

## SENATE AMENDMENTS TO SENATE BILL 985

By COMMITTEE ON BUSINESS AND TRANSPORTATION

April 21

- 1 On page 1 of the printed bill, delete line 23 and insert:  
2 “(C) Inland marine insurance coverages that the director specifies;”  
3 On page 2, delete lines 4 and 5.  
4 In line 6, delete “(P)” and insert “(O)”.  
5 Delete lines 7 through 9 and insert:  
6 “(P) Insurance for property with these characteristics:  
7 “(i) The owner or property manager demonstrates a willingness and determination to reduce the  
8 probability of a loss.  
9 “(ii) The owner or property manager conducts periodic and thorough specialized inspections and  
10 engineering for the purpose of preventing or minimizing loss.  
11 “(iii) The property has an insurable value sufficient for an insurer to charge a premium in an  
12 amount that warrants providing specialized inspection and engineering services.  
13 “(iv) The property has a structural design and degree of protection that, in combination with  
14 specialized inspection and engineering services, has the effect of reducing the need for or impor-  
15 tance of publicly provided fire protection.  
16 “(v) The property’s construction uses fire resistant or incombustible heavy timber or similar  
17 materials that are well preserved and in good repair.  
18 “(vi) The property has fire protection or loss prevention equipment in all areas in which fire  
19 prevention or loss protection is necessary.  
20 “(vii) The owner or property manager provides security and alarm service or equivalent security  
21 services or equipment where necessary.  
22 “(viii) Sufficient numbers of hydrants, hoses and equipment, an adequate water supply and other  
23 components of a private or publicly provided fire protection system exist to protect the property’s  
24 exterior.”  
25 In line 10, delete “(R)” and insert “(Q)”.  
26 In line 11, delete “(S)” and insert “(R)”.  
27 In line 12, delete “(T)” and insert “(S)”.  
28 Delete lines 13 through 15 and insert:  
29 “(T) Commercial lines insurance that the director exempts, other than coverage specified in  
30 subsection (3) of this section, for large commercial policyholders that pay an annual aggregate pre-  
31 mium threshold amount or that meet other requirements the director specifies; and”  
32 In line 16, delete “(V)” and insert “(U)”.  
33 Delete lines 24 through 27 and insert:  
34 “(c) Commercial automobile liability insurance;  
35 “(d) Coverage that an insurer issues under an assigned risk plan or through a residual market

1 pool or residual market facility;

2 “(e) Insurance for a project, as defined in ORS 737.602; and

3 “(f) A service contract, as defined in ORS 646A.154.”.

4 Delete lines 30 through 44 and insert:

5 “(5)(a) The director may publish a sample disclosure notice that an insurer may issue without  
6 needing to file the disclosure with the director for review or approval if the insurer issues the dis-  
7 closure together with an insurance policy that is a claims-made insurance policy or a liability in-  
8 surance policy that includes defense costs within the limits of liability.

9 “(b) An insurer need not use the sample disclosure notice described in paragraph (a) of this  
10 subsection. An insurer that does not use the sample disclosure notice shall file the insurer’s pro-  
11 posed notice with the director for review and approval. If the director approves the insurer’s pro-  
12 posed notice, the insurer may issue the notice with all of the insurer’s claims-made insurance  
13 policies or policies that include defense costs within the limits of liability without submitting the  
14 notice to the director for further review or approval.

15 “(6) A surplus lines broker that seeks to obtain or provide insurance coverage in a class of in-  
16 surance that is listed in subsection (2)(a) of this section may purchase insurance from an eligible  
17 nonadmitted insurer without making a diligent search of admitted insurers, as required under ORS  
18 735.410 (1)(b).

19 “(7) The director may adopt rules to implement this section.”.

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