

House Bill 2233

Ordered printed by the Speaker pursuant to House Rule 12.00A (5). Presession filed (at the request of Governor Theodore R. Kulongoski for Department of Transportation)

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**.

Increases bond requirement for issuance or renewal of commercial driver training school certificate.

Increases insurance coverage required for applicant or holder of commercial driver training school certificate.

Eliminates insurance coverage requirement for commercial driver training school that provides only classroom training.

A BILL FOR AN ACT

1
2 Relating to commercial driver training; amending ORS 822.505 and 822.510.

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

4 **SECTION 1.** ORS 822.505 is amended to read:

5 822.505. (1) A bond required under ORS 822.515 for issuance or renewal of a commercial driver
6 training school certificate must comply with all of the following:

7 (a) The bond shall have a corporate surety licensed to do business within this state.

8 (b) The bond shall be executed to the State of Oregon.

9 (c) The bond shall be in the sum of [*\$2,500*] **\$10,000**.

10 (d) The bond shall be approved as to form by the Attorney General.

11 (e) The bond must be conditioned that the person issued the certificate shall conduct business
12 as a commercial driver training school without fraudulent representation and without violation of
13 any rules adopted by the Department of Transportation under ORS 822.515.

14 (f) The bond must be filed and held in the office of the department.

15 (2) Any person shall have a right of action against a commercial driver training school and
16 against the surety on the bond of the school in the person's own name if the person suffers any loss
17 or damage by reason of the school's fraudulent representations or violation of rules adopted by the
18 department under ORS 822.515.

19 (3) If the certificate of a school is not renewed or is revoked or canceled, the sureties on the
20 bond shall be relieved from liability accruing subsequent to cancellation or revocation by the de-
21 partment.

22 **SECTION 2.** ORS 822.510 is amended to read:

23 822.510. **Except as provided in subsection (3) of this section**, an applicant or holder of a
24 commercial driver training school certificate may maintain proof of insurance required under ORS
25 822.515 for issuance or renewal of the certificate by complying with any of the following:

26 (1) The school may file a certificate of insurance with the Department of Transportation that
27 complies with all of the following:

28 (a) The insurance must be issued to the school.

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.

1 (b) The insurance must be issued by an insurance company authorized to do business in this
2 state.

3 (c) The insurance must show that the insured has procured and has in effect a motor vehicle
4 liability policy that provides at least the following coverage:

5 (A) [~~\$50,000~~] **\$100,000** because of bodily injury to or death of one person in any one accident;

6 (B) Subject to the limit for one person, [~~\$100,000~~] **\$300,000** because of bodily injury to or death
7 of two or more persons in any one accident; and

8 (C) [~~\$25,000~~] **\$50,000** because of injury to or destruction of the property of others in any one
9 accident.

10 (d) The policy shall designate by explicit description or by appropriate reference all motor ve-
11 hicles with respect to which coverage is granted.

12 (e) The policy shall insure any and all persons using any motor vehicle owned or operated by
13 the school with the consent of the school against loss from the liabilities imposed by law for dam-
14 ages arising out of the operation, use or maintenance of the motor vehicle.

15 (2) The school may obtain a valid certificate of self-insurance from the department.

16 **(3) An applicant or holder of a commercial driver training school certificate does not**
17 **need to submit proof of insurance required under ORS 822.515 for issuance or renewal of the**
18 **certificate if the applicant or holder of the certificate conducts only classroom instruction.**

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