

Oregon Division of Financial Regulation Bulletin No. DFR 2020-7

TO: All Oregon-regulated lenders and loan servicers

DATE: March 20, 2020

RE: Providing assistance to borrowers affected by the COVID-19 pandemic

Purpose

This bulletin encourages all Oregon-regulated lenders and loan servicers to take active measures to help borrowers economically affected by the COVID-19 pandemic. This includes offering loan forbearance plans, fee waivers, and other deferred payment options.

Background

On March 8, 2020, Gov. Kate Brown declared a state of emergency in Oregon to address the spread of COVID-19. State and federal officials have implemented numerous public health measures to slow the spread of COVID-19 and to protect people who are at highest risk for contracting the disease.

This global pandemic and the necessary public health measures that are being taken are creating an economic hardship on people and businesses across Oregon. Many will have difficulty making their scheduled loan payments.

Federal financial regulators are working with state agencies that regulate lenders to suggest reasonable and prudent steps to help customers in communities affected by COVID-19. Consistent with these efforts, the Oregon Division of Financial Regulation, on behalf of the Department of Consumer and Business Services, is providing this guidance to our state-regulated lenders and servicers on reasonable measures that may be used in pandemic situations that prevent people from repaying loans.

Guidance

The division encourages its regulated lenders and financial service providers to take active measures to provide help to people and businesses affected by the pandemic. Accommodations for borrowers should comply with safe and sound banking practices and other applicable state and federal prudential regulations. These steps include:

Mortgages:

- Forbearing mortgage payments for 90 days from their due dates
- Offering mortgagors an additional 90-day grace period to complete trial loan modifications, and ensuring late payments during the COVID-19 pandemic do not affect their ability to obtain permanent loan modifications
- Postponing foreclosures and evictions for 90 days

Mortgages and loans:

- Offering payment accommodations, such as allowing borrowers to defer payments, extending the payment due dates, or otherwise adjusting terms of existing loans, which would avoid delinquencies and negative credit agency reporting
- Easing credit terms for new loans
- Refraining from reporting late payments to credit rating agencies for 90 days
- Waiving late payment fees and any online payment fees for 90 days
- Ensuring that borrowers do not experience a disruption of service if the lender closes its office, including providing other avenues for borrowers to continue to manage their accounts and make inquiries
- Actively reaching out to borrowers via app announcements, text, email, or otherwise to explain the above-listed help being offered by lenders

Financial institutions:

- Waiving overdraft and nonsufficient funds fees

The division considers the above measures to be in the public interest and assures Oregon regulated lenders they will not be subject to regulatory criticism for making reasonable efforts to help borrowers who are temporarily unable to repay their loans due to the COVID-19 pandemic.

This bulletin applies to:

- Banking institutions, as defined in ORS 706.008
- Credit unions, as defined in ORS 723.006
- Mortgage bankers, mortgage brokers, and loan originators, as those terms are defined in ORS 86A.100, required to be licensed under ORS 86A.095 to 86A.198
- Persons required to be licensed as consumer finance lenders under ORS 725.045
- Mortgage servicers, as defined in ORS 86A.303
- Payday loan lenders and title loan lenders, as defined in ORS 725A.010.

This bulletin is effective upon issuance.



Andrew Stolfi
Administrator/Insurance Commissioner
Division of Financial Regulation

3/20/2020

Date

Oregon Division of Financial Regulation Bulletin No. DFR 2020-8

TO: All property and casualty automobile insurance companies and other interested parties

DATE: April 9, 2020

RE: Guidance regarding personal automobile policies

Purpose

The purpose of this bulletin is to provide guidance consistent with Gov. Kate Brown's Executive Order No. 20-07.

Authority

- ORS 401.165
- ORS 401.168
- ORS 401.175
- ORS 401.188
- ORS 401.192
- Executive Order No. 20-07

Background

On March 8, 2020, Oregon Gov. Kate Brown declared an emergency under ORS 401.165 to address the spread of COVID-19. On March 11, the World Health Organization announced a global pandemic. On March 13, U.S. President Donald Trump declared the outbreak a national emergency.

The outbreak is causing major disruption to consumers and businesses, including normal business activities. Traditionally, personal automobile policies do not cover liability and property damage resulting from commercial activities. However, as restaurants and other businesses are forced to obtain income solely from delivery services, there is an urgent need for insured delivery drivers for the duration of this national emergency.

Guidance

The division is calling on insurers to extend coverage for personal delivery drivers, and to limit the application of commercial delivery exclusions during the COVID-19 outbreak. Insurance carriers are encouraged to file endorsements with the Division of Financial Regulation, to allow for coverage to be broadened for those using personal automobiles to deliver essential goods for a fee. Later, when Gov. Brown formally removes the state of emergency, policyholders must

receive a minimum 30 days' notice of the mid-term reduction in coverage to allow for an orderly wind down of this extension.

This guidance is intended to affect drivers who do not have coverage for deliveries through their personal policies. It is not intended to affect drivers working for transportation network companies.

This bulletin is retroactive to March 17, 2020, the date Gov. Brown signed Executive Order No. 20-07.



Lou Savage
Administrator
Division of Financial Regulation

April 9, 2020

Date

WITHDRAWN

Oregon Division of Financial Regulation Bulletin No. DFR 2020-9

TO: All Workers' Compensation Insurers and Employers

DATE: April 10, 2020

RE: Rerating businesses that have changed operations in response to the COVID-19 pandemic and suspension of field audits

Purpose

This bulletin provides guidance to employers and workers compensation insurers regarding changes in operations due to public health measures in response to the COVID-19 pandemic. It addresses when a change in classification code is appropriate for employees reassigned to work from home, when insurers should rerate a business, and the suspension of field audits.

Authority

- Executive Order No. 20-03
- ORS 737.320
- ORS 742.003
- OAR 836-043-0101 to 836-043-0170

Background

On March 8, 2020, Gov. Kate Brown declared a state of emergency in Oregon to address the spread of COVID-19. State and federal officials have implemented numerous public health measures to slow the spread of COVID-19 and to protect people who are at highest risk for contracting the disease. These measures include the full or partial closure of certain businesses and prohibiting certain types of employees from accessing their place of work.

In order to comply with these measures, some employers have directed employees to work from home, in some instances changing their scope of work. Workers' compensation insurance rates, rating plans, and rating systems are prior approval under ORS 737.320. Workers' compensation rates are typically based on several factors, such as the employer's classification, plan payroll, experience rating modification, and an evaluation of the employer's loss control efforts.

OAR 836-043-0101 to 836-043-0170 sets requirements for premium audits and specifies when field audits are required.

Guidance

Changes in a business's operations due to state mandated public health measures in response to a pandemic may affect payroll classification for some subject workers. Employers directing employees to work from home may be eligible to assign payroll to a different classification code if their scope of work has changed. Employers must document the time period in which

employees are reassigned and the change in scope of work. Insurers may also reduce an employers payroll assignment or bill the employer at reduced rate based on preliminary information. An insurer who makes this type of accommodation on an ad hoc basis should inform employers what information is necessary to verify payroll during a premium audit and develop a plan to help employers comply.

At the request of the policyholder, insurers must rerate a business to reflect a change in operation due to the COVID-19 pandemic and related public health measures.

The COVID-19 pandemic and related public health measures will likely inhibit insurers' ability to conduct premium field audits. For the purposes of enforcing premium audit requirements under OAR 836-043-0101 to 836-043-0170, the Division of Financial Regulation (DFR) will deem insurers as having met the field audit requirement if the insurer:

- Had a previously scheduled field audit or a field audit that would have been scheduled from the time the state of emergency was declared until 60 days after its expiration or termination;
- Is unable to complete a field audit due to the COVID-19 pandemic and related public health measures;
- Provides prior notice to DFR that it plans to waive field audits during the state of emergency by emailing david.f.dahl@oregon.gov;
- Completes a desk audit or payroll report review, as defined under OAR 836-043-0105; and
- Provides a list of waived field audits performed as either a desk audit or payroll review within 120 days of the expiration or termination of the state of emergency.

This bulletin is effective upon issuance.



Lou Savage
Administrator
Division of Financial Regulation

April 10, 2020

Date

Oregon Division of Financial Regulation Bulletin No. DFR 2020-10

TO: All Workers' Compensation Insurers and Employers

DATE: April 10, 2020

RE: Payments to employees of businesses closed due to pandemics to be excluded from workers' compensation premium basis

Purpose

This bulletin provides guidance to workers compensation insurers and employers paying employees furloughed due to pandemic-related closures.

Authority

- ORS 656.005
- OAR 836-042-0055

Background

OAR 836-042-0055 specifies that vacation pay may not be included in payroll reported to insurers for the purposes of calculating the premium basis for workers' compensation insurance.

On March 8, 2020, Gov. Kate Brown declared a state of emergency in Oregon to address the spread of COVID-19. State and federal officials have implemented numerous public health measures to slow the spread of COVID-19 and to protect people who are at highest risk for contracting the disease. These measures include the full or partial closure of certain businesses and prohibiting certain types of employees from accessing their place of work.

Some employers have chosen to continue to pay employees furloughed or placed on administrative leave as a result of pandemic-related public health measures.

Guidance

Payments to employees furloughed or placed on administrative leave as a result of pandemic-related public health measures shall be classified as vacation time and excluded from payroll reported to workers compensation insurers for the for the purposes of calculating the premium basis. Vacation time is not an appropriate classification for sick leave or for employees teleworking or otherwise incurring risk covered by workers' compensation insurance.

Employers will need to separately track furlough payroll in sufficient detail for insurers to preform premium audits, and insurers are required to inform employers of what information is necessary to perform premium audits and develop a plan to help employers comply.

This bulletin is effective upon issuance.

Lou Savage
Administrator
Division of Financial Regulation

Date

WITHDRAWN

**Oregon Department of Consumer and Business Services
Division of Financial Regulation, Bulletin No. DFR 2020-11**

TO: All auto insurers

DATE: April 22, 2020

RE: Rate reductions and rebates to auto insurance policyholders

Background

The Division of Financial Regulation has received questions from insurers about how to address changes in exposure due to COVID-19 emergency orders. Some of these questions have included adding coverage for people using their vehicles differently and temporary rate reductions from decreased claim exposure. This document provides guidance for insurers on how to inform the division about proposed changes and required communications with policyholders.

Guidance

Temporary changes to policy coverage

The division encouraged insurers to extend coverage for personal delivery drivers and to limit the application of commercial delivery exclusions during the COVID-19 outbreak.¹ Some insurers have offered to remove exclusions or otherwise offer coverage on a temporary basis. One instance is private passenger automobile policies extending coverage for drivers delivering food, prescriptions, or other products for their employers.

Insurers with previously approved endorsements planning to expand coverage for the remainder of a policy term do not need to file new forms. Insurers who want to extend coverage on a temporary basis for matters excluded under their policy should file proposed endorsements or any revisions to policies with the division in the System of Electronic Rates and Forms Filing (SERFF). The division is requesting the insurer to label these filings as “COVID-19” in the Product Name field for identification and priority review. The SERFF filing description must include an explanation of how changes in coverage and pricing will be communicated to policyholders. The insurer must provide 30 days’ notice to its customers on any reduction in coverage.

Temporary rate reductions

Some insurers are proposing to reduce rates based on reduced exposure from the COVID-19 emergency orders. These requests should be made in SERFF as a rule filing, and the Product

¹ See DFR Bulletin 2020-08.

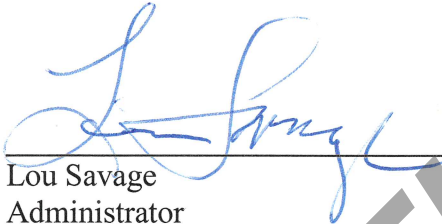
Name field should indicate this is a “COVID-19” plan. The request should indicate the amount of the rate reduction, the duration of the reduction, and the classes to which the reduction applies.

The insurer should explain how the rate reduction will be applied to in-force policies and whether the rate reduction applies to new business. The Policyholder Notice should state how long the temporary reduction will be in place. The insurer must provide 30 days’ notice to its policyholders on any increase in rates.

Midterm policyholder payments

The division has received requests from insurers to pay policyholders a specified amount in recognition of lower claim exposure and decreased losses, similar to a policyholder dividend. An insurer that wants to make one or more mid-term payments in recognition of lower exposure may do so if the amounts are in its filed rating plan. The insurer should make a rule filing in SERFF and specify this is a “COVID-19” filing in the Product Name field. The filing should state what dollar amounts will be sent to policyholders, how the payment is calculated, and the rationale for how the insurer determined the payment. The filing should include an explanation of how policyholders will be notified of the payment amount and duration. Payments sent without a change to the insurer’s filed rating plan are not permissible under ORS 746.045 unless provided for in the policy.

This bulletin is effective upon issuance.



Lou Savage
Administrator
Division of Financial Regulation

4/22/2020

Date

WITHDRAWN

Oregon Department of Consumer and Business Services Division of Financial Regulation, Bulletin No. DFR 2020-13

TO: All Oregon-regulated pawnbrokers

DATE: April 27, 2020

RE: COVID-19 pandemic and pawnbrokers

Purpose

This bulletin encourages all Oregon-regulated pawnbrokers to take active measures to stop the spread of COVID-19 and help borrowers economically affected by the COVID-19 outbreak. This includes implementing social distancing and addressing borrower hardships such as reduced work hours, loss of income, loss of employment, and medical issues associated with the outbreak.

Background

On March 8, 2020, Gov. Kate Brown declared a state of emergency in Oregon to address the spread of COVID-19. State and federal officials have implemented numerous public health measures to slow the spread of COVID-19 and protect people at highest risk for contracting the disease. This global pandemic and the public health measures are creating an economic hardship on people and businesses across Oregon. Some consumers have limited access to mainstream lending sources and rely upon the services of licensed pawnbrokers to bridge financial gaps. The Oregon Division of Financial Regulation, on behalf of the Department of Consumer and Business Services, is guiding state-regulated pawnbrokers on reasonable measures that should be used during the outbreak.

Guidance

At this time, licensed pawnbrokers may continue to engage in pawn activities if they can comply with the executive orders. There is a quiz at <https://govstatus.egov.com/or-covid-19> that will help licensed pawnbrokers determine if they can comply. Pawnbrokers may need to consider temporary changes to their business and take measures to help reduce the spread, such as:

- Limiting the number of people in the store to provide adequate social distancing.
- Altering how certain products are sold, or temporarily suspending sales of products that would be difficult to sell and maintain social distancing, such as jewelry.
- Following advice from the Oregon Health Authority for the workplace.

If a licensed pawnbroker cannot operate the business in compliance with the social distancing policies or has insufficient staff to operate, the licensed pawnbroker can temporarily close its business. The licensed pawnbroker will need to publicly post information about how a borrower can redeem pledged property while the business is closed. The pawnbroker will need to extend the redemption period for any pledged item until 14 days after the pawnbroker resumes regular operational hours.

The division also encourages its licensed pawnbrokers to take active measures to provide help to consumers affected by the outbreak. Pawnbrokers should be sensitive to consumers who have identified they cannot timely redeem the pledge due to illness, medically required or self-imposed quarantine due to exposure, or who are staying home due to high risk. For these people, pawnbrokers should extend redemption dates or make other reasonable accommodations.

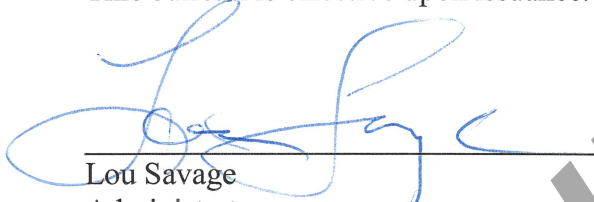
Pawnbrokers should also be sensitive to debtors who have identified they have hardships resulting from the pandemic, such as reduced income, reduced hours, or lost employment. Pawnbrokers should consider reasonable accommodations for these people, including:

- Extending redemption dates
- Reducing interest rates
- Reducing or waiving fees

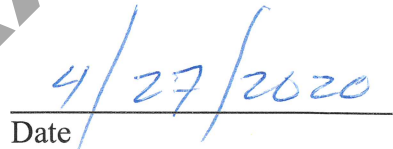
This bulletin does not otherwise alter the state and federal laws that pawnbrokers must follow, including those regarding advertising loan products.

The division considers the above measures to be in the public interest. This bulletin applies to pawnbrokers required to be licensed under Oregon Revised Statutes chapter 726.

This bulletin is effective upon issuance.



Lou Savage
Administrator
Division of Financial Regulation



Date

WITHDRAWN

**Oregon Department of Consumer and Business Services
Division of Financial Regulation, Bulletin No. DFR 2020-14**

TO: All Oregon-regulated collection agencies and debt buyers

DATE: April 30, 2020

RE: Providing assistance to debtors affected by the COVID-19 outbreak

Purpose

This bulletin encourages all Oregon-regulated debt buyers and collection agencies to take active measures to help debtors economically affected by the COVID-19 outbreak. This includes actively listening for consumer hardships, such as reduced work hours, loss of income, loss of employment, and medical issues associated with the pandemic, and responding appropriately to such hardships.

Background

On March 8, 2020, Gov. Kate Brown declared a state of emergency in Oregon to address the spread of COVID-19. State and federal officials have implemented numerous public health measures to slow the spread of COVID-19 and protect people at highest risk for contracting the disease. This global pandemic and the public health measures being taken are creating an economic hardship on people and businesses across Oregon. Many will have difficulty making payments.

On April 17, 2020, Gov. Kate Brown issued Executive Order [20-18](#), preventing creditors and debt collectors from garnishing federal CARES Act recovery rebate payments. The order ensures Oregonians can use the funds for their intended purpose – covering the costs of essential needs during the COVID-19 outbreak. Also, industry associations have been releasing guidance for their members conducting business during this outbreak. Consistent with the executive order and industry efforts, the Division of Financial Regulation, on behalf of the Department of Consumer and Business Services, is providing guidance to our state-regulated debt buyers and collection agencies on reasonable measures that can be used during the outbreak.

Guidance

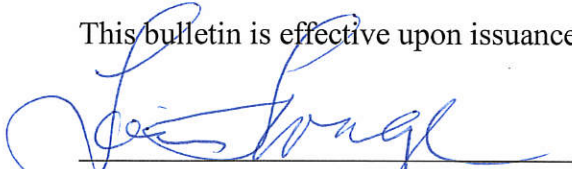
The division encourages its regulated debt buyers and collection agencies to take active measures to provide help to debtors affected by the outbreak. Regulated entities should:

- Be willing to accommodate debtors who have stated that they have hardships resulting from the outbreak, such as reduced income, reduced hours, lost employment, or illness.
- Offer payment accommodations, such as allowing a debtor to defer payments, extending payment due dates, or otherwise adjusting terms of existing payment plans.
- Waive late payment fees or online payment fees.
- Waive nonsufficient funds fees or reduce them to match out-of-pocket costs.
- Temporarily suspend collection activities for debtors who have significant financial or medical hardship.

- If you suspend activity on one account of a debtor, suspend activity on all accounts of that debtor.
- Stop collection activity against debtors with no access to assets whose only source of income is an exempt source, such as Social Security.
- A debtor may decide to pay the debt with economic impact payments from the stimulus funds, but Gov. Kate Brown's executive order prevents creditors and debt collectors from garnishing a debtor's CARES Act recovery rebate payment.

The division considers the above measures to be in the public interest. This bulletin applies to debt buyers required to be licensed under ORS 646A.640 to 646A.692 and collection agencies required to be registered under ORS 697.005 to 697.095.

This bulletin is effective upon issuance.



Lou Savage
Administrator
Division of Financial Regulation

4/30/2020
Date

WITHDRAWN