

**PROGRAM DIVISION  
BULLETIN**

2004-46

November 1, 2004

**Important Notice Regarding  
DMV Reporting of For-Hire Vehicles in New York**

**Summary/Background**

**Background and Basic Requirements**

For-hire (FH) vehicles are taxis, liveries, buses, school cars, ambulances, hearse/invalid coaches, and rental vehicles that provide public transportation for profit. These vehicles are registered in several different FH registration classes that expire on 2/28, 9/30, or 12/31. FH insurance policy expirations must match the annual registration expirations.

**Note: Taxi and Livery registration expirations are staggered. DMV is considering further staggering of FH registrations in addition to Taxi and Livery classes, but for the moment, the above rules apply.**

The schedule of annual FH registration expirations is as follows:

Vehicle Class	Registration Expiration	Policy Inception & Expiration
Bus (Franchise), Bus (Regular)	February 28	March 1
Rental (Private Daily) Rental (Private Daily – Vanity Plates)	September 30	October 1
Ambulance, Hearse / Invalid Coach, School Car	December 31	January 1

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### **Full-Term Policies**

- All full-term FH policy periods (excluding Taxi and Livery classes) must start and end on March 1, October 1 and January 1, as appropriate for the vehicle class. Unlike other registrations in NY, renewal transactions pertaining to FH registrations are required to be reported to NY DMV annually and must be submitted with March 1, October 1 and January 1 effective dates.
- Cancellations must be reported to the DMV a minimum of **20 days prior to the cancellation effective date**. This requirement also applies to the deletion of vehicles from existing policies. Refer to the NY DMV IIES website [www.nydmv.state.ny.us/iies.htm](http://www.nydmv.state.ny.us/iies.htm) for further details regarding cancellation reporting for For-Hire classifications.
- FH registrants must submit an FH-1 bar coded insurance ID card with registration renewal applications. The policy inception and expiration dates shown on the ID card must be March 1, October 1 or January 1 depending on the FH registration class as indicated in the table above. Unlike other registrant classes, there are no non-chargeable lapses in coverage. **Even a one day lapse in coverage for a FH vehicle will result in the issuance of a revocation.**

### **Mid-Term Policies**

- Superseding insurers must issue policies and FH-1 bar coded insurance ID cards that expire on March 1, October 1, or January 1, depending on the class of vehicle insured. Similarly, all other less than full-term policies must expire on March 1, October 1, or January 1.
- New Business (NBS) transactions must be reported to the DMV using the same effective date that was printed on the FH-1 bar coded insurance ID card. These NBS transactions are required to offset cancellation (XLC) transactions submitted by the previous insurer.

### **Underwriting Action:**

- Because concurrency of dates is not always an option, common errors occur when the insurance policy does not have the same effective and expiration dates as that of the vehicle registration. **Please note that filings and entries into the NY DMV reporting system must match the dates shown and described herein regardless of the policy effective and expiration dates. Additionally, policy cancellations, non-renewals and vehicle deletions from policies must be reported to DMV a minimum of 25 days in advance of the effective date to allow for processing time needed to meet the 20 day advance notice of cancellation rule mentioned above.**

DMV data collection and reporting for FH vehicles must be executed using one of the following processes:

1. The AIG standard process relies on the producer to enter the NY vehicles directly into our online ALIR (Automobile Liability Insurance Reporting) System via [www.accessaig.com](http://www.accessaig.com). It is the underwriter's responsibility to ensure that the data is entered in accordance with these guidelines.

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2. NY registered vehicles can also be reported on AIG's approved NY DMV Reporting Template, located on [www.accessaig.com](http://www.accessaig.com), and subsequently uploaded into the online reporting system (ALIR). The following guidelines **MUST** be followed:
- New Business and/or Renewal vehicles registered in NY in one of the FH vehicle classes must be entered on the NY DMV reporting template by the underwriter.
  - The vehicles must be coded as "3" in the "policy type" column on the template. All other data fields must be completed unless marked "optional". It is imperative that the effective date of new business or renewal coverage provided on the template match the effective date printed on the FH-1 bar coded insurance ID card. This requirement applies to the addition or deletion of vehicles to existing policies.
  - Policy cancellations, non-renewals, as well as vehicle additions and deletions, must also be entered on the template with all data fields completed.

Failure to comply with the procedures described herein will most likely 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.
- Possible impoundment of the insured's vehicle(s).
- Civil penalties incurred by the insured.
- Increased 3<sup>rd</sup> party liability exposures generated by failure to report cancellations timely.
- Possible fines imposed on AIG.

If you have any questions, please contact your Program Manager.

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