

Senate Bill 840

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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 makes changes to laws about vehicles, driver licenses, those who sell cars and those who take cars apart. (Flesch Readability Score: 68.0).

Modifies and adds laws related to regulating vehicle drivers, vehicles, vehicle dealers and dismantlers.

A BILL FOR AN ACT

1
2 Relating to transportation; creating new provisions; and amending ORS 801.522, 802.600, 803.092,
3 803.210, 803.530, 805.060, 806.010, 806.245, 807.065, 807.110, 807.115, 807.240, 807.520, 809.095,
4 809.400, 809.415, 809.417, 809.500, 819.012, 819.014, 819.030, 819.160, 819.215, 819.280, 822.015,
5 822.030, 822.035, 822.040, 822.043, 822.045, 822.050, 822.070, 822.093, 822.094, 822.133, 822.135,
6 822.137, 822.145 and 825.415.

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

PROVISIONAL DRIVER LICENSE TESTING

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9
10
11 **SECTION 1.** ORS 807.065 is amended to read:

12 807.065. (1) The Department of Transportation may not issue a driver license to a person who
13 is under 18 years of age unless the person:

14 (a) Complies with the requirements of ORS 807.040 and 807.066;

15 (b) Has had, for at least six months prior to application for the license, an instruction driver
16 permit issued under ORS 807.280 or the equivalent of an instruction driver permit issued by another
17 state of the United States or by the District of Columbia;

18 (c) Certifies to the department that the person has had at least 50 hours of driving experience
19 during which the person was supervised by a person at least 21 years of age who has had a valid
20 driver license for at least three years; and

21 (d) Completes a traffic safety education course that meets standards developed by the depart-
22 ment under ORS 336.802. In lieu of completion of a traffic safety education course, a person may
23 certify to the department that the person has had at least 50 hours of driving experience during
24 which the person was supervised by a person at least 21 years of age who has had a valid driver
25 license for at least three years, in addition to the 50 hours required by paragraph (c) of this sub-
26 section.

27 (2) A person under 18 years of age need not comply with the requirements of subsection (1)(b),
28 (c) and (d) of this section if the person has been issued a driver license by another state and sur-

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.

renders that license in order to get an Oregon license.

[(3) If the person takes but does not pass a test that consists of an actual demonstration of driving ability under ORS 807.070, the department may not allow the person to perform the demonstration again until the person has had an instruction permit issued pursuant to ORS 807.280 for a period of not less than one month.]

[(4)] (3) A driver license issued pursuant to this section shall be a provisional driver license.

[(5)] (4) The department shall prominently identify each driver license issued pursuant to this section as a provisional driver license.

SELF-SERVE KIOSKS

SECTION 2. ORS 802.600 is amended to read:

802.600. (1) The Department of Transportation may enter into an agreement with any qualified provider to transact on behalf of the department the following functions of the department:

(a) Any vehicle-related transaction for which the department is responsible.

(b) Processing of fees or taxes for a vehicle-related transaction for which the department is responsible.

(c) Any driver-related transaction for which the department is responsible.

(d) Processing of fees or taxes for a driver-related transaction for which the department is responsible.

[(c)] (e) Written and skills testing for driver licenses and permits, including commercial driver licenses.

(2) An agreement described in subsection (1) of this section may be in any form and may contain any provisions that the department determines to be in the best interests of the public and convenient for the department, including but not necessarily limited to provisions that allow the department to:

(a) Ensure product quality control.

(b) Audit activities of the qualified provider entering into the agreement to ensure compliance with the agreement.

(c) Impose sanctions on a qualified provider for violation of the agreement.

(3) A qualified provider authorized to transact business for the department under this section, including but not limited to a qualified provider who transacts business under contract with an integrator, may charge a fee for the services provided. Fees authorized under this subsection are in addition to any charges or fees that the department is authorized by statute to collect for the transaction.

(4)(a) The department may adopt such rules as are necessary to carry out the provisions of this section, including but not limited to rules that:

(A) Specify criteria for eligibility of a qualified provider to enter into an agreement with the department under this section.

(B) Specify the manner in which fees authorized by this section will be collected and establish any notification the qualified provider is required to give the public about the fees.

(C) Require a bond in an amount determined by the department from a qualified provider acting under an agreement described in this section.

(D) Prohibit disclosure of personal information from driver or vehicle records except in accordance with applicable laws.

1 (b) The department may not adopt rules establishing the amount of a fee to be charged by a
2 qualified provider acting under this section.

3 (c) Rules adopted under this subsection shall be developed in consultation with persons who
4 might enter into agreements with the department under this section, including but not limited to
5 integrators and vehicle dealers.

6 (5) As used in this section:

7 (a) "Integrator" means a person who enters into a contract with the Department of Transpor-
8 tation:

9 (A) To provide information and supplies to a qualified provider who transacts business for the
10 department under an agreement described in this section; and

11 (B) To collect moneys due from qualified providers who transact the business and remit the
12 moneys to the department.

13 (b) "Qualified provider" means:

14 (A) Community college operated under ORS chapter 341;

15 (B) Education service district; or

16 (C) Person who is not an employee of the department, including but not limited to an integrator.

17
18 **EXPANSION OF VALID WITHOUT PHOTO PROGRAM FOR**
19 **MILITARY FAMILIES**
20

21 **SECTION 3.** ORS 807.110 is amended to read:

22 807.110. (1) A driver license issued by the Department of Transportation shall contain all of the
23 following:

24 (a) The distinguishing number assigned to the person issued the driver license by the depart-
25 ment.

26 (b) For the purpose of identification, a brief description of the person to whom the driver license
27 is issued.

28 (c) The full legal name of the person to whom the driver license is issued, except that the de-
29 partment may limit the number of characters displayed on the driver license.

30 (d) The date of birth and sex of the person to whom the driver license is issued.

31 (e) Except as provided for corrections officers in ORS 802.253, eligible employees in ORS 802.250
32 or Address Confidentiality Program participants in ORS 192.846, the residence address of the person
33 to whom the driver license is issued.

34 (f) Upon request of the person to whom the driver license is issued, the fact that the person is
35 an anatomical donor.

36 (g) Upon request of the person to whom the driver license is issued and presentation of proof,
37 as determined by the department, the fact that the person is a veteran, as defined in ORS 408.225.

38 (h) Upon order of the juvenile court, the fact that the person to whom the driver license is is-
39 sued is an emancipated minor.

40 (i) Except as otherwise provided in subsection (2) of this section, a photograph described in this
41 paragraph. A photograph required under this paragraph shall:

42 (A) Be a full-faced, color photograph of the person to whom the driver license is issued;

43 (B) Be of a size approved by the department; and

44 (C) Be taken at the time of application for issuance of the driver license whether the application
45 is for an original driver license, replacement of a driver license under ORS 807.160 or renewal of a

1 driver license under ORS 807.150, except that the department, by rule, may allow the applicant to
 2 use a photograph already on file with the department.

3 (j) The class of driver license issued and any endorsements granted.

4 (k) The signature of the person to whom the driver license is issued.

5 (L) If the driver license is not a Real ID, a design differentiating it from a Real ID.

6 (m) Upon request of the person to whom the driver license is issued, the fact that the person is
 7 deaf or hard of hearing.

8 (2) The department may issue a valid driver license, other than a commercial driver license,
 9 without a photograph to an applicant:

10 (a) Who objects on religious grounds;

11 (b) Who objects because of the applicant’s facial disfigurement; or

12 (c) Who is stationed outside of this state while serving in the active military service in the
 13 Armed Forces of the United States or the National Guard **or who is the spouse or dependent of**
 14 **such an individual**, and the department does not have an acceptable photograph of the applicant,
 15 as determined by the department by rule. This paragraph applies to an applicant who is renewing
 16 or replacing a driver license.

17 (3) A limited term driver license or a limited term commercial driver license issued under ORS
 18 807.730 shall indicate:

19 (a) That it is a limited term driver license; and

20 (b) The date on which the limited term driver license expires.

21 (4) The department shall use security procedures, processes and materials in the preparation,
 22 manufacture and issuance of any driver license that prohibit as nearly as possible anyone’s ability
 23 to alter, counterfeit, duplicate or modify the driver license without ready detection. The security
 24 features used in the production of the driver licenses shall provide for:

25 (a) The authentication of a genuine document in a reasonable time; and

26 (b) The production of the driver license only by equipment that requires verification of the
 27 identity of the operator of the equipment before a driver license may be produced.

28
 29 **RETURN OF SUSPENDED, REVOKED OR CANCELED**
 30 **DRIVER LICENSES**

31
 32 **SECTION 4.** ORS 809.500 is amended to read:

33 809.500. (1) A person commits the offense of failure to return a suspended, revoked or canceled
 34 license if the person has driving privileges suspended, **revoked or canceled** and the person fails to
 35 immediately return to the Department of Transportation any license or driver permit issued by the
 36 department.

37 (2) If any person fails to return a license or driver permit on suspension, revocation or cancel-
 38 lation of the person’s driving privileges, the department may request any peace officer to secure
 39 possession thereof and return it to the department.

40 (3) The offense described in this section, failure to return a suspended, revoked or canceled li-
 41 cense, is a Class C misdemeanor.

42 **SECTION 5. The amendments to ORS 809.500 by section 4 of this 2025 Act apply to of-**
 43 **fenses committed on or after the effective date of this 2025 Act.**

44
 45 **FALSE SWEARING**

SECTION 6. ORS 807.520 is amended to read:

807.520. (1) A person commits the offense of false swearing to receive a driver license if the person:

(a) Makes any false affidavit or knowingly swears or affirms falsely to any matter required to be sworn to or affirmed in the process of applying for, receiving and holding a **driver** license or driver permit under the vehicle code;[.]

(b) **Makes any false affidavit or knowingly swears or affirms falsely to any matter required to be sworn or affirmed in the support of another person’s application for receiving and holding a driver license or driver permit under the vehicle code; or**

(c) **Takes any test related to the issuance of a driver license or driver permit on behalf of another applicant for a driver license or driver permit, or otherwise knowingly commits fraud in assisting another person in passing any test related to the issuance of a driver license or driver permit.**

(2) The offense described in this section, false swearing to receive a driver license, is a Class A misdemeanor.

SECTION 7. The amendments to ORS 807.520 by section 6 of this 2025 Act apply to offenses committed on or after the effective date of this 2025 Act.

HARDSHIP PERMITS

SECTION 8. ORS 807.240 is amended to read:

807.240. The Department of Transportation shall provide for issuance of hardship driver permits in a manner consistent with this section. A hardship driver permit grants the driving privileges provided in this section or under the permit. Except as otherwise provided in this section, a hardship driver permit is subject to the fees, provisions, conditions, prohibitions and penalties applicable to a license. The following apply to a hardship driver permit:

(1) The department may [*only*] issue a permit to a person:

(a) Whose driving privileges under the vehicle code have been suspended, or revoked under ORS 809.600 as a habitual offender; **or**

(b)(A) Who is eligible for reinstatement of driving privileges;

(B) Who is required to provide proof of treatment to the department under ORS 813.022; and

(C) Who is required by law to install and use an ignition interlock device on any vehicle the person operates.

(2) Except as provided in this section and ORS 813.520, the department may reinstate the privilege to operate a motor vehicle of any person whose license to operate a motor vehicle has been suspended, or revoked under ORS 809.600 as a habitual offender, by issuing the person a hardship permit.

(3) To qualify for a hardship permit, a person must do all of the following:

(a) The person must submit to the department an application for the permit that demonstrates the person’s need for the permit.

(b) The person must present satisfactory evidence, as determined by the department by rule:

(A) That the person must operate a motor vehicle as a requisite of the person’s occupation or employment;

(B) That the person must operate a motor vehicle to seek employment or to get to or from a

1 place of employment;

2 (C) That the person must operate a motor vehicle to get to or from an alcohol or drug treatment
3 or rehabilitation program;

4 (D) That the person or a member of the person's immediate family requires medical treatment
5 on a regular basis and that the person must operate a motor vehicle in order that the treatment
6 may be obtained;

7 (E) That the person must operate a motor vehicle to get to or from a gambling addiction treat-
8 ment program; or

9 (F) That the person must operate a motor vehicle to provide necessary services to the person
10 or to a member of the person's family. The department shall determine by rule what constitutes
11 necessary services for purposes of this subparagraph. The rule shall include as necessary services,
12 but need not be limited to, grocery shopping, driving the person or the person's children to school,
13 driving to medical appointments and caring for elderly family members.

14 (c) If the person is applying for a permit because the person or a member of the person's im-
15 mediate family requires medical treatment on a regular basis, the person must present, in addition
16 to any evidence required by the department under paragraph (b) of this subsection, a statement
17 signed by a licensed physician or licensed nurse practitioner that indicates that the person or a
18 member of the person's immediate family requires medical treatment on a regular basis.

19 (d) The person must show that the person is not incompetent to drive nor a habitual incompe-
20 tent, reckless or criminally negligent driver as established by the person's driving record in this or
21 any other jurisdiction.

22 (e) The person must make a future responsibility filing.

23 (f) The person must submit any other information the department may require for purposes of
24 determining whether the person qualifies under this section and ORS 813.520.

25 (4) If the department finds that the person meets the requirements of this section and any ap-
26 plicable requirements under ORS 813.520, the department may issue the person a hardship permit,
27 valid for the duration of the suspension or revocation or for a shorter period of time established by
28 the department unless sooner suspended or revoked under this section. If the department issues the
29 permit for a period shorter than the suspension or revocation period, renewal of the permit shall
30 be on such terms and conditions as the department may require. The permit:

31 (a) Shall limit the holder to operation of a motor vehicle only during specified times.

32 (b) May bear other reasonable limitations relating to the hardship permit or the operation of a
33 motor vehicle that the department deems proper or necessary. The limitations may include any
34 limitation, condition or requirement. Violation of a limitation is punishable as provided by ORS
35 811.175 or 811.182.

36 (5) The department, upon receiving satisfactory evidence of any violation of the limitations of
37 a permit issued under this section, may suspend or revoke the hardship permit.

38 (6) The fee charged for application or issuance of a hardship driver permit is the hardship driver
39 permit application fee under ORS 807.370. The department may not refund the fee if the application
40 is denied or if the driver permit is suspended or revoked. The fee upon renewal of the driver permit
41 is the same fee as that charged for renewal of a license. The application fee charged under this
42 subsection is in addition to any fee charged for reinstatement of driving privileges under ORS
43 807.370.

44 (7) The department may issue a permit granting the same driving privileges as those suspended
45 or revoked or may issue a permit granting fewer driving privileges, as the department determines

1 necessary to assure safe operation of motor vehicles by the permit holder.

2 (8) The department may not issue a hardship permit to a person:

3 (a) Whose driver license or driver permit is suspended pursuant to ORS 25.750 to 25.783;

4 (b) Whose driving privileges are suspended pursuant to ORS 809.280 (2);

5 (c) That authorizes the person to operate a commercial motor vehicle;

6 (d) Whose suspension of driving privileges is based on a second or subsequent conviction of
7 driving while under the influence of intoxicants in violation of ORS 813.010 or the statutory
8 counterpart to ORS 813.010 in another jurisdiction and the suspension period is determined by ORS
9 809.428 (2)(b) or (c);

10 (e) Whose driving privileges are suspended for a conviction of assault in the second, third or
11 fourth degree if the person, within 10 years preceding application for the permit, has been convicted
12 of:

13 (A) Any degree of murder, manslaughter, criminally negligent homicide or assault resulting from
14 the operation of a motor vehicle;

15 (B) Reckless driving, as defined in ORS 811.140;

16 (C) Driving while under the influence of intoxicants, as defined in ORS 813.010;

17 (D) Failure to perform the duties of a driver involved in a collision, as described in ORS 811.700
18 or 811.705;

19 (E) Criminal driving while suspended or revoked, as defined in ORS 811.182;

20 (F) Fleeing or attempting to elude a police officer, as defined in ORS 811.540;

21 (G) Aggravated vehicular homicide, as defined in ORS 163.149; or

22 (H) Aggravated driving while suspended or revoked, as defined in ORS 163.196; or

23 (f) Whose driving privileges are suspended for a conviction of assault in the second, third or
24 fourth degree:

25 (A) For a period of four years from the date the department suspends driving privileges if the
26 person's driving privileges are suspended for conviction of assault in the second degree and the
27 person was not incarcerated for that conviction.

28 (B) For a period of four years from the date the person is released from incarceration for the
29 conviction if the person's driving privileges are suspended for conviction of assault in the second
30 degree and the person was incarcerated for that conviction.

31 (C) For a period of two years from the date the department suspends driving privileges if the
32 person's driving privileges are suspended for conviction of assault in the third degree and the person
33 was not incarcerated for that conviction.

34 (D) For a period of two years from the date the person is released from incarceration for the
35 conviction if the person's driving privileges are suspended for conviction of assault in the third de-
36 gree and the person was incarcerated for that conviction.

37 (E) For a period of six months from the date the department suspends driving privileges if the
38 person's driving privileges are suspended for conviction of assault in the fourth degree and the
39 person is not incarcerated for that conviction.

40 (F) For a period of six months from the date the person is released from incarceration for the
41 conviction if the person's driving privileges are suspended for conviction of assault in the fourth
42 degree and the person was incarcerated for that conviction.

43 (9) A conviction arising out of the same episode as the current suspension is not considered a
44 conviction for purposes of subsection (8)(e) of this section.

45 (10) A person's driving privileges under a hardship permit are subject to suspension or revoca-

tion if the person does not maintain a good driving record, as defined by the administrative rules of the department, during the term of the permit.

PHOTO SHARING WITH OTHER STATES

SECTION 9. ORS 807.115, as amended by section 4, chapter 63, Oregon Laws 2024, is amended to read:

807.115. (1) The Department of Transportation shall retain a digital image of each photograph and signature shown on a driver license under the provisions of ORS 807.110 or an identification card under ORS 807.400.

(2) The digital images of photographs may not be made available to anyone other than law enforcement officials, [and] employees of the department acting in an official capacity **or a driver licensing agency of another jurisdiction.**

(3) As used in this section, “law enforcement official” includes a humane special agent as defined in ORS 181A.345.

SCHOOL TRANSPORTATION

SECTION 10. ORS 825.415 is amended to read:

825.415. (1) As used in this section, “school transportation provider” means a school district or a school district contractor that uses school buses or school activity vehicles for:

(a) The transportation of students or school personnel to or from school or school-related activities; or

(b) Public transportation purposes as provided in ORS 332.427.

(2) Every school transportation provider shall:

(a) Have an in-house drug and alcohol testing program that meets the federal requirements of 49 C.F.R. part 382; or

(b) Be a member of a consortium, as defined in 49 C.F.R. 382.107, that provides testing that meets the federal requirements.

(3) Each calendar year, a school transportation provider shall certify to the Department of Education that the provider is in compliance with subsection (2) of this section and, if the provider belongs to a consortium, shall provide the Department **of Education** with the names of persons who operate the consortium.

(4) When a medical review officer of a school transportation provider’s testing program or of the consortium the provider belongs to determines that a positive test result is valid, the officer shall report the finding to the Department **of Education.**

COMMERCIAL DRIVER LICENSES

SECTION 11. Section 12 of this 2025 Act is added to and made a part of the Oregon Vehicle Code.

SECTION 12. (1) The Department of Transportation may adopt rules necessary to administer regulations promulgated by the Federal Motor Carrier Safety Administration related to regulating commercial driving privileges.

(2) If a person is not in compliance with the rules established under this section, the

1 **department may deny the issuance or renewal of commercial driving privileges and may**
 2 **cancel, suspend or revoke commercial driving privileges.**

3 **(3) A person is entitled to an administrative review under ORS 809.440 when the depart-**
 4 **ment does not issue or renew commercial driving privileges under this section or cancels,**
 5 **suspends or revokes commercial driving privileges under this section.**

6 **SECTION 13. Section 12 of this 2025 Act applies to federal regulations adopted on or after**
 7 **the effective date of this 2025 Act.**

8 **SECTION 14. ORS 809.400 is amended to read:**

9 809.400. (1)(a) Except as otherwise provided in paragraph (b) of this subsection, the Department
 10 of Transportation may suspend or revoke the driving privileges of any resident of this state upon
 11 receiving notice of the conviction of such person in another jurisdiction of an offense therein that,
 12 if committed in this state, would be grounds for the suspension or revocation of the driving privi-
 13 leges of the person. A suspension or revocation under this subsection shall be initiated within 30
 14 days of receipt of notice of the conviction. Violation of a suspension or revocation imposed under
 15 this subsection shall have the same legal effects and consequences as it would if the offense com-
 16 mitted in the other jurisdiction had been committed in this jurisdiction.

17 (b) The department may not suspend or revoke **noncommercial** driving privileges under this
 18 subsection unless notice of conviction is received within 180 days of the date of the conviction.

19 (2) The department may suspend or revoke the driving privileges of any resident of this state
 20 upon receiving notice from another state, territory, federal possession or district or province of
 21 Canada that the person’s driving privileges in that jurisdiction have been suspended or revoked.
 22 Violation of the suspension or revocation shall have the same legal effects and consequences as it
 23 would if the suspension or revocation had been imposed initially in this state upon the same
 24 grounds. The suspension or revocation under this subsection shall continue until the person sus-
 25 pended or revoked furnishes evidence of any of the following:

26 (a) Compliance with the law of the other jurisdiction or the restoration of driving privileges in
 27 that jurisdiction.

28 (b) That the revocation or suspension in the other jurisdiction was not under circumstances that
 29 would require the department to suspend or revoke the driving privileges of the person under the
 30 laws of this state.

31 (3) A person is entitled to administrative review of a suspension under this section.

32 **SECTION 15. ORS 801.522 is amended to read:**

33 801.522. (1) “Tank vehicle” means a commercial motor vehicle that is designed to transport any
 34 liquid or gaseous material within a tank or tanks having an individual rate capacity of more than
 35 119 gallons and an aggregate rate capacity of 1,000 gallons or more that is either permanently or
 36 temporarily attached to the vehicle or the chassis.

37 (2) “Tank vehicle” does not include a commercial motor vehicle transporting an empty storage
 38 container tank **that is not designed for transportation** that has a rated capacity of 1,000 gallons
 39 or more and that is temporarily attached to a flatbed trailer.

40
 41 **PARK MODEL RV VIN INSPECTIONS**

42
 43 **SECTION 16. ORS 803.210 is amended to read:**

44 803.210. (1) The Department of Transportation shall not issue title for a vehicle described in
 45 subsection (2) of this section unless:

1 (a) An inspection of the vehicle identification number or numbers of the vehicle is performed in
2 accordance with ORS 803.212; and

3 (b) The fee established under ORS 803.215 is paid to the department for the inspection.

4 (2) Except as provided in subsection (3) of this section, the requirements of this section apply
5 to all of the following:

6 (a) A vehicle from another jurisdiction.

7 (b) Any assembled or reconstructed vehicle.

8 (c) Any vehicle if the certificate of title has been or is required to be submitted to the depart-
9 ment, or a person is required to report to the department, under ORS 819.010, 819.012, 819.014 or
10 819.030.

11 (d) Any vehicle if the department has received notice that the vehicle has been or will be
12 wrecked, dismantled[,] **or** disassembled [*or substantially altered*] under ORS 819.010 or 822.135.

13 (e) Replicas.

14 (f) Other than a racing activity vehicle as defined in ORS 801.404, any vehicle the department
15 has reason to believe was not certified by the original manufacturer as conforming to federal vehicle
16 standards.

17 (3) The requirements of this section do not apply to the following vehicles if the person shown
18 as the owner on an out-of-state title for the vehicle applies for an Oregon title in that person's name:

19 (a) A rental truck, rental truck tractor or rental trailer that is registered in Oregon under an
20 interstate agreement that provides that a portion of the owner's fleet is to be registered in each
21 state in which the fleet operates.

22 (b) A trailer or semitrailer that has permanent registration.

23 (4) The requirement to inspect a vehicle identification number or numbers of the vehicle under
24 subsection (1) of this section does not apply to park model [*recreation*] **recreational** vehicles, as
25 defined in ORS 803.036, **or former park model recreational vehicles.**

26
27 **VEHICLE APPRAISALS**

28
29 **SECTION 17.** ORS 819.160 is amended to read:

30 819.160. (1) Except as otherwise provided by this section, a person shall have a lien on the ve-
31 hicle and its contents if the person, at the request of an authority described under ORS 819.140, tows
32 any of the following vehicles:

33 (a) An abandoned vehicle appraised at a value of more than [*\$500*] **\$1,000** by a person who holds
34 a certificate issued under ORS 819.480.

35 (b) A vehicle taken into custody under ORS 819.110 or 819.120, unless it is an abandoned vehicle
36 appraised at a value of [*\$500*] **\$1,000** or less by a person who holds a certificate issued under ORS
37 819.480.

38 (c) A vehicle left parked or standing in violation of ORS 811.555 or 811.570.

39 (2) A lien established under this section shall be on the vehicle and its contents for the just and
40 reasonable charges for the towing service performed and any storage provided. However, the storage
41 charge is limited subject to ORS 98.812 (3). A lien described under this section does not attach:

42 (a) To the contents of any vehicle taken from public property until 15 days after taking the ve-
43 hicle into custody.

44 (b) To the contents of any vehicle that is taken into custody for violation of ORS 811.555 or
45 811.570.

1 (3) A person that tows any vehicle at the request of an authority under ORS 819.110 or 819.120
 2 shall transmit by first class mail with a certificate of mailing, no later than the third business day
 3 after the vehicle and its contents are placed in storage, written notice, approved by the authority,
 4 containing information on the procedures necessary to obtain a hearing under ORS 819.190. The
 5 notice shall be provided to the owner, a person entitled to possession or any person with an interest
 6 recorded on the title to the vehicle. This subsection does not apply to a person that tows an aban-
 7 doned vehicle that is appraised at a value of [\$500] **\$1,000** or less by a person who holds a certificate
 8 issued under ORS 819.480.

9 **SECTION 18.** ORS 819.215 is amended to read:

10 819.215. (1) If an abandoned vehicle is appraised at a value of [\$500] **\$1,000** or less by a person
 11 who holds a certificate issued under ORS 819.480, the person that towed the vehicle shall:

12 (a) Notify the registered owner and secured parties as provided in subsection (3) of this section;

13 (b) Photograph the vehicle;

14 (c) Notify the Department of Transportation that the vehicle will be disposed of; and

15 (d) Unless the vehicle is claimed by a person entitled to possession of it within 15 days of the
 16 date of notice under subsection (3) of this section, dispose of the vehicle and its contents to a person
 17 who holds a valid dismantler certificate issued under ORS 822.110.

18 (2) The authority that requests towing of an abandoned vehicle shall provide to the person that
 19 tows the vehicle, at the time of the tow or as soon as possible thereafter, a written statement that
 20 contains the name and address of the registered owner of the vehicle, as shown by records of the
 21 department, and the names and addresses of any persons claiming interests in the vehicle, as shown
 22 by records of the department.

23 (3) Within 48 hours after the written statement is provided under subsection (2) of this section
 24 to a person that tows a vehicle, the person must give written notice to the persons whose names
 25 are furnished in the statement. The 48-hour period does not include Saturdays, Sundays or holidays.
 26 The notice shall state that a person that is entitled to possession of the vehicle has 15 days from
 27 the date the notice was mailed to claim the vehicle and that if the vehicle is not claimed, it will be
 28 disposed of as provided in this section.

29 (4) If the authority that requests towing of an abandoned vehicle does not provide to the person
 30 that tows the vehicle the written statement within 48 hours after the vehicle is towed, the person
 31 may dispose of the vehicle as provided in ORS 819.210.

32 (5) Disposal of a vehicle to a dismantler as provided in this section extinguishes all prior own-
 33 ership and possessory rights.

34 (6) The department shall adopt rules specifying the form in which notification to the department
 35 required by subsection (1) of this section shall be submitted and what information shall be conveyed
 36 to the department. The person that tows the vehicle may submit to the dismantler a copy of any
 37 notification submitted to the department under this section instead of submitting to the dismantler
 38 ownership or other title documents for the vehicle.

39 **SECTION 19.** ORS 819.280 is amended to read:

40 819.280. (1) A person may make a request to an authority described in ORS 819.140 (1)(b) or (c)
 41 to dispose of a vehicle that is on the private property of the person and that is appraised at a value
 42 of [\$500] **\$1,000** or less, as determined by a holder of a certificate issued under ORS 819.480, if the
 43 person is in lawful possession of the vehicle. For the purposes of this subsection, a person need not
 44 have the certificate of title to be in lawful possession of the vehicle.

45 (2) If the authority requested to dispose of a vehicle under subsection (1) of this section chooses

1 to dispose of the vehicle, the authority shall do all of the following:

2 (a) Photograph the vehicle.

3 (b) Verify that the person is in lawful possession of the vehicle.

4 (c) Provide notification to the person requesting the disposal and the Department of Transportation of all of the following:

5 (A) The name and address of the person requesting the disposal;

6 (B) The vehicle identification number;

7 (C) The appraised value of the vehicle;

8 (D) The appraiser's certificate number and signature; and

9 (E) The name and address of the authority disposing of the vehicle.

10 (d) Dispose of the vehicle and its contents to a person who holds a valid dismantler certificate issued under ORS 822.110.

11 (3) The authority disposing of the vehicle may charge the person requesting the disposal a fee to dispose of the vehicle.

12 (4) Disposal of a vehicle to a dismantler as provided in this section extinguishes all prior ownership and possessory rights.

13 (5) The department shall adopt rules specifying the form in which notification required by subsection (2) of this section shall be submitted and what additional information shall be conveyed to the department.

14 (6) In lieu of submitting ownership or other title documents for the vehicle, the authority disposing of the vehicle may submit to the dismantler a copy of the notification provided to the department under subsection (2) of this section.

23
24 **VEHICLE DEALERS**

25
26 **SECTION 20.** ORS 822.043 is amended to read:

27 822.043. (1) As used in this section:

28 (a) "Integrator" has the meaning given that term in ORS 802.600.

29 (b) "Vehicle dealer" means a person issued a vehicle dealer certificate under ORS 822.020.

30 (2) A vehicle dealer that the Department of Transportation has designated to act as an agent of the department under ORS 802.031 may elect to prepare, submit, or prepare and submit documents necessary to:

31 (a) Issue or transfer a certificate of title for a vehicle;

32 (b) Register a vehicle or transfer registration of a vehicle;

33 (c) Issue a registration plate;

34 (d) Verify and clear a title;

35 (e) Perfect, release or satisfy a lien or other security interest;

36 (f) Comply with federal security requirements; or

37 (g) Render any other services for the purpose of complying with state and federal laws related to the sale of a vehicle.

38 (3) A vehicle dealer who prepares any documents described in subsection (2) of this section:

39 (a) May charge a purchaser of a vehicle a document processing fee for the preparation of those documents.

40 (b) May not charge a purchaser of a vehicle a document processing fee for the submission of any document or the issuance of a registration plate.

1 (c) May charge a purchaser of a vehicle a document processing fee for performing any of the
 2 services described in subsection (2) of this section in connection with preparing the documents de-
 3 scribed in subsection (2) of this section.

4 **(d) Shall conduct a vehicle title search using the National Motor Vehicle Title Informa-**
 5 **tion System before finalizing a sales transaction.**

6 (4) A purchaser of a vehicle may negotiate the amount of the document processing fee with a
 7 vehicle dealer, but in no case shall the document processing fee charged by a vehicle dealer under
 8 this section exceed:

9 (a) \$250, if the vehicle dealer uses an integrator; or

10 (b) \$200, if the vehicle dealer does not use an integrator.

11 (5) If a vehicle dealer charges a document processing fee under subsection (4)(a) of this section,
 12 of the amount collected \$35 shall be paid to the integrator.

13 (6) Unless otherwise provided by rule, if a vehicle dealer uses an integrator and charges a doc-
 14 ument processing fee greater than that charged for not using an integrator, the dealer must inform
 15 the purchaser of the vehicle of the option of using an integrator to prepare the documents. The
 16 purchaser may then elect whether or not to have the vehicle dealer use an integrator to prepare the
 17 documents.

18 (7) If the purchaser of a vehicle pays a document processing fee, the vehicle dealer shall prepare
 19 and submit all documents to complete the transaction as permitted by law.

20 (8)(a) A vehicle dealer who collects the privilege tax imposed under ORS 320.405 from the pur-
 21 chaser of a taxable motor vehicle may collect the privilege tax at the same time and in the same
 22 manner as the vehicle dealer collects document processing fees under this section. The amount of
 23 the privilege tax shall be in addition to and not in lieu of document processing fees collected under
 24 this section.

25 (b) A vehicle dealer may exclude the amount of the privilege tax from the capitalized cost and
 26 offering price of a taxable motor vehicle as those terms are defined by the Department of Justice
 27 by rule.

28 **SECTION 21.** ORS 822.045 is amended to read:

29 822.045. (1) A vehicle dealer improperly conducts a vehicle dealer business and is subject to the
 30 penalties under this section if the vehicle dealer commits any of the following offenses:

31 (a) A vehicle dealer commits the offense of failure to obtain a supplemental vehicle dealer cer-
 32 tificate if the vehicle dealer opens any additional place of business using the same business name
 33 as a place of business approved under a vehicle dealer certificate without first obtaining a suppl-
 34 emental dealer certificate under ORS 822.040.

35 (b) A vehicle dealer commits the offense of failure to obtain a corrected vehicle dealer certif-
 36 icate if the dealer moves a place of business or changes the business name without first obtaining
 37 a corrected dealer certificate under ORS 822.040.

38 (c) A vehicle dealer commits the offense of failure to maintain proper vehicle dealer records if
 39 the dealer does not keep records or books, whether maintained in paper or electronic form, with all
 40 of the following information concerning any used or secondhand vehicles or campers the dealer
 41 deals with:

42 (A) A record of the purchase, sale or exchange or of the dealer's receipt for purpose of sale.

43 (B) A description of the vehicle or camper.

44 (C) The name and address of the seller, the purchaser and the alleged owner or other person
 45 from whom the vehicle or camper was purchased or received or to whom it was sold or delivered.

1 (D) For motor vehicles, the vehicle identification number and any other numbers or identifica-
2 tion marks as may be thereon and a statement that a number has been obliterated, defaced or
3 changed, if such is a fact.

4 (E) For trailers and campers, the vehicle identification number and any other numbers or iden-
5 tification marks as may be thereon.

6 (F) A duly assigned certificate of title or other primary ownership record or a bill of sale from
7 the registered owner of the vehicle or camper from the time of delivery to the dealer until the dealer
8 disposes of the vehicle or camper. If title is issued for the vehicle in a form other than a certificate,
9 or if the primary ownership record is in a form other than a document, a dealer shall keep records
10 in accordance with rules adopted by the Department of Transportation for the purpose of complying
11 with this subparagraph.

12 **(G) A copy of a National Motor Vehicle Title Information System vehicle title report ob-**
13 **tained by the vehicle dealer through a National Motor Vehicle Title Information System data**
14 **provider.**

15 (d) A vehicle dealer commits the offense of failure to allow administrative inspection if the
16 dealer refuses to allow the department to conduct an inspection under ORS 822.035 at any time
17 during normal business hours.

18 (e) A vehicle dealer commits the offense of failure to allow police inspection if the dealer refuses
19 to allow any police officer to conduct an inspection under ORS 810.480 at any time during normal
20 business hours.

21 (f) A vehicle dealer commits the offense of illegal use of dealer vehicle for hire if the dealer
22 allows any vehicle operated under vehicle dealer registration to be loaned or rented with or without
23 driver for hire or direct compensation.

24 (g) A vehicle dealer commits the offense of improper use of dealer plates or devices if the dealer
25 or employee of the dealer causes or permits the display or use of any special vehicle dealer regis-
26 tration plate or device on any vehicle not owned or controlled by the dealer.

27 (h) A person commits the offense of improper display of dealer plates if the person operates over
28 and along the highways of this state any unregistered vehicle owned or controlled by the dealer and
29 any dealer plates issued are not displayed in the manner provided in ORS 803.540 for the display
30 of registration plates.

31 (i) A vehicle dealer commits the offense of failure to exhibit the dealer certificate if the dealer
32 fails to permanently exhibit the certificate at the place of business of the person at all times while
33 the certificate is in force.

34 (j) Except as provided in subsection (2) of this section, a vehicle dealer commits the offense of
35 failure to provide clear title if:

36 (A) Within 15 days of transfer of any interest in a vehicle or camper to the dealer by a con-
37 sumer, the dealer fails to satisfy:

38 (i) The interest of any person from whom the dealer purchased or obtained the vehicle or
39 camper;

40 (ii) The interest of any person from whom the person described in sub-subparagraph (i) of this
41 subparagraph leased the vehicle or camper; and

42 (iii) All security interests in the vehicle or camper entered into prior to the time of transfer.

43 (B) Within 15 days of receiving clear title to a vehicle or camper from another dealer, the pur-
44 chasing dealer fails to satisfy the interest of the dealer from which the purchasing dealer received
45 the certificate of title or other primary ownership document. For purposes of this subparagraph, a

1 purchasing dealer receives a certificate of title or other primary ownership document from a dealer
2 on the date:

3 (i) The purchasing dealer or the Department of Transportation takes physical possession of the
4 certificate or document; or

5 (ii) A written notice is mailed by certified or registered mail, return receipt requested, to the
6 purchasing dealer from the dealer, stating that the certificate or document is available to be picked
7 up at a place and time prearranged by both parties. The written notice must be mailed to a business
8 address of the purchasing dealer that is on file with the department. Service by mail under this
9 sub-subparagraph is effective on the date of mailing.

10 (k) Except as provided in subsection (3) of this section, a vehicle dealer commits the offense of
11 failure to furnish certificate of title or application for title if, within 90 calendar days of transfer
12 of any interest in a vehicle or camper by the dealer, the dealer has failed to:

13 (A) Furnish the certificate of title or other primary ownership record for the vehicle or camper
14 and any release thereon or, if title has been issued or is to be issued in a form other than a certif-
15 icate, any information or documents required by rule of the department, to the security interest
16 holder next named, if any, otherwise to the lessor or, if none, to the purchaser; or

17 (B) Submit to the department in a manner that complies with any applicable statutes and rules,
18 an application for title on behalf of the person to whom the title is to be furnished or whose name
19 is to be shown on the title record.

20 (L) A vehicle dealer commits the offense of failure to maintain bond or letter of credit coverage
21 if the dealer permits a bond or letter of credit to lapse during the period that the bond or letter of
22 credit is required under ORS 822.020 or if the dealer fails to purchase a bond or letter of credit
23 required by ORS 822.030.

24 (m) A person commits the offense of acting as a vehicle dealer while under revocation, cancel-
25 lation or suspension if the person conducts business as a vehicle dealer in this state and the person's
26 vehicle dealer certificate is revoked, canceled or suspended, regardless of whether the person is li-
27 censed as a vehicle dealer in another jurisdiction. This paragraph does not apply if the person has
28 other current, valid dealer certificates issued in this state.

29 (n) A vehicle dealer commits the offense of improper display of a vehicle for advertising pur-
30 poses if the dealer displays a vehicle at a location other than the dealer's place of business for the
31 purpose of advertising and the dealer does not comply with the provisions of ORS 822.040 (4).

32 (2) A dealer is not considered to have committed the offense described in subsection (1)(j)(A) of
33 this section if the dealer fails to satisfy an interest in a vehicle or camper that arises from an in-
34 ventory financing security interest for which the dealer is the debtor.

35 (3) A dealer is not considered to have committed the offense described in subsection (1)(k) of this
36 section if the dealer demonstrates that:

37 (a) The dealer has made a good faith effort to comply; and

38 (b) The dealer's inability to provide title is due to circumstances beyond the dealer's control.

39 (4) The offenses described in this section are subject to the following penalties:

40 (a) The offense described in this section, failure to obtain a supplemental vehicle dealer certif-
41 icate, is a Class A misdemeanor.

42 (b) The offense described in this section, failure to obtain a corrected vehicle dealer certificate,
43 is a Class A misdemeanor.

44 (c) The offense described in this section, failure to maintain proper vehicle dealer records, is a
45 Class A misdemeanor.

1 (d) The offense described in this section, failure to allow administrative inspection, is a Class
2 A misdemeanor.

3 (e) The offense described in this section, failure to allow police inspection, is a Class A
4 misdemeanor.

5 (f) The offense described in this section, illegal use of dealer vehicle for hire, is a Class B traffic
6 violation.

7 (g) The offense described in this section, improper use of dealer plates or devices, is a Class D
8 traffic violation.

9 (h) The offense described in this section, improper display of dealer plates, is a Class B traffic
10 violation.

11 (i) The offense described in this section, failure to exhibit the dealer certificate, is a Class A
12 misdemeanor.

13 (j) The offense described in this section, failure to provide clear title, is a Class A misdemeanor.

14 (k) The offense described in this section, failure to furnish certificate of title or application for
15 title, is a Class A misdemeanor.

16 (L) The offense described in this section, failure to maintain bond or letter of credit coverage,
17 is a Class A misdemeanor.

18 (m) The offense described in this section, acting as a vehicle dealer while under revocation,
19 cancellation or suspension, is a Class A misdemeanor.

20 (n) The offense described in this section, improper display of a vehicle for advertising purposes,
21 is a Class A misdemeanor.

22 **SECTION 22.** ORS 822.040 is amended to read:

23 822.040. (1) The holder of a current, valid vehicle dealer certificate issued under ORS 822.020
24 may exercise the following privileges under the certificate:

25 (a) Subject to ORS 822.045, a dealer is authorized, without violating ORS 803.025 or 803.300, to
26 use and operate over and along the highways of this state vehicles displaying the dealer's plates
27 whether registered or not or whether or not a title is issued for the vehicle if the vehicle:

28 (A) Is owned or controlled by the dealer;

29 (B) Is used by the dealer, members of the dealer's firm, any salesperson thereof or any person
30 authorized by the dealer;

31 (C) Indicates it is offered for sale; and

32 (D) When offered for sale, is available for display during the vehicle dealer's normal business
33 hours.

34 (b) A dealer is entitled to receive dealer plates or devices and replacement or additional dealer
35 plates or devices. As many additional dealer plates as may be desired may be obtained upon the
36 filing of a formal application for additional plates with the Department of Transportation. The plates
37 issued to dealers shall require the payment of fees as provided under ORS 805.250.

38 (c) The person is not subject to the prohibitions and penalties under ORS 822.005 as long as the
39 holder's vehicle dealer business is conducted in a location approved under the certificate.

40 (d) The dealer shall be considered the owner of vehicles manufactured or dealt in by the dealer,
41 before delivery and sale of the vehicles, and of all vehicles in the dealer's possession and operated
42 or driven by the dealer or the dealer's employees.

43 (e) Notwithstanding ORS 825.474, in lieu of paying the weight-mile tax imposed under ORS
44 825.474, the dealer may pay the fuel taxes imposed under ORS 319.020 and 319.530, when the vehicle:

45 (A) Displays the dealer's plates;

1 (B) Is actually owned or controlled by the dealer and in actual use by the dealer, members of
2 the dealer's firm, any salesperson of the dealer or any person authorized by the dealer;

3 (C) Is operated on the highway for the purpose of test driving the vehicle; and

4 (D) Is unloaded.

5 **(f) The dealer may perform all activities of a dealer under ORS 822.005 without first ob-**
6 **taining a supplemental certificate if the activities are conducted entirely online or through**
7 **other electronic means.**

8 (2) The holder of a vehicle dealer certificate may open additional places of business under the
9 same business name by obtaining a supplemental certificate from the department under this sub-
10 section. The following all apply to a supplemental certificate issued under this subsection:

11 (a) The department may not issue a supplemental certificate under this subsection if the addi-
12 tional place of business opened will be operated under a different business name than that indicated
13 on the current certificate. Any business that a vehicle dealer operates under a separate business
14 name must be operated under a separate certificate and the dealer must apply for and pay the fees
15 for a regular dealer certificate for the business.

16 (b) A supplemental certificate issued under this subsection is subject to the fee for supplemental
17 certificate under ORS 822.700.

18 **(c) A supplemental certificate is not required for the holder to deliver a vehicle sold by**
19 **the holder to a purchaser at a location other than the location approved under the certif-**
20 **icate.**

21 (3) The holder of a vehicle dealer certificate may move a place of business or change a business
22 name by obtaining a corrected certificate from the department. For purposes of this subsection,
23 "place of business" includes a recreational vehicle service facility as defined in ORS 822.082. The
24 following apply to a corrected certificate issued under this subsection:

25 (a) The department shall prescribe the form for application for a corrected certificate.

26 (b) A person applying for a corrected certificate shall pay the fee for the corrected certificate
27 established in ORS 822.700.

28 (4) The department may establish by rule the requirements a holder of a vehicle dealer certif-
29 icate must meet to display a vehicle at a location other than the dealer's place of business for the
30 purpose of advertising without first obtaining a supplemental certificate from the department. In
31 addition to any requirements established by the department by rule, all of the following apply:

32 (a) The dealer must have a signed agreement with the owner of the property or the person using
33 the property where the vehicle is to be displayed stating that the vehicle is for an advertising pro-
34 motion only and that the processing of any documents or other activities required to purchase a
35 vehicle must be done at the dealer's place of business.

36 (b) The vehicle on display must be clearly marked with the dealer's name and contact informa-
37 tion and a notice that the vehicle is displayed only for the purpose of advertising and may be pur-
38 chased only at the dealer's place of business.

39 (c) Displaying the vehicle must not violate any zoning laws or ordinances.

40 (d) The dealer or the dealer's employees may not remain with the vehicle except for the purpose
41 of moving the vehicle in or out of the display area.

42 **SECTION 23.** ORS 822.050 is amended to read:

43 822.050. (1) The Department of Transportation may **revoke or suspend the right of a person**
44 **to renew a vehicle dealer certificate or apply for a vehicle dealer certificate for a different**
45 **vehicle dealer business or in a different business name, and may revoke, suspend or place on**

1 probation a vehicle dealer **certificate** if the department determines at any time for due cause that
 2 the dealer has done any of the following:

3 (a) Violated any grounds for revocation, suspension or probation adopted by the department by
 4 rule under ORS 822.035.

5 (b) Failed to comply with the requirements of the vehicle code with reference to notices or re-
 6 ports of the transfer of vehicles or campers.

7 (c) Caused or suffered or is permitting the unlawful use of any certificate or registration plates.

8 (d) Violated or caused or permitted to be violated ORS 815.410, 815.415, 815.425 or 815.430.

9 (e) Falsely certified under ORS 822.033 that the dealer is exempt from the requirement under
 10 ORS 822.020 to file a certificate of insurance.

11 (f) Continued to fail to provide clear title or repeatedly failed to provide clear title in violation
 12 of ORS 822.045.

13 (g) Knowingly certified false information required by the department on an application for a
 14 vehicle dealer certificate, supplemental certificate or corrected certificate.

15 (h) Failed to pay a civil penalty assessed under ORS 822.009 and the amount of penalty was not
 16 paid within 10 days after the order becomes final.

17 (i) Displayed dealer plates on vehicles unless the vehicle was offered for sale.

18 (2) The department shall cancel a vehicle dealer certificate 45 days after receipt of legal notice
 19 that the bond described under ORS 822.030 is canceled, unless the department receives proof from
 20 the vehicle dealer that the dealer has obtained another bond. Between the day that the department
 21 receives notice that the bond is canceled and the day the vehicle dealer presents proof of another
 22 bond, the vehicle dealer may not act as a vehicle dealer.

23 (3) The department shall cancel a vehicle dealer certificate 45 days after receipt of notice that
 24 the certificate of insurance required under ORS 822.033 is canceled, unless the department receives
 25 proof from the vehicle dealer that the dealer has obtained another certificate of insurance. Between
 26 the day that the department receives notice that the certificate of insurance is canceled and the day
 27 the vehicle dealer presents proof of another certificate of insurance, the vehicle dealer may not act
 28 as a vehicle dealer.

29 (4) The department shall cancel a vehicle dealer certificate immediately upon receipt of notice
 30 that zoning approval for the business has been revoked.

31 (5) Upon revocation, cancellation or suspension of a vehicle dealer certificate under this section,
 32 the department shall recall and demand the return of the certificate and any vehicle dealer plates
 33 issued.

34 **(6) The department may suspend a vehicle dealer certificate if the department determines**
 35 **that the holder of the certificate is not a vehicle dealer under ORS 822.035 (3).**

36 **SECTION 24.** ORS 822.145 is amended to read:

37 822.145. (1) In addition to any other penalty provided by law, the Department of Transportation
 38 may impose sanctions on any person holding a dismantler certificate issued under ORS 822.110 or
 39 identification card or supplemental dismantler certificate issued under ORS 822.125 including, but
 40 not limited to, **suspension or revocation of the right of a person to renew the dismantler**
 41 **certificate or apply for a certificate for a different vehicle dismantler business or in a dif-**
 42 **ferent business name**, probation or suspension, revocation or cancellation of the dismantler cer-
 43 tificate or identification card if the department determines at any time for due cause that any of the
 44 following has occurred:

45 (a) The person holding the certificate has failed to comply with any requirements for registra-

1 tion of vehicles under the vehicle code.

2 (b) The person holding the certificate has violated ORS 803.140, 819.012, 819.016, 819.040,
3 822.120, 822.125, 822.133, 822.135, 822.137 or 822.150.

4 (c) The person holding the certificate has caused or suffered or is permitting the unlawful use
5 of the dismantler certificate.

6 (d) The person holding the certificate has violated any regulation adopted under ORS 822.135.

7 (e) The person holding the certificate has failed to allow the department to conduct inspections
8 as provided under ORS 822.130.

9 (f) The person holding an identification card has unlawfully used or permitted unlawful use of
10 the card.

11 (g) The person holding the certificate is convicted of an offense under ORS 468.922, 468.926,
12 468.929, 468.931, 468.936, 468.939, 468.943 or 468.946.

13 (2) The department shall cancel or suspend any dismantler certificate immediately:

14 (a) Upon receipt of legal notice that the bond described under ORS 822.120 is canceled; or

15 (b) For failure to pay any penalty imposed under ORS 822.135 or 822.137.

16 (c) **Upon receipt of written notice from the local government authority that approval of**
17 **the dismantler location granted according to ORS 822.140 has been revoked.**

18 (3) Upon revocation, cancellation or suspension of a dismantler certificate or identification card
19 under this section, the department shall recall and demand the return of the certificate or identifi-
20 cation card.

21 (4) If the department has reason to believe that a person has engaged in or is engaging in any
22 activity prohibited under ORS 822.100, the department may issue an order directed at the person to
23 cease the activity.

24 (5) The department shall adopt rules establishing sanctions authorized by subsection (1) of this
25 section.

26 **SECTION 25.** ORS 822.035 is amended to read:

27 822.035. The Department of Transportation:

28 (1) Upon receipt of an application for a vehicle dealer certificate, shall examine the application
29 and may make an individual investigation relative to statements contained in the application.

30 (2) Upon being satisfied that an applicant is entitled to a vehicle dealer certificate and that the
31 proper fees have been paid for the certificate, shall assign the vehicle dealer a distinctive dealer
32 number that allows the dealer to conduct business under the certificate and shall forward to the
33 dealer a vehicle dealer certificate stating thereon the dealer's number.

34 (3) Has authority to determine whether or not an applicant for a vehicle dealer certificate is a
35 vehicle dealer.

36 (4) Has authority to make suitable rules for the issuance of vehicle dealer certificates to expire
37 consistently with ORS 822.020.

38 (5) May make inspections of any vehicle dealer records required under ORS 822.045 and of any
39 vehicles included in a vehicle dealer's inventory or located on the vehicle dealer's premises. In-
40 spections authorized by this subsection may be conducted by the department at reasonable intervals
41 and may not exceed a scope of inspection necessary for the department to determine the following:

42 (a) A vehicle dealer's compliance with statutes regulating vehicle dealers under the vehicle
43 code;

44 (b) A vehicle dealer's compliance with those provisions of the vehicle code regulating the titling
45 and registration of vehicles;

1 (c) A vehicle dealer's compliance with rules adopted by the department relating to the regu-
2 lation of vehicle dealers and the registration and titling of vehicles; and

3 (d) The identification of stolen vehicles.

4 (6) May make inspections during the normal business hours of the department, from Monday
5 through Friday.

6 (7) Shall provide a vehicle dealer with plates or devices authorized under ORS 805.200 to allow
7 the exercise of the privileges granted under ORS 822.040.

8 (8) May provide a vehicle dealer with identification cards in the names of the owners of the
9 business or in the names of authorized employees of the business.

10 (9) May not issue a vehicle dealer certificate under ORS 822.020 to an applicant who has been
11 issued a similar certificate from another jurisdiction that has been revoked or is currently suspended
12 unless the applicant possesses a current, valid vehicle dealer certificate issued under ORS 822.020.

13 (10) May not use the revocation or suspension by another jurisdiction of a vehicle dealer cer-
14 tificate or similar certificate as a basis for refusing to allow a vehicle dealer holding a current, valid
15 vehicle dealer certificate issued under ORS 822.020 to obtain a vehicle dealer certificate under ORS
16 822.020 or a supplemental certificate under ORS 822.040.

17 (11) May adopt any reasonable rules necessary for the administration of the laws relating to the
18 regulation of vehicle dealers, the issuance **or denial of issuance** of vehicle dealer certificates, the
19 issuance of vehicle dealer identification cards, regulation of vehicle dealers designated as agents
20 under ORS 802.031 and the issuance of vehicle dealer plates. The rules adopted under this subsection
21 must be consistent with the statutory provisions of the vehicle code. The rules may include, but are
22 not limited to, grounds and procedures for the revocation, denial, probation or suspension of vehicle
23 dealer certificates or of a vehicle dealer's designation to act as an agent of the department.

24 **SECTION 26.** ORS 822.015 is amended to read:

25 822.015. (1) In addition to any exemptions from the vehicle code under ORS 801.026, ORS 822.005
26 does not apply to the following vehicles or persons:

27 (a) Road rollers, farm tractors, farm trailers, trolleys, implements of husbandry, emergency ve-
28 hicles, well-drilling machinery and boat or utility trailers with a gross weight of 1,800 pounds or
29 less.

30 (b) The owner of a vehicle as shown by the vehicle title issued by any jurisdiction if the person
31 owned the vehicle primarily for personal, family or household purposes. If the person has sold,
32 traded, displayed or offered for sale, trade or exchange more than five vehicles in one calendar year,
33 the person shall have the burden of proving that the person owned the vehicles primarily for per-
34 sonal, family or household purposes or for other purposes that the Department of Transportation,
35 by rule, defines as constituting an exemption under this section.

36 (c) A receiver, trustee, personal representative or public officer while performing any official
37 duties.

38 (d) The lessor or security interest holder of a vehicle as shown by the vehicle title issued by
39 any jurisdiction.

40 (e) Except as otherwise provided in this paragraph, a manufacturer who sells vehicles the man-
41 ufacturer has manufactured in Oregon. Nothing in this paragraph prevents any manufacturer from
42 obtaining a vehicle dealer certificate under ORS 822.020. This paragraph does not exempt a man-
43 ufacturer who sells or trades campers or travel trailers.

44 (f) An insurance adjuster authorized to do business under ORS 744.515 or 744.521 who is dis-
45 posing of vehicles for salvage.

1 (g) Except as otherwise provided in this paragraph, a person who sells or trades or offers to sell
 2 or trade a vehicle that has been used in the operation of the person's business. This paragraph does
 3 not exempt a person who is in the business of selling, trading, displaying, rebuilding, renting or
 4 leasing vehicles from any requirement to obtain a certificate for dealing in those vehicles.

5 (h) A person who receives no money, goods or services, either directly or indirectly, for dis-
 6 playing a vehicle or acting as an agent in the buying or selling of a vehicle.

7 (i) A person who collects, purchases, acquires, trades or disposes of vehicles and vehicle parts
 8 for the person's own use in order to preserve, restore and maintain vehicles for the person's own
 9 use or for hobby or historical purposes.

10 [(j) A manufactured structure dealer subject to the licensing requirement of ORS 446.671 or a
 11 person exempt from licensing under ORS 446.676 when selling a vehicle, trailer or semitrailer accepted
 12 in trade as part of a manufactured structure transaction. A manufactured structure dealership or ex-
 13 empt person may not directly sell more than three vehicles per calendar year under authority of this
 14 paragraph, but by consignment with a dealer certified under ORS 822.020 may sell an unlimited num-
 15 ber of vehicles acquired as described in this paragraph.]

16 [(k)] (j) A lien claimant who sells vehicles in order to foreclose possessory liens.

17 [(L)] (k) A lien claimant who, in a 12-month period, sells 12 or fewer vehicles that the lien
 18 claimant acquired through possessory liens if the vehicles are sold at the business location of the
 19 lien claimant.

20 [(m)] (L) Electric personal assistive mobility devices.

21 [(n)] (m) A tower that received title for a vehicle under ORS 822.235.

22 (2) Notwithstanding ORS 822.005, the following may participate with other dealers in a display
 23 of vehicles, including but not limited to an auto show, if the display is an event that lasts for 10 days
 24 or less and is an event for which the public is charged admission:

25 (a) A person who is licensed as a vehicle dealer in another jurisdiction; or

26 (b) Any employee of a person who is licensed as a vehicle dealer in another jurisdiction.

27 (3) Notwithstanding ORS 822.005, a person who is licensed as a vehicle dealer in another juris-
 28 diction or an employee of a person who is certified or licensed as a vehicle dealer may participate
 29 in a vehicle auction if the vehicle auction is:

30 (a) Conducted by a vehicle dealer who holds a vehicle dealer certificate issued under ORS
 31 822.020; and

32 (b) Open only to certified or licensed vehicle dealers or their employees.

33 (4) The department shall adopt rules to carry out the provisions of this section, including but
 34 not limited to specifying which dealers may take vehicles on consignment from other jurisdictions.

35 **SECTION 27.** ORS 822.093 is amended to read:

36 822.093. (1) Notwithstanding [ORS 822.015 (1)(k) or (L)] **ORS 822.015 (1)(j) or (k)**, a lien claimant
 37 who sells or offers for sale vehicles being sold to foreclose possessory liens, or sells or offers for sale
 38 vehicles acquired through possessory liens, shall keep records sufficient to establish that all vehicles
 39 being sold or offered for sale were acquired by the lien claimant as the result of a possessory lien.
 40 Records kept in accordance with this subsection must be made available to the Department of
 41 Transportation on request.

42 (2) The department may adopt such rules as are necessary to carry out the provisions of this
 43 section, including but not limited to rules that:

44 (a) Specify the form in which the records must be kept, how the records must be maintained and
 45 the period for which they must be retained.

1 (b) Specify how the records will be provided to the department if requested.

2 (c) Specify how lien claimants will notify the department when vehicles are sold to foreclose
3 possessory liens and when vehicles acquired through possessory liens are sold.

4 (3) Rules adopted under this section shall be developed in consultation with representatives of
5 those lien claimants who may be affected by this section, including but not limited to towing busi-
6 ness operators.

7 (4) The department may impose a civil penalty, in an amount not to exceed \$1,000 for each vi-
8 olation, against any person who violates this section or any rules adopted by the department under
9 this section. Civil penalties shall be imposed as provided in ORS 183.745.

10 **SECTION 28.** ORS 822.094 is amended to read:

11 822.094. A sale, consignment or other transfer by a lien claimant does not constitute a sale for
12 purposes of [*ORS 822.015 (1)(L)*] **ORS 822.015 (1)(k)** if the sale, consignment or other transfer is to
13 the holder of a current, valid dismantler certificate issued under ORS 822.110 or to the holder of a
14 current, valid vehicle dealer certificate issued under ORS 822.020.

15 **SECTION 29.** ORS 822.030 is amended to read:

16 822.030. (1) A bond or letter of credit required to qualify for a vehicle dealer certificate under
17 ORS 822.020 must comply with all of the following:

18 (a) The bond shall have a corporate surety licensed to do business within this state. A letter
19 of credit shall be an irrevocable letter of credit issued by an insured institution, as defined in ORS
20 706.008. The surety or institution shall notify the Department of Transportation if the bond or letter
21 of credit is canceled for any reason. The surety or institution shall continue to be liable under the
22 bond or letter of credit until the department receives the notice required by this paragraph, or until
23 the cancellation date specified in the notice, whichever is later.

24 (b) The bond or letter of credit shall be executed to the State of Oregon.

25 (c) Except as otherwise provided in this paragraph, the bond or letter of credit shall be in the
26 following sum:

27 (A) If the person holds a certificate to be a dealer exclusively in motorcycles, mopeds, Class I
28 all-terrain vehicles or snowmobiles or any combination of those vehicles, the bond or letter of credit
29 shall be for [*\$10,000*] **\$20,000**.

30 (B) Except as provided in subparagraph (A) of this paragraph, if the applicant is seeking a cer-
31 tificate to be a vehicle dealer, the bond or letter of credit shall be for [*\$50,000*] **\$100,000** for each
32 year the certificate is valid.

33 (d) The bond or letter of credit described in this subsection shall be approved as to form by the
34 Attorney General.

35 (e) The bond or letter of credit must be conditioned that the person issued the certificate shall
36 conduct business as a vehicle dealer without fraud or fraudulent representation and without violat-
37 ing any provisions of the vehicle code relating to vehicle registration, vehicle permits, the transfer
38 or alteration of vehicles or the regulation of vehicle dealers.

39 (f) The bond or letter of credit must be filed and held in the office of the department.

40 (g) The vehicle dealer shall purchase a bond or letter of credit under this subsection annually
41 on or before each anniversary of the issuance of the vehicle dealer's certificate.

42 (2) Any person shall have a right of action against a vehicle dealer, against the surety on the
43 vehicle dealer's bond and against the letter of credit in the person's own name if the person suffers
44 any loss or damage by reason of the vehicle dealer's fraud, fraudulent representations or violations
45 of provisions of the vehicle code relating to:

- 1 (a) Vehicle registration;
- 2 (b) Vehicle permits;
- 3 (c) The transfer or alteration of vehicles; or
- 4 (d) The regulation of vehicle dealers.

5 (3) Notwithstanding subsection (2) of this section, the maximum amount available under a bond
 6 or letter of credit described in subsection (1)(c)(B) of this section for the payment of claims to per-
 7 sons other than retail customers of the dealer is [*\$10,000*] **\$20,000**.

8 (4) Notwithstanding subsection (2) of this section, a person other than a retail customer of the
 9 vehicle dealer may not make a claim under subsection (2) of this section against the surety on the
 10 vehicle dealer's bond, or against the vehicle dealer's letter of credit, if the vehicle dealer holds a
 11 vehicle dealer certificate to deal exclusively in motorcycles, mopeds, Class I all-terrain vehicles or
 12 snowmobiles or any combination of those vehicles.

13 (5) If the certificate of a vehicle dealer is not renewed or is voluntarily or involuntarily can-
 14 celed, the sureties on the bond and the issuer of the letter of credit are relieved from liability that
 15 accrues after the department cancels the certificate.

16
 17 **TOTALED VEHICLES**
 18

19 **SECTION 30.** ORS 819.012 is amended to read:

20 819.012. (1) A person other than an insurer commits the offense of failure to follow procedures
 21 for a totaled vehicle if the person:

22 (a) Is the registered owner of a vehicle that is a totaled vehicle as defined in ORS 801.527 (1)
 23 and does not surrender the certificate of title for the vehicle either to the Department of Trans-
 24 portation or to the insurer within 30 days of the declaration [*or other relevant act*] by the insurer.

25 (b) Is the registered owner of a vehicle that is a totaled vehicle as defined in ORS 801.527 (2)
 26 and does not notify the department of the status of the vehicle within 30 days of the day that the
 27 vehicle became a totaled vehicle.

28 (c) Is the registered owner of a vehicle that is a totaled vehicle as defined in ORS 801.527 (3)
 29 and does not surrender the certificate of title for the vehicle to the department within 30 days of
 30 the date the vehicle became a totaled vehicle.

31 (d) Receives or purchases a totaled vehicle and does not surrender the certificate of title for the
 32 vehicle to the department within 30 days of purchase or receipt of the vehicle.

33 (2) A person is not required to surrender the certificate of title if the person is unable to obtain
 34 the certificate for the vehicle. If the person is unable to obtain the certificate, the person shall no-
 35 tify the department that the vehicle is a totaled vehicle and shall notify the department of the rea-
 36 son that the person is unable to surrender the certificate.

37 (3) A person is not required to surrender the certificate of title if:

38 (a) The person transferred their interest in the totaled vehicle to a tower pursuant to ORS
 39 822.235; or

40 (b) The person is a tower that received interest in the totaled vehicle pursuant to ORS 822.235
 41 and the tower subsequently transfers interest in the totaled vehicle to a dismantler within 30 days
 42 of the date the tower received interest in the totaled vehicle.

43 (4) If the vehicle is one for which title was issued in a form other than a certificate, the person
 44 shall notify the department that the vehicle is a totaled vehicle and shall follow procedures adopted
 45 by the department by rule.

(5) The offense described in this section, failure to follow procedures for a totaled vehicle, is a Class A misdemeanor.

SECTION 31. ORS 819.014 is amended to read:

819.014. (1) An insurer commits the offense of insurer failure to follow procedures for a totaled vehicle if the insurer declares that the vehicle is a totaled vehicle and does not:

[(a) Obtain the certificate of title from the owner of the vehicle as a condition of settlement of the claim and surrender it to the Department of Transportation within 30 days of its receipt; or]

[(b) If the insurer does not obtain the certificate from the registered owner, notify the department that the vehicle is a totaled vehicle within 30 days of declaring it to be so, or taking title to or possession of it, and notify the registered owner of the vehicle that the registered owner must surrender the certificate to the department and must notify any subsequent purchaser that the vehicle is a totaled vehicle.]

(a) Notify the registered owner that the vehicle is a totaled vehicle;

(b) Notify the registered owner that the registered owner must notify any subsequent purchaser that the vehicle is a totaled vehicle; or

(c) Follow all applicable federal regulations related to the National Motor Vehicle Title Information System or if the vehicle is not the type of vehicle that is listed in the National Motor Vehicle Title Information System, comply with procedures adopted by the Department of Transportation by rule.

[(2) If the vehicle is one for which title was issued in a form other than a certificate, the insurer shall notify the department that the vehicle is a totaled vehicle and shall follow procedures adopted by the department by rule.]

[(3)] **(2)** The offense described in this section, insurer failure to follow procedures for a totaled vehicle, is a violation of the Insurance Code, as provided in ORS 746.308.

DESTROYED VEHICLES

SECTION 32. ORS 803.092 is amended to read:

803.092. (1) Except as otherwise provided in this section, upon the transfer of any interest in a vehicle covered by an Oregon title the transferee shall submit an application for title to the Department of Transportation. Such application shall be submitted to the department within 30 days of the date of transfer of interest.

(2) Notwithstanding subsection (1) of this section, application is not required under this section when:

(a) The change involves only a change in the security interest where the security interest holder or lessor is a financial institution, a financial holding company or a bank holding company, as those terms are defined in ORS 706.008, a licensee under ORS chapter 725, or any subsidiary or affiliate of any of the foregoing and the transfer of the interest of the security interest holder or lessor:

(A) Results from the merger, conversion, reorganization, consolidation or acquisition of the security interest holder or lessor;

(B) Is to an entity that is a member of the same affiliated group as the security holder or lessor; or

(C) Is made in connection with a transfer in bulk.

(b) The vehicle is transferred to a vehicle dealer and the vehicle will become part of the dealer's inventory for resale. Upon the transfer of a vehicle to a dealer, however, the dealer shall imme-

diately notify the department of such transfer. This exemption from the requirement to apply for title does not apply if the department determines that application for title is necessary in order to comply with odometer disclosure requirements. If the department determines that application for title is not required, it may require filing of documents under ORS 803.126.

(c) The vehicle is to be titled in another jurisdiction.

(d) The vehicle has been totaled, wrecked, dismantled, disassembled[, *substantially altered*] or destroyed, in which case the provisions of ORS 819.010, 819.012, 819.014 or 822.135 relating to notice and surrender of title documents shall be complied with.

(e) The transfer involves the creation or termination of a leasehold interest in a vehicle that is proportionally registered under ORS 826.009 or 826.011, if the department is furnished with satisfactory proof of the lease.

(3) Except as provided in subsection (2) of this section, the transferee shall:

(a) Submit an application that meets requirements for title under ORS 803.045 and 803.050 and any applicable rules of the department.

(b) Submit the title transfer fees as required under ORS 803.090.

(c) Comply with the provisions of ORS 803.065 and any applicable rules of the department under that statute and submit the duplicate or replacement title fee as provided under ORS 803.090, if the transfer includes an application for duplicate or replacement title and transfer of title.

(d) Submit an odometer disclosure containing information required by the department for the kind of transaction involved.

(e) Submit any late presentation of certificate of title fee as provided under ORS 803.090 if such fee is required under ORS 803.105.

(4) For purposes of this section:

(a) "Affiliated group" has the meaning given to the term in section 1504(a) of the Internal Revenue Code of 1986, as amended (26 U.S.C. 1504(a)).

(b) A "transfer in bulk" is:

(A) The sale or assignment of, the grant of a security interest in, or any other transfer of either a group of loans secured by vehicles, leases of vehicles or both or a participation or other interest in the group of loans;

(B) The creation of asset-backed securities or other securing of assets involving the loans or leases; or

(C) Any similar transaction involving the loans or leases.

SECTION 33. ORS 803.092, as amended by section 3, chapter 428, Oregon Laws 2023, is amended to read:

803.092. (1) Except as otherwise provided in this section, upon the transfer of any interest in a vehicle covered by an Oregon title the transferee shall submit an application for title to the Department of Transportation. Such application shall be submitted to the department within 30 days of the date of transfer of interest.

(2) Notwithstanding subsection (1) of this section, application is not required under this section when:

(a) The change involves only a change in the security interest where the security interest holder or lessor is a financial institution, a financial holding company or a bank holding company, as those terms are defined in ORS 706.008, a licensee under ORS chapter 725, or any subsidiary or affiliate of any of the foregoing and the transfer of the interest of the security interest holder or lessor:

(A) Results from the merger, conversion, reorganization, consolidation or acquisition of the se-

1 security interest holder or lessor;

2 (B) Is to an entity that is a member of the same affiliated group as the security holder or lessor;
3 or

4 (C) Is made in connection with a transfer in bulk.

5 (b) The vehicle is transferred to a vehicle dealer and the vehicle will become part of the dealer's
6 inventory for resale. Upon the transfer of a vehicle to a dealer, however, the dealer shall imme-
7 diately notify the department of such transfer. This exemption from the requirement to apply for
8 title does not apply if the department determines that application for title is necessary in order to
9 comply with odometer disclosure requirements. If the department determines that application for
10 title is not required, it may require filing of documents under ORS 803.126.

11 (c) The vehicle is to be titled in another jurisdiction.

12 (d) The vehicle has been totaled, wrecked, dismantled, disassembled[, *substantially altered*] or
13 destroyed, in which case the provisions of ORS 819.010, 819.012, 819.014 or 822.135 relating to notice
14 and surrender of title documents shall be complied with.

15 (e) The transfer involves the creation or termination of a leasehold interest in a vehicle that is
16 proportionally registered under ORS 826.009 or 826.011, if the department is furnished with satis-
17 factory proof of the lease.

18 (3) Except as provided in subsection (2) of this section, the transferee shall:

19 (a) Submit an application that meets requirements for title under ORS 803.045 and 803.050 and
20 any applicable rules of the department.

21 (b) Submit the title transfer fees as required under ORS 803.090.

22 (c) Comply with the provisions of ORS 803.065 and any applicable rules of the department under
23 that statute and submit the duplicate or replacement title fee as provided under ORS 803.090, if the
24 transfer includes an application for duplicate or replacement title and transfer of title.

25 (d) Submit an odometer disclosure containing information required by the department for the
26 kind of transaction involved.

27 (e) Submit any late presentation of certificate of title fee as provided under ORS 803.090 if such
28 fee is required under ORS 803.105.

29 (4)(a) If requested on the application for title, the department shall provide the primary security
30 interest holder with an electronic title. If no request is made on the application, the department may
31 issue a certificate of title.

32 (b) When the primary security interest holder receives an electronic title, within 30 days of the
33 release of the security interest the primary security interest holder shall electronically submit the
34 release of interest to the department in the manner provided by the department by rule.

35 (c) A duly certified copy of the department's electronic record of the title reflecting the lien is
36 admissible in any civil, criminal or administrative proceeding in this state as evidence of the exist-
37 ence of a lien.

38 (d) The department shall adopt rules related to electronic application and the electronic release
39 of liens and notice to lienholders.

40 (5) For purposes of this section:

41 (a) "Affiliated group" has the meaning given to the term in section 1504(a) of the Internal Re-
42 venue Code of 1986, as amended (26 U.S.C. 1504(a)).

43 (b) A "transfer in bulk" is:

44 (A) The sale or assignment of, the grant of a security interest in, or any other transfer of either
45 a group of loans secured by vehicles, leases of vehicles or both or a participation or other interest

1 in the group of loans;

2 (B) The creation of asset-backed securities or other securing of assets involving the loans or
3 leases; or

4 (C) Any similar transaction involving the loans or leases.

5 **SECTION 34.** ORS 803.530 is amended to read:

6 803.530. (1) Registration plates assigned to a vehicle by the Department of Transportation shall
7 remain with the vehicle to which the plates are assigned and are valid only during the registration
8 period for which the plates are issued except as provided in this section.

9 (2) The department may allow registration plates to be transferred to another vehicle if:

10 (a) The department receives an application;

11 (b) The applicant pays the plate transfer fee under ORS 803.575; and

12 (c) The applicant complies with the registration qualifications described in ORS 803.350.

13 (3) The department shall transfer registration plates under this section if the applicant and the
14 vehicle qualify for the plates and the plates are:

15 (a) Legible and capable of being used for identification purposes; and

16 (b) Any of the following:

17 (A) From a current issue of registration plates;

18 (B) Customized registration plates described under ORS 805.240;

19 (C) Oregon Trail commemorative registration plates issued under section 113, chapter 741,
20 Oregon Laws 1993;

21 (D) Special registration plates issued under ORS 805.255, 805.260, 805.263, 805.266, 805.278 or
22 805.283;

23 (E) Group registration plates issued under ORS 805.205;

24 (F) Veterans' recognition registration plates issued under ORS 805.105;

25 (G) Pacific Wonderland registration plates issued under ORS 805.287;

26 (H) Registration plates issued through the special registration program under ORS 805.222; or

27 (I) Registration plates that are no longer currently issued that the department determines may
28 still be transferred.

29 (4) Notwithstanding ORS 803.400, when registration plates are transferred from one vehicle to
30 another vehicle owned by the same person, the registration period represented by the plates also
31 transfers with the plates. When registration plates are transferred from one vehicle to another ve-
32 hicle not owned by the same person, the remaining registration period represented by the trans-
33 ferred plates ceases for both the vehicle receiving the transferred plates and the vehicle from which
34 the plates were removed.

35 (5) The owner of a registered vehicle to which a plate is assigned may replace a registration
36 plate. The following apply to this subsection:

37 (a) To replace a plate under this subsection, the owner must apply to the department for re-
38 placement of the plate in a form prescribed by the department and pay the replacement plate fee
39 established under ORS 803.575.

40 (b) The department, in lieu of replacement, may issue duplicate plates for the same fee as
41 charged for replacements.

42 (c) The plates issued under this subsection are valid only for the period of the plates replaced.

43 (d) The replaced plates may not be considered customized plates when they are replaced, if:

44 (A) The original plates were from plates currently issued;

45 (B) The original plates were not customized plates; and

1 (C) The replacement plates are a duplicate of the original plates.

2 (e) When a vehicle is assigned a pair of plates and the owner wishes to replace a single plate,
3 the department may replace a single plate rather than replace both plates.

4 (6) A county may replace a registration plate that is from a specially designed government series
5 with a registration plate that is from a regular series. The following apply to this subsection:

6 (a) To replace a plate under this subsection, the county must apply to the department for re-
7 placement of the plate in a form prescribed by the department and pay the replacement plate fee
8 established under ORS 803.575.

9 (b) The plates issued under this subsection are valid only for the period of the plates replaced.

10 (7) If the department retired the vehicle's registration under ORS 819.030 because the vehicle
11 is totaled [*or substantially altered*], a person may apply under subsection (2) of this section to
12 transfer the registration plates to another vehicle.

13 (8) Subject to subsections (2) and (4) of this section, after the department authorizes the use of
14 special interest plates under ORS 805.210, a person may apply to transfer the plates to either:

15 (a) A vehicle that was previously determined by the department to qualify as a vehicle of special
16 interest; or

17 (b) A vehicle approved by the department as a vehicle of special interest at the time of appli-
18 cation.

19 (9) If a person described in subsection (8) of this section provides the department with only one
20 special interest registration plate for transfer and the department's vehicle records show the special
21 interest registration plate belongs to a vehicle record with no owner matching an applicant, the
22 applicant shall provide proof, as determined by the department by rule, that the plate is no longer
23 used on the vehicle it is currently showing being registered to in the department's vehicle records.

24 **SECTION 35.** ORS 819.030 is amended to read:

25 819.030. The Department of Transportation shall comply with the following procedures upon re-
26 ceiving a certificate of title or other notice in accordance with the provisions of ORS 819.010,
27 819.012 or 819.014:

28 (1) If the department is satisfied that the vehicle is wrecked, dismantled or disassembled, the
29 department shall cancel and retire the registration and title of the vehicle. Except for issuance of
30 a salvage title, the department may not register or title the vehicle again unless:

31 (a) The department is satisfied that the original title certificate, if any, was surrendered in error
32 or that notice was submitted in error and the record canceled in error; or

33 (b) The vehicle is registered or titled as an assembled vehicle, a reconstructed vehicle or a
34 replica.

35 (2) If the department is satisfied that the vehicle is wrecked, dismantled or disassembled, the
36 department may issue a proof of compliance form if no salvage title is issued for the vehicle.

37 (3) If the department is satisfied that the vehicle is totaled [*or substantially altered*], the de-
38 partment may:

39 (a) Issue a salvage title, retire the vehicle's registration and cancel the title; or

40 (b) Issue a branded title.

41 (4) If a vehicle is recovered after a theft and the theft is the reason that the vehicle was con-
42 sidered a totaled vehicle or the department issues a branded title for a totaled [*or substantially al-*
43 *tered*] vehicle, a person may apply with the department to keep the same registration plates and the
44 remaining registration period represented by the plates with that vehicle. The department may al-
45 low the owner to keep the registration plates if the plates are legible and capable of being used for

1 identification purposes.

2 (5) A person may apply with the department to transfer plates from a vehicle for which the de-
 3 partment previously received a totaled [*or substantially altered*] notification. A plate transfer request
 4 must be in accordance with the provisions of ORS 803.530.

5 (6) The owner of a vehicle whose title and registration have been canceled and retired due to
 6 the department being notified it is totaled, wrecked, dismantled[,] **or** disassembled [*or substantially*
 7 *altered*] is entitled to an administrative review to determine whether the notification was correct.

8 **SECTION 36.** ORS 822.070 is amended to read:

9 822.070. (1) A person commits the offense of conducting an illegal vehicle rebuilding business if
 10 the person is not the holder of a valid current dealer certificate issued under ORS 822.020 and the
 11 person does any of the following as part of a business:

12 (a) Buys, sells or deals in assembled[,] **or** reconstructed [*or substantially altered*] motor vehicles.

13 (b) Engages in making assembled[,] **or** reconstructed [*or substantially altered*] vehicles from mo-
 14 tor vehicle components.

15 (2) This section does not apply to the following persons or vehicles:

16 (a) An insurance adjuster authorized to do business under ORS 744.515 or 744.521 who is dis-
 17 posing of vehicles for salvage.

18 (b) Vehicles or persons exempt from the vehicle dealer certificate requirements by ORS 822.015
 19 (1)(a) or (i).

20 (c) Motor vehicles that are not of a type required to be registered under the vehicle code.

21 (d) The holder of a dismantler certificate issued under ORS 822.110.

22 (3) The offense described in this section, conducting an illegal vehicle rebuilding business, is a
 23 Class A misdemeanor.

24 **SECTION 37.** ORS 822.133 is amended to read:

25 822.133. (1) As used in this section:

26 (a) “Crushed motor vehicle” means a motor vehicle, the frame or unibody of which is compacted
 27 or flattened so that it no longer resembles any particular year, model or make of motor vehicle and
 28 is less than half of the motor vehicle’s original volume as measured in cubic feet.

29 (b) “Destroy” means to dismantle, disassemble[,] **or** damage [*or substantially alter*] a motor ve-
 30 hicle:

31 (A) With the intent of rendering the vehicle permanently inoperable;

32 (B) To the extent that the cost of repairing the vehicle exceeds the actual cash value of the
 33 vehicle prior to the damage; or

34 (C) To the extent that the sum of the cost of repairing the vehicle and the salvage value of the
 35 vehicle in its damaged condition exceeds the actual cash value of the vehicle in its repaired condi-
 36 tion.

37 (c) “Mobile motor vehicle crusher” means a machine that compacts or flattens a motor vehicle
 38 into a crushed motor vehicle and is designed to be transported on a highway.

39 (d) “Wrecked vehicle” means a motor vehicle:

40 (A) That is destroyed, or is acquired with the intent to destroy, and that will never be operated
 41 as a motor vehicle; or

42 (B) That has sustained damage to an extent that the vehicle may not lawfully be operated on
 43 the highways of this state.

44 (2) In the operation of a motor vehicle dismantling business, a dismantler:

45 (a) Must physically separate or visually label a wrecked vehicle in a manner that readily iden-

1 tifies the ownership status of the wrecked vehicle if the dismantler takes possession of the wrecked
 2 vehicle without immediately obtaining an ownership record or salvage title certificate. A dismantler
 3 need not separate or visually identify a wrecked vehicle pursuant to this subsection if the vehicle
 4 is subject to an exemption under ORS 803.030 or is obtained from a jurisdiction that does not issue
 5 certificates of title.

6 (b) May not remove parts from or destroy a motor vehicle prior to obtaining an ownership re-
 7 cord or salvage title certificate for the vehicle.

8 (c) Must demolish the registration plates of a wrecked vehicle at the time the ownership record
 9 is received.

10 (d) Must notify the Department of Transportation of any changes in the information provided
 11 to the department in the application for a dismantler certificate within 30 days of the change.

12 (e) Must furnish a written report to the department, in a form established by the department
 13 by rule, *[after a wrecked vehicle is dismantled or destroyed]* **within seven calendar days of ac-**
 14 **quiring a motor vehicle and its primary ownership record.**

15 **(f) Must report the acquisition of a motor vehicle to the National Motor Vehicle Title**
 16 **Information System within 30 calendar days of acquiring the motor vehicle.**

17 *[(f)]* (g) Must, every year, have the premises inspected by local fire inspectors and furnish a
 18 written report to the department, in a form established by the department by rule, on the findings
 19 of the inspection.

20 *[(g)]* (h) Must be in compliance with any agreement with, order of or program or process au-
 21 thorized by the Department of Environmental Quality that governs the conduct of the dismantler.

22 (3)(a) A dismantler using a mobile motor vehicle crusher shall:

23 (A) Hold a current, valid dismantler certificate issued under ORS 822.110.

24 (B) Conspicuously display on the mobile motor vehicle crusher the name of the dismantler's
 25 business as listed on the dismantler's application submitted pursuant to ORS 822.110 and the
 26 dismantler certificate number issued by the Department of Transportation.

27 (C) Comply with all of the applicable statutes and rules regulating dismantlers at each location
 28 where the dismantler uses the mobile motor vehicle crusher. If the dismantler is using a mobile
 29 motor vehicle crusher at a location approved under a dismantler certificate, the dismantler who
 30 holds the dismantler certificate for the location shall be responsible for complying with all statutes
 31 and rules regarding dismantlers.

32 (b) If a dismantler is using a mobile motor vehicle crusher at a temporary location for 15 con-
 33 secutive business days or less, the dismantler is exempt from obtaining a supplemental dismantler
 34 certificate under ORS 822.125 for the temporary location.

35 **SECTION 38.** ORS 822.135 is amended to read:

36 822.135. (1) A person commits the offense of improperly conducting a motor vehicle dismantling
 37 business if the person holds a dismantler certificate issued under ORS 822.110 and the person does
 38 any of the following:

39 (a) Fails to permanently exhibit a dismantler certificate at a place of business of the person at
 40 all times while the certificate is in force.

41 (b) Expands the dimensions of or moves any of the person's places of business or opens any ad-
 42 ditional places of business without obtaining a supplemental dismantler certificate by the procedure
 43 under ORS 822.125.

44 (c) Fails to maintain records at the person's established place of business that record, *[and]*
 45 describe **and contain** the following:

1 (A) Every motor vehicle purchased, transferred, wrecked, dismantled[,] **or** disassembled [*or substantially altered*] by the person;

2 (B) The name and address of the person to and from whom the vehicle was transferred;

3 (C) The vehicle identification number and other identification marks or numbers on the vehicle;
4 [*and*]

5 (D) A statement indicating any such numbers or marks that have been obliterated, defaced or
6 changed[.]; **and**

7 (E)(i) **A copy of a driver license or other government-issued identification belonging to
8 the individual from whom a dismantler acquired a major component part that is valid on the
9 date of the acquisition; or**

10 (ii) **If a dismantler acquired a major component part or vehicle from a person other than
11 an individual, a copy of a certificate of registration or, for a business organized outside this
12 state, an authorization from the Secretary of State to transact business in this state that
13 is valid on the date of the acquisition.**

14 (d) Except as otherwise provided, fails to surrender to the Department of Transportation, within
15 [30] **seven** days after the date the person acquires the title, a certificate of title or other primary
16 ownership document or ownership record for a motor vehicle. If the vehicle is delivered to the per-
17 son under the provisions of ORS 819.215 or 819.280, a copy of the notification to the department
18 under ORS 819.215 or 819.280 is sufficient to comply with the provisions of this paragraph.

19 (e) Refuses, at any time, to allow a police officer or an employee of the department to inspect
20 the books, records, inventory or premises of the person's motor vehicle dismantling business.

21 (f) Fails to maintain, for the purposes of the person's motor vehicle dismantling business, a
22 building or an enclosure or other barrier at least six feet in height that is constructed, established
23 or formed in compliance with rules adopted by the department.

24 (g) Fails to keep the premises on the outside of the establishment clear and clean at all times.

25 (h) Conducts any wrecking, dismantling or altering of vehicles outside the building, enclosure
26 or barrier on the premises of the business.

27 (i) Stores or displays any motor vehicles or major component parts or conducts the motor vehi-
28 cle dismantling business outside of the building, enclosure or barrier of the place of business.

29 (j) Fails to immediately file with the department, upon transfer of a wrecked or dismantled motor
30 vehicle **to another person who holds a dismantler certificate**, the form furnished by the depart-
31 ment to report the date of transfer, a description of the vehicle, the name and address of the [*pur-*
32 *chaser*] **purchasing dismantler** and other information respecting the vehicle required by the
33 department.

34 (k) Except as otherwise provided in this paragraph, fails to keep the business hidden or ade-
35 quately screened by the terrain or other natural objects or by plantings, fences or other appropriate
36 means so as not to be visible from the main traveled way of the highway in accordance with the
37 rules of the Director of Transportation. This paragraph does not apply to a business that is:

38 (A) Located in an area zoned for industrial use under authority of the laws of this state; or

39 (B) A business established before June 30, 1967.

40 (L) Expands or moves any place of business approved under a dismantler certificate or opens
41 any additional locations for the business without obtaining a supplemental certificate under ORS
42 822.125 or obtaining an additional dismantler certificate.

43 (m) Fails to allow the department to conduct inspections as provided under ORS 822.130.

44 (n) Fails to deploy or remove any air bag containing sodium azide from a vehicle before the
45

1 vehicle is wrecked or dismantled.

2 (o) Fails to ensure that an air bag containing sodium azide that has been removed from a vehicle
3 is deployed within seven days of removal unless the air bag is properly stored by a motor vehicle
4 dealer, automobile repair facility or dismantler certified under ORS 822.110.

5 **(p) Fails to report the acquisition of a motor vehicle to the National Motor Vehicle Title
6 Information System within 30 calendar days of the motor vehicle acquisition.**

7 **(q) Makes a false statement of material fact to the department or a law enforcement
8 agency:**

9 **(A) In any matter or investigation that directly relates to the regulation of dismantlers;
10 or**

11 **(B) On any document that directly relates to the regulation of dismantlers including but
12 not limited to an application for a dismantler certificate, a dismantler certificate renewal or
13 an application to correct a dismantler certificate.**

14 (2) The offense described in this section, improperly conducting a motor vehicle dismantling
15 business, is a:

16 (a) Class A misdemeanor if the person violates subsection (1)(a) to (m), **(p) and (q)** of this sec-
17 tion.

18 (b) Class D violation if the person violates subsection (1)(n) or (o) of this section.

19 (c) Class C misdemeanor, notwithstanding paragraph (b) of this subsection, if the person violates
20 subsection (1)(n) or (o) of this section and the person has two or more previous convictions for vio-
21 lating subsection (1)(n) or (o) of this section.

22 **SECTION 39.** ORS 822.137 is amended to read:

23 822.137. (1) As used in this section **and ORS 822.135**, “major component part” includes signif-
24 icant parts of a motor vehicle such as engines, short blocks, frames, transmissions, transfer cases,
25 cabs, doors, differentials, front or rear clips, quarter panels, truck beds or boxes, hoods, bumpers,
26 fenders, catalytic converters and airbags. The Department of Transportation may by rule designate
27 other motor vehicle parts not specified in this subsection as major component parts. “Major com-
28 ponent part” does not include cores or parts of cores that require remanufacturing or that are lim-
29 ited in value to that of scrap metal.

30 (2) In addition to any other penalty provided by law, the department may impose on a
31 dismantler, in the manner provided by ORS 183.745, a civil penalty not to exceed \$1,000 per violation
32 if the dismantler:

33 (a) Acquires a motor vehicle or major component part without obtaining a certificate of sale
34 and, if applicable, a certificate of title.

35 (b) Acquires a catalytic converter or a component of a catalytic converter, that has been re-
36 moved from a vehicle and is offered for sale as an independent item, separate and distinct from a
37 vehicle acquisition, whether individually or as part of a bundle, bale or in other bulk form.

38 (c) Possesses, sells or otherwise disposes of a motor vehicle or any part of a motor vehicle
39 knowing that the vehicle or part has been stolen.

40 (d) Sells, buys, receives, conceals, possesses or disposes of a motor vehicle or any part of a
41 motor vehicle having a missing, defaced, intentionally altered or covered vehicle identification
42 number, unless directed to do so by a law enforcement official.

43 (e) Commits forgery in the second degree, as defined in ORS 165.007, or misstates a material fact
44 relating to a certificate of title, registration or other document related to a motor vehicle that has
45 been reassembled from parts of other motor vehicles.

- 1 (f) Fraudulently obtains, creates or modifies a dismantler certificate.
- 2 (g) Fails to maintain records at the certified place of business for three years from the date of
3 acquisition of a motor vehicle that describe and identify the vehicle, including:
- 4 (A) The certificate of title number;
- 5 (B) The state where the vehicle was last registered, if applicable;
- 6 (C) The number of the last registration plate issued and the state of issuance, if applicable;
- 7 (D) The year, make and model of the vehicle;
- 8 (E) The vehicle identification number;
- 9 (F) The date acquired;
- 10 (G) The vehicle, stock or yard number assigned to the vehicle by the dismantler; *[and]*
- 11 **(H)(i) A copy of a driver license or other government-issued identification belonging to**
12 **the individual from whom a dismantler acquired a vehicle that is valid on the date of the**
13 **acquisition; or**
- 14 **(ii) If a dismantler acquired a vehicle from a person other than an individual, a copy of**
15 **a certificate of registration or, for a business organized outside this state, an authorization**
16 **from the Secretary of State to transact business in this state that is valid on the date of the**
17 **acquisition; and**
- 18 *[(H)]* (I) Any other information required by the department.
- 19 (h) Fails to maintain records at the certified place of business for three years from the date of
20 acquisition of a major component part that describe and identify the part, including:
- 21 (A) The physical characteristics of the part;
- 22 (B) The stock or yard number assigned to the part by the dismantler;
- 23 (C) The vehicle identification number of the motor vehicle from which the part came;
- 24 (D) Transaction documents regarding the sale or disposal of a catalytic converter, including
25 documents that show the transaction date, dollar amount, stock or yard number assigned to the
26 catalytic converter and the signatures of buyer and seller; *[and]*
- 27 **(E)(i) A copy of a driver license or other government-issued identification belonging to**
28 **the individual from whom a dismantler acquired a major component part that is valid on the**
29 **date of the acquisition; or**
- 30 **(ii) If a dismantler acquired a major component part from a person other than an indi-**
31 **vidual, a copy of a certificate of registration or, for a business organized outside this state,**
32 **an authorization from the Secretary of State to transact business in this state that is valid**
33 **on the date of the acquisition; and**
- 34 *[(E)]* (F) Any other information required by the department.
- 35 (i) Commits a dishonest act or omission during the sale of a motor vehicle or major component
36 part that, as determined by the department, causes a loss to the purchaser.
- 37 (j) Is convicted of a crime involving false statements or dishonesty that directly relates to the
38 business of the dismantler or suffers any civil judgment imposed for conduct involving fraud, mis-
39 representation or conversion.
- 40 (k) Fails to comply with any provision of ORS 822.133.
- 41 **(L) Fails to report the acquisition of a motor vehicle to the National Motor Vehicle Title**
42 **Information System within 30 calendar days of the motor vehicle acquisition.**
- 43 **(m) Makes a false statement of material fact to the department or a law enforcement**
44 **agency:**
- 45 **(A) In any matter or investigation that directly relates to the regulation of dismantlers;**

1 or

2 **(B) On any document that directly relates to the regulation of dismantlers, including but**
 3 **not limited to an application for a dismantler certificate, a dismantler certificate renewal or**
 4 **an application to correct a dismantler certificate.**

5
 6 **PLATE EXCHANGE**

7
 8 **SECTION 40.** ORS 805.060 is amended to read:

9 805.060. (1) The Department of Transportation may issue registration plates or other evidence
 10 of registration from any regular series rather than from any specially designed government series
 11 for a vehicle operated by a federal, state, county, city or Indian tribal law enforcement, parole or
 12 probation agency in discharging its undercover criminal investigation duties if requested to do so
 13 by the agency. The registration period for a vehicle described under this section shall be the same
 14 as the regular registration period for the type of vehicle registered. The fee for registration or re-
 15 newal of registration of a vehicle under this section shall be the fee established for registration or
 16 renewal of police undercover vehicles under ORS 803.420.

17 **(2) The Department of Transportation may enter into agreements with agencies of other**
 18 **states to provide for the reciprocal exchange of vehicle registration plates or stickers for use**
 19 **on vehicles otherwise eligible to obtain regular series registration plates under subsection (1)**
 20 **of this section. The department may provide registration plates or stickers of other states**
 21 **obtained pursuant to this subsection to the law enforcement, parole or probation agencies**
 22 **described in subsection (1) of this section. Vehicle registration plates of other states obtained**
 23 **pursuant to this subsection may be used on vehicles in place of the vehicle registration plates**
 24 **issued by the department under subsection (1) of this section.**

25 [(2)] **(3)** Any vehicle registered under this section and not exempt from the requirements to
 26 comply with certificates of compliance for pollution control equipment by ORS 815.300, must be
 27 certified as complying with the requirements for pollution control equipment under ORS 815.310.

28
 29 **INSURANCE**

30
 31 **SECTION 41.** ORS 809.095 is amended to read:

32 809.095. (1) The Department of Transportation may cancel the registration of, or right to apply
 33 for registration for, any vehicle owned by a person if the person falsely certifies compliance with
 34 financial responsibility requirements, submits to the department unsatisfactory proof of such com-
 35 pliance or otherwise fails to comply with financial responsibility requirements.

36 [(2)] Cancellation under this [section] **subsection** shall continue until the person complies with
 37 any applicable financial responsibility filing requirements.

38 **(2) If the department requests that a person provide proof of compliance with financial**
 39 **responsibility requirements as authorized under ORS 806.150, the department may suspend**
 40 **the registration of, or right to apply for registration for, a vehicle owned by a person if the**
 41 **person is a registered owner of the vehicle and the person:**

42 (a) Does not provide proof of compliance; or

43 (b) Provides proof of compliance and the department determines that information con-
 44 tained in the proof of compliance is incorrect.

45 **(3) A suspension under subsection (2) of this section continues until:**

1 (a) The department receives proof of compliance from the registered owner; and

2 (b) The department determines the proof of compliance is correct.

3 (4) The department may reinstate the registration, or right to apply for registration for
4 the vehicle, if the department determines that the vehicle is covered under a motor vehicle
5 liability insurance policy that meets the requirements described under ORS 806.080.

6 (5) If the department determines that the person is exempt from financial responsibility
7 requirements, the department may reinstate the registration or right to apply for registra-
8 tion.

9 **SECTION 42.** ORS 809.415 is amended to read:

10 809.415. (1)(a) The Department of Transportation shall suspend the driving privileges of a person
11 who has a judgment of the type described under ORS 806.040 rendered against the person if the
12 person does not settle the judgment in the manner described under ORS 809.470 within 60 days after
13 its entry.

14 (b) A suspension under this subsection shall continue until the person does one of the following:

15 (A) Settles the judgment in the manner described in ORS 809.470.

16 (B) Has an insurer that has been found by the department to be obligated to pay the judgment,
17 provided that there has been no final adjudication by a court that the insurer has no such obli-
18 gation.

19 (C) Gives evidence to the department that a period of seven years has elapsed since the entry
20 of the judgment.

21 (D) Receives from the court that rendered the judgment an order permitting the payment of the
22 judgment in installments.

23 (c) A person is entitled to administrative review under ORS 809.440 of a suspension under this
24 subsection.

25 (2)[(a)] The department shall suspend the driving privileges of a person who falsely certifies the
26 existence of a motor vehicle liability insurance policy or the existence of some other means of sat-
27 isfying financial responsibility requirements or of a person who, after certifying the existence of a
28 motor vehicle liability insurance policy or other means of satisfying the requirements, allows the
29 policy to lapse or be canceled or otherwise fails to remain in compliance with financial responsi-
30 bility requirements.

31 [(b) Notwithstanding paragraph (a) of this subsection, the department may suspend under this
32 subsection only if proof of compliance with financial responsibility requirements as of the date specified
33 by the department by rule under ORS 806.150 is not submitted within the time specified by the de-
34 partment by rule under this section.]

35 [(c) A suspension under this subsection shall continue until the person complies with future re-
36 sponsibility filings.]

37 (3)(a) The department shall suspend the driving privileges of a person who fails to comply with
38 future responsibility filings whenever required under the vehicle code or fails to provide new proof
39 of compliance for future responsibility filings when requested by the department.

40 (b) A suspension under this subsection shall continue until the person complies with future re-
41 sponsibility filings.

42 (c) A person whose initial obligation to make future responsibility filings is not based upon a
43 conviction or other action by a court is entitled to a hearing under ORS 809.440 prior to a suspen-
44 sion under this subsection. A person whose obligation to make future responsibility filings is based
45 upon a conviction or other action by a court is entitled to administrative review under ORS 809.440

1 of a suspension under this subsection. A person whose suspension under this subsection is based on
 2 lapses in filing after the initial filing has been made is entitled to administrative review under ORS
 3 809.440.

4 (4)(a) The department shall suspend driving privileges when provided under ORS 809.416. The
 5 suspension shall continue until the earlier of the following:

6 (A) The person establishes to the satisfaction of the department that the person has performed
 7 all acts necessary under ORS 809.416 to make the person not subject to suspension.

8 (B) Ten years from the date the traffic offense or violation of ORS 471.430 occurred if the sus-
 9 pension is imposed for a reason described in ORS 809.416.

10 (b) A person is entitled to administrative review under ORS 809.440 of a suspension under this
 11 subsection.

12 (5) Upon determination by the department that a person has committed an act that constitutes
 13 an offense described in ORS 809.310, the department may suspend any driving privileges or any
 14 identification card of the person determined to have committed the act. A suspension under this
 15 subsection shall continue for a period of one year.

16 (6) Upon determination by the department that a person has submitted false information to the
 17 department for the purpose of establishing or maintaining qualification to operate a commercial
 18 motor vehicle or hold commercial driving privileges, the department shall suspend the commercial
 19 driving privileges or the person's right to apply for commercial driving privileges for a period of one
 20 year.

21 **SECTION 43.** ORS 806.010 is amended to read:

22 806.010. (1) A person commits the offense of driving uninsured if the person operates a motor
 23 vehicle in this state on any highway or premises open to the public in this state without either:

24 (a) The person being insured while driving the vehicle under a motor vehicle liability insurance
 25 policy that meets the requirements described under ORS 806.080; or

26 (b) The person or the owner of the vehicle providing the Department of Transportation with
 27 other satisfactory proof of compliance with the financial responsibility requirements of this state.

28 (2) Exemptions from this section are established under ORS 806.020.

29 (3) In addition to other penalties under this section the following apply:

30 (a) A person who is involved in a motor vehicle accident at any time the person is in violation
 31 of this section is subject to suspension of the person's driving privileges under ORS 809.417.

32 (b) A person who is convicted of violating this section is subject to ORS 806.230, if the person
 33 does not make future responsibility filings as required by that section.

34 (4) A person convicted for violation of this section must file with the department, and thereafter
 35 maintain for a period of [*three years*] **one year**, proof of financial responsibility that complies with
 36 ORS 806.060. Failure to comply with this subsection is subject to ORS 809.415.

37 (5) The offense described in this section, driving uninsured, is a Class B traffic violation.

38 **SECTION 44.** ORS 809.417 is amended to read:

39 809.417. (1)(a) The Department of Transportation shall suspend the driving privileges of a person
 40 who fails to file an accident report required under ORS 811.725 [*or 811.730*].

41 (b) A suspension under this subsection shall continue until the person files the required report
 42 or for five years from the date of suspension, whichever is sooner.

43 [*(2) The department shall suspend the driving privileges of any person for a period of time required*
 44 *by this subsection if the person is involved in a motor vehicle accident at any time when the department*
 45 *determines the person has been operating a vehicle in violation of ORS 806.010. A suspension under*

1 *this subsection shall be for a period of one year except that the department shall not reinstate any*
 2 *driving privileges to the person until the person complies with future responsibility filing*
 3 *requirements.]*

4 **(2)(a) If the department determines the person has been operating a vehicle in violation**
 5 **of ORS 806.010 and the person fails to make a financial responsibility filing with the depart-**
 6 **ment in compliance with ORS 806.060 within 30 days after the date of the accident, the de-**
 7 **partment shall suspend the person's driving privileges.**

8 **(b) A suspension under this subsection continues until the person complies with future**
 9 **financial responsibility filing requirements described under ORS 806.245 or until the filing**
 10 **requirement terminates, whichever is sooner.**

11 (3)(a) The department may suspend the driving privileges of a person who, while operating a
 12 motor vehicle, causes or contributes to an accident resulting in death to any other person if the
 13 department has reason to believe that the person's incompetence, recklessness, criminal negligence
 14 or unlawful operation of the vehicle caused or contributed to the accident.

15 (b) A suspension under this subsection shall continue for a period determined by the department
 16 and shall be subject to any conditions the department determines to be necessary.

17 (c) The department may impose an immediate suspension of driving privileges of any person
 18 described in paragraph (a) of this subsection without hearing and without receiving a record of the
 19 conviction of the person of a crime if the department has reason to believe that the person may
 20 endanger people or property if the person's driving privileges are not immediately suspended. A
 21 suspension under this paragraph is subject to a post-imposition hearing under ORS 809.440.

22 **SECTION 45.** ORS 806.245 is amended to read:

23 806.245. A termination of the requirement to maintain a future responsibility filing does not re-
 24 move a person's responsibility to comply with financial responsibility requirements. The Department
 25 of Transportation shall terminate requirements for a future responsibility filing when any of the
 26 following occurs:

27 (1) The person on whose behalf the filing was made dies.

28 (2) More than **one year has passed from the date the filing was required under ORS 806.200**
 29 **or 806.230 or more than** three years have passed from the date the filing was required **under ORS**
 30 **806.220 or by any other law of this state.**

31 (3) A person on whose behalf the filing was made requests termination and either:

32 (a) The person was required to file because of an error committed by the department; or

33 (b) The person was required to file because of an error committed by an insurance company in
 34 notifying the department regarding the correctness of proof of compliance with financial responsi-
 35 bility requirements provided under ORS 806.150.

36 (4) A person who was required to file under ORS 806.150 requests termination and the depart-
 37 ment determines either:

38 (a) That the person was in fact in compliance with financial responsibility requirements as of
 39 the date specified by the department by rule under ORS 806.150; or

40 (b) That the person reasonably and in good faith believed that the person was in compliance
 41 with financial responsibility requirements on the date specified by the department by rule under
 42 ORS 806.150.

43 (5) A person who was required to file because of failure to prove under ORS 806.210 that the
 44 person was in compliance with financial responsibility requirements requests termination and the
 45 department determines either:

1 (a) That the person was in fact in compliance with financial responsibility requirements at the
2 time of the accident; or

3 (b) That the person reasonably and in good faith believed that the person was in compliance
4 with financial responsibility requirements at the time of the accident.

5 (6) A person's hardship permit expires and the filing was required only for issuance of the
6 hardship permit under ORS 807.240.

7

8

CAPTIONS

9

10 **SECTION 46. The unit captions used in this 2025 Act are provided only for the conven-**
11 **ience of the reader and do not become part of the statutory law of this state or express any**
12 **legislative intent in the enactment of this 2025 Act.**

13
