

Enrolled Senate Bill 180

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CHAPTER

AN ACT

Relating to notifications required upon making payments to settle third-party liability claims.

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

SECTION 1. Section 2 of this 2021 Act is added to and made a part of the Insurance Code.

SECTION 2. (1)(a) An insurer shall notify a claimant in writing at the time the insurer pays \$5,000 or more to settle a third-party liability claim if:

(A) The claimant is a natural person;

(B) The insurer or an agent or other representative of the insurer, including the insurer’s attorney, delivers the payment to the claimant or to the claimant’s attorney, agent or other representative by draft, check or other form of payment; and

(C) The claimant or the claimant’s attorney has provided contact information or a mailing address to the insurer.

(b) An insurer may comply with paragraph (a) of this subsection by sending to the claimant a copy of the cover letter that accompanies the insurer’s settlement payment to the claimant’s attorney. Any notice to the claimant other than a copy of the cover letter may not include more than:

(A) A statement that the insurer has paid a settlement;

(B) The amount of the settlement;

(C) The date on which the insurer paid the settlement;

(D) The insurer’s name; and

(E) Any identifying number for the claim.

(2) Subsection (1) of this section does not:

(a) Create a cause of action against an insurer for the insurer’s failure to provide the notice described in subsection (1) of this section; or

(b) Create for the claimant’s attorney a defense to any cause of action based on an insurer’s failure to provide the notice described in subsection (1) of this section.

(3) Subsection (1) of this section authorizes an insurer or the insurer’s attorney to communicate with the claimant for the purpose of delivering the notice described in subsection (1) of this section even if the insurer or the insurer’s attorney knows that the claimant is represented by an attorney.

(4) This section does not invalidate or otherwise affect a settlement for which an insurer made a payment.

Passed by Senate April 14, 2021

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Lori L. Brocker, Secretary of Senate

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Peter Courtney, President of Senate

Passed by House May 20, 2021

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Tina Kotek, Speaker of House

Received by Governor:

.....M,....., 2021

Approved:

.....M,....., 2021

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Kate Brown, Governor

Filed in Office of Secretary of State:

.....M,....., 2021

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Shemia Fagan, Secretary of State