

Requested by SENATE COMMITTEE ON BUSINESS AND TRANSPORTATION

**PROPOSED AMENDMENTS TO  
SENATE BILL 985**

1 On page 1 of the printed bill, delete line 23 and insert:

2 “(C) Inland marine insurance coverages that the director specifies;”.

3 On page 2, delete lines 4 and 5.

4 In line 6, delete “(P)” and insert “(O)”.

5 Delete lines 7 through 9 and insert:

6 “(P) Insurance for property with these characteristics:

7 “(i) The owner or property manager demonstrates a willingness and de-  
8 termination to reduce the probability of a loss.

9 “(ii) The owner or property manager conducts periodic and thorough  
10 specialized inspections and engineering for the purpose of preventing or  
11 minimizing loss.

12 “(iii) The property has an insurable value sufficient for an insurer to  
13 charge a premium in an amount that warrants providing specialized in-  
14 spection and engineering services.

15 “(iv) The property has a structural design and degree of protection that,  
16 in combination with specialized inspection and engineering services, has the  
17 effect of reducing the need for or importance of publicly provided fire pro-  
18 tection.

19 “(v) The property’s construction uses fire resistant or incombustible heavy  
20 timber or similar materials that are well preserved and in good repair.

21 “(vi) The property has fire protection or loss prevention equipment in all

1 areas in which fire prevention or loss protection is necessary.

2 “(vii) The owner or property manager provides security and alarm service  
3 or equivalent security services or equipment where necessary.

4 “(viii) Sufficient numbers of hydrants, hoses and equipment, an adequate  
5 water supply and other components of a private or publicly provided fire  
6 protection system exist to protect the property’s exterior.”.

7 In line 10, delete “(R)” and insert “(Q)”.

8 In line 11, delete “(S)” and insert “(R)”.

9 In line 12, delete “(T)” and insert “(S)”.

10 Delete lines 13 through 15 and insert:

11 “(T) Commercial lines insurance that the director exempts, other than  
12 coverage specified in subsection (3) of this section, for large commercial  
13 policyholders that pay an annual aggregate premium threshold amount or  
14 that meet other requirements the director specifies; and”.

15 In line 16, delete “(V)” and insert “(U)”.

16 Delete lines 24 through 27 and insert:

17 “(c) Commercial automobile liability insurance;

18 “(d) Coverage that an insurer issues under an assigned risk plan or  
19 through a residual market pool or residual market facility;

20 “(e) Insurance for a project, as defined in ORS 737.602; and

21 “(f) A service contract, as defined in ORS 646A.154.”.

22 Delete lines 30 through 44 and insert:

23 “(5)(a) The director may publish a sample disclosure notice that an  
24 insurer may issue without needing to file the disclosure with the director for  
25 review or approval if the insurer issues the disclosure together with an in-  
26 surance policy that is a claims-made insurance policy or a liability insurance  
27 policy that includes defense costs within the limits of liability.

28 “(b) An insurer need not use the sample disclosure notice described in  
29 paragraph (a) of this subsection. An insurer that does not use the sample  
30 disclosure notice shall file the insurer’s proposed notice with the director for

1 review and approval. If the director approves the insurer's proposed notice,  
2 the insurer may issue the notice with all of the insurer's claims-made in-  
3 surance policies or policies that include defense costs within the limits of  
4 liability without submitting the notice to the director for further review or  
5 approval.

6 “(6) A surplus lines broker that seeks to obtain or provide insurance  
7 coverage in a class of insurance that is listed in subsection (2)(a) of this  
8 section may purchase insurance from an eligible nonadmitted insurer without  
9 making a diligent search of admitted insurers, as required under ORS 735.410  
10 (1)(b).

11 “(7) The director may adopt rules to implement this section.”

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