



Oregon

Theodore R. Kulongoski, Governor

Department of Transportation
DMV Services
1905 Lana Avenue NE
Salem, OR 97314

DATE: December 5, 2007

TO: Oregon Dept. of Consumer & Business Services, Insurance Division,
Stonington Insurance Co., State National Insurance Co., Westport Insurance Co.,
SUA Insurance Co., Berkshire Hathaway Insurance Co., Progressive Insurance Co.

FROM: Lori Bowman
Vehicle Programs, Interim Manager

SUBJECT: SB 116 Relating to Insurance for Towers of Motor Vehicles

The purpose of this letter is to inform you of the recent passage of Senate Bill 116 by the Oregon Legislature, and its impact on insurers of Oregon towers. **The law is effective January 1, 2008.**

Effective January 1, 2008, the new law:

- increases the amount of insurance coverage the tower must maintain for cargo transported by the person from \$15,000 to \$50,000;
- requires the tower to deliver a certificate of insurance to DMV; and
- requires insurance companies to notify DMV when insurance for towers has been cancelled.

Effective January 1, 2008, an Oregon tower must provide an original certificate of insurance to DMV at the time they apply for or renew their tow business certificate. The tower may no longer self-certify insurance coverage. They must deliver an original certificate of insurance, to be retained by the department, when obtaining or renewing a tow business certificate. This is in addition to the one required to be carried in the vehicle. The certificate of insurance must:

- be issued by an insurance company licensed to do business in Oregon;
- show that the person is insured by a policy that provides the minimum amount and limits of coverage required by ORS 825;
- include the policy number;
- include the expiration date; and
- include the vehicle identification number of the vehicle.

Additionally, amendments to ORS 822.205 require an insurance company to give the department written notice of cancellation of the policy and to continue to be liable under the policy until the department receives the written notice or until the cancellation date specified in the written notice, whichever is later. Written notice should be mailed to:

DMV Tower Insurance Cancellation Desk
1905 Lana Ave NE
Salem OR 97314

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The notice should include the tower's name and address, along with the cancellation date of the policy and the vehicle identification number of the vehicle.

If you have questions regarding these changes, you may contact DMV Vehicle Programs at 503-945-5243.