

House Bill 2711

Sponsored by Representative RAYFIELD (Presession filed.)

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 **as introduced**.

Specifies minimum coverage required of construction contractor public liability, personal injury and property damage insurance. Requires that contractor proof of insurance coverage include written coverage description by insurer. Requires reformation of policy if insurance coverage is less than stated in written coverage description by insurer.

A BILL FOR AN ACT

1
2 Relating to construction contractor insurance; creating new provisions; and amending ORS 701.073.

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

4 **SECTION 1.** ORS 701.073 is amended to read:

5 701.073. (1) A contractor who possesses a license as required under this chapter shall have in
6 effect public liability, personal injury and property damage insurance covering the work of the
7 contractor that is subject to this chapter, including the covering of liability for products and com-
8 pleted operations according to the terms of the policy and subject to applicable policy exclusions,
9 for an amount not less than the applicable amount set forth in ORS 701.081 or 701.084.

10 **(2) A policy described in this section must, at a minimum, provide coverage for all tort**
11 **liability of the contractor or the contractor's business to public or private parties for per-**
12 **sonal injury or property damage other than personal injury that is subject to the worker's**
13 **compensation laws. Any policy exclusion that would cause the policy to provide less than the**
14 **minimum coverage required by this subsection is contrary to public policy and is void.**

15 [(2)] (3) The contractor shall provide satisfactory evidence to the Construction Contractors
16 Board at the time of licensure and renewal that the insurance required by [*subsection (1) of*] this
17 section has been procured and is in effect. **The evidence must include, but need not be limited**
18 **to, a written policy coverage description by the insurer.**

19 **(4) If an insurance policy does not provide the coverage stated by the insurer in a written**
20 **policy coverage description under subsection (3) of this section, a court having jurisdiction**
21 **over a claim shall reform the insurance policy to provide the coverage.**

22 **SECTION 2.** The amendments to ORS 701.073 by section 1 of this 2019 Act apply to in-
23 **surance policies issued, extended or renewed on or after the effective date of this 2019 Act.**
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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.