DFR Division of Financial Regulation
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2026 wildfire emergency order expiration

Frequently Asked Questions

Following are inquiries the Division of Financial Regulation (DFR) anticipates from property and casualty insurers regarding the emergency order (EO) expiration clarifications and example scenarios:

Frequently Asked Questions:

1. When did the order take effect, and when does it expire?

The initial order took effect July 31, 2026, and has been extended twice to Oct. 29, 2026. The director has statutory authority to extend the EO no more than 30 days, if circumstances warrant. Insurers should monitor DFR's website and GovDelivery notices for the latest information, although presently DFR expects that the order will likely not be renewed a third time.

2. What should insurers do to make an orderly transition when the wildfire emergency order expires?

Insurers should identify every affected insurance policy and claim within applicable ZIP codes, and determine whether coverage was extended or renewed. Notices – for cancellation, nonrenewal, and billing – should all be reconciled. Ensure that all statutory notice requirements and contractual terms are complied with.

3. Can an insurer send a cancellation notice before the emergency order expires?

No, all notices implementing postponed cancellations or nonrenewals should be issued only after the emergency order expires. This includes initial underwriting cancellations under paragraph 13 (c) as well.

4. Can a cancellation notice become effective automatically when the order expires?

No, insurers must issue a new, legally-sufficient notice and provide the policyholder with the full applicable notice period, without taking into account the time that the emergency order was in effect. Insurers must not backdate any documents.

5. What is the required notice period for property and casualty policies?

There is no single notice period; notices differ in some cases by insurance line. Required reasons for cancellation and nonrenewals, and other disclosures differ as well. Consult ORS 746.687 for homeowners insurance, ORS 742.560-568 for auto insurance, and ORS 742.700-710 for commercial liability insurance.

6. What if the insurer issued a renewal because its system could not extend the policy?

The insurer should treat an issued renewal according to the contract terms. A system limitation does not convert a renewal into a temporary extension or permit cancellation at an earlier date than is statutorily allowed. A policy renewed through a specific date should continue to that date unless there is a lawful reason for midterm cancellation or another legally permissible reason applies.

7. How does the initial underwriting window resume?

For those policies that can legally be canceled for underwriting reasons during the first 60 days, the 60 day period was tolled for the duration of the order. After the EO is no longer effective, an insurer cancelling a policy under ORS 742.562 (2), 746.687 (6), or 742.710 (1)(a) must give the policyholder 30 days' notice. The remaining underwriting window would resume when the EO is no longer in effect – it was merely paused during the EO's duration. Thus, insurers should count only the unused portion of an otherwise applicable initial 60-day window, excluding the time that the emergency order was in effect and applicable to the policyholder ZIP code. Insurers cannot restart the full 60-day period.

8. If an insurer rescinded a notice or held out on sending a cancellation or nonrenewal notice due to the order – once the order expires – can the insurer use the same reasons it was initially going to use?

Likely yes. The insurer can rely on the same reason it intended to use before the order was issued, provided that the reason is still accurate when the new notice is issued. The insurer cannot cancel or nonrenew a policy solely because of a claim that directly resulted from the wildfire disaster, except as allowed for fraud and material misrepresentation.

9. When can a notice of cancellation for nonpayment be sent?

Insurers must send out a new notice of cancellation for nonpayment following the expiration of the order and provide the statutorily applicable notice period. Do not treat a nonpayment during the emergency order/grace period as a retroactive lapse.

10. How long can an insurer wait until after the order ends to reissue a postponed nonrenewal?

Insurers should reissue all postponed nonrenewal notices within 60 days of the expiration of the order. If this documentation doesn't go out within that 60-day period, then the non-renewal would be deemed a midterm cancellation. For example, if a nonrenewal notice were sent on Dec. 15, 2026, the policy could be nonrenewed on Jan. 14, 2027 (after 30 days' notice).

11. Are deferred premiums immediately collectable?

Insurers may bill for coverage provided, consistent with applicable policy terms. Insurers should give policyholders an itemized statement showing coverage periods, charges, payments, balances, and due dates. DFR encourages reasonable payment arrangements, rather than one single payment to settle the emergency order insurance coverage continuation.

12. Do extended claim deadlines become due immediately after the order expires?

No, insurers should not enforce an immediate deadline when the order expires. Identify each affected policy and give the insured written notice of a reasonable new date. Allow at least 30 days as a recommended best practice.

13. Does this change the type of notice – for example, going from a nonrenewal to a mid-term cancellation because an insurer had to extend the policy due to the order?

The order doesn't change the type of notice – for example, a nonrenewal would not convert into a midterm cancellation. Any action originally intended to happen at the end of the policy term should remain a nonrenewal. It shouldn't be characterized as a mid-term cancellation only because the EO extended coverage. A mid-term cancellation would require compliance with statutory notice requirements and a proper statutory reason for the cancellation.

14. What else does DFR suggest that insurers do when the order expires?

DFR encourages insurers to give direct notice to each affected insured whose billing, coverage, or claim deadline changed. Insurers should retain documents related to affected-area determinations, original and withdrawn notices, coverage documents, and consumer communications. Ensure that there aren't lapses in coverage. Contact DFR with specific questions.

Example scenarios

Scenario 1: An insurer sent the required initial underwriting cancellation notice within the 60-day period. However, prior to the effective date of the cancellation the EO was issued. The insurer had to pull back their cancellation notice. There are no remaining days left as the notice was already issued and then pulled back on the 60th day. How long does the insurer have to issue another underwriting cancellation?

- The insurer should issue another notice within 60 days of the expiration of the order (per FAQ #10). Note that any remaining underwriting window would resume when the EO is no longer in effect – it was merely paused during the EO's duration. Thus, insurers should count only the unused portion of an otherwise applicable initial 60-day window, excluding the time that the emergency order was in effect and applicable to the policyholder ZIP code.

- If an insurer did not yet send the initial underwriting cancellation notice at the time the EO was issued, then the insurer has only the remaining time that was paused during the EO duration to send the notice. Example – if the EO was effective at day 50 in the initial underwriting window, then once the EO expires, the insurer has 10 days to issue that notice.

Scenario 2: An insurer intended to nonrenew a homeowners policy on Sept. 1, 2026. Because its system could not extend the existing term, it issued an annual renewal expiring Sept. 1, 2027. May the insurer end the renewed policy after the emergency order expiration with a nonrenewal notice?

- Expiration of the order does not authorize termination during a renewed policy term. The insurer should honor the renewal that was issued unless there is a lawful midterm cancellation ground or another legally valid basis applies. A system limitation does not convert an annual renewal into a temporary extension. The insurer can nonrenew at the next policy expiration if it complies with applicable notice and substantive legal requirements.

Scenario 3: A policyholder in an affected area deferred three monthly premium payments during the emergency order grace period, which left an unpaid balance. The insurer maintained coverage through that entire period. May the insurer immediately cancel the policy when the order expires?

- No, and the premium remains owed for coverage provided, subject to applicable policy terms. The insurer should provide an itemized statement explaining the balance owed, due date, and available payment arrangements. DFR encourages reasonable payment arrangements.