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735-050-0050

Content of **Uniform** Financial Responsibility Certificate and Procedure for Processing

- (1) **A person required to file** [A] **a** certificate of insurance, for purposes of proving future responsibility, must **submit** *[be submitted on]* a *[form known as an SR-22]* **Uniform Financial Responsibility Certificate (SR-22)**. *[The following defines the required contents of an SR-22 certificate.]*
- (2) **An** SR-22[s] *[are required to]* *[have and]* will not be accepted unless **it contains** *[they have]*:
- (a) The insured's complete name and address. If two names are on the certificate, it will not be accepted. The only exception is an "on-behalf-of" certificate. An "on-behalf-of" certificate is filed by an owner of a motor vehicle, showing proof of financial responsibility on behalf of their employee or a member of their immediate family in lieu of the driver furnishing such proof. The filing of this type of certificate only permits the person to operate a motor vehicle covered by the proof *[and the Driver and Motor Vehicle Services Division of the Department of Transportation (DMV) shall place a restriction on the license to that effect]*;
- (b) **The** *[Insured's]* **insured's** driver['s] license number and date of birth;
- (c) **The** *[Insurance company]* **insurance carrier** name, *[and]* not the **name of the insurance producer** (agent). *[Company]* **The carrier** name is acceptable if preprinted on the back of the form, or typed on the front;
- (d) **The** *[Policy]* **policy** number;
- (e) **The** *[Effective]* **effective** date of the *[policy]* **certification**;
- (f) **A** *[Box]* **box** must be checked[,], **to** *[showing]* **show** whether the policy is **for** an operator['s] or **an** owner['s]. *[If owner's, must describe all vehicles owned by policy]*;
- (g) **Information showing that** *[The]* **the** certificate *[must show]* **is issued as proof of financial responsibility in** Oregon *[as state to be filed in. The insurance carrier issuing the certificate must be authorized by the Insurance Division of the Oregon Department of Commerce to do business in Oregon]*;
- (h) **A certification by an authorized representative of the insurance carrier that a motor vehicle liability policy as required by the financial responsibility laws of Oregon, and in effect on the effective date of the certification, has been issued to the insured named on the SR-22** *[Authorized signature of an authorized representative of the insurance company]*;
- (i) *[Date SR-22 was typed]* **The date the SR-22 was issued**. *[If it was presented to]* **An SR-22 received by** DMV more than 30 days after the date it was **issued** *[typed, it]* will not be accepted; *[and]*
- (j) **The signature of the authorized representative of the insurance carrier. An electronic signature as described in OAR 735-018-0010(3) and 735-018-0060 constitutes a signature**

for purposes of this rule; and [A statement that “The company signatory hereto hereby certifies that it has issued to the above named insured a motor vehicle liability policy as required by the financial responsibility laws of this state, which policy is in effect on the effective date of this certificate.”]

(k) A secured internet Web site address at the bottom of the form if the SR-22 is provided to DMV in Web site format.

(3) The [statement] **certification** in subsection (2)(h)(j) of this rule [will also satisfy the requirements of ORS 806.075, as a declaration of the issuing insurance company that it has assumed the higher liability limits required for a Driving Under the Influence of Intoxicants conviction under the financial responsibility laws of Oregon.] **is a declaration of the issuing insurance carrier that:**

(a) The policy covers all vehicles that are registered in the name of or operated by the named insured, except as provided in ORS 806.270(2); and

(b) If applicable, it has assumed the higher liability limits required for a Driving Under the Influence of Intoxicants conviction under the financial responsibility laws of Oregon as required by ORS 806.075;

(4) [SR-22 certificates shall cover all vehicles currently registered by the insured in the State of Oregon] **The insurer issuing the certificate must be authorized by the Insurance Division of the Oregon Department of Consumer and Business Services to do business in Oregon, unless the insurer is an eligible surplus lines insurer of a risk retention group.**

[(5) One certificate per customer visit may be submitted at any DMV field office for purposes of filing provided the office has video computer capability. Offices without video computer terminal capability will not accept SR-22 certificates.]

Stat. Auth.: ORS 184.616, 184.619, 802.010
Stats. Implemented: ORS 806.075, 806.240 & 806.270

735-050-0060

Good Faith Belief of Compliance with Financial Responsibility Requirements -- Purpose and Definitions

(1) The Driver and Motor Vehicle Services Division of the Department of Transportation (DMV) will terminate future responsibility **filing** requirements and rescind a financial responsibility suspension of a person’s driving privileges as allowed by ORS 806.245, 809.380 and 809.450 when the person:

(a) Is currently in compliance **with financial responsibility requirements**; and

(b) Reasonably and in good faith believed he or she was in compliance at the time of the accident or DMV’s letter of verification.

(2) For purposes of OAR 735-050-0060 through 735-050-0064 “good faith” means a state of mind of honesty in purpose and freedom from intent to defraud. Failure of a person to inquire further when the person could reasonably be expected to do so constitutes absence of good faith.

(3) For purposes of OAR 735-050-0060 through 735-050-0064, “reasonably believed” or “reasonable belief” means a belief based on the combinations of facts that existed and the circumstances that a person knew, or with ordinary diligence should have known, which would give cause for a rational person to believe.

(4) It is presumed that a person has knowledge of the contents of his or her motor vehicle liability insurance policy.

(5) DMV will rescind a suspension under this rule if DMV is presented with evidence that the person reasonably and in good faith believed that the person was in compliance with financial responsibility requirements. Evidence for the above may be presented to the Accident *[Reports]* **Reporting and Insurance Verification** Unit or at a hearing **requested by the person**. In either case, examples of such evidence include, but *[is]* **are** not limited to, the following:

(a) Copies of cancelled checks, money orders or receipts for cash that show payment was received for an automobile liability insurance policy;

(b) Written verification on agency or company letterhead or sworn testimony from the insurance **carrier or insurance** producer (**agent**);

(c) Copies of insurance policies, binders, declarations or applications; and

(d) Notarized written statements or sworn testimony from a spouse, partner in a domestic partnership, co-owner of current or former policies or any other person involved in the payment of policy premiums.

(6) A person is entitled to a hearing on rescinding of the suspension of the person’s driving privilege under this rule. A *[negative]* determination by the Accident *[Reports]* **Reporting and Insurance Verification** Unit **that the suspension should not be rescinded** does not limit the **person’s** right to a hearing.

Stat. Auth.: ORS 184.616, 184.619, 802.010, 806.245, 809.380 & 809.450

Stats. Implemented: ORS 806.245, 809.380 & 809.450

735-050-0062

What Constitutes “Reasonably and in Good Faith”

(1) Examples of circumstances that constitute reasonable and good faith belief include, but are not limited to, the following:

(a) An insurance company accepted application and payment for liability insurance covering the period of time in question;

(b) An insurance *[producer]* **carrier or producer (agent)** told a person that he or she was insured or would be insured by a particular policy, and the person was not told otherwise until after the accident or the Driver and Motor Vehicle Services Division of the Department of Transportation (DMV) random sample;

(c) A separated spouse, partner in a domestic partnership, or other additional holder of an insurance policy cancels the policy without the person’s knowledge and consent as shown by:

(A) Proof of legal separation; or

(B) A written statement from the party canceling the policy; and

(d) A person is not yet 21 years old, is attending school or is in the military service and believes he or she is covered by a parent's policy.

(2) DMV will use the examples in section (1) of this rule as guidelines in making decisions. However, each request for the rescinding of a suspension under this rule will be reviewed on a case-by-case basis.

Stat. Auth.: ORS 184.616, 184.619, 802.010, 806.245, 809.380 & 809.450

Stats. Implemented: ORS 806.245, 809.380 & 809.450

735-050-0064

What Does Not Constitute "Reasonably and in Good Faith"

(1) Examples of beliefs that do not constitute a reasonable and good faith belief include, but are not limited to, the following:

(a) Belief that a vendor's single interest (VSI) or other policy issued by a dealer or financing institution provides motor vehicle liability coverage. That policy or its declarations must clearly state that it does not provide motor vehicle liability insurance, does not meet financial responsibility requirements or contain some other similar statement;

(b) Belief by a person who is not yet 21 years of age, not attending school or not in military service, and not residing with a parent that he or she is covered by a parent's policy;

(c) Belief by a person that a policy meets the requirements of the financial responsibility law when the person has not read the policy declarations and limitations;

(d) Belief that a policy is still in force because of non-receipt of a notice of cancellation, unless the person presents substantial evidence showing that the insurance company did not meet the notification requirements for cancellation found in ORS Chapter 742;

(e) Belief that a spouse or partner in a domestic partnership, normally pays all bills and must have paid an insurance premium; and

(f) Belief based only upon an insurance [*producer's*] **carrier's or insurance producer's (agent)** representation after an accident has occurred when, at the time of the accident, the person did not reasonably believe that they were covered.

(2) The Driver and Motor Vehicle Services Division of the Department of Transportation will use the examples in section (1) of this rule as guidelines in making decisions. However, each request for the rescinding of a suspension under this rule will be reviewed on a case-by-case basis.

Stat. Auth.: ORS 184.616, 184.619, 802.010 806.245, 809.380 & 809.450

Stats. Implemented: ORS 806.245, 809.380 & 809.450

735-050-0070

Suspensions for Uninsured Accidents

(1) The Driver and Motor Vehicle Services Division of the Department of Transportation (DMV) will suspend the driving privileges **and right to apply for driving privileges** of any person if the person is involved in any motor vehicle accident at any time when DMV determines the person has been driving uninsured.

(2) DMV will determine that a person was the driver of a vehicle involved in an accident if DMV receives a report to that effect from the police, an insurance carrier or **insurance producer (agent)**, or any **other** person involved in the accident.

(3) If the accident must be reported to DMV, DMV will determine that a person was involved in an accident while driving uninsured if:

(a) The person does not respond to DMV's request for an accident report;

(b) The person does not respond to DMV's request for both the name of the insurance carrier and the policy number [*which*] **that** covered the person's operation of the vehicle at the time of the accident; or

(c) The insurance carrier the person stated he or she was insured with denies coverage for the accident.

(4) DMV will grant a pre-suspension hearing under ORS 809.440(1), upon timely request, to any person whose driving privileges are suspended as described in section (1) of this rule. The suspension will not take effect pending the outcome of the hearing and DMV will impose the suspension if the [*hearings officer*] **administrative law judge** affirms the suspension following the hearing.

(5) Once a suspension described in section (1) of this rule takes effect, DMV will rescind the suspension if the person supplies the name of an insurance carrier and policy number [*which*] **that** covered the person's operation of the vehicle at the time of the accident.

(6) DMV will again suspend the driving privileges if the suspension was rescinded under section (5) and the insurance carrier subsequently denies coverage for the accident. The person will be eligible for full reinstatement of driving privileges one year from the new suspension date.

EXCEPTION: DMV shall subtract time served under the original uninsured accident suspension from the one-year suspension period.

Stat. Auth.: ORS 184.616, 184.619, 802.010 & 809.417
Stats. Implemented: ORS 809.417

735-050-0080

Financial Responsibility Verification Program

(1) **The Driver and Motor Vehicle Services Division of the Department of Transportation (DMV)** will randomly select motor vehicles for financial responsibility verification. The total number randomly selected each year will not exceed ten percent of the motor vehicles registered in Oregon that are subject to verification.

(2) DMV may, in addition, designate persons for verification of financial responsibility requirements if DMV has reasonable grounds to believe that the person is in violation of financial responsibility requirements. [The] DMV's determination of reasonable grounds will be based on the following:

- (a) Written statements from police, insurance [*companies*] **carriers**, insurance producers (**agents**), and the public;
- (b) Any admission to DMV by the owner of an Oregon-registered vehicle that the vehicle is not insured;
- (c) Receipt by DMV of any record from another jurisdiction that the owner of any Oregon-registered vehicle was convicted of driving uninsured, regardless of the vehicle driven at the time of offense.
- (d) Receipt by DMV of any record from another jurisdiction indicating that an Oregon-registered vehicle was driven without insurance, regardless of who was driving the vehicle;
- (e) Statements made during an administrative hearing by a driver or owner of a vehicle that the Oregon-registered vehicle was driven while uninsured; or
- (f) No record of submission from an insurance [*company*] **carrier**, pursuant to ORS 742.580, 806.195 and OAR 735-050-0130 through 735-050-0160, that a motor vehicle liability insurance policy has been issued.

(3) DMV will use a written statement as identified in section (2)(a) of this rule as a basis for a financial responsibility verification request only if the person making the statement does all of the following:

- (a) Signs and dates the request;
- (b) Identifies the vehicle [*which*] **that** the person believes is being operated in violation of financial responsibility requirements; and
- (c) Explains why the person believes the vehicle is being operated in violation of financial responsibility requirements and includes facts that would cause a reasonable person to believe the vehicle is being operated in violation of financial responsibility requirements.

(4) DMV will suspend the driving privileges or right to apply for driving privileges of any person who fails to make a future responsibility filing after failing verification or who falsely certifies compliance with financial responsibility requirements.

(5) A person who fails to make a future responsibility filing after failing verification or who falsely certifies compliance with financial responsibility requirements is entitled to a pre-suspension hearing in accordance with ORS 809.440(1) and 809.415. If no pre-suspension hearing is held, a person may be entitled to a post-imposition hearing in accordance with OAR 735-050-0090.

Stat. Auth.: ORS 184.616, 814.619, 802.010 & ORS 806.150
Stats. Implemented: ORS 806.150 & ORS 809.450

735-050-0120

Proof of Compliance With Financial Responsibility Requirements in Lieu of an Unexpired Insurance Card

The following list establishes what constitutes “other current proof of compliance with financial or future responsibility requirements” under ORS 806.011, and “proof of compliance with financial responsibility requirements” under ORS 806.012:

- (1) An unexpired motor vehicle liability insurance policy for the particular vehicle [*which*] **that** meets the standards set forth in ORS 806.080;
- (2) An unexpired motor vehicle liability insurance binder issued by the insurance [*company*] **carrier** or its authorized **insurance** producer (**agent**) for the particular vehicle [*which*] **that** meets the standards set forth in ORS 806.080;
- (3) A letter signed by **a representative from** an [*authorized*] insurance [*producer*] **carrier** or [*company official*] **its authorized agent**, on [*insurance producer or*] **the** insurance [*company*] **carrier’s or agent’s** letterhead, that verifies current insurance coverage;
- (4) A certificate of self insurance issued by **the Driver and Motor Vehicle Services Division of the Department of Transportation (DMV)** under ORS 806.130 naming the owner of the particular vehicle; or
- (5) A displayed Oregon dealer plate unless the dealership does not sell motorized vehicles and has completed a “Certificate of Exemption from Vehicle Liability Insurance for Vehicle Dealer,” DMV Form 735-7024.

Stat. Auth.: ORS 184.616, 184.619, 806.011 & 806.012

Stats. Implemented: ORS 806.011 & ORS 806.012