

HB 3272

Insurance Protections for Oregonians Experiencing Disaster

Consumers need statutory protections to ensure that insurance policies and industry practices protect them when trying to recover after a personal or widespread disaster. HB 3272 makes statutory changes to strengthen insurance coverage benefits and flexibility, and to hold insurance companies accountable for negligence and unfair claim settlements.

HB 3272 makes the following changes to Oregon statutes to ensure that policies meet the needs of individuals experiencing catastrophic loss:

- Requires a minimum of two years to rebuild a burned or destroyed home, and up to two years of living expenses. These minimums would be increased to 3 years after a State Declared Emergency.
- Requires insurance companies to offer or provide an updated estimate of replacement cost with every other renewal of the policy.
- Allows homeowners to rebuild or buy in a new location.
- Allows homeowners to collect combined structure coverage limits to rebuild a home. Homeowners would be allowed to use the limit of coverage for outbuildings and other structures, up to the amount actual loss, to rebuild the home.

HB 3272 ensures that consumers have a fair opportunity to hold agents and companies accountable for bad business practices:

- Provides consumers with a right of action against an insurance company for violation of Unfair Claims Settlement Practices. Without a right of action, a policy holder has no effective way to hold the company accountable when good practices are violated.
- Creates a duty of care for individual agents to ensure that consumers can pursue claims when an agent engages in unreasonable acts or omissions. The duty of care is already in place for agents who work with multiple insurance companies; HB 3272 would apply this standard to agents that work with a single company.

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Online: <https://olis.oregonlegislature.gov/liz/2021R1/Measures/Overview/HB3272>