

Seventy-Eighth Oregon Legislative Assembly - 2015 Regular Session
STAFF MEASURE SUMMARY
House Committee On Transportation and Economic Development

MEASURE: SB 935 A
CARRIER: Rep. Davis

Fiscal: No Fiscal Impact

Revenue: No Revenue Impact

Action Date: 05/18/15

Action: Do Pass As Amended And Be Printed Engrossed.

Meeting Dates: 05/13, 05/18

Vote:

Yeas: 6 - Davis, Gorsek, Hack, Lively, McKeown, McLain

Exc: 1 - Bentz

Prepared By: Patrick Brennan, Committee Administrator

WHAT THE MEASURE DOES:

Specifies that a certificate of authority is not required of an insurer with respect to wet marine and transportation insurance.
Declares emergency, effective on passage.

ISSUES DISCUSSED:

- Specialized, high-risk lines of insurance
- Clarifies existing practices

EFFECT OF COMMITTEE AMENDMENT:

Adds emergency clause.

BACKGROUND:

Surplus lines insurers provide coverage for risks that licensed insurers are either unable or unwilling to write, covering unique or unusual risks that have atypical characteristics (such as satellites or large marine vessels) or risks that are undesirable to licensed insurers (such as coastal property). Surplus lines also offer additional capacity where an insurer needs higher coverage limits than those available in the licensed market, and can also provide specifically-tailored policy terms.

Wet marine and transportation insurance is concentrated along the Columbia and Willamette rivers and along the coast, but is utilized throughout Oregon. Some common wet marine and transportation insurance policyholders include tub and barge operators, marine construction firms, terminal operators, railroads engaged in interstate commerce, and blue water ships and importers/exporters. An example of risks insured include vessel insurance for clients involved in international trade.