

# Financial Responsibility Bonds to Comply with Ohio Law



Consumers 1-800-686-1526 • Medicare 1-800-686-1578 • Fraud & Enforcement 1-800-686-1527

In order to drive legally in Ohio, you must be able to prove you can pay for damages and injuries that occur in any traffic accident you cause.

## *How Ohio's Financial Responsibility Law Works*

You cannot drive legally in Ohio without being able to demonstrate your financial responsibility (FR). To do this, you must have the minimum requirements of liability coverage in case you are responsible for a traffic accident.

A majority of drivers comply with the FR law by purchasing automobile insurance. Most personal auto insurance policies issued to Ohio drivers carry the minimum of bodily injury and property damage liability coverage required by the state.

The policy may also include options that cover medical payments, uninsured & underinsured motorists, and comprehensive & collision. The insurance company gives policyholders an ID card to be used as FR proof.

**Please note:** Any time a police officer stops you for a traffic violation or safety check, the officer will ask you for proof of financial responsibility.

## *FR Bonds Act Like Limited Automobile Insurance*

If you are not able to buy auto insurance for any reason, you can establish financial responsibility through the purchase of a cash bond. This "FR bond" must be posted with the State Treasurer of Ohio.

FR bonds are similar to automobile insurance because they provide both bodily injury and property damage liability coverage for injuries and damages you cause.

In other words, they cover you if you are at fault for injuries caused to another driver, passengers in another car, pedestrians, and damage to property other than your vehicle.

No one else who operates your vehicle is covered by your FR bond — not even members of your household. FR bonds do not pay for injuries to you. They may pay for a passenger's injuries if you are liable for an accident, but will not otherwise pay for passenger injuries. Such bonds do not cover damages to your vehicle.

They provide restricted coverage only for bodily injury and property damage liability which you might cause while driving a vehicle.

*Continued on side 2* ➔

## FR Bond Facts

Below are general provisions of FR bonds. Your agent can give you specific details about the bond you want to buy.

- While a \$30,000 bond is the minimum amount required, the bond is usually written for at least \$32,500
- The bond must be issued by an authorized insurance company
- Your cost will depend on certain risk factors such as your age and your driving record — the same factors that are used to determine auto insurance rates
- An FR bond does not provide coverage for any particular vehicle — it covers you and no one else
- FR bonds are regulated by the Ohio Department of Insurance

## No FR? You'd Better Start Walking!

If you are caught driving without proof of financial responsibility, you'll soon be walking. The penalties, shown below, are severe.

- Suspension of your driving license for at least 90 days if it's your first time
- Up to one year suspension for repeat offenders
- Impoundment of your license plates and certificate of registration
- Court costs
- No driving privileges during suspension

## Getting Your License & Tags Back

If your license is suspended because you fail to prove FR, Ohio law specifies the steps you must take to have your driving privileges restored.

- Pay a reinstatement fee of \$75. This fee could be as much as \$500 for repeat offenders
- Prove you are now financially responsible through insurance or a bond
- File a form (SR-22) with the Ohio Bureau of Motor Vehicles
- Pay an impound fee to get your vehicle back

## Questions or concerns?

The Ohio Department of Insurance regulates agents and companies that are licensed to sell insurance in our state. The Department's Consumer Services representatives can answer your insurance questions and investigate your complaints about an insurance company or agent, contact the Department at **1-800-686-1526**.