

House Bill 2190

Ordered printed by the Speaker pursuant to House Rule 12.00A (5). Pre-session filed (at the request of Governor Theodore R. Kulongoski for Department of Consumer and Business Services)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Requires insurer to provide owner written documentation to support valuation of totaled motor vehicle when vehicle is declared total loss.

Requires insurer to pay amount not in dispute when there is disagreement over value of totaled motor vehicle.

Allows owner of totaled motor vehicle to recover reasonable appraisal costs from insurer when final appraisal valuation is greater than insurer's final offer.

A BILL FOR AN ACT

1
2 Relating to valuations under motor vehicle liability insurance.

3 **Be It Enacted by the People of the State of Oregon:**

4 **SECTION 1. Sections 2 to 4 of this 2009 Act are added to and made a part of the Insur-**
5 **ance Code.**

6 **SECTION 2. When an insurer declares a motor vehicle a total loss and offers to make a**
7 **cash settlement to an insured or to a third-party owner of the vehicle, the insurer shall**
8 **provide the insured or third-party owner a written explanation in a form approved by the**
9 **Director of the Department of Consumer of Business Services of the method the insurer**
10 **used to determine the value of the motor vehicle.**

11 **SECTION 3. A motor vehicle liability insurance policy shall contain a provision stating**
12 **that the insurer shall pay the insured or third-party owner of the vehicle the amount not in**
13 **dispute if the insurer has declared a motor vehicle a total loss and the insurer and the in-**
14 **sured or third-party owner are unable to agree on the value of the motor vehicle.**

15 **SECTION 4. When a motor vehicle liability insurance policy contains a provision for re-**
16 **solving a dispute through appraisal of a motor vehicle insured under the policy, the provision**
17 **shall include a requirement that the insurer reimburse the insured for the reasonable ap-**
18 **praisal costs if the final appraisal valuation under the policy provision is greater than the**
19 **amount of the insurer's last offer prior to the incurrence of the appraisal costs.**

20 **SECTION 5. (1) Section 2 of this 2009 Act applies to a determination of loss made on or**
21 **after the effective date of this 2009 Act.**

22 **(2) Sections 3 and 4 of this 2009 Act apply to motor vehicle liability insurance policies**
23 **issued or renewed on or after the effective date of this 2009 Act.**
24

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.