

**PROGRAM DIVISION
BULLETIN**

2003-10

April 11, 2003

STATE: Oregon

APPLICABILITY: Commercial Automobile

EFFECTIVE DATE: Immediately

SUMMARY: Proof of Insurance Law – OR DMV Reporting

SUMMARY

The Oregon Division of Motor Vehicle has developed an Automobile Liability Insurance Reporting (ALIR) system to monitor uninsured vehicles in the state. The goal of this program is to reduce the number of uninsured vehicles operating on Oregon highways. The purpose of this program is to provide an online tool to law enforcement, to ensure that the laws of that state governing motor vehicles are enforced. The reporting program was developed pursuant to Senate Bill 955, and requires insurance carriers to file proof of liability insurance coverage for each registered vehicle afforded coverage in the state. Furthermore, carriers are required to file proof of insurance within 15 days of the issuance of an insurance contract. Carriers are also required to file cancellations of coverage with 30 days of policy termination. Data must be filed for each insurance company writing coverage in the State of Oregon. Reporting by a carrier company can be submitted on a non-vehicle specific basis, or a vehicle specific basis. Failure to report can result in fines to the carrier, and suspension of registration privileges to the insured.

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REPORTING OPTIONS

1. Non-Vehicle Specific Reporting Option

The insurer may opt for *non-vehicle specific reporting* by only reporting policy level data such as; the name and address of the registrant, the carrier company NAIC code, coverage effective date, etc. This option eliminates the need to report vehicle-specific data such as vehicle model year, vehicle make, and vehicle identification number (VIN), and should be utilized any time the policy has been issued on a composite rated basis.

HOWEVER, THIS OPTION, IF CHOSEN BY THE INSURER, COULD BE CONSTRUED AS AN INDICATION TO THE OREGON DMV THAT ALL OREGON REGISTERED VEHICLES THAT ARE OWNED BY THE REPORTED REGISTRANT(S) ARE COVERED BY THE POLICY, AND COULD RESULT IN THE COMPANY BEING LIABLE FOR CLAIMS THAT IT HAD NOT ANTICIPATED AND FOR WHICH IT HAD NOT COLLECTED A PREMIUM.

This may not be the underwriter's intent, especially regarding leased vehicles and vehicles registered to individuals covered on the policy.

AIG should not be verifying coverage on these types of exposures on a blanket basis.

2. Vehicle-Specific Reporting Option

The insurer may opt for *vehicle-specific reporting*. Under this option, only those specific vehicles reported by the insurer are considered covered under the reported policy. The vehicle-specific reporting option eliminates the challenges that may be presented with leased vehicles and vehicles registered to individuals covered on the policy, and should be utilized in those instances where the policy has been written on a schedule rated basis.

NOTE: Vehicle specific reporting must always be utilized in the following cases:

- Reporting vehicles registered to a leasing companies.
- Reporting vehicles registered to an individual, when only certain vehicles registered to that individual are to be covered under the Commercial Auto Policy.

UNDERWRITING ACTION

The program administrator must determine which reporting option should be used based on the coverage scenarios described above and complete the

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corresponding Oregon Reporting Template. The template must be completed by the program administrator. The program administrator must make sure that ALL data elements requested on the template are completed. Once the program administrator has determined that the template is complete, they will forward it to the DMV Support Unit in Berkeley Heights for processing at DMVDataEntry@AIG.com. Attached is the Oregon reporting template.

NOTE: In all cases, the templates should be submitted electronically whenever possible.



OR Reporting
Template.xls

Please contact your Program Manager with questions.

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