

HOUSE AMENDMENTS TO HOUSE BILL 3272

By COMMITTEE ON BUSINESS AND LABOR

April 15

1 On page 1 of the printed bill, line 2, delete “creating new provisions; amending ORS 746.230;”.

2 Delete lines 4 through 25 and delete pages 2 through 4 and insert:

3 **“SECTION 1. Sections 2, 3 and 4 of this 2021 Act are added to and made a part of ORS**
4 **chapter 742.**

5 **“SECTION 2. (1) As used in this section:**

6 **“(a) ‘Homeowner insurance’ has the meaning given that term in ORS 746.600.**

7 **“(b) ‘Property’ means structures and dwellings, and the contents of structures and**
8 **dwellings, that are covered by a policy of homeowner insurance.**

9 **“(2) If a policy of homeowner insurance requires an insured to repair, rebuild or replace**
10 **damaged or lost property in order to collect the full replacement cost for the property, the**
11 **insurer shall, subject to the policy limits:**

12 **“(a) Allow an insured to repair, rebuild or replace damaged or lost property:**

13 **“(A) In not fewer than 12 months after the date of the insurer’s initial payment toward**
14 **the cash value of the property that was damaged or lost; or**

15 **“(B) In not fewer than 24 months after the date of the insurer’s initial payment toward**
16 **the cash value of the primary dwelling of the insured that was damaged or lost, if the dam-**
17 **age or loss occurred in a location that was subject to a declaration of a state of emergency**
18 **under ORS 401.165.**

19 **“(b) Provide additional living expenses to an insured, subject to the policy limits for ad-**
20 **ditional living expenses, for a period of 24 months after the date of the damage or loss to the**
21 **insured’s primary dwelling if the damage or loss occurred in a location that was subject to**
22 **a declaration of a state of emergency under ORS 401.165.**

23 **“(c) Add time to each of the periods described in paragraphs (a) and (b) of this subsection**
24 **in increments of six months for a total period of not more than 24 months under paragraph**
25 **(a)(A) of this subsection and a total period of not more than 36 months under paragraphs**
26 **(a)(B) and (b) of this subsection if an insured, acting in good faith and with reasonable dili-**
27 **gence, encounters unavoidable delays in obtaining a construction permit, lacks necessary**
28 **construction materials, lacks available contractors to perform necessary work or encounters**
29 **other circumstances beyond the insured’s control.**

30 **“(3) Subsection (2) of this section does not prohibit an insurer from allowing an insured**
31 **additional time to collect the full replacement cost for lost or damaged property or for ad-**
32 **ditional living expenses.**

33 **“(4) A policy of homeowner insurance may not limit or deny a payment of the replace-**
34 **ment cost or building code upgrade cost, including a payment of any extended replacement**
35 **cost available under the policy coverage, for an insured’s structure that was a total loss on**

1 the basis that the insured decided to rebuild in a new location or to purchase an existing
2 structure in a new location if the policy otherwise covers the replacement cost or building
3 code upgrade cost, except that the measure of indemnity may not exceed the replacement
4 cost, building code upgrade cost or extended replacement cost for repairing, rebuilding or
5 replacing the structure at the original location of the loss.

6 **“SECTION 3.** A policy of property insurance or casualty insurance that covers an
7 insured’s dwelling must permit the insured to combine payments up to the policy limits for
8 claims of damage to or loss of the insured’s primary dwelling and other structures and for
9 any of the covered expenses reasonably necessary to rebuild or replace the damaged or lost
10 dwelling or other structure, if the policy limits for rebuilding or replacing the damaged or
11 lost dwelling are insufficient.

12 **“SECTION 4.** An insurer shall provide to an insured every other year at the time the
13 insurer offers to renew a policy of homeowner insurance, as defined in ORS 746.600, an op-
14 portunity to obtain a new estimate of the cost necessary to rebuild or replace the covered
15 property if the insured provides information necessary for the estimate.

16 **“SECTION 5.** Sections 2, 3 and 4 of this 2021 Act apply to policies of homeowner insur-
17 ance that an insurer issues or renews on and after the effective date of this 2021 Act.

18 **“SECTION 6.** Section 3 of this 2021 Act becomes operative on July 1, 2022.

19 **“SECTION 7.** This 2021 Act being necessary for the immediate preservation of the public
20 peace, health and safety, an emergency is declared to exist, and this 2021 Act takes effect
21 on its passage.”.

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