

INSURANCE PREMIUM INCREASE TRANSPARENCY NOTICES RULEMAKING DRAFT V1V65

July 30, 2025 For RAC Meeting September 17, 2025 November 6, 2025

836-XXX-XXX1 Statutory Authority; Purpose

- (1) OAR 836-XXX-XXX1 to 836-XXX-XXX5 are adopted pursuant to the general rulemaking authority of the Director of the Department of Consumer and Business Services in ORS 731.244 and the specific authority in HB 2563 E (2025), for the purpose of implementing HB 2563 (2025).
- (2) OAR 836-XXX-XXX1 to 836-XXX-XXX5 only pertain to the obligation to provide notices under HB 2563 and should not be interpreted to alter, replace or remove any other requirements specified in the Insurance Code or OAR Chapter 836.
- (3) House Bill 2563 (2025) requires insurers to give a clear and reasonable written explanation for any increase in the amount of premium the insured must pay upon renewing a personal auto, home, or dwelling fire policy when a written request from an insured is received. The purpose of OAR 836-XXX-XXX1 to 836-XXX-XXX5 is to clarify by rule the requirements of HB 2563 SECTION 2. Subsections (3), (6), and (8).

Statutory/Other Authority: ORS 731.244

Statutes/Other Implemented: HB 2563 (2025)

836-XXX-XXX2 Definitions

1. HB 2563 (2025) SECTION 2. (3) states a clear and reasonable written explanation of a premium increase from an insurer must include all, but not more than four, of the factors that most significantly contributed to the premium increase. The Department of Consumer and Business Services ~~by rule shall define when a factor significantly contributes to a premium increase.~~ defines this requirement to mean an insurer responding to a written request from an insured regarding a premium increase at renewal shall:
 - a. Provide not fewer than one factor that significantly contributed to the premium increase, as defined in subsection (2) of this section.
 - b. Provide information about as many as three additional factors that significantly contributed to the premium increase, as defined in subsection (2) of this section.
 - 1.c. And an insurer may, but is not required to provide additional information to an insured about any additional factors that contributed to a premium increase in any way.

2. A ~~rating~~ factor “~~most~~ significantly contributes” to a policy premium increase from one policy term to the next when it exceeds 2% of the current policy premium, and ranks in the highest four impacts, on a dollar increase basis, of all rating factors that changed.
3. If no individual rating factors can be identified by the insurer as significantly contributing to an insured’s premium increase as defined in subsection (2) of this section, the insurer must provide a clear and reasonable explanation to the policyholder that includes policyholder-specific information about factors that generally contributed to an increase in their premium.
4. If an insurer determines that all factors that contributed to an insured’s premium increase resulted from policy changes initiated by the insured, an insurer may respond to a premium increase notice request with information provided in a manner to be determined by the insurer that the increases were due to policy changes initiated by the insured.

2.

Statutory/Other Authority: ORS 731.244

Statutes/Other Implemented: HB 2563 (2025)

836-XXX-XXX3 Premium ~~change notice contents~~ Change Explanation

- (1) HB2563 (2025) SECTION 2. (6) states the Director of the Department of Consumer and Business Services may prescribe by rule the form, format and contents of the written explanation and statement described in subsection (3) of this section and any required elements of an insurer’s offer to renew a qualified policy or notification of an automatic renewal of a qualified policy. This section outlines the explanation required and minimum amount of information to include in the contents of the premium change notice. Insurers are permitted to provide additional information beyond these requirements.
- (2) An insurers premium change notice shall contain ~~the following format and contents, or something substantially similar.~~ All information required under subsections (1) and (2) of ORS 836-XXX-XXX2 as well as:
 - Licensed Insurance Company Name, Address, NAIC Number, Notice Date.
 - Policyholder Name, Policy Type, Policy Number, Policy Period, and Effective Date.
 - Information that instructs the insured how to contact the insurer if they have additional questions regarding the notice.
- ~~(2)~~ (3) An insurer may use the following format for a premium change notice, or an insurer may submit for approval a notice that provides the information required under this section in a format that aligns with other documents that the insurer uses to communicate with their policyholders.

Premium ~~change notice~~ Change Explanation

Licensed Insurance Company – Name, Address, NAIC Number, Notice Date.

Policyholder Name, Policy Type, Policy Number, Policy Period, and Effective Date.

- ~~As you requested, we are notifying you of a premium increase to your above captioned policy. Your Premium for this insurance policy has increased from (Total Amount) to (Total Amount) (insurer inserts amounts).~~ providing additional information regarding the factors that contributed most significantly to the premium increase applied to the above captioned policy at renewal.
- ~~Your premium is impacted by (insurers insert all, but not more than the top four rating factors that most significantly contributed to the premium increase. If less than four factors significantly contributed, only list the one, two, or three factors, as appropriate.), which will cause the price of your insurance to increase at renewal.~~ premium increased at renewal, and these are the factors that most significantly contributed to the increase in your premium.
- ~~Here is an explanation for each reason of your premium increase (insurers shall provide a clear and reasonable written explanation for the top four factors that significantly contributes to the premium increase along with a corresponding explanation.)~~
- ~~Please note: Your future premiums may increase or decrease if you change your coverage, if there are changes in your risk characteristics that occur during this time frame, or by future rate change filings made by our company in your state.~~

If you have any questions, please contact your insurance company /insurance producer via
telephone (), email (), postal mail (), or visit your website ().

Statutory/Other Authority: ORS 731.244

Statutes/Other Implemented: HB 2563 (2025)

836-XXX-XXX4 Periodic data reporting

(1) HB 2563 (2025) SECTION 2. (8) states, in part, “the department shall adopt rules to implement the requirements of this section, including but not limited to rules requiring periodic data

reporting from insurers that issue qualified policies to evaluate the impact of the required notices...”

- (2) This rule applies to insurers that offer qualified policies as defined in SECTION 2. (1) of House Bill 2563 E (2025), and the combined written premium of the qualifying lines is \$1,000,000 or greater for the calendar year being reported.
- (3) Each insurer meeting the premium threshold indicated in section (2) must report to the Department of Financial Regulation (DFR) no later than April 30th, ~~2027~~2028, ~~and every other year thereafter.~~of each year, the following information grouped by zip code:
- a. The total number of qualified policies as defined in SECTION 2. (1) of House Bill 2563 E (2025), where a policy renewal offer was made during the reporting calendar year where the renewal term premium ~~was~~is greater than the ~~current~~prior term premium.
 - ~~b.~~ The total number of ~~policyholders~~ qualified policies where the premium increased from the group a. above that submitted a written request for an explanation for the premium increase.
 - ~~b.c.~~ The percentage the premium increased for each policyholder from group b. above that submitted a written request for an explanation for the premium increase.
 - ~~c.d.~~ Any other data DCBS determines necessary.
- (4) Impacted insurers shall submit report information from the previous calendar year in a form and manner prescribed by the DFR set forth in the department’s website.

Statutory/Other Authority: ORS 731.244

Statutes/Other Implemented: HB 2563 (2025)

- (1) HB 2563 (2025) SECTION 2. (8) states, in part, “the department shall adopt ... rules that clarify the form and manner of the written request that an insurer must respond to under subsection (2) of this section.
- (2) The policyholder’s written request must contain the following information: Policyholder Name, Address, Policy Type, and Policy Number.
- (3) The request must be printed, typewritten, or legibly handwritten.
- (4) The request must clearly state the insured is requesting an explanation of why their policy premium is increasing at renewal.
- (5) The request must be submitted by postal mail or email.

Statutory/Other Authority: ORS 731.244

Statutes/Other Implemented: HB 2563 (2025)