency clause.

**BACKGROUND:**

Senate Bill 781-A clarifies the status of the Navy Mutual Aid Association (Association) in Oregon. It is a longstanding, nonprofit, congressionally-chartered veterans service organization that provides life insurance and survivor benefits to certain servicemembers. While Senate Bill 781-A resolves ambiguity about the application of Oregon's insurance code to associations that meet the criteria for exemption, it also provides some oversight authority to examine records and require a certain surplus.