

A-Engrossed
Senate Bill 578

Ordered by the House June 5
Including House Amendments dated June 5

Sponsored by COMMITTEE ON BUSINESS AND TRANSPORTATION

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.

Permits insurer, under specified conditions, to post insurance policy and endorsements on insurer's website in lieu of mailing or delivering insurance policy and endorsements to insured.

A BILL FOR AN ACT

1
2 Relating to electronic delivery of insurance policies; creating new provisions; and amending ORS
3 742.046.

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

5 **SECTION 1.** ORS 742.046 is amended to read:

6 742.046. (1) Subject to the insurer's requirements [*as to payment of premium,*] **for paying pre-**
7 **miums, the insurer shall mail or deliver** every policy [*shall be mailed or delivered*] to the insured
8 or to the person entitled [*thereto*] **to the policy** within a reasonable period of time after [*its issuance*
9 *except where a condition required by the insurer has not been met by the insured*] **the insurer issues**
10 **the policy, unless the insured has not met a condition required by the insurer.**

11 (2) [*In the event*] **If the insurer delivers or deposits, or must deliver or deposit, the** original
12 policy [*is delivered or is so required to be delivered to or for deposit*] **to or** with any vendor,
13 mortgagee[,], or pledgee of any motor vehicle, and [*in which*] **the original** policy [*any interest of*]
14 **insures** the [*vendee, mortgagor, or pledgor*] **vendee's, mortgagor's or pledgor's interest** in or with
15 reference to [*such*] **the motor** vehicle [*is insured*], **the vendor, mortgagee or pledgee shall deliver**
16 a duplicate **or memorandum** of [*such*] **the** policy [*setting*] **that sets** forth the name and address of
17 the insurer, **the** insurance classification of **the** vehicle, **the** type of coverage, **the** limits of liability,
18 premiums for the respective coverages[,], and **the** duration of the policy[, *or memorandum thereof*
19 *containing the same such information, shall be delivered by the vendor, mortgagee, or pledgee*] to each
20 [*such*] vendee, mortgagor[,], or pledgor **that is** named in the policy or [*coming*] **that is** within the
21 group of persons [*designated in*] the policy [*to be so*] **specifies must be** included. If the policy does
22 not [*provide coverage of*] **cover** legal liability for injury to persons or damage to the property of third
23 parties, [*a statement of such fact shall be printed, written, or stamped conspicuously on*] the face of
24 [*such*] **the** duplicate policy or memorandum **must conspicuously state, in writing, in print or**
25 **with a stamp, that the policy does not provide such coverage.** This subsection does not apply
26 to inland marine floater policies.

27 (3) **Notwithstanding the requirements set forth in subsections (1) and (2) of this section**
28 **and the consent and notice requirements set forth in ORS 84.070 (2), an insurer may post**

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 on the insurer's website a standard property and casualty insurance policy and endorsements
2 that do not have personally identifiable information. If the insurer posts an insurance policy
3 and endorsements on the insurer's website in lieu of mailing or delivering the insurance
4 policy and endorsements to the insured, the insurer shall:

5 (a) Ensure that the insurance policy and endorsements are easily accessible for as long
6 as the insurance policy is in force;

7 (b) Archive expired policies and endorsements for five years after the policies expire and
8 make archived policies available upon request;

9 (c) Post the policy and endorsements in a manner that enables the insured to use soft-
10 ware that is free of charge and widely available on the Internet to save and print the policy
11 and endorsements;

12 (d) Provide in, or simultaneously with, each declarations page that the insurer provides
13 at the time the insurer issues or renews the policy:

14 (A) A description of the exact policy and endorsements that the insurer purchased;

15 (B) A statement that advises the insured of the right to request and obtain, without
16 charge, a printed copy of the insured's policy and endorsements and instructions for making
17 the request; and

18 (C) The Internet address at which the insurer posted the insured's policy and endorse-
19 ments; and

20 (e) Notify the insured, in the manner in which the insurer customarily communicates
21 with the insured, of any changes to the policy or endorsements.

22 **SECTION 2.** The amendments to ORS 742.046 by section 1 of this 2015 Act apply to in-
23 surance policies and endorsements that an insurer issues on or after the effective date of
24 this 2015 Act.