

**PROGRAM DIVISION  
BULLETIN**

**2005-13**

**April 25, 2005**

**IMPORTANT NOTICE REGARDING  
PERSONAL AND COMMERCIAL AUTOMOBILE  
DMV REPORTING IN LOUISIANA**

This bulletin replaces the information distributed in our Bulletin 2004-03, dated January 15, 2004.

**SUMMARY**

The Louisiana Department of Public Safety & Corrections Office of Motor Vehicles (DMV) 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 15 days of the issuance of an insurance contract. Carriers are also required to file renewal, cancellation or non-renewal of coverage within 15 days from the effective date of such activity. Data must be filed for each insurance company writing coverage in the State of Louisiana. Reporting by a carrier company must be submitted on all vehicles registered in that state. Reporting is required for personal and commercial lines insurance. Failure to report timely or accurately (LA has a 92% annual accuracy rate per carrier company) can result in fines to the carrier, and suspension of registration privileges to the insured. There are two reporting options listed below.

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**LEXINGTON INSURANCE COMPANY**

**PROGRAM DIVISION**

100 Summer Street/19th Floor, Boston, MA 02110  
phone 617-330-1100 / fax 617-330-8595

## REPORTING REQUIREMENTS

- Report new business, renewals and cancellations (final cancellations only) to the LA DMV;
- New business must be reported within 15 days after issuance of the policy or binder. It is recommended to only report using policy number, as if binder number is used, it must be updated when policy number is issued;
- Cancellations must be reported within 15 days after final cancellation;
- Report additions and deletions of vehicles on scheduled vehicle policies within 15 days after change;
- Include complete vehicle information including a valid 17 digit VIN when reporting under the vehicle-specific option;
- The registrant must match the named insured;
- Non-Renewals need to be reported as Cancellations or Terminations;
- Include estimated number of vehicles in the fleet when reporting non-vehicle specific policies.

(Refer to the individual State Templates 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 method requires the reporting of the name of the insured registrant, address of the registrant, among other required data elements. This option eliminates the need to report vehicle-specific data such as vehicle identification number (VIN), and should be utilized any time the policy has been issued on a fleet rated basis.

HOWEVER, THIS OPTION, IF CHOSEN BY THE INSURER, COULD BE CONSTRUED AS AN INDICATION TO THE DMV THAT ALL VEHICLES REGISTERED IN THAT PARTICULAR STATE 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 vehicles registered to individuals covered on the policy, and should be utilized in those instances where the policy has been written on a non-fleet basis.

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

- 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 complete 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.com for Program Administrators. Also included in the template is a list of AIG Company NAIC codes and NCIC vehicle make codes to assist with the proper completion of the templates for those data elements. NOTE: In all cases, the templates should be submitted electronically whenever possible to avoid manual keying of the data into the ALIR system.

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.

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