

# House Bill 2562

Introduced and printed pursuant to House Rule 12.00. Pre-session filed (at the request of Governor Tina Kotek for Department of Consumer and Business Services)

## SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**. The statement includes a measure digest written in compliance with applicable readability standards.

**Digest:** Tells the state insurance agency to gather data about how insurers decide how much to charge for auto insurance and who gets covered. Tells the agency what kind of data to collect and to look for any bias there might be. Goes into effect 91 days after the session ends. (Flesch Readability Score: 63.0).

Requires the Department of Consumer and Business Services to collect a series of data related to the underwriting practices and criteria involved in issuing motor vehicle liability insurance policies in this state. Specifies the required contents and focus of the data collection effort.

Takes effect on the 91st day following adjournment sine die.

## A BILL FOR AN ACT

1  
2 Relating to underwriting practices for motor vehicle liability insurance policies in this state; and  
3 prescribing an effective date.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1. (1) The Department of Consumer and Business Services shall collect a series**  
6 **of data related to underwriting criteria and practices and rating decisions that insurers who**  
7 **issue motor vehicle liability insurance policies use to determine the insurability of, and pre-**  
8 **mium rates and coverage for, insureds in this state.**

9 **(2)(a) For the process described in subsection (1) of this section, the department shall:**

10 **(A) Require under ORS 731.296 that insurers collect, compile and provide to the depart-**  
11 **ment a continuous series of data, for a duration and with the contents, form and format that**  
12 **the department specifies by rule, concerning:**

13 **(i) Insurer underwriting practices and criteria;**

14 **(ii) Insurance rate setting practices and criteria; and**

15 **(iii) Demographic data for persons that apply for insurance and, separately, persons who**  
16 **enter into insurance contracts with insurers.**

17 **(B) Review and evaluate rating models for motor vehicle liability insurance policies that**  
18 **incorporate new or previously unused demographic data into underwriting.**

19 **(C) Research and analyze the data the department receives under subparagraph (A) of**  
20 **this paragraph to determine whether unfairly discriminatory underwriting and rating prac-**  
21 **tices occur and, if so, the nature and extent of the unfairly discriminatory practices.**

22 **(D) Compare the results of the department's analysis under subparagraph (C) of this**  
23 **paragraph with results that the department obtains by using models that the department**  
24 **reviews and evaluates under subparagraph (B) of this paragraph.**

25 **(E) Use the comparison described in subparagraph (D) of this paragraph, along with any**  
26 **other methodology, metrics or methods the department determines are useful and appropri-**  
27 **ate, to determine whether insurers accept applications for insurance, issue motor vehicle li-**

**NOTE:** Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 ability insurance policies and charge premiums in this state fairly and without bias or unfair  
2 discrimination or whether disparities exist or evidence of bias or unfair discrimination exists.

3 (b) In collecting and providing to the department the data described in paragraph  
4 (a)(A)(ii) of this subsection, an insurer shall excise or redact personal information about in-  
5 sureds or applicants for insurance that could identify any individual.

6 (c) Data and information the department receives under this section is confidential and  
7 is subject to ORS 705.137.

8 (3) The department may collect additional data or information that the department  
9 deems useful for purposes of illustration, analysis or evaluation or for otherwise carrying  
10 out the purposes of this section.

11 **SECTION 2.** This 2025 Act takes effect on the 91st day after the date on which the 2025  
12 regular session of the Eighty-third Legislative Assembly adjourns sine die.

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