

House Bill 2514

Sponsored by Representative CLEM (at the request of Dan Balm) (Presession filed.)

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**.

Prohibits insurer from declaring motor vehicle total loss unless loss to motor vehicle totals 85 percent or more of vehicle's market value, as shown in vehicle valuation catalog, database or other printed or electronically published reference guide that motor vehicle dealers, distributors and other persons that engage in business of buying and selling motor vehicles generally regard as authoritative.

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to declarations of total loss under motor vehicle insurance policies; amending ORS 742.554;
3 and declaring an emergency.

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

5 **SECTION 1.** ORS 742.554 is amended to read:

6 742.554. (1) [*When*] **Subject to subsection (2) of this section, if** an insurer declares a motor
7 vehicle a total loss and offers to make a cash settlement to an insured or third-party owner of the
8 motor vehicle, the insurer shall provide the insured or third-party owner:

9 [(1)] (a) Any valuation or appraisal reports **the insurer** relied upon [*by the insurer*] to determine
10 value; and

11 [(2)] (b) A written statement in a form [*provided by*] the Director of the Department of Consumer
12 and Business Services **provides** that includes:

13 [(a)] (A) Information about total loss, vehicle valuation and the duties of the insurer; and

14 [(b)] (B) The manner in which and under what circumstances the insured may contact the [*In-*
15 *surance Division of the*] Department of Consumer and Business Services.

16 (2) **An insurer may not declare a motor vehicle a total loss unless the loss to the motor**
17 **vehicle totals 85 percent or more of the vehicle's market value, as shown in a vehicle valu-**
18 **ation catalog, database or other printed or electronically published reference guide that mo-**
19 **tor vehicle dealers, distributors and other persons that engage in the business of buying and**
20 **selling motor vehicles generally regard as authoritative.**

21 **SECTION 2. This 2015 Act being necessary for the immediate preservation of the public**
22 **peace, health and safety, an emergency is declared to exist, and this 2015 Act takes effect**
23 **on its passage.**

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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.