

**PROGRAM DIVISION
BULLETIN**

2003-12

April 25, 2003

STATE: New Mexico
APPLICABILITY: Commercial Automobile
EFFECTIVE DATE: Immediately
SUMMARY: Proof of Insurance Law – NM MVD Reporting

SUMMARY

The New Mexico Taxation and Revenue Department, Motor Vehicle Division (NM MVD), has developed an Insurance Identification Database (IIDB) and motor vehicle insurance reporting program to monitor uninsured vehicles in the state. The new database and reporting program were developed pursuant to 2001 House Bill 847, which authorized the Division to adopt rules requiring insurers to report cancelled, terminated, and newly issued motor vehicle policies on a monthly basis.

The requirement applies to schedule-rated as well as composite-rated policies. Reporting by the insurer is required for all motor vehicles with gross vehicle weight (GVW) less than 26,001 pounds and motor homes of any weight. Motor vehicles with GVW of 26,001 pounds or more (except motor homes of any weight) are exempt from the reporting requirements. Additionally, the following vehicles are exempt from reporting:

New Mexico Vehicle Class # 12 – Farm Truck
New Mexico Vehicle Class # 13 – Heavy Truck
New Mexico Vehicle Class # 14 – School Bus
New Mexico Vehicle Class # 18 – Utility Trailer
New Mexico Vehicle Class # 19 – Travel Trailer
New Mexico Vehicle Class # 22 – Off Highway
New Mexico Vehicle Class # 31 - Mobile Home (a trailer – not a motor home)

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REPORTING OPTIONS

1. Non-Vehicle Specific Reporting Option

The insurer may opt for *non-vehicle specific reporting* by only reporting the names and addresses of each New Mexico registrant covered on the policy. When reporting in this fashion, the complete registrant name and address must be provided for each New Mexico location at which an insured vehicle is registered. This option eliminates the need to report vehicle-specific data such as vehicle year, vehicle make, and vehicle identification number (VIN). HOWEVER, THIS OPTION, IF CHOSEN BY THE INSURER, INDICATES TO NM MVD THAT ALL NEW MEXICO 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 program administrator's intent, especially regarding leased vehicles and vehicles registered to individuals covered on the policy.

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 by NM MVD to be covered by the policy. If this option is chosen by the insurer, all new business and cancellation transactions involving non-exempt vehicles (vehicles with GVW less than 26,001 pounds and motor homes of any weight) must be reported with the vehicle-specific data such as the vehicle year, vehicle make and complete VIN. Additionally, vehicles meeting the GVW description above and motor homes of any weight that are added to or deleted from existing policies must be reported at the time of addition or deletion to the 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.

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 corresponding "*New Mexico MVD 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. The program

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administrator will forward it to the DMV Support Unit in Berkeley Heights for processing at DMVDataEntry@AIG.com.

Attached are the New Mexico MVD reporting templates. Also included is a list of AIG Company NAIC codes and NCIC vehicle make codes to assist the program administrator with the proper completion of the templates for those data elements.

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



NM Reporting
Template.xls

Failure to comply with the procedures described herein will result in one or more of the following:

- The insured may be prevented from registering their vehicle(s).
- Suspension, and/or revocation of the insureds existing vehicle registration.
- Impoundment of the insured's vehicle(s) and civil penalties incurred by the insured.
- Fines imposed on AIG.

Please contact your Program Manager with questions.

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