

April 7, 2023

Rep. Pam Marsh, Chair  
Rep. Bobby Levy, Vice Chair  
Rep. Emerson Levy, Vice Chair  
Members of the House Committee on Climate, Energy and Environment

***Transmitted via email***

Dear Chair Marsh and Committee Members,

The Northwest Insurance Council and the National Association of Mutual Insurance Companies wish to provide the following comments for the Committee record regarding **SB 82A**.

The insurance company members of our two trade associations collectively underwrite roughly half of the personal lines property insurance policies in force in Oregon today.

We understand this legislation will move forward without additional amendments. Our associations and member companies have been engaged in positive and productive discussions with the Division of Financial Regulation since the inception of this legislation, and we anticipate that will continue, in a robust and transparent rulemaking process following enactment of SB 82. In that process, we hope to address these remaining issues of concern for Property & Casualty insurers.

**1. Section 1 (D)(e):**

***“Any Other information specified in rule by the Department of Consumer and Business Services.”***

**Concern:** While we acknowledge the authority of DCBS/DFR to write rules to implement the provisions of SB 82, insurers are concerned about the “any information” reference here, codifying in statute a DCBS director’s ability to in the future require “any information” by rule. Our associations previously recommended some “guardrail” language around this reference. We acknowledge and appreciate testimony from DCBS Director & Insurance Commissioner Stolfi that rulemaking will be consistent with the language of this section.

**2. Section 1(3)(b):**

***“The amount of potential discount, incentive or other premium adjustment.”***

**Concern:** We believe it could be helpful to consumers and insurers to clarify in rule that “the amount” could be a reference to either a dollar figure or a percentage of premium. Allowing a reference in rule to “or percentage” and “available to a qualifying policyholder” would protect existing percentage-based discounts some companies currently offer to policyholders who are engaged in risk mitigation actions on a property and/or community level.

**3. Section 2(17)(a):**

***“Make information on whether and how wildfire risk mitigation actions, as defined in section 1 of this 2023 Act, may impact the insurer’s underwriting and rates publicly available on the insurer’s website.”***

**Concern:** Insurers have expressed concern that this requirement may result in the exposure of proprietary information on publicly available websites, and that an insurer with a single website but multiple companies with different underwriting or rating criteria will have difficulty complying. We hope we can resolve these concerns in the rulemaking process.

Thank you for the opportunity to provide these comments for the legislative record. We look forward to working with the Division of Financial Regulation to resolve these concerns in the rulemaking process, and we appreciate the Legislature's efforts to include P&C insurers in the state's efforts to reduce the threat of property loss due to wildfire in Oregon.

Respectfully,

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