

House Bill 4047

Sponsored by Representative OSBORNE (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**. The statement includes a measure digest written in compliance with applicable readability standards.

Digest: The Act requires insurance to cover tow costs after a car accident. (Flesch Readability Score: 60.7).

Requires motor vehicle liability insurance policies to provide coverage for towing expenses related to a motor vehicle accident.

A BILL FOR AN ACT

1 Relating to vehicles; creating new provisions; and amending ORS 742.450.

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

3 **SECTION 1.** ORS 742.450 is amended to read:

4 742.450. (1) Every motor vehicle liability insurance policy issued for delivery in this state shall
5 state the name and address of the named insured, the coverage afforded by the policy, the premium
6 charged therefor, the policy period and the limits of liability.
7

8 (2) Every motor vehicle liability insurance policy issued for delivery in this state shall contain
9 an agreement or indorsement stating that, as respects bodily injury and death or property damage,
10 or both, the insurance provides either:

11 (a) The coverage described in ORS 806.070 and 806.080; or

12 (b) The coverage described in ORS 806.270.

13 (3) The agreement or indorsement required by subsection (2) of this section shall also state that
14 the insurance provided is subject to all the provisions of the Oregon Vehicle Code relating to fi-
15 nancial responsibility requirements as defined in ORS 801.280 or future responsibility filings as de-
16 fined in ORS 801.290, as appropriate.

17 (4) Every motor vehicle liability insurance policy issued for delivery in this state shall provide
18 liability coverage to at least the limits specified in ORS 806.070.

19 (5) Every motor vehicle liability insurance policy issued for delivery in this state shall provide
20 liability coverage, up to the limits of coverage under the policy for a vehicle owned by the named
21 insured, for the operation by the named insured of a motor vehicle provided to the named insured,
22 without regard to whether the named insured is charged for the use of the motor vehicle, if:

23 (a) The motor vehicle is provided to the named insured by a person engaged in the business of
24 repairing or servicing motor vehicles; and

25 (b) The motor vehicle is provided to the named insured as a temporary replacement vehicle
26 while the named insured's vehicle is being repaired or serviced.

27 (6) A motor vehicle liability insurance policy issued for delivery in this state may exclude by
28 name from coverage required by subsection (2)(a) of this section any person other than the named
29 insured, for any of the reasons stated in subsection (7) of this section. When an insurer excludes a
30 person as provided by this subsection, the insurer shall obtain a statement or indorsement, signed

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 by each of the named insureds, that the policy will not provide any coverage required by subsection
2 (2)(a) of this section when the motor vehicle is driven by any named excluded person.

3 (7) A person may be excluded from coverage under a motor vehicle liability insurance policy as
4 provided in subsection (6) of this section:

5 (a) Because of the driving record of the person. The Director of the Department of Consumer
6 and Business Services by rule may establish restrictions on the use of the driving record in addition
7 to other restrictions established by law.

8 (b) Because of any reason or set of criteria established by the director by rule.

9 (8) Every motor vehicle liability insurance policy issued for delivery in this state shall contain
10 a provision that provides liability coverage for each family member of the insured residing in the
11 same household as the insured in an amount equal to the amount of liability coverage purchased
12 by the insured.

13 **(9) Every motor vehicle liability insurance policy issued for delivery in this state shall**
14 **contain a provision that provides liability coverage for towing expenses related to a motor**
15 **vehicle accident.**

16 **SECTION 2. The amendments to ORS 742.450 by section 1 of this 2024 Act apply to con-**
17 **tracts issued, renewed or extended on or after the effective date of this 2024 Act.**

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