

Enrolled
Senate Bill 330

Printed pursuant to Senate Interim Rule 213.28 by order of the President of the Senate in conformance with pre-session filing rules, indicating neither advocacy nor opposition on the part of the President (at the request of Senate Interim Committee on Business and Transportation)

CHAPTER

AN ACT

Relating to portable electronics insurance coverage; creating new provisions; and amending ORS 646A.588.

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

SECTION 1. ORS 646A.588 is amended to read:

646A.588. (1) Except as provided in subsections (2) and (3) of this section, an insurer or a supervising entity that issued a policy of portable electronics insurance to a vendor policyholder may not modify or terminate the terms and conditions of the policy unless the insurer or the supervising entity:

(a) Provides the vendor policyholder and enrolled customers with notice of the modification or termination not less than [60] **30** days before the effective date of the modification or termination; and

(b) In the event of a modification only, provides:

(A) The vendor policyholder with a revised policy or endorsement that is evidence of the modification; and

(B) Each enrolled customer with a revised certificate, endorsement or other evidence of a change in terms and conditions, updated written materials and a summary of the material changes to the terms and conditions of coverage.

(2)(a) An insurer or a supervising entity may terminate an enrolled customer's portable electronics insurance coverage:

(A) Upon discovering fraud or a material misrepresentation the enrolled customer made in obtaining the coverage or in presenting a claim; or

(B) For nonpayment of a premium.

(b) The insurer or the supervising entity must notify the enrolled customer at least 15 days before a termination under this subsection.

(3) An insurer or a supervising entity may immediately terminate an enrolled customer's portable electronics insurance coverage if:

(a) The enrolled customer ceases to have active wireless service with the vendor policyholder; or

(b) The enrolled customer exhausts the aggregate limit of liability, and the insurer or the supervising entity sends notice of termination to the enrolled customer within 30 days after the enrolled customer exhausts the limit. If the insurer or the supervising entity does not send a timely notice of termination to the enrolled customer, notwithstanding the enrolled customer's exhaustion

of the limit, coverage continues until the insurer or the supervising entity sends the enrolled customer a notice of termination.

(4) A vendor policyholder that has issued portable electronics insurance coverage to an enrolled customer may not terminate the coverage unless the vendor policyholder provides the enrolled customer with notice of the termination not less than 30 days before the effective date of the termination. The supervising entity may provide notice under this subsection on the vendor policyholder's behalf.

(5)(a) Notice or correspondence to a vendor policyholder [*or enrolled customer*] that is required under this section, or that is otherwise required by law, may [*either*] be sent as an electronic record. [*in accordance with ORS 84.001 to 84.061 and 84.070, or:*]

(b) Notice or correspondence that this section or another provision of law requires to be sent to an enrolled customer may be sent as an electronic record if the enrolled customer agrees to receive notice or correspondence with respect to portable electronics insurance coverage by electronic means in accordance with ORS 84.001 to 84.061.

(c) If not sent by electronic means, notice or correspondence may be sent by one of the following means:

(A) In the case of a vendor policyholder, mailed or delivered to the vendor policyholder at the vendor policyholder's principal place of business in this state; or

(B) In the case of an enrolled customer, mailed or delivered to the enrolled customer's last known mailing address.

[(b) An enrolled customer consents to receive a notice or correspondence with respect to a policy of portable electronics insurance by electronic means if, after the insurer, the insurer's agent or the vendor that sold the portable electronics notifies the enrolled customer that providing an electronic mail address to the insurer, the insurer's agent or the vendor is consent to receive the notice or correspondence by electronic means, the enrolled customer provides an electronic mail address to the insurer, the insurer's agent or the vendor.]

[(c)] **(d)** An insurer, a supervising entity or a vendor policyholder that provides notice or sends correspondence under this section shall maintain proof of providing the notice or sending the correspondence for a minimum of three years after the termination of the portable electronics insurance coverage. Proof of mailing or delivery to the enrolled customer's last known mailing address or electronic mailing address is sufficient proof of providing the notice or sending the correspondence.

SECTION 2. The amendments to ORS 646A.588 by section 1 of this 2017 Act apply to policies for portable electronics insurance coverage that become effective or are renewed on or after the effective date of this 2017 Act.

Passed by Senate March 22, 2017

Repassed by Senate June 14, 2017

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Lori L. Brocker, Secretary of Senate

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Peter Courtney, President of Senate

Passed by House June 1, 2017

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Tina Kotek, Speaker of House

Received by Governor:

.....M,....., 2017

Approved:

.....M,....., 2017

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Kate Brown, Governor

Filed in Office of Secretary of State:

.....M,....., 2017

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Dennis Richardson, Secretary of State