

Wildfire Risk Map and Insurance

Senate Interim Committee on
Natural Resources and Wildfire Recovery
Sept. 22, 2022



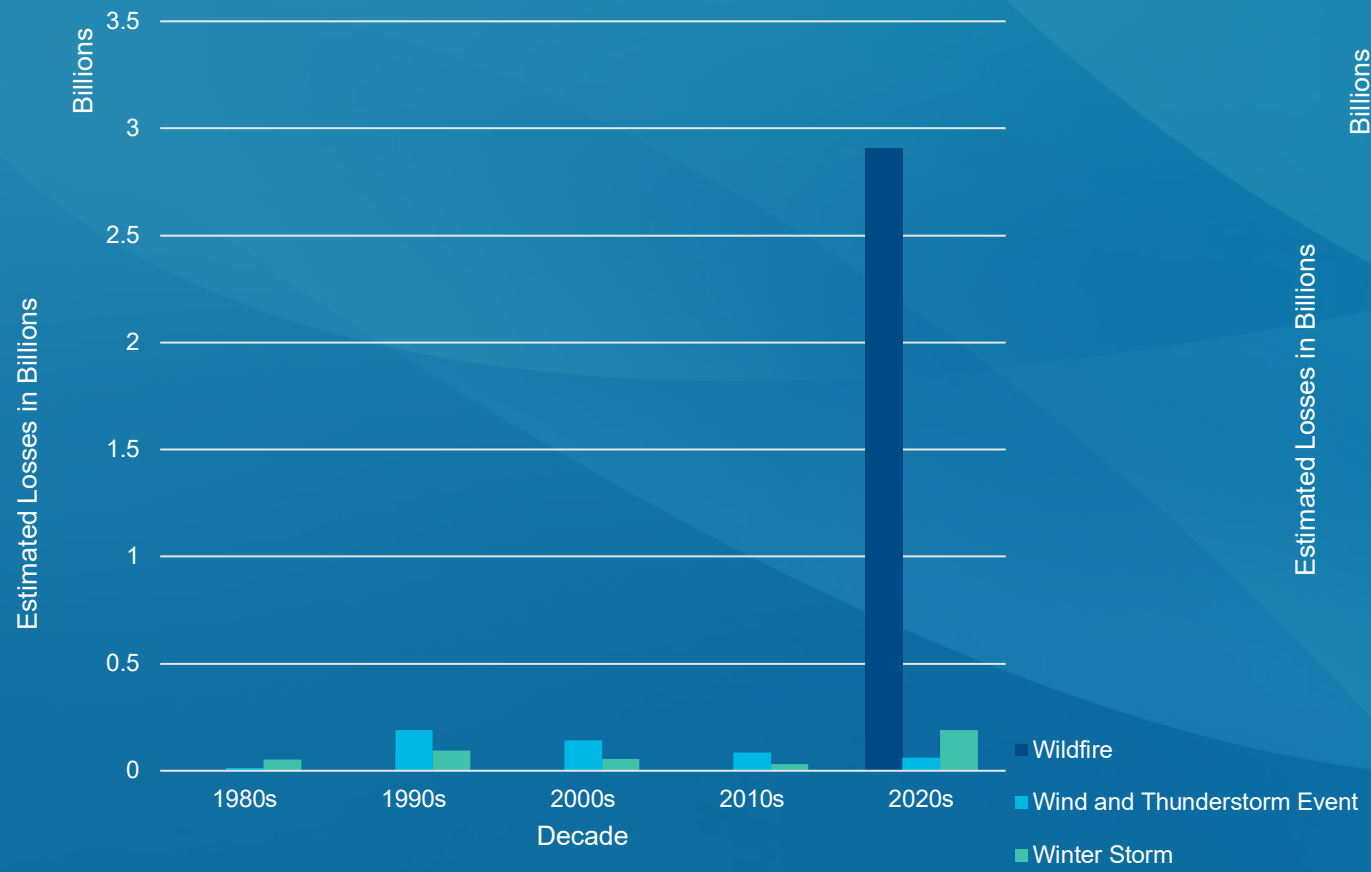
Department of Consumer
and Business Services

State Wildfire Risk Map NOT used by insurers

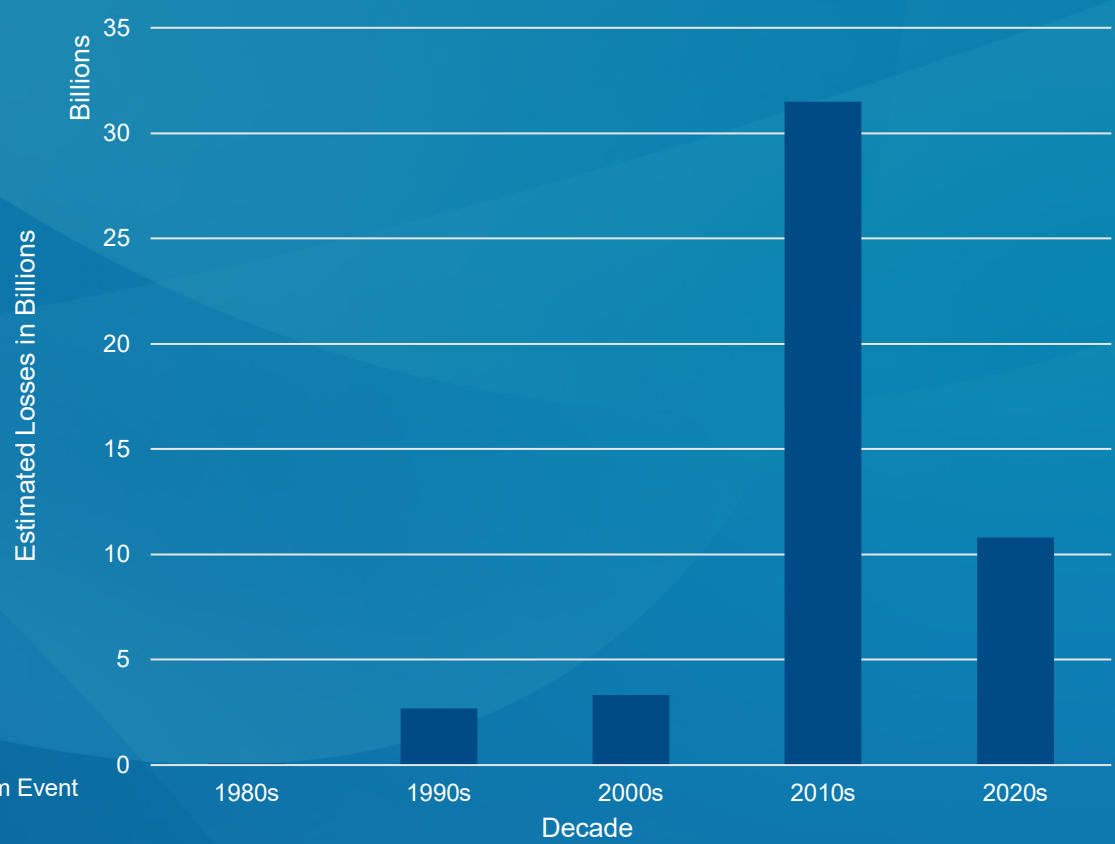
- DFR's formal data call confirmed that insurance companies did not use the map and have no intent to use the map for rating or underwriting decisions
- Bulletin 2022-5 addressed insurance agent communications to policyholders regarding the map

Increased wildfire risk

Oregon Catastrophe Activity



California Wildfire Losses



What can consumers do?

- Ask your insurance company for detailed information regarding decisions
- Shop around: There are nearly 150 companies to choose from; be sure your agent has access to them
- Many different marketplaces – standard market, Oregon FAIR Plan, surplus lines market
- Contact DFR with questions

What have we done?

- HB 3272 – relating to rebuilding property
- HB 2571 – directing an examination of insurance issues for prescribed fire liability
- SB 762 – improving wildfire preparedness
- Issued wildfire emergency orders
- Released bulletin guidance
- Completed industry data calls
- Performed targeted market conduct examinations

2023 wildfire legislative concept

- FAIR Plan coverage limit increases; plan changes
- Improved consumer disclosure requirements
- Incorporating defensible space and home hardening efforts into both rating and underwriting criteria
- Flexibility to extend rebuild timelines

Questions?