

Secretary of State
NOTICE OF PROPOSED RULEMAKING HEARING*

A Statement of Need and Fiscal Impact accompanies this form.

Oregon Department of Transportation, Driver and Motor Vehicle Services Division		735	
Agency and Division		Administrative Rules Chapter Number	
Lauri Kunze	355 Capitol St. NE, Rm. 29, Salem OR 97301	lauri.g.kunze@odot.state.or.us	(503) 986-3171
Rules Coordinator	Address		Telephone

RULE CAPTION

Motor Vehicle Insurance Issues - Verification and Proof of Good Faith Belief; Future Financial Responsibility Certificate

Not more than 15 words that reasonably identifies the subject matter of the agency's intended action.

November 17, 2009	1:00 pm	DMV Headquarters, Conference Room 123	Liz Woods
Hearing Date	Time	1905 Lana Avenue, Salem OR	Hearings Officer
		Location	

Auxiliary aids for persons with disabilities are available upon advance request.

RULEMAKING ACTION

ADOPT: Secure approval of rule numbers with the Administrative Rules Unit prior to filing.

AMEND: 735-050-0050, 735-050-0060, 735-050-0062, 735-050-0064, 735-050-0070, 735-050-0080 and 735-050-0120

REPEAL:

ORS 184.616, 184.619, 802.010, 806.011, 806.012, 806.150, 806.245, 809.380, 809.417 & 809.450	None
Stat. Auth.	Other Authority
ORS 806.011, 806.012, 806.075, 806.150, 806.240, 806.245, 806.270, 809.417, 809.380 & 809.450	
Stats. Implemented	

RULE SUMMARY

Chapter 257, Oregon Laws 2009 (SB 127) amended statutes relating to financial responsibility requirements for motor vehicles. Through this rulemaking, DMV proposes to amend its administrative rules to implement these changes and to clarify language in these administrative rules.

OAR 735-050-0050 deals with the content of a uniform financial responsibility certificate (SR-22). The SR-22 is a standard form used nationwide by insurance carriers when they are required to file a certificate of insurance with the state on behalf of an insured. The proposed amendments to OAR 735-050-0050 update requirements for the SR-22 to implement SB 127 amendments and recognize an additional standard form issued by the American Association of Motor Vehicle Administrators (AAMVA), and to clarify language.

OAR 735-050-0060 is being amended to update the title of the Unit that initially determines if a person had a reasonable and good faith belief of compliance with financial responsibility requirements. Other changes are being made to clarify language.

DMV proposes to amend 735-050-0062, 735-050-0064, 735-050-0070, 735-050-0080 and 735-050-0120 to clarify and update terms.

Text of proposed and recently adopted ODOT rules can be found at web site <http://www.oregon.gov/ODOT/CS/RULES/>.

The Agency requests public comment on whether other options should be considered for achieving the rule's substantive goals while reducing the negative economic impact of the rule on business.

November 23, 2009

Last Day for Public Comment
Last day to submit written comments to the Rules Coordinator

Signature

Lauri Kunze

Printed name

Date

* The Oregon Bulletin is published on the 1st of each month and updates the rule text found in the Oregon Administrative Rules Compilation. Notice forms must be submitted to the Administrative Rules Unit, Oregon State Archives, 800 Summer Street NE, Salem, Oregon 97310 by 5:00 pm on the 15th day of the preceding month unless this deadline falls on a Saturday, Sunday or legal holiday when Notice forms are accepted until 5:00 pm on the preceding workday. ARC 920-2005

Secretary of State
STATEMENT OF NEED AND FISCAL IMPACT
A Notice of Proposed Rulemaking Hearing or a Notice of Proposed Rulemaking accompanies this form.

Oregon Department of Transportation, Driver and Motor Vehicle Services Division
Agency and Division

735
Administrative Rules Chapter Number

In the Matter of the Amendment of OAR 735-050-0050, 735-050-0060, 735-050-0062, 735-050-0064, 735-050-0070, 735-050-0080 and 735-050-0120

Rule Caption: Motor Vehicle Insurance Issues - Verification and Proof of Good Faith Belief; Future Financial Responsibility Certificate

Statutory Authority: ORS 184.616, 184.619, 802.010, 806.011, 806.012, 806.150, 806.245, 809.380, 809.417 & 809.450

Other Authority: None

Statutes Implemented: ORS 806.011, 806.012, 806.075, 806.150, 806.240, 806.245, 806.270, 809.417, 809.380 & 809.450

Need for the Rule(s): Chapter 257, Oregon Laws 2009 (SB 127) amended statutes relating to financial responsibility requirements for motor vehicles. Through this rulemaking, DMV proposes to amend its administrative rules to implement these changes and to clarify language in these administrative rules.

OAR 735-050-0050 deals with the content of a uniform financial responsibility certificate (SR-22). The SR-22 is a standard form used nationwide by insurance carriers when they are required to file a certificate of insurance with the state on behalf of an insured. The proposed amendments to OAR 735-050-0050 update requirements for the SR-22 to implement SB 127 amendments and recognize an additional standard form issued by the American Association of Motor Vehicle Administrators (AAMVA), and to clarify language.

OAR 735-050-0060 is being amended to update the title of the Unit that initially determines if a person had a reasonable and good faith belief of compliance with financial responsibility requirements. Other changes are being made to clarify language.

DMV proposes to amend 735-050-0062, 735-050-0064, 735-050-0070, 735-050-0080 and 735-050-0120 to clarify and update terms.

Documents Relied Upon and where they are available: Enrolled Senate Bill 127 may be found at: <http://www.leg.state.or.us/O9reg/measpdf/sb0100.dir/sb0127.en.pdf>; the AAMVA SR-22 Uniform Financial Responsibility Certificate which is available by contacting Liz Woods, DMV, Driver Programs Section, 1905 Lana Avenue NE, Salem, Oregon 97302, Elizabeth.A.Woods@odot.or.state.us or (503) 945-8948.

Fiscal and Economic Impact, including Statement of Cost of Compliance: DMV's proposed amendments to these rules will have no fiscal or economic impact.

1. Impact on state agencies, units of local government and the public (ORS 183.335(2)(b)(E)): None
2. Cost of compliance effect on small business (ORS 183.336): None
 - a. Estimate the number of small businesses and types of business and industries with small businesses subject to the rule: No small business is subject to these rules. While insurance agents may be interested in these rules, there is nothing in the rules that places a requirement on these businesses that is not in statute.
 - b. Projected reporting, recordkeeping and other administrative activities required for compliance, including costs of professional services: None
 - c. Equipment, supplies, labor and increased administration required for compliance: None

How were small businesses involved in the development of this rule? Fourteen groups representing small businesses were notified of the proposed amendments and invited to comment. No comments were received.

Administrative Rule Advisory Committee consulted?: No

If not, why?: These proposed rule amendments are wording changes rather than a change in policy or procedure in how DMV deals with a SR-22 insurance certificate, good faith belief of insurance coverage and the financial verification program, and primarily implements legislative statutory revisions. An advisory committee was not necessary to assist in making these changes.

Authorized Signer

Lauri Kunze
Printed name

Date

