

HB 2130 STAFF MEASURE SUMMARY

House Committee On Commerce and Consumer Protection

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Meeting Dates: 2/11

WHAT THE MEASURE DOES:

This measure increases the amount that the Oregon Insurance Guaranty Association would be obliged to pay to a cap of \$600,000 if one of their member insurers failed. Takes effect on 91st day following adjournment sine die.

Detailed summary

Section 1

Sections 2 amends ORS 734.510 to 734.710

Section 2

Establishes when the Oregon Insurance Guaranty Association is subject to a claim even when a member insurer has been released from any obligation.

Section 3

Amends and establishes Definitions related to the Oregon Insurance Guaranty Association

Section 4

Adds insurance that the state or federal government provides to the exceptions to ORS 734.510 to 734.710

Section 5

Increases the amount that the Oregon Insurance Guaranty Association would be obliged to pay from a cap of \$300,000 to a cap of \$600,000.

Section 6

Establishes the Oregon Insurance Guaranty Association responsibility to cyber security insurance policies

Section 7

Establishes when a policy holder must exhaust coverage under a policy including the right to a defense before a claim would be paid by the Oregon Insurance Guaranty Association

Section 8

Amends when the association may recover

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

HB 2130 increases the amount that the Oregon Insurance Guaranty Association would be obliged to pay from a cap of \$300,000 to a cap of \$600,000 in the case of insolvency of one of their member insurers. The measure also updates the statues related to the Oregon Insurance Guaranty Association, makes conforming and modernizing amendments, and establishes definitions.

This summary has not been adopted or officially endorsed by action of the committee.