

As Introduced

129th General Assembly
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H. B. No. 278

Representatives Stebelton, Okey

Cosponsors: Representatives Adams, R., Bubp, Combs, Foley, Grossman,
Hollington, Huffman, Letson, Maag, McGregor, McKenney, Murray

—

A BILL

To amend sections 4509.01, 4509.20, 4509.41, and 1
4509.51 of the Revised Code to increase the 2
minimum amounts required for valid proof of 3
financial responsibility and to amend sections 4
4509.01, 4509.20, 4509.41, and 4509.51 of the 5
Revised Code two years after the effective date of 6
this act to increase again the minimum amounts 7
required for valid proof of financial 8
responsibility. 9

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That sections 4509.01, 4509.20, 4509.41, and 10
4509.51 of the Revised Code be amended to read as follows: 11

Sec. 4509.01. As used in sections 4509.01 to 4509.78 of the 12
Revised Code: 13

(A) "Person" includes every natural person, firm, 14
partnership, association, or corporation. 15

(B) "Driver" means every person who drives or is in actual 16
physical control of a motor vehicle. 17

(C) "License" includes any license, permit, or privilege to	18
operate a motor vehicle issued under the laws of this state	19
including:	20
(1) Any temporary instruction permit or examiner's driving	21
permit;	22
(2) The privilege of any person to drive a motor vehicle	23
whether or not such person holds a valid license;	24
(3) Any nonresident's operating privilege.	25
(D) "Owner" means a person who holds the legal title of a	26
motor vehicle. If a motor vehicle is the subject of a lease with	27
an immediate right of possession vested in the lessee, the lessee	28
is the owner. A person listed as the owner on a certificate of	29
title on which there is a notation of a security interest is the	30
owner. A buyer or other transferee of a motor vehicle who receives	31
the certificate of title from the seller or transferor listing the	32
seller or transferor thereon as the owner with an assignment of	33
title to the buyer or transferee nonetheless is the owner even	34
though a subsequent certificate of title has not been issued	35
listing the buyer or transferee as the owner.	36
(E) "Registration" means registration certificates and	37
registration plates issued under the laws of this state pertaining	38
to the registration of motor vehicles.	39
(F) "Nonresident" means every person who is not a resident of	40
this state.	41
(G) "Nonresident's operating privilege" means the privilege	42
conferred upon a nonresident by the laws of this state pertaining	43
to the operation by such person of a motor vehicle, or the use of	44
a motor vehicle owned by such person, in this state.	45
(H) "Vehicle" means every device by which any person or	46
property may be transported upon a highway, except electric	47

personal assistive mobility devices, devices moved by power 48
collected from overhead electric trolley wires, or used 49
exclusively upon stationary rails or tracks, and except devices 50
other than bicycles moved by human power. 51

(I) "Motor vehicle" means every vehicle propelled by power 52
other than muscular power or power collected from overhead 53
electric trolley wires, except motorized bicycles, road rollers, 54
traction engines, power shovels, power cranes and other equipment 55
used in construction work and not designed for or employed in 56
general highway transportation, hole-digging machinery, 57
well-drilling machinery, ditch-digging machinery, farm machinery, 58
threshing machinery, hay baling machinery, and agricultural 59
tractors and machinery used in the production of horticultural, 60
floricultural, agricultural, and vegetable products. 61

(J) "Accident" or "motor vehicle accident" means any accident 62
involving a motor vehicle which results in bodily injury to or 63
death of any person, or damage to the property of any person in 64
excess of four hundred dollars. 65

(K) "Proof of financial responsibility" means proof of 66
ability to respond in damages for liability, on account of 67
accidents occurring subsequent to the effective date of such 68
proof, arising out of the ownership, maintenance, or use of a 69
motor vehicle in the amount of ~~twelve~~ twenty thousand ~~five hundred~~ 70
dollars because of bodily injury to or death of one person in any 71
one accident, in the amount of ~~twenty-five~~ forty thousand dollars 72
because of bodily injury to or death of two or more persons in any 73
one accident, and in the amount of ~~seven~~ fifteen thousand ~~five~~ 74
~~hundred~~ dollars because of injury to property of others in any one 75
accident. 76

(L) "Motor-vehicle liability policy" means an "owner's 77
policy" or an "operator's policy" of liability insurance, 78
certified as provided in section 4509.46 or 4509.47 of the Revised 79

Code as proof of financial responsibility, and issued, except as 80
provided in section 4509.47 of the Revised Code, by an insurance 81
carrier authorized to do business in this state, to or for the 82
benefit of the person named therein as insured. 83

Sec. 4509.20. (A) A policy or bond does not comply with 84
divisions (A)(5), (A)(6), and (A)(7) of section 4509.19 of the 85
Revised Code unless issued by an insurance company or surety 86
company authorized to do business in this state, except as 87
provided in division (B) of this section, or unless such policy or 88
bond is subject, if the accident has resulted in bodily injury or 89
death, to a limit, exclusive of interest and costs, of not less 90
than ~~twelve~~ twenty thousand ~~five-hundred~~ dollars because of bodily 91
injury to or death of one person in any one accident, and, subject 92
to said limit for one person, to a limit of not less than 93
~~twenty-five~~ forty thousand dollars because of bodily injury to or 94
death of two or more persons in one accident, and, if the accident 95
has resulted in injury to, or destruction of property, to a limit 96
of not less than ~~seven~~ fifteen thousand ~~five-hundred~~ dollars 97
because of injury to or destruction of property of others in any 98
one accident. 99

(B) A policy or bond does not comply with divisions (A) (5), 100
(A) (6), and (A) (7) of section 4509.19 of the Revised Code with 101
respect to any motor vehicle which was not registered in this 102
state or was a motor vehicle which was registered elsewhere than 103
in this state at the effective date of the policy or bond or the 104
most recent renewal thereof, unless the insurance company or 105
surety company issuing such policy or bond is authorized to do 106
business in this state, or if said company is not authorized to do 107
business in this state unless it executes a power of attorney 108
authorizing the registrar of motor vehicles to accept service on 109
its behalf of notice or process in any action upon such policy or 110
bond arising out of such accident. 111

The registrar may rely upon the accuracy of the information 112
in the required report of a motor vehicle accident as to the 113
existence of insurance or a bond unless the registrar has reason 114
to believe that the information is erroneous. 115

Sec. 4509.41. (A) Judgments are satisfied for the purpose of 116
sections 4509.01 to 4509.78, ~~inclusive,~~ of the Revised Code, in 117
each of the following cases: 118

(1) When ~~twelve~~ twenty thousand ~~five hundred~~ dollars has been 119
credited upon any judgments in excess of that amount because of 120
bodily injury to or death of one person as a result of any one 121
accident; 122

(2) When the sum of ~~twenty-five~~ forty thousand dollars has 123
been credited upon any judgments in excess of that amount because 124
of bodily injury to or death of two or more persons as the result 125
of any one accident; 126

(3) When ~~seven~~ fifteen thousand ~~five hundred~~ dollars has been 127
credited upon any judgments rendered in excess of that amount 128
because of injury to property of others as a result of any one 129
accident. 130

(B) Payments made in settlements of any claims because of 131
bodily injury, death, or property damage arising from such 132
accident shall be credited in reduction of the amounts provided 133
for in this section. 134

Sec. 4509.51. Subject to the terms and conditions of an 135
owner's policy, every owner's policy of liability insurance: 136

(A) Shall designate by explicit description or by appropriate 137
reference all motor vehicles with respect to which coverage is 138
thereby granted; 139

(B) Shall insure the person named therein and any other 140

person, as insured, using any such motor vehicles with the express 141
or implied permission of the insured, against loss from the 142
liability imposed by law for damages arising out of the ownership, 143
maintenance, or use of such vehicles within the United States or 144
Canada, subject to monetary limits exclusive of interest and 145
costs, with respect to each such motor vehicle, as follows: 146

(1) ~~Twelve~~ Twenty thousand ~~five hundred~~ dollars because of 147
bodily injury to or death of one person in any one accident; 148

(2) ~~Twenty-five~~ Forty thousand dollars because of bodily 149
injury to or death of two or more persons in any one accident; 150

(3) ~~Seven~~ Fifteen thousand ~~five hundred~~ dollars because of 151
injury to property of others in any one accident. 152

Section 2. That existing sections 4509.01, 4509.20, 4509.41, 153
and 4509.51 of the Revised Code are hereby repealed. 154

Section 3. Sections 1 and 2 of this act shall take effect six 155
months after the effective date of this act. 156

Section 4. That sections 4509.01, 4509.20, 4509.41, and 157
4509.51 of the Revised Code, as amended by Section 1 of this act, 158
be amended to read as follows: 159

Sec. 4509.01. As used in sections 4509.01 to 4509.78 of the 160
Revised Code: 161

(A) "Person" includes every natural person, firm, 162
partnership, association, or corporation. 163

(B) "Driver" means every person who drives or is in actual 164
physical control of a motor vehicle. 165

(C) "License" includes any license, permit, or privilege to 166
operate a motor vehicle issued under the laws of this state 167

including:	168
(1) Any temporary instruction permit or examiner's driving permit;	169 170
(2) The privilege of any person to drive a motor vehicle whether or not such person holds a valid license;	171 172
(3) Any nonresident's operating privilege.	173
(D) "Owner" means a person who holds the legal title of a motor vehicle. If a motor vehicle is the subject of a lease with an immediate right of possession vested in the lessee, the lessee is the owner. A person listed as the owner on a certificate of title on which there is a notation of a security interest is the owner. A buyer or other transferee of a motor vehicle who receives the certificate of title from the seller or transferor listing the seller or transferor thereon as the owner with an assignment of title to the buyer or transferee nonetheless is the owner even though a subsequent certificate of title has not been issued listing the buyer or transferee as the owner.	174 175 176 177 178 179 180 181 182 183 184
(E) "Registration" means registration certificates and registration plates issued under the laws of this state pertaining to the registration of motor vehicles.	185 186 187
(F) "Nonresident" means every person who is not a resident of this state.	188 189
(G) "Nonresident's operating privilege" means the privilege conferred upon a nonresident by the laws of this state pertaining to the operation by such person of a motor vehicle, or the use of a motor vehicle owned by such person, in this state.	190 191 192 193
(H) "Vehicle" means every device by which any person or property may be transported upon a highway, except electric personal assistive mobility devices, devices moved by power collected from overhead electric trolley wires, or used	194 195 196 197

exclusively upon stationary rails or tracks, and except devices 198
other than bicycles moved by human power. 199

(I) "Motor vehicle" means every vehicle propelled by power 200
other than muscular power or power collected from overhead 201
electric trolley wires, except motorized bicycles, road rollers, 202
traction engines, power shovels, power cranes and other equipment 203
used in construction work and not designed for or employed in 204
general highway transportation, hole-digging machinery, 205
well-drilling machinery, ditch-digging machinery, farm machinery, 206
threshing machinery, hay baling machinery, and agricultural 207
tractors and machinery used in the production of horticultural, 208
floricultural, agricultural, and vegetable products. 209

(J) "Accident" or "motor vehicle accident" means any accident 210
involving a motor vehicle which results in bodily injury to or 211
death of any person, or damage to the property of any person in 212
excess of four hundred dollars. 213

(K) "Proof of financial responsibility" means proof of 214
ability to respond in damages for liability, on account of 215
accidents occurring subsequent to the effective date of such 216
proof, arising out of the ownership, maintenance, or use of a 217
motor vehicle in the amount of ~~twenty~~ twenty-five thousand dollars 218
because of bodily injury to or death of one person in any one 219
accident, in the amount of ~~forty~~ fifty thousand dollars because of 220
bodily injury to or death of two or more persons in any one 221
accident, and in the amount of ~~fifteen~~ twenty-five thousand 222
dollars because of injury to property of others in any one 223
accident. 224

(L) "Motor-vehicle liability policy" means an "owner's 225
policy" or an "operator's policy" of liability insurance, 226
certified as provided in section 4509.46 or 4509.47 of the Revised 227
Code as proof of financial responsibility, and issued, except as 228
provided in section 4509.47 of the Revised Code, by an insurance 229

carrier authorized to do business in this state, to or for the 230
benefit of the person named therein as insured. 231

Sec. 4509.20. (A) A policy or bond does not comply with 232
divisions (A)(5), (A)(6), and (A)(7) of section 4509.19 of the 233
Revised Code unless issued by an insurance company or surety 234
company authorized to do business in this state, except as 235
provided in division (B) of this section, or unless such policy or 236
bond is subject, if the accident has resulted in bodily injury or 237
death, to a limit, exclusive of interest and costs, of not less 238
than ~~twenty~~ twenty-five thousand dollars because of bodily injury 239
to or death of one person in any one accident, and, subject to 240
said limit for one person, to a limit of not less than ~~forty~~ fifty 241
thousand dollars because of bodily injury to or death of two or 242
more persons in one accident, and, if the accident has resulted in 243
injury to, or destruction of property, to a limit of not less than 244
~~fifteen~~ twenty-five thousand dollars because of injury to or 245
destruction of property of others in any one accident. 246

(B) A policy or bond does not comply with divisions (A) (5), 247
(A) (6), and (A) (7) of section 4509.19 of the Revised Code with 248
respect to any motor vehicle which was not registered in this 249
state or was a motor vehicle which was registered elsewhere than 250
in this state at the effective date of the policy or bond or the 251
most recent renewal thereof, unless the insurance company or 252
surety company issuing such policy or bond is authorized to do 253
business in this state, or if said company is not authorized to do 254
business in this state unless it executes a power of attorney 255
authorizing the registrar of motor vehicles to accept service on 256
its behalf of notice or process in any action upon such policy or 257
bond arising out of such accident. 258

The registrar may rely upon the accuracy of the information 259
in the required report of a motor vehicle accident as to the 260

existence of insurance or a bond unless the registrar has reason 261
to believe that the information is erroneous. 262

Sec. 4509.41. (A) Judgments are satisfied for the purpose of 263
sections 4509.01 to 4509.78 of the Revised Code, in each of the 264
following cases: 265

(1) When ~~twenty~~ twenty-five thousand dollars has been 266
credited upon any judgments in excess of that amount because of 267
bodily injury to or death of one person as a result of any one 268
accident; 269

(2) When the sum of ~~forty~~ fifty thousand dollars has been 270
credited upon any judgments in excess of that amount because of 271
bodily injury to or death of two or more persons as the result of 272
any one accident; 273

(3) When ~~fifteen~~ twenty-five thousand dollars has been 274
credited upon any judgments rendered in excess of that amount 275
because of injury to property of others as a result of any one 276
accident. 277

(B) Payments made in settlements of any claims because of 278
bodily injury, death, or property damage arising from such 279
accident shall be credited in reduction of the amounts provided 280
for in this section. 281

Sec. 4509.51. Subject to the terms and conditions of an 282
owner's policy, every owner's policy of liability insurance: 283

(A) Shall designate by explicit description or by appropriate 284
reference all motor vehicles with respect to which coverage is 285
thereby granted; 286

(B) Shall insure the person named therein and any other 287
person, as insured, using any such motor vehicles with the express 288
or implied permission of the insured, against loss from the 289

liability imposed by law for damages arising out of the ownership, 290
maintenance, or use of such vehicles within the United States or 291
Canada, subject to monetary limits exclusive of interest and 292
costs, with respect to each such motor vehicle, as follows: 293

(1) ~~Twenty~~ Twenty-five thousand dollars because of bodily 294
injury to or death of one person in any one accident; 295

(2) ~~Forty~~ Fifty thousand dollars because of bodily injury to 296
or death of two or more persons in any one accident; 297

(3) ~~Fifteen~~ Twenty-five thousand dollars because of injury to 298
property of others in any one accident. 299

Section 5. That existing sections 4509.01, 4509.20, 4509.41, 300
and 4509.51 of the Revised Code are hereby repealed. 301

Section 6. Sections 4 and 5 of this act shall take effect two 302
years after the effective date of this act. 303