

Phase II Proposal #3 Wrap Project Limits Proposal
October 25, 2006

At the September 19, 2006 meeting the Construction Claims Task Force moved to have staff outline suggestions for modifications of the statutes pertaining to wrap policies, ORS 737.602 and group general liability policies, ORS 737.600.

Option 3A. This option would allow combined group liability and workers compensation wrap coverage available for any project an insurer is willing to underwrite. This proposal has two parts.

1. Changes sections (a) and (b) of ORS 737.602 to remove the monetary limits for wrap policies.
2. Revise subsections (d) and (i) of section (4) of ORS 737.602 to remove the deposit requirements for admitted insurers writing wrap policies. Non-admitted insurers do not have a deposit requirement.

Option 3B. This option would streamline the rate filing requirements for contractor group general liability coverage by exempting contractor liability from the safety group statute of the insurance code. Several other business areas such as lumber and certified daycare services are already exempted from this from the section of the insurance code.

1. Amend ORS 737.600(3) to remove contractor liability from the requirements of the fictitious group statute for group general liability policies.