

Senate Bill 45

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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**.

Prohibits life insurance policies from excluding coverage for loss of life that results from terrorism.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to permitted exclusions in life insurance policies; creating new provisions; amending ORS
3 743.225; and prescribing an effective date.

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

5 **SECTION 1.** ORS 743.225 is amended to read:

6 743.225. [No] **A** life insurance policy [*shall contain any of the following provisions*] **may not:**

7 (1) [*A provision limiting*] **Limit** the time within which any action at law or suit in equity may
8 be commenced to less than three years after the cause of action or suit accrues[.];

9 (2) [*A provision by which the policy purports*] **Purport** to be issued or to take effect more than
10 six months before the original application for the insurance was made[.];

11 (3) [*A provision for*] **Require** forfeiture of the policy for failure to repay any loan on the policy
12 or any interest on such loan while the total indebtedness on the policy is less than the loan value
13 [*thereof.*] **of the policy; or**

14 (4) **Exclude coverage for loss of life that results from another person's act of terrorism.**

15 **SECTION 2.** The amendments to ORS 743.225 by section 1 of this 2021 Act apply to in-
16 surance policies that an insurer issues or renews on or after the effective date of this 2021
17 Act.

18 **SECTION 3.** This 2021 Act takes effect on the 91st day after the date on which the 2021
19 regular session of the Eighty-first Legislative Assembly adjourns sine die.
20

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.