

**HB 2563 A STAFF MEASURE SUMMARY****Carrier:** Sen. Pham**Senate Committee On Labor and Business**


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**Action Date:** 05/20/25  
**Action:** Do pass the A-Eng bill.  
**Vote:** 4-1-0-0  
**Yeas:** 4 - Hayden, Patterson, Pham, Taylor  
**Nays:** 1 - Bonham  
**Fiscal:** Has minimal fiscal impact  
**Revenue:** No revenue impact  
**Prepared By:** Whitney Perez, LPRO Analyst  
**Meeting Dates:** 5/15, 5/20

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**WHAT THE MEASURE DOES:**

The measure requires an insurer that renews an existing qualified policy with an insured to give a clear and reasonable written explanation for any increase in the premium the insured must pay upon renewal upon the insured's request. A qualified policy means certain homeowner insurance and personal insurance policies. The measure described what a clear and reasonable written explanation must include. It requires an insurer, on an offer to renew and on the first invoice following renewal, to include a prominent and conspicuous statement that tells the insured that the insured may ask the insurer or the insurer's agent in writing for an explanation of any premium increase. An insurer must respond to the insured's written request within 20 days after receiving the request. It permits the Department of Consumer and Business Services (DCBS) to make rules prescribing the form, format, and content of the written explanation and statement. The measure also requires DCBS to adopt rules requiring periodic data reporting from insurers and rules to implement the requirements of this measure. The measure applies to qualified policies that an insurer renews on or after operative date. Operative on September 1, 2026. Takes effect on the 91st day following adjournment sine die.

**ISSUES DISCUSSED:**

- Provisions of the measure

**EFFECT OF AMENDMENT:**

No amendment.

**BACKGROUND:**

The Department of Consumer and Business Services (DCBS) is responsible for the regulation of insurance in Oregon. An insurance premium is the amount of money an individual or business pays for an insurance policy. Insurance companies consider a variety of factors to decide how much premium they will charge a given policyowner for a given set of coverages. There are currently many different approaches insurers take to provide an explanation of what factors determined the premium for a policy.

House Bill 2563 A requires an insurer that renews an existing qualified policy with an insured to give a clear and reasonable written explanation for any increase in the premium the insured must pay upon renewal upon the insured's request.