

# MOTOR CARRIER SAFETY

## PART 387/OAR 740 – Minimum Levels of Financial Responsibility

**Definitions**  
387.5

**Financial responsibility** means having insurance policies or surety bonds sufficient to satisfy the minimum public liability requirements.

**Public liability** means liability for bodily injury, property damage, and environmental restoration.

**Requirements for Financial Responsibility**  
Part 387 / OAR 740

All motor carriers must have at least the minimum amount of public liability insurance required by law. The amount of insurance and the required insurance forms are prescribed in both Part 387 and the Oregon Administrative Rules (OAR's).

**OAR 740:**  
Level and Proof of Liability Insurance

The OAR's require each motor carrier operating one or more vehicles **over 26,000 lbs. intrastate** in Oregon to maintain at least **\$750,000** of public liability insurance. A current **Form "E"**, issued by an insurer, must be on file with the Oregon Department of Transportation (ODOT) to prove the motor carrier meets this requirement (740-040-0010 & 0020).

**Part 387:**  
Levels and Proof of Liability Insurance

Part 387 also requires certain motor carriers to maintain minimum levels of public liability insurance as shown in the table below (387.9, 387.33):

Classification		Minimum Applicability	Minimum Liability
Non-HazMat	Interstate for-hire	10,000 lbs. GVWR	\$750,000
Hazardous Materials	Explosives (1.1, 1.2, 1.3)	None	\$5,000,000
	Poison-Inhalation, Hazard Zone A (2.3, 6.1)		
	Radioactive Materials, HRCQ (Class 7)		
	Hazardous Substances	In bulk *	
	Compressed Gas (2.1, 2.2)		
	Intrastate in bulk * or Interstate	10,000 lbs. GVWR	\$1,000,000
Passenger	Interstate for-hire	7-15 passenger	\$1,500,000
		16 passenger	\$5,000,000

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\* *In bulk* – over 3,500 water gallons.

These motor carriers must have proof of the minimum level of insurance at the company's principal place of business (387.7, 387.31).

Proof shall consist of one of the following:

- Form **MCS 90** (**MCS-90B** for passenger carriers) – Insurance endorsement issued by an insurer.
- Form **MCS-82** (**MCS-82B** for passenger carriers) – Surety bond issued by a surety.
- Written authorization of the I.C.C. authorizing carrier to *self-insure*.