

Requested by Representative MARSH

**PROPOSED AMENDMENTS TO
HOUSE BILL 3272**

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

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

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

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

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

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

12 **“(2) If a policy of homeowner insurance requires an insured to re-
13 pair, rebuild or replace damaged or lost property in order to collect the
14 full replacement cost for the property, the insurer shall, subject to the
15 policy limits:**

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

18 **“(A) In not fewer than 12 months after the date of the insurer’s
19 initial payment toward the cash value of the property that was dam-
20 aged or lost; or**

21 **“(B) In not fewer than 24 months after the date of the insurer’s**

1 initial payment toward the cash value of the primary dwelling of the
2 insured that was damaged or lost, if the damage or loss occurred in a
3 location that was subject to a declaration of a state of emergency un-
4 der ORS 401.165.

5 “(b) Provide additional living expenses to an insured, subject to the
6 policy limits for additional living expenses, for a period of 24 months
7 after the date of the damage or loss to the insured’s primary dwelling
8 if the damage or loss occurred in a location that was subject to a
9 declaration of a state of emergency under ORS 401.165.

10 “(c) Add time to each of the periods described in paragraphs (a) and
11 (b) of this subsection in increments of six months for a total period
12 of not more than 24 months under paragraph (a)(A) of this subsection
13 and a total period of not more than 36 months under paragraphs (a)(B)
14 and (b) of this subsection if an insured, acting in good faith and with
15 reasonable diligence, encounters unavoidable delays in obtaining a
16 construction permit, lacks necessary construction materials, lacks
17 available contractors to perform necessary work or encounters other
18 circumstances beyond the insured’s control.

19 “(3) Subsection (2) of this section does not prohibit an insurer from
20 allowing an insured additional time to collect the full replacement cost
21 for lost or damaged property or for additional living expenses.

22 “(4) A policy of homeowner insurance may not limit or deny a
23 payment of the replacement cost or building code upgrade cost, in-
24 cluding a payment of any extended replacement cost available under
25 the policy coverage, for an insured’s structure that was a total loss
26 on the basis that the insured decided to rebuild in a new location or
27 to purchase an existing structure in a new location if the policy oth-
28 erwise covers the replacement cost or building code upgrade cost, ex-
29 cept that the measure of indemnity may not exceed the replacement
30 cost, building code upgrade cost or extended replacement cost for re-

1 pairing, rebuilding or replacing the structure at the original location
2 of the loss.

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

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

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

18 **“SECTION 6. Section 3 of this 2021 Act becomes operative on July**
19 **1, 2022.**

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

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