

# Senate Bill 180

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## 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 notify claimant upon paying \$5,000 or more to settle third-party liability claim if claimant is natural person and if insurer or insurer's agent or other representative, including insurer's attorney, delivers payment to claimant or to claimant's attorney, agent or other representative by draft, check or other form of payment.

## A BILL FOR AN ACT

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

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

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

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

6 (a) **The claimant is a natural person; and**

7 (b) **The insurer or an agent or other representative of the insurer, including the insurer's**  
8 **attorney, delivers the payment to the claimant or to the claimant's attorney, agent or other**  
9 **representative by draft, check or other form of payment.**

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

11 (a) **Create a cause of action against an insurer other than a public body, as defined in**  
12 **ORS 174.109, for the insurer's failure to provide the notice described in subsection (1) of this**  
13 **section; or**

14 (b) **Create a defense for any party to any cause of action based on an insurer's failure**  
15 **to provide the notice described in subsection (1) of this section.**

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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.