

House Bill 2982

Sponsored by Representatives MARSH, REYNOLDS, Senator GOLDEN; Representatives DEXTER, GRAYBER, PHAM K, Senators CAMPOS, JAMA, MEEK (Pre-session 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**.

Requires insurer to offer 70 percent of coverage insured previously purchased for contents of residence to insured without requiring inventory of loss if total loss of contents occurs as result of major disaster. Requires insurer to notify insured that additional benefits may be available if insured submits inventory. Requires insurer to disclose methodology for depreciating covered property and to make certain payments within specified time limits.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to paying insurance claims for losses from major disasters; creating new provisions;
3 amending ORS 742.053; and prescribing an effective date.

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

5 **SECTION 1.** ORS 742.053 is amended to read:

6 *742.053. [(1) An insurer shall furnish, upon written request of any person claiming to have a loss*
7 *under an insurance policy issued by such insurer, forms of proof of loss for completion by such person,*
8 *but such insurer shall not, by reason of the requirement so to furnish forms, have any responsibility*
9 *for or with reference to the completion of such proof or the manner of any such completion or attempted*
10 *completion.]*

11 *[(2) With respect to fire insurance, an insured shall have 90 days after receipt of proof of loss forms*
12 *to furnish proof of loss, notwithstanding anything more restrictive contained in the policy.]*

13 **(1) An insurer, in response to a written request, shall provide forms for proving a loss**
14 **for which a person makes a claim under an insurance policy the insurer issues. The re-**
15 **quirement to provide forms under this subsection does not impose responsibility upon the**
16 **insurer for the person's proof of loss, attempt to prove the loss or manner of proving the**
17 **loss.**

18 **(2) If the insurance policy is fire insurance, notwithstanding any more restrictive re-**
19 **quirement in the insurance policy, an insured must provide proof of loss within 90 days after**
20 **receiving a form described in subsection (1) of this section.**

21 **(3)(a) As used in this subsection, "major disaster" has the meaning given that term in**
22 **ORS 401.025.**

23 **(b) Notwithstanding subsection (2) of this section and ORS 742.230, if an insured experi-**
24 **ences a total loss of the contents of a residence as a result of a major disaster and provides**
25 **in documentation that the Director of the Department of Consumer and Business Services**
26 **specifies by rule that the residence was furnished, that the loss occurred as a result of a**
27 **major disaster in a location that was subject to a declaration of a state of emergency under**
28 **ORS 401.165 and that the loss is directly related to the emergency that was the subject of**

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.

1 the declaration, the insurer shall:

2 (A) Offer the insured a minimum of 70 percent, or a larger percentage upon which the
3 insurer and insured agree, of the coverage the insured purchased previously for the contents
4 of the residence without requiring the insured to submit a written inventory of the loss;

5 (B) Notify the insured that:

6 (i) Accepting the offer described in subparagraph (A) of this paragraph does not change
7 the benefits available under the insurance policy; and

8 (ii) The insured may obtain more benefits by submitting a complete inventory of the loss;

9 (C) Disclose the insurer's methodology for determining the depreciated value of the con-
10 tents of the insured property;

11 (D) Pay for any covered costs associated with removing debris not later than 60 days
12 after receiving an invoice, receipt or other documentation that shows the cost of the removal
13 and a date for the removal, except that if a governmental agency removes the debris or is
14 involved in removing the debris, the insurer may pay within a reasonable time; and

15 (E) Pay for any covered loss of trees, shrubs or landscaping within 30 days after receiving
16 documentation of the loss, such as documentation from a reputable landscaping contractor,
17 that shows the number and nature of the trees, shrubs or landscaping that was damaged or
18 destroyed.

19 (c) If an insured submits an inventory of a loss described in paragraph (b) of this sub-
20 section with an amount that exceeds the amount the insurer offered under paragraph (b)(A)
21 of this subsection, the insurer shall:

22 (A) Request any other information the insurer requires concerning the inventory not
23 later than 30 days after receiving the inventory; and

24 (B) Pay within 30 days after receiving the inventory for any items for which the insurer
25 does not dispute coverage.

26 (4) The Director of the Department of Consumer and Business Services may adopt rules
27 to carry out the purposes set forth in this section.

28 **SECTION 2.** The amendments to ORS 742.053 by section 1 of this 2023 Act apply to in-
29 surance policies that an insurer issues on or after the operative date specified in section 3
30 of this 2023 Act.

31 **SECTION 3.** (1) The amendments to ORS 742.053 by section 1 of this 2023 Act become
32 operative on January 1, 2024.

33 (2) The Director of the Department of Consumer and Business Services may adopt rules
34 and take any other action before the operative date specified in subsection (1) of this section
35 that is necessary to enable the director, on and after the operative date specified in sub-
36 section (1) of this section, to undertake and exercise all of the duties, functions and powers
37 conferred on the director by the amendments to ORS 742.053 by section 1 of this 2023 Act.

38 **SECTION 4.** This 2023 Act takes effect on the 91st day after the date on which the 2023
39 regular session of the Eighty-second Legislative Assembly adjourns sine die.

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