

Emerson Levy
STATE REPRESENTATIVE
House District 53



HOUSE OF REPRESENTATIVES

Tuesday, February 18, 2025

Chair Sosa, Vice-Chairs Chaichi and Osborne, Members of the Committee,

I am writing to discuss a growing issue affecting homeowners in my community and around the state. Wildfire risk has severely impacted the stability of our insurance market, so I am bringing forward HB 3089, which defines “wildfire risk” and implements transparency requirements for insurers when determining how they assess fire risks.

Wildfires continue to pose a substantial threat to our communities and environment as they grow more frequent and destructive. In 2024, over 550,000 acres in Central Oregon and nearly 2 million acres throughout the state were burned by wildfire, according to the Department of Forestry. Insurers often base premiums on historical loss patterns and do not account for increased intensity of modern-day wildfires. This exposes insurers to extreme aggregate losses without the ability to charge sustainable premiums. As a result, homeowners face reduced availability of insurance products and stricter eligibility requirements.

Currently, the Insurance Services Office provides standardized insurance policy forms and data across the United States but has not yet updated its model to treat “wildfire” as a separate peril from “fire”. HB 3089 seeks to separate and clarify these definitions and allow insurers to provide stand-alone wildfire policies with loss assessment options and deductible strictures, like earthquake insurance. This initiative balances the needs of homeowners and insurers to ensure wildfire risks are accurately priced and coverage remains accessible for other perils.

HB 3089 will encourage collaboration with neighboring states and the Insurance Services Office to develop a national framework for wildfire insurance. The goal is to allow insurers to exclude wildfire coverage from standard fire policies and eventually lead to a dedicated market for stand-alone wildfire insurance. The initiative hopes to empower insurers to take on more homeowner risks and create accessible plans, such as for water or wind damage. This expansion will increase competition among insurers to increase the availability of specialized insurance options, while delivering affordable options for homeowners.

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