

REVENUE: No revenue impact

FISCAL: Minimal fiscal impact, no statement issued

Action: Do Pass

Vote: 10 - 0 - 0

Yeas: Bailey, Bentz, Berger, Boone, Edwards D., Gilman, Kahl, Schaufler, Weidner, Beyer

Nays: 0

Exc.: 0

Prepared By: Patrick Brennan, Administrator

Meeting Dates: 1/23

WHAT THE MEASURE DOES: Increases the required bond for issuance or renewal of commercial driver training school certificates. Increases the required insurance coverage for bodily injury or death and for destruction of property for holders of, and applicants for, commercial driver training school certificates. Removes requirement that commercial driver training school certificate holders and applicants comply with insurance requirements in cases where the holder or applicant provides only classroom instruction.

ISSUES DISCUSSED:

- Bonding and insurance requirements for programs in other states
- Cost of medical care following motor vehicle accidents
- Number of driver training schools in Oregon and type of instruction provided by those schools

EFFECT OF COMMITTEE AMENDMENT: No amendment.

BACKGROUND: A Commercial Driver Training School License authorizes a school to provide classroom and/or behind-the-wheel instruction to students learning to safely drive a motor vehicle, such as a car, truck, motorcycle or motor home. Current law requires schools that provide such training to be bonded for \$2,500 and to carry insurance as follows: for a minimum of \$50,000 for bodily injury/death of one person in a single accident; for a minimum of \$100,000 for bodily injury/death for two or more persons in a single accident; and for a minimum of \$25,000 for injury to or destruction of property in a single accident.

The current bonding and insurance requirements for commercial driver training schools were established in statute in the 1960s, and are considered by the Department of Transportation to be inadequate to meet current standards. House Bill 2233 increases the bonding requirement from \$2,500 to \$10,000, and the insurance requirements from \$50,000 to \$100,000 for bodily injury/death of an individual, \$100,000 to \$300,000 for bodily injury/death of two or more individuals, and from \$25,000 to \$50,000 for property destruction.

There are some commercial driver training schools that provide training that is entirely classroom only, where no in-vehicle training is provided. These schools, lacking vehicles, are unable to meet the insurance requirements outlined in ORS 822.505 and are therefore unable to obtain a commercial driver training school certificate. House Bill 2233 clarifies that insurance is not required for schools that provide classroom-only driver training.

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This summary has not been adopted or officially endorsed by action of the committee.