



Oregon

Tina Kotek, Governor

Department of Administrative Services

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MEMORANDUM

To: Co-Chair Deb Patterson
Co-Chair Greg Smith
Joint Ways and Means
General Government Subcommittee

From: Oregon Department of Administrative Services

Date: May 26, 2023

Subject: Department of Administrative Services HB5502

In the 5/24/2023 work session on HB 5502, during the discussion on Risk Management, Co-Chair Smith asked what other tools the state has in case of emergency.

State owned property is primarily self-insured. DAS Risk Management purchases excess commercial coverage for more catastrophic loss exposures. This excess commercial property coverage provides \$425M in coverage to state property. This includes earthquake, tsunami, and flood coverage, as well as fire and wind. The current excess policy is complex, requiring more than 60 carriers.

Our commercial insurance broker meets annually with DAS Risk to review our policy. We have not needed to make any significant changes to these policies the past few years. The annual cost last year was \$10.5M for \$425M in coverage.*

In addition to the excess property coverage, DAS currently has 33 commercial policies in place to cover other operational risks, including workers comp, pollution insurance, and life and accidental death and dismemberment coverages.

**From DAS Risk Management division on March 1, 2023*