

**PROGRAM DIVISION
BULLETIN**

2004-02

January 15, 2004

State: **Florida**

Applicability: **Commercial Automobile**

Effective Date: **Immediately**

Re: **Florida Motor Vehicle No-Fault Law - Automobile Liability Insurance Reporting Program – DMV Reporting**

SUMMARY

The Florida 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 the 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 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 30 days of the issuance of an insurance contract. Carriers are also required to file renewal, cancellation or non-renewal of coverage within 45 days from the effective date of such activity. Data must be filed for each insurance company writing coverage in the State of Florida. 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 REQUIREMENTS

- Report new business, non-renewals and cancellations (final cancellations only).
- New business must be reported within 30 days after issuance of the policy or binder.
- Cancellations must be reported within 45 days after final cancellation.
- Non-Renewals must be reported within 45 days after non-renewal as Cancellations.
- Report additions and deletions of vehicles on scheduled vehicle policies within 30 days after change.
- Include complete vehicle information including a valid 17 digit (complete) VIN when reporting under the vehicle-specific option.
- The registrant must match the named insured.
- Excluded classes: Taxicabs, limousines, vehicles registered to the government, federal, state, county, municipalities, and self propelled vehicles of less than four wheels are not subject to the provisions of the No-Fault Law.
- Renewal reporting is only necessary if there is a policy number change or carrier company change, although it is suggested in order to maintain valid dates, etc. Policy renewal is presumed unless the Department is notified otherwise.

(Refer to the individual State Template for a complete list of required data elements for reporting)

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 DMV THAT ALL 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

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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.

Any additions or deletions to a policy reported to the DMV in this manner would have to be reported on an ongoing basis.

UNDERWRITING ACTION

The program administrator must determine which reporting option should be used based on the coverage scenarios described above. Data must be submitted by completing the corresponding "Standardized DMV *Reporting Template*". The template must be completed by the program administrator and the program administrator must make sure that ALL data elements requested are supplied on the template. The individual Standardized templates are also available at AccessAIG for program administrators. Also included in the template 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.

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The program administrator will forward the template to the DMV Support Unit in Berkeley Heights for processing at dmydataentry@aig.com. When completing the template, please disregard the USER ID columns in the beginning of the template – these are for future use.

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 insureds vehicle(s) and civil penalties incurred by the insured.
- Fines imposed on AIG.

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