

SB 831-2  
(LC 392)  
3/21/25 (TSB/ps)

Requested by SENATE COMMITTEE ON LABOR AND BUSINESS

**PROPOSED AMENDMENTS TO  
SENATE BILL 831**

1 On page 1 of the printed bill, line 2, after “732.569” insert a comma.

2 In line 3, delete “and 732.574” and insert “732.574 and 732.586”.

3 Delete lines 5 through 19 and delete pages 2 through 8 and insert:

4 **“SECTION 1. ORS 732.548 is amended to read:**

5 **“732.548. As used in ORS 732.517 to 732.596:**

6 “(1) ‘Affiliate’ means a person that directly or indirectly, through one or  
7 more intermediaries, controls, is controlled by, or is under common control  
8 with, another person.

9 “(2) ‘Control’ means possessing the direct or indirect power to manage a  
10 person or set the person’s policies, whether by owning voting securities, by  
11 contract other than a commercial contract for goods or nonmanagement  
12 services, or otherwise, unless the power is the result of an official position  
13 or corporate office the person holds.

14 “(3) ‘Enterprise risk’ means an activity, circumstance, event or series of  
15 events that involve one or more of an insurer’s affiliates and that, if not  
16 remedied promptly, are likely to have an adverse material effect on the  
17 insurer’s or the insurance holding company system’s financial condition or  
18 liquidity, including but not limited to an activity, circumstance, event or  
19 series of events that would cause the insurer’s risk-based capital to fall into  
20 company action level or cause the Director of the Department of Consumer  
21 and Business Services to determine under ORS 731.385 that the insurer is in

hazardous financial condition.

“(4) ‘Group capital calculation’ means a calculation made in accordance with instructions that the director adopts by rule based on, or with reference to, instructions that the National Association of Insurance Commissioners publishes for the purpose of specifying the method of calculation.

“[(4)] (5) ‘Group-wide supervisor’ means a regulatory official that has the authority to conduct and coordinate supervisory activities for an internationally active insurance group under ORS 732.594.

“[(5)] (6) ‘Insurance holding company system’ means two or more affiliated persons, one or more of which is an insurer[,] and [includes] **may include** a financial holding company, as described in section 103 of the federal Gramm-Leach-Bliley Act (P.L. 106-102), **that has an affiliated insurer.**

“[(6)] (7) ‘Insurer’ has the meaning given that term in ORS 731.106 but does not include an agency, authority or instrumentality of the United States, the Commonwealth of Puerto Rico, another state or a political subdivision of another state.

“[(7)] (8) ‘Internationally active insurance group’ means an insurance holding company system that includes an insurer that is registered under ORS 732.551 and that:

“(a) Writes premiums in three or more countries;

“(b) Writes 10 percent or more of the insurance holding company system’s total gross written premiums outside the United States; and

“(c) Has \$50 billion or more of total assets, or \$10 billion or more of total gross written premiums, based on a three-year rolling average.

“(9) ‘NAIC liquidity stress test framework’ means a method for testing an insurer’s liquidity that the director adopts by rule based on, or with reference to, a method or methods the National Association of Insurance Commissioners describes in a publication by the association that includes instructions and reporting templates and that

1 **identifies scope criteria that apply to a specific data year.**

2 “[~~(8)(a)~~] **(10)(a)** ‘Person’ means an individual, corporation, limited liability  
3 company, partnership, association, joint stock company, trust or unincor-  
4 porated organization, or an entity or combination of entities similar to the  
5 entities described in this paragraph.

6 “(b) ‘Person’ does not include:

7 “(A) A joint venture partnership that is engaged exclusively in owning,  
8 managing, leasing or developing real or tangible personal property; or

9 “(B) For the purposes of ORS 732.518, 732.521, 732.523, 732.526 and 732.528,  
10 a securities broker that holds, in the usual and customary broker’s function,  
11 less than 20 percent of the voting securities of an insurer or of any person  
12 that controls an insurer.

13 “**(11) ‘Scope criteria’ means bases and minimum magnitudes of ex-**  
14 **posure under which a preliminary list of insurers may be designated**  
15 **for inclusion in the NAIC liquidity stress test framework for a specific**  
16 **data year.**

17 “[~~(9)~~] **(12)** ‘Security holder’ means a person that owns a security of an-  
18 other person, including a security denominated as common stock, preferred  
19 stock or a debt obligation and any instrument that is convertible into or that  
20 is evidence of the right to acquire the security of another person.

21 “[~~(10)~~] **(13)** ‘Subsidiary’ means an affiliate that a person controls directly  
22 or indirectly through one or more intermediaries.

23 “[~~(11)~~] **(14)** ‘Voting security’ means a security that entitles the owner or  
24 holder of the security to vote at a meeting of shareholders, including a se-  
25 curity that is convertible into a voting security or that is evidence of a right  
26 to acquire a voting security.

27 “**SECTION 2.** ORS 732.553 is amended to read:

28 “732.553. **(1) Except as provided in subsection (2) of this section,** in-  
29 formation that is not material for the purposes of registration under ORS  
30 732.517 to 732.596 need not be disclosed on the registration statement filed

1 pursuant to ORS 732.552. Unless the Director of the Department of Consumer  
2 and Business Services by rule or order provides otherwise, sales, purchases,  
3 exchanges, loans or extensions of credit, investments or guarantees involving  
4 one-half of one percent or less of an insurer's admitted assets as of the De-  
5 cember 31 next preceding the date of the registration statement or amend-  
6 ment [*shall not be deemed*] **are not** material for purposes of registration  
7 under ORS 732.517 to 732.596.

8 **“(2) A determination under subsection (1) of this section as to**  
9 **whether a sale, purchase, exchange, loan, extension of credit invest-**  
10 **ment or guarantee is material for the purposes of registration does**  
11 **not apply to the registration statement, or elsewhere, for purposes of**  
12 **a group capital calculation or a test in accordance with the NAIC**  
13 **liquidity stress test framework, unless the director provides otherwise**  
14 **by rule or order.**

15 **“SECTION 3. ORS 732.569 is amended to read:**

16 **“732.569. (1) Every insurer that must register with the Director of the**  
17 **Department of Consumer and Business Services under ORS 732.551 shall file**  
18 **an enterprise risk report each year. The enterprise risk report must identify,**  
19 **to the best of the insurer's knowledge and belief, the material risks within**  
20 **the insurance holding company system of which the insurer is a part that**  
21 **could pose enterprise risk to the insurer. The insurer shall file the enterprise**  
22 **risk report with the chief insurance regulatory official in the state that the**  
23 **director determines is the lead state for the insurance holding company sys-**  
24 **tem of which the insurer is a part. The director shall make the determination**  
25 **in accordance with procedures the director adopts by rule after considering**  
26 **procedures set forth in a Financial Analysis Handbook that the National**  
27 **Association of Insurance Commissioners has adopted.**

28 **“(2)(a) Except as provided in paragraph (b) of this subsection, and**  
29 **under the direction of the chief insurance regulatory official described**  
30 **in subsection (1) of this section, the person that has ultimate control**

1 of an insurer that is subject to registration under ORS 732.551 each  
2 year shall file a group capital calculation with the chief insurance  
3 regulatory official, together with the registration. The chief insurance  
4 regulatory official may permit a person other than the person that has  
5 ultimate control of the insurer to file the group capital calculation.

6 “(b) An insurance holding company system need not file a group  
7 capital calculation with the chief insurance regulatory official if the  
8 insurance holding company system:

9 “(A) Has within the insurance holding company system only one  
10 insurer that writes insurance only with the insurer’s domestic state  
11 and does not assume business from any other insurer;

12 “(B) Must perform a group capital calculation specified by the  
13 United States Federal Reserve Board, except that the insurance hold-  
14 ing company system must file a group capital calculation with the  
15 chief insurance regulatory official if the board refuses a request for  
16 the group capital calculation under the terms of an information shar-  
17 ing agreement in effect at the time of the chief insurance regulatory  
18 official’s request;

19 “(C) Has a group-wide supervisor that is located outside the United  
20 States but within a reciprocal jurisdiction described in ORS 731.520  
21 that recognizes the regulatory approach of this state toward group  
22 supervision and group capital; or

23 “(D) Provides to the lead state, directly or indirectly through the  
24 group-wide supervisor, information that the group-wide supervisor:

25 “(i) Determines will meet the requirements for accreditation under  
26 the National Association of Insurance Commissioners’ financial stan-  
27 dards and accreditation program and is sufficient to allow the lead  
28 state to comply with the group supervision approach detailed in a Fi-  
29 nancial Analysis Handbook that the National Association of Insurance  
30 Commissioners has adopted; and

1       “(ii) Recognizes and accepts, in accordance with criteria the direc-  
2       tor specifies by rule or order, as the worldwide group capital assess-  
3       ment for United States insurance groups that operate within the  
4       group-wide supervisor’s jurisdiction, if the group-wide supervisor is  
5       located outside the United States and not in a reciprocal jurisdiction  
6       as described in ORS 731.520.

7       “(3) Notwithstanding the provisions of subsection (2)(b)(C) and (D)  
8       of this section, the chief insurance regulatory official described in  
9       subsection (1) of this section shall require an insurance holding com-  
10      pany system that is based outside the United States to provide a group  
11      capital calculation for the insurance holding company system’s oper-  
12      ations within the United States if the chief insurance regulatory offi-  
13      cial determines, after any necessary consultation with other  
14      supervisors or officials, that having the group capital calculation is  
15      appropriate for the purposes of prudential oversight and monitoring  
16      the solvency of the insurance holding company system or for ensuring  
17      the competitiveness of the insurance marketplace.

18      “(4) Notwithstanding the provisions of subsection (2)(b) of this sec-  
19      tion, the chief insurance regulatory official described in subsection (1)  
20      of this section may exempt a person that has ultimate control of an  
21      insurer from the requirement to file a group capital calculation or  
22      may accept a limited group capital calculation or report in accordance  
23      with criteria the chief insurance regulatory official specifies by rule  
24      or order.

25      “(5) If the chief insurance regulatory official described in subsection  
26      (1) of this section determines that an insurance holding company sys-  
27      tem no longer qualifies for an exemption from the requirement to file  
28      a group capital calculation, the insurance holding company system  
29      shall file the group capital calculation as provided in subsection (2)(a)  
30      of this section unless the chief insurance regulatory official extends

1 the time for filing for reasonable grounds shown.

2 “(6) The person that has ultimate control of an insurer that is  
3 subject to registration under ORS 732.551 and that during any data  
4 year meets the scope criteria for the NAIC liquidity stress test  
5 framework shall, concurrently with registration, conduct for that data  
6 year a test in accordance with the NAIC liquidity stress test frame-  
7 work and file the results of the test with the chief insurance regula-  
8 tory official described in subsection (1) of this section.

9 “(7)(a) The NAIC liquidity stress test framework must:

10 “(A) Include scope criteria that apply to a specific data year; and

11 “(B) Be reviewed at least once each year by the National Associ-  
12 ation of Insurance Commissioners’ financial stability task force, or a  
13 successor.

14 “(b) A performance of, and filing of results from, a specific year’s  
15 liquidity stress test must comply with the NAIC liquidity stress test  
16 framework’s instructions and reporting templates for that year and  
17 any determinations of the chief insurance regulatory official described  
18 in subsection (1) of this section, in consultation with the financial  
19 stability task force or a successor, that are provided within the  
20 framework.

21 “(c) A change to the NAIC liquidity stress test framework or to the  
22 data year to which the scope criteria apply is effective on January 1  
23 of the year following the year in which the change occurs.

24 “(8)(a) For the purposes of the requirements described in subsection  
25 (6) of this section:

26 “(A) An insurer meets the scope criteria for a data year if the  
27 insurer meets at least one criterion of the scope criteria, except that  
28 the chief insurance regulatory official described in subsection (1) of  
29 this section, in consultation with the financial stability task force or  
30 a successor, may determine that the insurer need not conduct the test

1 or file the results of the test.

2 “(B) An insurer shall perform a test and file the results of the test  
3 in accordance with the instructions and templates included within the  
4 NAIC liquidity stress test framework for the applicable data year.

5 “(b) An insurer need not conduct a test or file the results of the test  
6 if the insurer does not meet any of the scope criteria for a data year,  
7 except that the chief insurance regulatory official, in consultation  
8 with the financial stability task force or a successor, may require the  
9 insurer to conduct the test and file the results of the test despite not  
10 meeting the scope criteria for the data year.

11 “SECTION 4. ORS 732.574 is amended to read:

12 “732.574. (1) A transaction within an insurance holding company system  
13 to which an insurer subject to registration is a party is subject to the fol-  
14 lowing standards:

15 “(a) The terms must be fair and reasonable.

16 “(b) Charges or fees for services performed must be reasonable.

17 “(c) Expenses incurred and payment received must be allocated to the  
18 insurer in conformity with customary insurance accounting practices that  
19 are consistently applied.

20 “(d) The books, accounts and records of each party to the transaction  
21 must be maintained so as to disclose clearly and accurately the nature and  
22 details of the transaction, including accounting information that is necessary  
23 to support the reasonableness of the charges or fees to the respective parties.

24 “(e) The combined capital and surplus of the insurer following any  
25 transaction with an affiliate or any shareholder dividend must be reasonable  
26 in relation to the insurer’s outstanding liabilities and adequate to the  
27 insurer’s financial needs.

28 “(f) Agreements for cost-sharing services and management must include  
29 provisions that the Director of the Department of Consumer and Business  
30 Services requires by rule.



1       “(g)(A) If the director determines that the continued operation of  
2       an authorized insurer is hazardous to the insurer’s policyholders or to  
3       the insurance-buying public generally or that the insurer is in a con-  
4       dition that is grounds for supervision, conservation or a delinquency  
5       proceeding, in addition to the actions the director may order under  
6       ORS 731.385, the director may require the insurer, for the insurer’s  
7       protection, to secure and maintain with the director the insurer’s  
8       choice of a deposit or a bond for the duration of the hazard or condi-  
9       tion or the duration of a specific contract or agreement. The director  
10      may, at the director’s sole discretion, determine the amount of the  
11      deposit or bond, which may not exceed the value during any one year  
12      of each contract or agreement for which the director requires a deposit  
13      or bond. The director may require the deposit or bond for a single  
14      contract, for more than one contract or for any or all contracts with  
15      a specific party.

16      “(B) In determining whether to require a deposit or bond, the di-  
17      rector shall consider how the requirement will affect the insurer’s  
18      ability to perform a contract or agreement subject to, or affected by,  
19      the requirement for the deposit or bond and the ability of parties to  
20      the contract or agreement other than the insurer to perform the other  
21      parties’ duties under the contract or agreement.

22      “(h)(A) All records and data of an insurer that an affiliate holds  
23      remain the property of the insurer and must be subject to the  
24      insurer’s control, be identifiable and be segregated or readily capable  
25      of being segregated from the data and records of all other persons, all  
26      at no additional cost to the insurer. Records and data subject to the  
27      requirements of this subsection include, but are not limited to, claims  
28      and claim files, policyholder lists, application files, litigation files,  
29      premium records, rate books, underwriting manuals, personnel re-  
30      cords, financial records or similar records and all other data or records

1 that are otherwise the insurer's property, in whatever form embodied  
2 or maintained.

3 “(B) At an insurer's request, an affiliate that holds an insurer's  
4 data and records shall provide to a receiver a complete set of the data  
5 and records, however embodied or maintained, that pertain to the  
6 insurer's business and shall provide access, by assumption of any ap-  
7 plicable licenses or agreements or by other lawful means, to all oper-  
8 ating systems and software on which the data and records are  
9 maintained or that are necessary to view, retrieve, process, store,  
10 print, export or otherwise use the data and records. The affiliate shall  
11 otherwise restrict or discontinue the affiliate's own use of the data and  
12 records if the affiliate is not operating the insurer's business.

13 “(C) An affiliate shall provide evidence of satisfaction or a waiver  
14 of a lien or encumbrance if necessary to give a receiver access to data  
15 or records stored in a location that is subject to the lien or  
16 encumbrance because of the insurer's default under a lease or other  
17 agreement.

18 “(D) Premiums or other funds of an insurer that an affiliate collects  
19 or holds remain the exclusive property of, and are subject to the con-  
20 trol of, the insurer. Any right of offset that arises because an insurer  
21 is placed into receivership is subject to ORS 37.020 to 37.410.

22 “(2)(a) A domestic insurer and any person in the domestic insurer's in-  
23 surance holding company system may enter into a transaction described in  
24 this subsection, including an amendment to or modification of an affiliate  
25 agreement that is subject to standards set forth in this section, only if:

26 “(A) The domestic insurer has notified the director of the domestic  
27 insurer's intention to enter into the transaction in writing and not later than  
28 the 30th day before the transaction, or within a shorter period the director  
29 allows; and

30 “(B) The director does not disapprove the transaction within the period.

1 “(b) A notice for a transaction that is an amendment to or modification  
2 of an affiliate agreement that was previously filed must include a statement  
3 of reasons for the change and an estimate of the financial impact the change  
4 would have on the domestic insurer. An insurer shall notify the director in-  
5 formally within 30 days after a previously filed agreement has terminated,  
6 and the director, after receiving the notice, shall determine the type of filing  
7 the insurer must submit, if any.

8 “(c) This subsection does not authorize or permit any transaction that, in  
9 the case of an insurer that is not a member of the same insurance holding  
10 company system, would be otherwise contrary to law.

11 “(d) This subsection applies to the following transactions:

12 “(A) Sales, purchases, exchanges, loans or extensions of credit, guarantees  
13 or investments, if the transactions equal or exceed the following:

14 “(i) With respect to insurers that are not authorized to transact life in-  
15 surance, the lesser of three percent of the insurer’s allowed assets or 25  
16 percent of the insurer’s combined capital and surplus, each as of the 31st day  
17 of December immediately preceding.

18 “(ii) With respect to insurers that are authorized to transact life insur-  
19 ance, three percent of the insurer’s allowed assets, as of the 31st day of De-  
20 cember immediately preceding.

21 “(B) Loans or extensions of credit to any person that is not an affiliate,  
22 if the insurer makes the loans or extensions of credit with the agreement or  
23 understanding that the proceeds of the transactions, in whole or in substan-  
24 tial part, are to be used to make loans or extensions of credit to, to purchase  
25 assets of, or to make investments in any affiliate of the insurer that is  
26 making the loans or extending the credit. This subparagraph applies to  
27 transactions that equal or exceed the following:

28 “(i) With respect to insurers that are not authorized to transact life in-  
29 surance, the lesser of three percent of the insurer’s allowed assets or 25  
30 percent of the insurer’s combined capital and surplus, each as of the 31st day

1 of December immediately preceding.

2 “(ii) With respect to insurers that are authorized to transact life insur-  
3 ance, three percent of the insurer’s allowed assets, as of the 31st day of De-  
4 cember immediately preceding.

5 “(C) Reinsurance agreements or modifications to reinsurance agreements,  
6 reinsurance pooling agreements and agreements in which the reinsurance  
7 premium or a change in the insurer’s liabilities, the projected reinsurance  
8 premium or a projected change in the insurer’s liabilities in any of the next  
9 three years equals or exceeds five percent of the insurer’s combined capital  
10 and surplus, as of the 31st day of December immediately preceding, including  
11 agreements that may require as consideration the transfer of assets from an  
12 insurer to a nonaffiliate if an agreement or understanding exists between the  
13 insurer and nonaffiliate that any portion of the assets will be transferred to  
14 one or more affiliates of the insurer.

15 “(D) All management agreements, service contracts, tax allocation agree-  
16 ments, guarantees and all cost-sharing arrangements.

17 “(E) A guarantee that a domestic insurer makes if the guarantee is not  
18 quantifiable as to amount. If the guarantee is quantifiable as to amount, the  
19 domestic insurer is not required to notify the director under this section  
20 unless the guarantee exceeds the lesser of one-half of one percent of the  
21 insurer’s admitted assets or 10 percent of surplus with respect to  
22 policyholders as of the 31st day of December immediately preceding.

23 “(F) Direct or indirect acquisitions or investments in a person that con-  
24 trols the insurer or in an affiliate of the insurer, the amount of which, to-  
25 gether with the insurer’s existing acquisitions or investments in the person  
26 or affiliate, exceeds two and one-half percent of the insurer’s surplus to  
27 policyholders. An insurer that acquires or invests directly or indirectly in a  
28 subsidiary, or in an insurance affiliate that is not a subsidiary, is not re-  
29 quired to notify the director under this section if the insurer makes the ac-  
30 quisition or the investment otherwise in accordance with ORS 732.517 to

1 732.596.

2 “(G) Any material transactions specified by rule that the director deter-  
3 mines may adversely affect the interests of the insurer’s policyholders.

4 “(3) A domestic insurer may not enter into one or more transactions  
5 during any 12-month period that are part of a plan or series of like trans-  
6 actions with persons that are within the insurance holding company system  
7 if the purpose of the separate transactions is to avoid the statutory threshold  
8 amount and thus avoid the review that would occur otherwise.

9 “(4) In reviewing a transaction in accordance with subsection (2) of this  
10 section, the director shall consider whether the transaction complies with  
11 the standards set forth in subsection (1) of this section and whether the  
12 transaction may adversely affect the interests of policyholders.

13 “(5) A domestic insurer shall notify the director not later than the 30th  
14 day after any investment the domestic insurer makes in any one corporation  
15 if the total investment the insurance holding company system makes in the  
16 corporation exceeds 10 percent of the corporation’s voting securities.

17 **“(6)(a) An affiliate that is a party with a domestic insurer to a**  
18 **contract or agreement that is described in subsection (2)(d)(D) of this**  
19 **section is subject to the jurisdiction of supervision, seizure,**  
20 **conservator, rehabilitator or liquidator proceedings against the insurer**  
21 **and to the authority of a supervisor, conservator, rehabilitator or**  
22 **liquidator appointed under ORS 37.020 to 37.410 for the purpose of in-**  
23 **terpreting, enforcing and overseeing the affiliate’s obligations under**  
24 **the contract or agreement to perform services for the insurer that are:**

25 **“(A) An integral part of the insurer’s operations including, but not**  
26 **limited to, management, administration, accounting, data processing,**  
27 **marketing, underwriting, claims handling, investment or any other**  
28 **similar functions; or**

29 **“(B) Essential to the insurer’s ability to perform the insurer’s ob-**  
30 **ligations under insurance policies.**

1       **“(b) The director may require that a contract or agreement de-**  
2       **scribed in subsection (2)(d)(D) of this section for the performance of**  
3       **functions described in paragraph (a)(A) and (B) of this subsection**  
4       **provide that the affiliate consents to the jurisdiction and authority**  
5       **described in paragraph (a) of this subsection.**

6       **“SECTION 5.** ORS 732.586 is amended to read:

7       **“732.586. (1) All information, documents and copies of information or**  
8       **documents obtained by or disclosed to the Director of the Department of**  
9       **Consumer and Business Services or any other person in the course of an**  
10       **examination or investigation under ORS 732.584 are subject to the provisions**  
11       **of ORS 731.312.**

12       **“(2) All information reported in accordance with ORS 732.552, 732.554,**  
13       **732.574 and 732.576 is confidential and may not be made public except as**  
14       **provided in this subsection. The director may disclose reported information**  
15       **only as provided in ORS 705.137 or only if:**

16       **“(a) The director obtains the prior written consent of the insurer to which**  
17       **the reported information pertains; or**

18       **“(b) The director, after giving the insurer and the insurer’s affiliates that**  
19       **would be affected by the disclosure notice and opportunity to be heard, de-**  
20       **termines that disclosing the information will serve the interest of**  
21       **policyholders, shareholders or the public. If the director determines that**  
22       **disclosing the information will serve one or more of such interests, the di-**  
23       **rector may publish all or any part of the information in any manner that the**  
24       **director determines is appropriate.**

25       **“(3) With respect to any information filed under ORS 732.569 (2) to**  
26       **(6), the chief insurance regulatory official described in ORS 732.569 (1)**  
27       **shall maintain the confidentiality of the group capital calculation, the**  
28       **group capital ratio produced within the calculation and any group**  
29       **capital information received from an insurance holding company sys-**  
30       **tem supervised by the Federal Reserve Board or a group-wide super-**

1 visor located in the United States.

2 “(4) With respect to any information filed under ORS 732.569 (7) and  
3 (8), the chief insurance regulatory official described in ORS 732.569 (1)  
4 shall maintain the confidentiality of the liquidity stress test results  
5 and supporting disclosures and any information about a liquidity  
6 stress test received from an insurance holding company system  
7 supervised by the Federal Reserve Board and group-wide supervisors  
8 located outside the United States.

9 “(5)(a) Except as otherwise required under ORS 732.517 to 732.596  
10 and subject to paragraph (b) of this subsection, an insurer, broker or  
11 other person engaged in any manner in the insurance business may  
12 not make, publish, disseminate, circulate or place before the public,  
13 or cause another person, directly or indirectly, to make, publish, dis-  
14 seminate, circulate or place before the public, a statement or repre-  
15 sentation with regard to the group capital calculation, the group  
16 capital ratio, the liquidity stress test results or supporting disclosures,  
17 or any other component of the group capital calculation, the group  
18 capital ratio or the liquidity stress test results or supporting disclo-  
19 sures, that must be filed under ORS 732.569, whether the statement  
20 or representation appears:

21 “(A) In a newspaper, magazine or other publication;

22 “(B) In the form of a notice, circular, pamphlet, letter or poster;

23 “(C) In any radio or television broadcast or any electronic means  
24 of communication that is available to the public; or

25 “(D) As an advertisement or announcement.

26 “(b) After demonstrating to the director with substantial proof that  
27 a published written statement or representation concerning an item  
28 described in paragraph (a) of this subsection is materially false or in-  
29 appropriate, an insurer or insurance group may publish an announce-  
30 ment in a written publication solely to rebut the materially false

statement or representation. The rebuttal may address a materially false or inappropriate statement or representation as to:

“(A) The group capital calculation or the resulting group capital ratio;

“(B) The liquidity stress test result or supporting disclosures for the liquidity stress test; or

“(C) An inappropriate comparison between any amount and any of the items described in subparagraphs (A) or (B) of this paragraph.

[(3)] (6) The director’s sharing of information under ORS 732.517 to 732.596 does not delegate regulatory or rulemaking authority. The director is solely responsible for administering, executing and enforcing ORS 732.517 to 732.596.

**“SECTION 6. The amendments to ORS 732.548, 732.553, 732.569, 732.574 and 732.586 by sections 1 to 5 of this 2025 Act apply to contracts or agreements into which an insurer enters or renews on or after the operative date specified in section 7 of this 2025 Act.**

**“SECTION 7. (1) The amendments to ORS 732.548, 732.553, 732.569, 732.574 and 732.586 by sections 1 to 5 of this 2025 Act become operative on January 1, 2026.**

**“(2) The Director of the Department of Consumer and Business Services may adopt rules and take any other action before the operative date specified in subsection (1) of this section that is necessary to enable the director, on and after the operative date specified in subsection (1) of this section, to undertake and exercise all of the duties, powers and functions conferred on the director by the amendments to ORS 732.548, 732.553, 732.569, 732.574 and 732.586 by sections 1 to 5 of this 2025 Act.**

**“SECTION 8. This 2025 Act takes effect on the 91st day after the date on which the 2025 regular session of the Eighty-third Legislative Assembly adjourns sine die.”.**



