

# Chapter Q

## Insurers

### Insurers' responsibilities related to totaled vehicles

#### **Definitions**

##### **Insurer**

An insurer is a person engaged in the business of entering into policies of insurance. The term does not include persons who are self-insured. ([OAR 735-24-0030](#))

##### **Totaled vehicle**

A vehicle that is declared a total loss by an insurer that is obligated to cover the loss or that the insurer takes possession of or title to. [ORS 801.527\(1\)](#)

#### ***When an insurer declares a vehicle totaled, the insurer must:***

1. Obtain the certificate of title from the owner of the vehicle as a condition for the settlement of the claim.
2. Surrender the certificate of title to DMV within 30 days of its receipt along with an application for salvage title and fees. Mail the documents to:

DMV

Attention: Totaled Vehicle Desk

1905 Lana Avenue NE

Salem OR 97314

#### ***If the insurer does not obtain the certificate of title, the insurer must:***

1. Notify DMV in writing that the vehicle is a totaled vehicle, within 30 days of declaring the vehicle totaled.

If the insured retains the salvage, the insurer still must provide the notification of total loss to DMV.

Notification must include at least the following information:

- The year model, make, and vehicle identification number of the vehicle;
- The vehicle license plate number and state of registration, if known;
- The name, address, and phone number of the insurer submitting the notice;
- The insurer's claim number, and
- The date the insurer declared the vehicle a total loss.

If the insurer does not include the date of loss in the notification to DMV, DMV will return the notification to the insurer.

A DMV form, Insurer's Notification to DMV - Notice of Totaled Vehicle, [Form 735-7282](#), is available to notify DMV when the insurer declares a vehicle a total loss.

Form 735-7282 is only available on DMV's web site at:

<http://www.odot.state.or.us/forms/dmv/7282fill.pdf>.

2. Notify the owner that that they are required to:
  - a. Surrender the certificate of title to DMV, and
  - b. Notify any subsequent purchasers that the vehicle is a “totaled” vehicle.

***When an insurer must apply for salvage title***

The insurer must apply for a salvage title if the insurer obtains the title as provided under [ORS 819.014](#), unless a salvage title has already been issued.

Insurers are required to apply for salvage title under [ORS 819.016](#) and [OAR 735-24-0130](#).

For information about how to apply for a salvage title, see [Chapter J](#).

***When an insurer does not need to apply for a salvage title***

When an insurer takes possession of a “totaled” vehicle, the owner of that vehicle may surrender the title directly to DMV and obtain a salvage title in their own name. The insurer may accept that salvage title and provide the salvage title to any subsequent buyer. The insurer, in this case, does not need to apply for a transfer of the salvage title to their name.

In this case, the owner shown on the salvage title should use the reassignment area on the back of the salvage title to complete any required odometer disclosure and to assign their interest to the insurer.

***License plates***

Insurers are not required to remove the license plates from the vehicle. The plates may remain with the vehicle until it is wrecked, dismantled, disassembled, or rebuilt; however, the plates are no longer valid after the title has been surrendered or a salvage title has been issued.