

State of Alabama

Department of Revenue

Online Insurance Verification System

Annual Report

Contents

INTRODUCTION..... 5

 Background 5

 Advisory Council..... 5

 Exemptions..... 6

 Participation..... 7

 Pilot Program 8

 Online Insurance Verification System (OIVS) User Guide..... 8

OIVS WEB SERVICE 9

 Preparation..... 9

 Insurance Data Transfer 9

 Requirements..... 9

 Frequency of Submissions..... 10

 Insurance Information Form 10

 Web Service..... 11

 Resources 12

 Security Certificates 12

 XML Schema Version..... 12

 Data..... 12

 NAIC Number..... 12

 VIN..... 13

 Verification Date 13

 Policy Number..... 13

 Response to Query 13

"Confirmed" 14

"Unconfirmed" 14

Response Time for Web Service Inquiries 17

Maintenance Downtime 17

Retention of Records 18

Security 18

Reports 18

Re-verification Process 19

PUBLIC AWARENESS CAMPAIGN 20

 Website 20

 Insurance Questionnaire and Notice of Suspension 21

ONLINE INSURANCE VERIFICATION SYSTEM USERS 21

 End-users 21

 Law Enforcement 22

 Licensing Officials 22

 Training 22

 Methods of Query 22

FINANCIAL RESPONSIBILITY 23

COST/ BENEFIT 23

RECOMMENDATIONS 24

 Pre-population of Insurance Data 24

 VIN Validation 25

 Implementation Period 25

 Advisory Council 25

Partnerships 25

Policy Information..... 25

Error Reports..... 26

Technical Support 26

Training 26

Public Awareness Campaign 26

ACRONYMS 26

PROGRAM CONTACTS..... 28

APPENDIX A – Insurer Information Form

APPENDIX B – Statistics

APPENDIX C – Council Members

INTRODUCTION

This report was prepared in accordance with Section 32-7B-4, Code of Alabama 1975, which provides that the insurance advisory council will issue a written report to the Alabama Department of Revenue (DOR), Department of Public Safety (DPS) and Department of Insurance (DOI) twelve (12) months after the Online Insurance Verification System (OIVS) is implemented. The purpose of this report is to outline the system's effectiveness in identifying uninsured motorists. The report is required to be filed annually on or before January 1st of each year.

Background

The DOR is responsible for administering the Mandatory Liability Insurance (MLI) law (Act 2000-554). The law was established to effectively administer and enforce minimum motor vehicle liability insurance requirements in Alabama. Alabama registrants are required to maintain motor vehicle liability insurance coverage as a prerequisite to registering vehicles.

Legislative Act 2011-688 required the DOR to create an OIVS to be used to verify a registrant's compliance with the MLI law (§32-7A-1 et seq.) of Alabama. The OIVS was fully implemented and in production on January 1, 2013.

As detailed in the [IICMVA Model User Guide for Implementing Online Insurance Verification \(version 4.0\)](#), the purpose of the OIVS is to assist in the enforcement of motor vehicle liability insurance requirements. It allows requesting parties to go directly to the source of insurance information – the insurance companies. It allows a real time response to be provided to an insurance inquiry that contains standardized request information. It is utilized to verify a minimum liability insurance policy is in effect on a vehicle prior to the issuance of a motor vehicle registration by a license plate issuing official, by law enforcement officers during traffic stops or accidents, and by the DOR to ensure policies are being maintained on vehicles registered in Alabama.

Advisory Council

The legislative act created an insurance advisory council for the purpose of facilitating the implementation of an OIVS in Alabama using the Insurance Industry Committee on Motor Vehicle Administration (IICMVA) specifications and standards. The thirteen (13) member council includes the following persons:

- Two (2) representatives of the DOR
- One (1) representative of the DPS
- One (1) representative of the DOI
- Three (3) insurance company representatives appointed by the Commissioner of Insurance
- One (1) representative of the AIA
- One (1) representative of the NAMIC
- One (1) representative of the PCIAA

- One (1) representative of the AIAA
- One (1) representative of the APJA
- One (1) representative of the AATA

The council is chaired by the Commissioner of Revenue or his/her designee. The advisory council held its first meeting July 20, 2011, to begin discussions regarding the development and implementation of the OIVS and has met monthly since that date.

The council assisted in the development of a detailed guide for insurers that provides a descriptive explanation of the insurance verification process and technical specifications for insurers to be in compliance with the law. The advisory council outlined the testing phase for the OIVS and identified any changes that needed to be made during the testing phase. The DOR was responsible for keeping the advisory council informed on the implementation and operational status of the OIVS. DOR maintains information relating to the implementation of OIVS on the motor vehicle division webpage labeled "Insurance Advisory Council" at: <http://revenue.alabama.gov/motorvehicle/iac.cfm>.

Exemptions

Section 32-7A-4 of the MLI law provides that no person shall operate, register, or maintain registration of, and no owner shall permit another person to operate, register, or maintain registration of, a motor vehicle designed to be used on a public highway unless the motor vehicle is covered by a liability insurance policy, a commercial automobile insurance policy, motor vehicle liability bond or deposit of cash. The following vehicles or operators are exempt from the MLI law (§32-7A-5):

1. Trailers, including, but not limited to semitrailers, travel trailers, boat trailers, pole trailers and utility trailers
2. Motor vehicles owned and operated by the US government or any agency thereof, the State of Alabama, or any political or governmental subdivision thereof
3. Any motor vehicle which is subject to the supervision and regulation of the FMCSA or the Alabama PSC
4. Other motor vehicles complying with laws which require the vehicles to be insured in amounts meeting or exceeding the minimum amounts
5. Motor vehicles covered by a certificate of self-insurance issued by DPS
6. Inoperable or stored motor vehicles that are not operated and not subject to provisions of §32-7A-7.
7. Implements of husbandry
8. Any vehicle moved solely by animal power
9. Special mobile equipment
10. Motor vehicles owned by a licensed motor vehicle dealer, wholesaler, rebuilder or reconditioner and held in inventory that are covered by a blanket liability insurance policy or commercial automobile liability insurance policy
11. Vehicles properly registered in another jurisdiction and not legally required to be registered in Alabama

12. Vehicles owned by a financial institution that are covered by a blanket liability insurance policy or commercial automobile liability insurance policy
13. Vehicles covered by a blanket liability insurance policy or commercial automobile liability insurance policy

The advisory council determined that in accordance with the exemption provided in Section 32-7A-5 related to commercial lines policy data, the department should adopt an administrative rule to exempt commercial lines policies from the OIVS process. On May 2, 2012, the department amended administrative rule 810-5-8-.07 entitled *Vehicles Exempt from the Mandatory Liability Insurance Law* to specifically exempt vehicles covered by a blanket liability insurance policy or commercial automobile liability insurance policy from the Mandatory Liability Insurance Law. This rule specifies that vehicles insured under a blanket or commercial automobile liability insurance policy are not subject to OIVS; however, every operator of a motor vehicle subject to Section 32-7A-4, shall carry within the vehicle evidence of insurance. During the implementation of OIVS and for all first time registration transactions, the evidence of commercial insurance must be viewed by the license plate issuing officials and the policy type must properly reflect that the vehicle is insured under a commercial policy. A list of all commercial-only insurer National Association of Insurance Commissioners (NAIC) numbers is being maintained by DOR on the Insurance Advisory Council webpage to assist registrants and licensing officials in identifying NAIC numbers not subject to verification through OIVS. Additionally, the DOR maintains lists on the insurance advisory council webpage of the insurers using OIVS and DOI identified out of state insurers. These lists are being provided to assist county license plate issuing officials and registrants in identifying why some insurance policies cannot be verified. In January 2013, there were 147 distinct insurer NAIC numbers using OIVS. There are currently 182 distinct insurer NAIC numbers using OIVS.

Participation

Only an insurer authorized to do business in Alabama shall issue a policy pursuant to this section for any vehicle registered in Alabama. The policy shall be issued in amounts not less than \$25,000 for death or bodily injury to one person; \$50,000 for death or bodily injury to two or more persons; and \$25,000 for damage or destruction of property (§32-7-6(c)).

The law provides that insurers shall cooperate with DOR in establishing and operating the OIVS. It also requires that an insurer implement processes which allow verification of insurance status through the OIVS (§32-7A-9). The DOR is required to offer alternative methods of insurance verification for small insurers writing policies for no more than 500 vehicles in Alabama. The alternative method that was developed notifies these insurers via email when an insurance policy written by their company must be verified. The insurer is assigned a userid and password in order to login to the mandatory liability insurance portal to confirm liability insurance coverage over the internet. Currently, there are thirteen (13) insurers providing confirmation of coverage using the alternative method.

Insurers are required to maintain the data necessary to verify insurance status through the OIVS for a period of at least six (6) months in accordance with IICMVA recommendations (§32-7B-5(2)). This time period is the current date plus the preceding six (6) months. Note: evidence of insurance may be requested for dates older than the 6 month period; however, the insurance data is not required to be available through the OIVS.

The DOR identified insurer NAIC numbers that were not in OIVS production by January 1, 2013, and provided this information to the DOI on January 9, 2013, in accordance with Section 32-7A-10. The DOI contacted these insurers to reiterate the importance of implementing OIVS as soon as possible since the required implementation date of January 1, 2013, had passed. A list of non-participating insurers was maintained on the DOR website under the advisory council webpage to keep registrants, licensing officials, and law enforcement personnel aware of any insurers' policies that could not be verified using OIVS. This list was maintained until July 22, 2013, when all identified personal automobile insurers were utilizing OIVS.

Pilot Program

A pilot program was conducted to test the OIVS prior to statewide use as required by Section 32-7B-3(b)(2). The insurers represented on the advisory council participated in the pilot program. Counties representing every licensing system used by licensing officials throughout the state were included in the testing. The following Alabama counties participated in the pilot program:

- Covington
- Elmore
- Henry
- Houston
- Jefferson
- Limestone
- Mobile
- Shelby
- Tuscaloosa
- Winston

The [IICMVA Model User Guide for Implementing Online Insurance Verification \(version 4.0\)](#) recommends a testing period of no less than nine (9) months be established to provide that insurance carriers and jurisdictions can ensure a fully functional verification program. Therefore, the test period began on April 1, 2012, exactly nine (9) months prior to the January 1, 2013, implementation date.

Online Insurance Verification System (OIVS) User Guide

An OIVS User Guide was created to provide insurance companies, license plate issuing officials, and criminal justice agencies the technical information regarding implementation of OIVS. The guide was distributed to users on July 11, 2012. Along

with this guide, the OIVS Level 3 Certificate, schemas and web service descriptive language (WSDL) information were available on the department web page. ADOR information technology staff developed a universal web service descriptive language (WSDL) to accommodate the various changing schemas utilized by insurers.

NOTE: At the October 2013 IICMVA meeting, the universal WSDL utilized by Alabama, was adopted as the industry standard to be used for electronic verification of insurance for both financial responsibility and liability insurance.

OIVS WEB SERVICE

Preparation

Insurers that write policies for more than 500 vehicles in Alabama under personal automobile policies were required in accordance with Section 32-7A-9, to allow access through an OIVS to verify insurance status in accordance with Section 32-7A-7, effective January 1, 2013. The [IICMVA Model User Guide for Implementing Online Insurance Verification \(version 4.0\)](#) provides the recommended specifications and standards as contained in Section 32-7B-4.

Insurance Data Transfer

In an effort to ensure that registration renewals were processed without significant interruption due to the law change, DOR requested that insurance companies doing business in Alabama provide the policy numbers and corresponding VINs covered by their mandatory liability insurance policies in a manner specified by the department (Section 32-7A-3(c)(3)). The [IICMVA Insurance Data Transfer Guide \(version 1.0\)](#) includes the recommended data file layout which was used as the basis for collecting the NAIC number and insurance policy numbers from insurers to prepopulate the state and county registration databases. The department determined that each insurer should submit a data file based on the [IICMVA Insurance Data Transfer Guide \(version 1.0\)](#) for the transmission of insurance policy data to support the verification of mandatory auto insurance using the [IICMVA Model User Guide for Implementing Online Insurance Verification \(version 4.0\)](#).

Requirements

Insurers were requested to upload data files to the department's secure file transfer protocol (FTP) site in accordance with the IICMVA Insurance Data Transfer Guide. The department did not require data encryption of the file because the insurer was required to login to the SFTP site to upload the data files. This eliminated the need for key exchanges with encryption techniques like pretty good privacy (PGP) as recommended by the IICMVA. The integrity of the data is of utmost importance. Therefore, DOR provided a secure FTP site for insurers to test conformance with the file requirements for book of business file transfer.

Frequency of Submissions

On October 4, 2011, a notice was distributed to all Alabama insurers and trade association representatives requesting their insurance data be provided to DOR, in accordance with the IICMVA Insurance Data Transfer Guide, to be integrated within the state and county registration databases so that licensing officials would not be required to collect the NAIC and policy numbers from every registrant during the vehicle registration process beginning January 1, 2013. The insurers' limited scope book of business (BOB) files were requested to be provided to the department by January 1, 2012, and quarterly thereafter until January 1, 2013, when the OIVS went into production. This ensured that the most current data was utilized during the testing phase and was available upon implementation of web services beginning January 1, 2013. Insurers were notified of any policy that could not be readily matched to a vehicle registration record in the department's database by VIN. Some insurers used this information to reach out to their customers in an attempt to verify and correct any VIN errors prior to implementation of OIVS.

The DOR worked with DOI to identify insurer NAIC numbers that would be exempt from OIVS because they only write commercial policies. Once identified, registration records with these numbers were programmatically coded in the state registration database with a commercial policy type so that insurance verification would not be attempted for these records using OIVS. County IT personnel identified commercial-only insurer NAIC numbers and correctly coded the policy type as commercial (c), so that insurance verification using OIVS would not be attempted for commercial vehicles not subject to OIVS.

Insurers and licensing officials requested that the department continue utilizing the insurer book of business files to update insurance information; specifically to identify changes in insurance policies or dropped/cancelled insurance. This request was provided to the insurance advisory council; however, the advisory council re-affirmed that the IICMVA web services model was not designed for book of business updates to be sent to jurisdictions. The web services model relies entirely on web services to verify insurance and it is the registrant's responsibility to ensure that their insurance policy information is updated.

Insurance Information Form

DOR contacted every insurance company authorized to write liability insurance policies in Alabama to obtain the necessary insurance company information. Prior to utilizing the OIVS, each insurer submitted an Insurer Information Form for each insurer's NAIC number as recommended by the IICMVA. Insurers are to submit a revised Insurer Information Form to DOR when the insurer makes a contact or company change. The revised form should be submitted to DOR within ten (10) calendar days of such change. If a company stops selling personal vehicle liability insurance policies for vehicles registered in Alabama, the company should notify DOR.

This form provided contact information for the insurer business practice and information technology staff as well as the web services schema to be utilized by the insurer. Insurers that write policies for 500 or less vehicles in Alabama also utilized this form to request an alternative method for verification of policy information for their customers. The advisory council approved the use of this form instead of the legal trading partner agreement as required in the IICMVA guidelines.

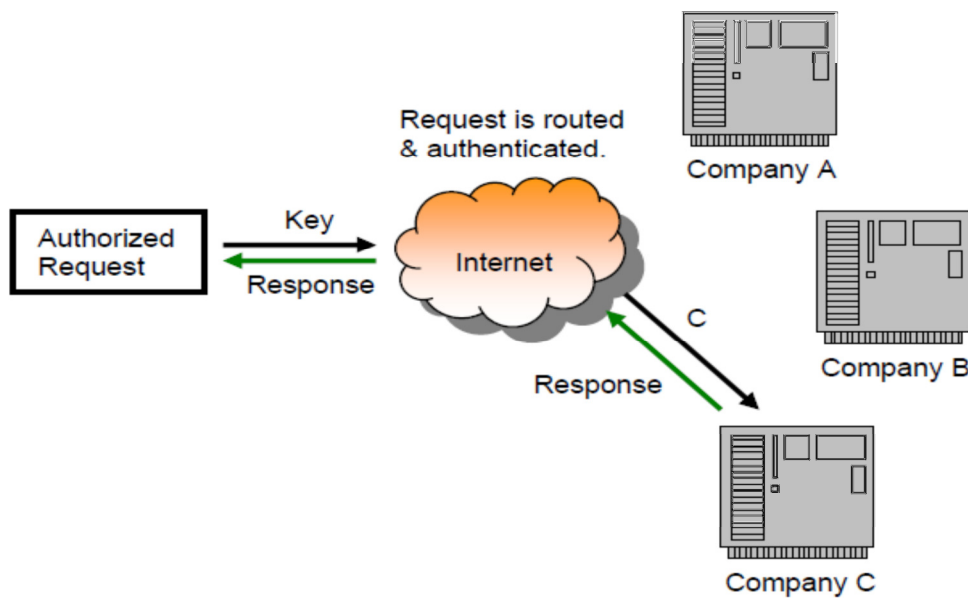
Web Service

The DOR created a web service to allow end-users such as county license plate issuing officials, DOR, courts and law enforcement to verify whether a specific motor vehicle has liability insurance. The OIVS web service was provided to the IT representatives of all insurers, counties and law enforcement to assist in development and implementation of the OIVS. DOR assisted any end users in testing, implementing, and accessing the web service.

The OIVS web service is available through any computer with Internet access. This web service represents the end-user interface as well as the query and retrieval portions of the OIVS.

DOR does not maintain a database of insurance policy information for confirmation of coverage. OIVS requests are sent from authorized requestors (end users, page 21) to the participating insurance company’s database, through the state maintained OIVS. The system will respond with either a “confirmed” or “unconfirmed” result.

An insurance verification request is made for a vehicle insured by Company C with the key information provided by that company.



Resources

DOR and its information technology staff devote the software, hardware and personnel resources to administer OIVS, including web services, standard security features and customer support. The OIVS web service is available to insurers and end users on the DOR web page:

<http://www.revenue.alabama.gov/motorvehicle/iac.html>

Security Certificates

The DOR and insurers exchange SSL certificates in order to request security access. Information is exchanged with the insurer contacts provided on the insurer information form.

XML Schema Version

Insurance companies utilize one of the following XML schema as recommended by the IICMVA. The 00200510 and 00200809 web service schema versions are located on the IICMVA website:

<http://www.iicmva.com/IICMVAPublications.html>

Data

The DOR provides the following data elements in each electronic request for liability insurance status:

- NAIC Number
- VIN
- Verification Date
- Policy Number

The NAIC number, VIN and policy number are maintained in the state and county registration databases as part of the vehicle registration record.

NAIC Number

The NAIC number is a unique identification number assigned to the insurance company by the National Association of Insurance Commissioners. As an alternative to the NAIC number, the insurance company name will also be available to choose via a drop down menu, which is converted to the NAIC number. The NAIC number points the query to the appropriate insurer web service for verification.

VIN

Non-conforming VINs (VINs other than 17-characters) are acceptable as long as the VIN is authentic: that is, the VIN is the one issued by the manufacturer in accordance with the regulations in place at the time of manufacture.

Partial or incomplete VINs are acceptable if all characters are consecutive within what would be a complete VIN; however, a string of non-consecutive characters, fill characters, or any non-standard characters are not acceptable. Partial or incomplete VINs can lead to inconclusive results.

Verification Date

The verification date is the “occurrence” date. Occurrence is the date of any traffic incident, including traffic stops, crashes or tickets. Occurrences also include the date of any license plate transaction, including but not limited to license plate renewals, transfers, or replacements. The date to be verified shall be in the format: YYYYMMDD

Policy Number

A policy number is mandatory for each passenger vehicle. DOR recommends that each insurance company consider how a policy number will be read from the evidence of insurance, and make sure it can be matched in the insurance company database. Non-alphanumeric characters (i.e. dashes, spaces, underscores, etc.) shall not be included in the policy number within the OIVS web service to ensure uniformity and matching to a query. Non-alphanumeric characters are not submitted by DOR as part of the policy number in a query.

At the request of license plate issuing officials, the advisory council discussed the possibility of sending broadcast requests for OIVS confirmation utilizing VIN-only searches. At the time the IICMVA web service model was implemented in Alabama, this option was not considered by the IICMVA, but has since been included in the most recent IICMVA web services model as an option. Council members reported that the VIN-only model could only be used by insurers whose computer systems were programmed to handle insurance verification requests that do not include policy numbers. The OIVS can accommodate such requests.

Response to Query

When a query is submitted by an end-user to OIVS, the end-user will receive one of two responses:

- "Confirmed"
- "Unconfirmed"

"Confirmed"

A "confirmed" response is sent/received when insurance coverage is confirmed by the insurance company.

"Unconfirmed"

When insurance coverage cannot be confirmed by the insurance company, an unconfirmed response will be provided to the end-user. Although response codes are optional, the DOR has strongly suggested that response codes be provided to the end-user, whenever possible, so that the unconfirmed reason may be communicated to the vehicle owner. **When an "unconfirmed" response is received without a response code, license plate issuing officials and law enforcement officers advise vehicle owners to contact their insurer to resolve any issues.**

Note: the term "unconfirmed" does not necessarily mean that there is no insurance available on a policy.

OIVS only applies to vehicles covered by personal automobile liability insurance policies; therefore, vehicle insurance cannot be verified through OIVS in every situation. Vehicles not subject to OIVS may:

- Be covered by commercial automobile liability insurance policies - Fleet, non-owner, garage, etc. This includes rental vehicles, semis, etc.
- Be covered by a certification of self-insurance issued by DPS. The DOR obtained lists of the VINs related to the self-insured certificates from DPS and prepopulated the insurance policy type in the registration databases with other (o) to indicate the vehicle was exempt from OIVS.

In these cases, the "unconfirmed" response will be given, in most cases with an appropriate response code, and the user should physically verify evidence of insurance. It is imperative that the county clerk properly set the insurance policy type in the registration database to reflect the policy is commercial (c), personal (p), or other (o) – exempt from OIVS.

The evidence of insurance presented to a law enforcement officer, a court official, a license plate issuing official, or other end-user may include an insurance card, or some other documentation of the existence of insurance coverage (Section 32-7A-6). Administrative rule 810-5-8-.05 – *Evidence of Insurance Requirements*, was amended to specify that in addition to evidence of insurance forms detailed in the rule, evidence may be provided by electronic means to include but not limited to: electronic mail sent from registrant's insurer, computer printout from insurer, facsimile of proof of insurance, insurer providing electronic image/ proof on registrant's cellular phone, lap top, or other portable type of electronic device.

The DOR reviews registrations of motor vehicles whose evidence of liability insurance could not be verified through the OIVS by sending vehicle owners requests for

information (i.e. insurance questionnaires) about their motor vehicles and liability insurance (Section 32-7A-7). The DOR may also review motor vehicle registrations from the following sources:

- Previous registration suspensions
- Liability insurance violations
- Driver license suspensions or revocations

If the vehicle owner does not respond to the request for information, or if the response indicates that the vehicle was not insured on the insurance verification date, and no valid exemption reason exists, the vehicle registration is suspended thirty (30) days after a notice of suspension (Section 32-7A-7). This process is further explained on page 21, Insurance Questionnaire and Notice of Suspension.

In order to reinstate the vehicle registration, the owner is required to provide evidence of insurance for the verification date, or evidence of insurance for the last registration date along with a valid exemption reason for no insurance on the verification date, or if the vehicle was not properly insured on the registration date, current evidence of insurance and payment of the following reinstatement fees:

- First violation - \$200
- Second or subsequent violation - \$400 and mandatory four (4) month registration suspension

All officials authorized by law to register motor vehicles, issue motor vehicle license plates, and perform other duties in connection with the issuance of license plates shall refuse to register or re-register a motor vehicle or refuse to transfer the license plate if the registration is suspended in accordance with Section 32-7A-13. The DOR provides daily suspension files to the license plate issuing officials to ensure their registration databases are updated to properly reflect the suspension/ reinstatement status of affected motor vehicles.

Unconfirmed response issues noted by DOR include the following:

Residents of other states who have vehicles based in Alabama (ex. vacation homes) may not have insurance with a licensed Alabama insurer as required in Section 32-7A-4(c). The council and DOI confirmed that a vehicle garaged and registered in Alabama is required to be insured by an insurer that is licensed to write policies in Alabama. The DOI identified out of state insurers so that the DOR could contact registrants to notify them of the requirement to obtain an Alabama insurance policy in accordance with Section 32-7A-4. Letters were mailed to nearly 1,800 registrants on July 12, 2013, explaining this requirement. The registrant was provided a return envelope and a response was requested to provide the new Alabama policy information for the department to update the registration record with the Alabama policy information. Some registrants chose to move their registration to their home of record, while others were able to convert their existing policies to a policy with an Alabama NAIC number. The department received responses and updated approximately 800 registration records

based on the responses to the letter. After the 2013 registration renewal cycle ended, DOR identified 189 registration records reflecting a DOI identified out of state NAIC number. In December 2013, at the conclusion of the passenger automobile renewal cycle (October), the department mailed a second notification to all registrants with out of state insurance policies reflected on their most current registration record, informing them of the requirement to insure their vehicles with an insurer licensed to write policies in Alabama.

The department conducted analysis regarding the concentration of out of state insurance policies in areas where military bases and colleges are located. This analysis reflected that only 19% of the registrants identified with out of state NAIC numbers are linked to addresses located near colleges or military bases.

Some military personnel who reside in Alabama, but are stationed in another state notified the department that they were required to have a policy written where the vehicle was garaged. This was confirmed by insurance industry advisory council members. Department administrative rule 810-5-1-.245 – *Non-Residents Operating Non-Commercial Vehicles into Alabama and Non-Residents Relocating to Alabama* provides residency exemptions for college students and military members which allow them to maintain vehicle registration in their home state.

It was reported that registrants who dropped liability insurance coverage on a vehicle due to the vehicle being inoperable or stored were attempting to surrender the license plate to the licensing officials or insurer. When the department identifies a policy has been dropped on a vehicle registration due to the registrant attesting that the vehicle is stored or inoperable, the registration is revoked in accordance with Section 32-7A-11. The department notifies the registrant that once the vehicle is operational again, they must insure the vehicle and obtain a new registration and license plate from the county licensing official.

OIVS requests were being re-submitted by county license plate issuing officials for the same policy immediately upon receiving an unconfirmed response. This resulted in an increased number of unconfirmed responses. In order to address this issue, the county license plate system programmers eliminated the ability for clerks to immediately re-submit an identical unconfirmed response. When the policy cannot be confirmed through OIVS, the official's office is required to view the evidence of insurance in accordance with Section 32-7A-17(c).

At least one county online renewal vendor attempted to verify insurance for future insurance verification dates in an attempt to prepopulate insurance information for registration renewals. The advisory council agreed that it is not a good practice to attempt to verify insurance for a future date because the vehicle owner may cancel the policy prior to the end of the policy term. The county vendor was provided access to the OIVS test environment to allow verification of insurance without generating unconfirmed responses that may result in the registrant receiving an insurance questionnaire.

Unconfirmed responses are received when law enforcement uses the OIVS to verify compliance with city ordinances which restrict stored or inoperable vehicles from parking on city streets or parking lots (i.e. not accidents or traffic stops). Upon receiving an insurance questionnaire, registrants may respond that the vehicle is stored or inoperable in order to avoid a vehicle suspension and reinstatement fee. Prior to processing this type of response, the DOR attempts to verify the vehicle was not being operated (i.e. traffic stops or accidents). When a stored or inoperable response is processed for registrants whose vehicle was not being operated, the current registration is revoked and the registrant is required to purchase a new registration and license plate for the remainder of the registration period once the vehicle is operational and an insurance policy is in effect on the vehicle. The fees for the new license plate are significantly less than the reinstatement fees due related to a violation.

Response Time for Web Service Inquiries

DOR understands that an insurance company will respond to OIVS web service queries as quickly as possible in order to serve its customers. Response time has many determinative variables: bandwidth, speed of connection, congestion, etc. **DOR suggests a maximum response time of 10 seconds since the verification of insurance is not a stand-alone event (i.e. a traffic stop or a vehicle registration).**

Currently, the maximum OIVS response time is 15 seconds. The average response time for a single request is under 0.75 seconds and multiple requests (bulk load unconfirmed and re-verification process) is approximately 1.2 seconds. The bulk load insurance verification process is performed every Tuesday evening prior to creation of the MLI questionnaire postcards to determine if policy information can be confirmed prior to mailing an insurance questionnaire postcard to a registrant.

Maintenance Downtime

Section 32-7B-4(2), Code of Alabama 1975 provides that the advisory council will determine the permitted down time for insurer systems. The OIVS must be able to verify, on a 24-hour, seven days per week basis, minus permitted down time for system maintenance, the insurance status of a motor vehicle. The recommended time for insurance companies' systems to be down for weekly maintenance is Sunday mornings from 4am to 6am, Central Time. For daily downtime, the recommended time is 3am to 4am, Central Time. Insurers must provide notice to DOR if additional downtime is needed. DOR will review the company's scheduled downtime on an individual basis. Insurer downtime notices provided to DOR are posted to the MLI system so that system users will be aware of potential unconfirmed responses due to an insurer's system being down for maintenance.

DOR realizes that some companies operate within four (4) time zones in conducting their business.

DOR does expect a return message when a web service is down for maintenance. The message shall be "System Unavailable" or the equivalent. If the user receives this response, the registrant should be required to provide evidence of insurance.

DOR attempts to "ping", on an hourly basis, insurers' systems in order to verify that the web service is functioning properly and that the systems are available for insurance verification. If it is determined that a system is not available, an email will be sent to the contacts provided on the insurer's information form. Insurers should also "ping" their own systems to detect any connectivity issues and to keep the web service active.

Retention of Records

In addition to the six (6) month retention period for insurers, DOR will maintain historical records of OIVS queries for a period of ten (10) years. This ten (10) year period is consistent with the State of Alabama archival schedule for registration records.

Security

Data transferred via OIVS will not contain personal information; however, every attempt is made to ensure that data is securely transferred. OIVS data is not shared with any party other than those permitted by state or federal privacy laws.

Reports

Every query transaction will be logged and contain the following data:

- Date and time of the query
- Method of access, as applicable
- Computer used for Internet access (by IP address)
- Insurance company queried (by NAIC number)
- VIN
- Response
- Response times
- Downtime

The insurance advisory council requested a report for each participating insurer NAIC number that reflected the OIVS queries and responses returned by each insurer. The purpose of the report was to identify OIVS issues. The first report was created and provided to insurers in May 2013, which included the unconfirmed responses from January 1, 2013 to May 13, 2013. A second report was distributed to insurers in October 2013, which included all unconfirmed responses from May 14, 2013 to September 16, 2013. The reports identified the following issues:

1. Variances in the vehicle policy number (inclusion or omission of alphanumeric characters). For example, the inclusion of a two-digit number on the end of the policy number that reflects the policy renewal cycle. The department notified affected insurers that the policy number reflected on the insurance card or other

- evidence of insurance should be used by the insurer to verify the insurance policy against the insurance company database.
2. Leading zeroes in policy numbers were included or omitted in the OIVS request. Affected insurers adjusted their web services to ensure the inclusion/omission of the leading zeroes would not return an unconfirmed response when a policy was in effect on a vehicle.
 3. Vehicle identification number (VIN) discrepancies. The discrepancies are a result of incorrect VINs in the vehicle registration or insurer databases and must be corrected by the licensing official or insurer on a case by case basis. One insurer requested that the OIVS web service be updated to accept VINs with 1-2 errors. However, the IICMVA model that was implemented in Alabama does not allow for such confirmations.
 4. Two (2) insurers could not verify insurance binder information using OIVS. These insurers “bind” coverage on a vehicle on a specific date; however, the insurer’s database will not recognize the policy as effective until a later date. Consequently, the insurance policy cannot be verified during the binder period. This affects registrants who obtain insurance and immediately attempt to register their vehicle. Although the licensing official is able to issue registration upon verifying the physical evidence of insurance, the registrant will receive an insurance questionnaire and may be subject to a registration suspension if the insurance coverage cannot be confirmed with the insurer through the insurance questionnaire. DOR implemented a process, beginning in October 2013, to only use the law enforcement and re-verification of unconfirmed responses for creation of the questionnaire records since the licensing official views the physical evidence of insurance prior to registering a vehicle.
 5. OIVS web service timestamp. The OIVS web service automatically included a 12am timestamp for the verification date, which resulted in unconfirmed responses in cases where the policy was issued at a later time. The exact time is now being included in the timestamp. For previous verification dates (i.e. registration dates, re-verification of policies, law enforcement traffic stops and accident scene investigations resulting in a MLI questionnaire), a timestamp of 11:59pm is now included in the OIVS request.
 6. Commercial policies. Insurers that write both commercial and personal automobile policies under the same NAIC numbers could not verify commercial policies using OIVS. Commercial policies are exempt from verification using OIVS because most insurers do not maintain VINs for commercial policies. It is imperative that the county clerk properly set the insurance policy type, as detailed on page 14. In order to address this issue, the affected insurers decided to include the ability to verify commercial policies using OIVS.

Re-verification Process

On June 13, 2013, the department implemented a re-verification process to ensure that insurance is being maintained on all vehicles registered in Alabama that are subject to the MLI law, approximately 4.3 million vehicles. The advisory council adopted a thirty (30) day re-verification period for all insurance policies to attempt to identify registrants who cancel insurance policies after the vehicle is registered. Approximately 60,000

policies were initially submitted for re-verification each night. Beginning October 2013, the department began submitting approximately 115,000 policies for re-verification each night to ensure each policy is verified every 30 days. This process ensures that all personal passenger vehicle insurance policies will be re-verified each month.

PUBLIC AWARENESS CAMPAIGN

The department created posters, flyers, billboards, radio ads and television ads to educate the public regarding the OIVS prior to implementation. The department established a link on the DOR website to make information readily available to insurers, county license plate issuing officials, law enforcement and the public regarding OIVS. In February 2012, OIVS brochures and posters were distributed to the county license plate issuing officials to provide information to the public of the law change effective January 1, 2013. Brochures were also provided to DPS for distribution at the state driver license offices. The department created a PDF version of the brochure and poster which are available on the insurance advisory council web page.

Website

A public website: mli.mvtrip.alabama.gov was deployed August 5, 2012, to provide information on the MLI law changes. The website may also be accessed through besuretoinsureal.com. This site includes sample evidence of insurance documents and allows registrants who have received a MLI questionnaire or notice of suspension postcard mailer to respond and provide their insurance policy information for verification. There have been 58,256 visits from 48,612 unique visitors to the site and the average visit lasted 1 minute and 9 seconds. Social media accounts were set up for Facebook, Youtube and Twitter as well to provide information on the MLI law changes.

In November 2012, billboard, television and radio ads began to air. The television ads were scheduled to air from November 2012 through October 2013, in order to educate the public for the entire 2013 registration year. The television and radio ads were a combination of Public Service Announcements (PSAs) and paid announcements. The radio and television ads were more widely utilized at the end of each month throughout the renewal cycle in 2013 to correspond with county registration renewals.

The advisory council discussed the topic of developing a site for the public to verify their insurance policy before renewing their registration. The decision was made to not expend resources on this venture, since section 32-7A-17(c) requires the licensing official to use OIVS or evidence of insurance prior to issuing a vehicle registration or renewal. If the registrant has any doubt about their insurance status, they should contact their insurance agent. Additionally, deploying this application would be contrary to the department's public awareness campaign efforts which educate the public to have evidence of insurance available to present to the licensing official and law enforcement, upon request, as required by Section 32-7A-17(c) and 32-7A-6(h). Insurers were also interested in being allowed to update their customers' insurance

policy information when their customer changed policy information or insurers. This would require the department to provide access to the department's registration database where the insurance information is maintained in the vehicle registration record. It was determined that insurers should not have direct access to vehicle registration information.

Insurance Questionnaire and Notice of Suspension

Mandatory Liability Insurance (MLI) questionnaires are mailed to registrants whose insurance cannot be confirmed as provided by Section 32-7A-7. The department utilizes its current Motor Vehicle Division printing and mailing vendor to print and mail insurance questionnaire postcards each week (Friday). This process began on March 15, 2013. The insurance advisory council approved a process to mail an insurance questionnaire after two (2) unconfirmed responses; one at the original occurrence (registration or traffic stop/crash) and again after thirty (30) days before a questionnaire is mailed to the registrant. This allows time for the insurer to add/update the policy information in their database to allow for confirmation of coverage. Notice of suspension postcards are generated as a result of the department not being able to close a questionnaire record thirty (30) days after the insurance questionnaire is mailed. If the department does not receive a valid response or confirmation of policy information thirty (30) days after the notice of suspension is mailed, the vehicle registration will be suspended until the registrant and/or their insurer provides the insurance information and any reinstatement fees due to allow for the registration to be reinstated. DOR provides suspension/revocation and reinstatement updates to county license plate issuing officials as well as law enforcement on a daily basis.

On September 6, 2013, the department began sending email notifications to the registrants in addition to mailing questionnaires when the email address information is provided by the registrant. This email notice includes a link for the registrant to use to respond to the questionnaire. This will assist registrants who may not receive mailed documents due to postal service issues or the registrant not being able to access their mail due to being out of town for an extended period of time.

Some registrants were submitting questionnaire/notice of suspension responses to the department even after the registrant responded to the insurance questionnaire utilizing the online response system. In September 2013, the department included language on the insurance questionnaire stating: **If you respond online, do not mail/fax the questionnaire.**

ONLINE INSURANCE VERIFICATION SYSTEM USERS

End-users

OIVS will be available to all end-users required by law:

- DOR, authorized personnel
- Alabama Department of Public Safety

- Alabama License Plate Issuing Officials
- Alabama Administrative Office of the Courts
- Municipal Courts
- District Courts (basically, county courts)
- Other law enforcement personnel
- Police Departments
- Sheriff Offices
- Other Alabama law enforcement agencies

Law Enforcement

Law enforcement began using OIVS on January 14, 2013, through the Alabama Criminal Justice Information Center (ACJIC) law enforcement portal (LETS-Go). In January 2013, there were 2,667 law enforcement officers using OIVS to verify insurance and by December 2013, the number of law enforcement officers using the system increased to 6,921. There have been 1,095,918 OIVS requests from law enforcement through December 2013.

Licensing Officials

All licensing officials were ready for implementation of OIVS on January 1, 2013. There have been 5,316,581 OIVS requests from licensing officials through December 2013.

Training

ADOR representatives met with the Alabama's Sheriffs Association, the Alabama Association of Chiefs of Police, insurers, the Association of Alabama Tax Administrators, and the Probate Judges Association to discuss OIVS, the liability insurance law, and to provide training for the use of OIVS. DOR hosted webinar sessions with licensing official personnel in November and December 2012, to provide this training as well. Emphasis was placed on the importance of their use of the system in addressing the uninsured motorist rate in Alabama at each meeting. A training video, detailing the use of the OIVS integrated into the LETS-Go application, was distributed and discussed in the meetings with the law enforcement community. The webinar for licensing official personnel was recorded and is maintained on the MVD webpage along with a question and answer document from items discussed in the webinars. The MVD webpage also contains frequently asked questions (FAQs) along with the corresponding answers to provide assistance to registrants, insurers, law enforcement and licensing officials.

Several insurer representatives on the advisory council indicated they were providing training to their company employees to ensure they are able to assist policyholders with any policy verification issues or questions.

Methods of Query

There are three (3) methods of OIVS query/response available to the end-user.

- Alabama Law Enforcement Telecommunications System (LETS-Go)
- DOR application (MVTRIP – MLI Application)
- OIVS Web Interface (County License Plate Issuing Officials/ DPS)

Law enforcement and other authorized criminal justice personnel are able to determine insurance status using LETS-Go. All law enforcement communications in Alabama are handled through LETS-Go. Law enforcement inquiries to OIVS originate through LETS-Go and the response is returned in the LETS-Go system. To accomplish this, LETS-Go has been programmed to perform a subroutine query to OIVS and to receive a response back from OIVS when an officer performs registration verification. End-users of LETS-Go include law enforcement and courts. End users access LETS-Go as usual and a conspicuous button appears with a label such as “Verify Insurance.” If the insurance data is not available in the registration record, the user may enter the NAIC number or select from a drop-down menu, and then enter insurance policy number to obtain confirmation of the policy information. If an unconfirmed response is received from OIVS, the officer should rely on viewing the evidence of insurance document to confirm a policy is in effect on the vehicle.

DOR staff and county clerks use the DOR application (MVTRIP) to respond to MLI questionnaires and notices of suspension. The OIVS web interface is used by county licensing systems prior to registration transactions and by DPS related to financial responsibility responses (see below).

FINANCIAL RESPONSIBILITY

DPS utilizes the OIVS to verify insurance coverage for drivers that have claims pending as a result of an accident. The information returned from the OIVS significantly reduces the number of insurance verification forms mailed to insurance companies and expedites the time required to enforce the safety responsibility act.

COST/ BENEFIT

DOR utilized a vendor through December 31, 2012, to mail and process responses to insurance questionnaires and notices of suspension. These insurance questionnaires were primarily random sampling based verification of mandatory liability insurance coverage. The costs to utilize this vendor for this random process averaged nearly \$600,000 per year over the past six (6) years. This random sampling process resulted in approximately a twenty-five percent (25%) vehicle registration suspension rate. Beginning January 1, 2013, DOR began identifying registrants whose insurance could not be confirmed using OIVS, which resulted in a targeted approach to identifying registrants to whom insurance questionnaires should be mailed. The registration suspension rate related to this new targeted questionnaire process is approximately seventy-five percent (75%) suspension rate. This targeted approach efficiently identifies uninsured vehicles and is expected to generate a high number of reinstatements, and reinstatement fees resulting from the suspension of these registrations.

In March 2013, the DOR began utilizing its current Motor Vehicle Division printing and mailing vendor to print and mail the insurance questionnaire and notice of suspension postcards. Beginning January 1, 2013, DOR personnel began processing insurance questionnaire responses received from registrants and insurers. The decision to utilize the MVD printing and mailing vendor and to process the insurance questionnaire responses internally has saved the state approximately \$500,000 during the implementation year.

The uninsured motorist rate published by the Insurance Research Council (IRC) on April 2, 2011 indicated Alabama's uninsured motorist rate was estimated at 22%, sixth (6th) worst in the nation at that time. It is anticipated that IRC will publish an updated report of the uninsured motorist rate in 2014; however, it is reported that this report will be based on data from 2011.

A comparison of the previous five (5) years reflects virtually no change in the number of suspensions and reinstatements. It is expected that reinstatement fees resulting from registration suspensions will significantly increase during the 2014 registration year. After 2014, it is expected that registrants will discover that they are unable to register or operate their vehicles without the required mandatory liability insurance and will maintain insurance on the vehicles, which will ultimately reduce the uninsured motorist rate in Alabama. This will reduce the reinstatement fees collected, but will also achieve the principle goal of OIVS; reducing the uninsured motorist rate.

As detailed in the Statistics Report located in the appendix, eighty-one percent (81%) of OIVS requests submitted resulted in a "confirmed" response on the first attempt. Five percent (5%) of the unconfirmed OIVS requests that were resubmitted resulted in a "confirmed" response. If insurance could not be verified using OIVS on the first or second request, an insurance questionnaire is sent to the registrant. Fifty-two percent (52%) of the responses to questionnaires result in "confirmed" responses.

Insurers report an increase in the insurance premium tax that is paid to the state; however, the DOI is unable to provide this information at this time. Note: insurance premium taxes are distributed to the state general fund.

RECOMMENDATIONS

Pre-population of Insurance Data

It is recommended that a limited scope book of business be submitted by insurers to prepopulate insurance policy information in the registration database, as detailed in the Insurance Data Transfer section of report (page 9). The pre-population of the insurance data will improve the accuracy of the insurance policy information reflected on the vehicle registration record; thereby reducing the likelihood that OIVS requests will result in an "unconfirmed" response due to a data entry error. This will improve the likelihood that OIVS requests will result in a "confirmed" response when the registrant has

insurance coverage on the vehicle. This will also reduce or eliminate time the licensing officials' offices would spend keying the insurance policy information.

VIN Validation

The validation of both the VINs on the state/county registration database and insurance databases is necessary to improving the accuracy of OIVS requests. The insurer's limited scope book of business allowed DOR to validate 17-character VINs, but not partial or incomplete VINs. For additional information regarding VIN issues and recommendations, refer to page 13.

Implementation Period

Although DOR was able to implement OIVS by the January 1, 2013, implementation date, many insurers were unable to implement the OIVS web service by that date. Therefore, the DOR recommends that the IICMVA adopt a twelve (12) month implementation period to allow states and insurers enough time to properly test and implement the OIVS model.

Advisory Council

The advisory council approach to implementing OIVS in Alabama was very significant. The advisory council provided an opportunity for industry and government to work together. Insurance trade association representatives, insurer representatives, law enforcement representatives, the DOI, license plate issuing officials and the DOR were all members of the Alabama Insurance Advisory Council. This cooperation is paramount in ensuring that the program is a success and that all the appropriate parties are engaged. The advisory council has been instrumental in ensuring that open lines of communication are maintained between the department and industry as council members have responded consistently throughout the council meetings.

Partnerships

It is important to foster and maintain good working relationships with the law enforcement and insurance community. They are a vital part of this venture, as well as licensing officials. All these affected parties should be represented on the Insurance Advisory Council. Attendance at law enforcement meetings, licensing official meetings and insurance association meetings is vital to discuss OIVS issues.

Policy Information

DOR found that the policy number for some companies may include a prefix, suffix, or infix (usually to identify an Alabama policy) that appears on the evidence of insurance or within the company's database, but not both. This results in virtually no confirmations of insurance because of the inability to match policy numbers during an OIVS query. Every effort should be made by an insurance company to reconcile policy numbers

within its database and on the evidence of insurance (i.e. insurance card, declaration page, etc.) to eliminate inaccurate unconfirmed responses. This was discovered as a result of the unconfirmed response reports the DOR provided to insurers as discussed on page 18 under the heading Reports.

Error Reports

The creation of periodic error reports was necessary to identify issues with OIVS. These reports helped identify the specific reasons for unconfirmed responses, as detailed on page 18 under the heading Reports, and allowed DOR, licensing officials and insurers to respond to these issues in order to improve OIVS.

Technical Support

The DOR utilized state information technology resources to implement OIVS. The OIVS technical staff was available to OIVS users during and after implementation of OIVS. Technical staff was highly skilled at utilizing web services and web-based applications. During the initial implementation of OIVS, the technical staff also provided valuable feedback which assisted in the identification and correction of OIVS issues. The fact that the information technology team was familiar with the systems and staff used by the DOR, county license plate issuing officials and law enforcement contributed to the successful implementation and maintenance of OIVS.

Training

The creation and distribution of an OIVS User Guide as detailed on page 8, was crucial to the implementation of OIVS. Training sessions, videos, webinars, and FAQs as discussed on page 22, were instrumental to the success of the OIVS.

Public Awareness Campaign

A public awareness campaign was crucial to alerting the motoring public regarding changes to the mandatory insurance law. The campaign provided necessary information about OIVS and encouraged registrants to obtain insurance prior to the implementation of the OIVS, which helped eliminate many issues faced by registrants, insurers, licensing officials, law enforcement and the DOR that may have occurred during the registration process and traffic stops/accidents. The creation of the public “be sure to insure” website also provided necessary information about the mandatory liability insurance requirements and OIVS functionality.

ACRONYMS

AATA – Alabama Association of Tax Administrators
AIA – American Insurance Association
AIAA – Alabama Independent Agents Association
ANSI – American National Standards Institute
APJA – Alabama Probate Judges Association

DOR – Department of Revenue
DPS – Department of Public Safety
DOI – Department of Insurance
IICMVA – Insurance Industry Committee on Motor Vehicle Administration
IRC – Insurance Research Council
FMCSA - Federal Motor Carrier Safety Administration
FTP – File Transfer Protocol
LETS-Go – Law Enforcement Tactical System
MLI – Mandatory Liability Insurance
NAIC – National Association of Insurance Commissioners
NAMIC – National Association of Mutual Insurance Companies
PSC – Public Service Commission
PCIAA – Property and Casualty Insurers Association of America
OIVS – Online Insurance Verification System
SFTP – Secure File Transfer Protocol
VIN – Vehicle Identification Number
XML – Extensible Markup Language

PROGRAM CONTACTS

Mandatory Liability Insurance

Alabama Department of Revenue
Motor Vehicle Division
Mandatory Liability Insurance Unit
P O Box 327650
2545 Taylor Road
Montgomery, AL 36117
Telephone: (334) 242-3000
Email: mli@revenue.alabama.gov
Website: www.mli.mvtrip.alabama.gov

Financial/Safety Responsibility

Alabama Department of Public Safety
Driver License Division
Safety Responsibility Section
P.O. Box 1471
Montgomery, AL 36102
Telephone: (334) 242-4222
Website: www.dps.alabama.gov

APPENDIX A



ALABAMA DEPARTMENT OF REVENUE
 MOTOR VEHICLE DIVISION
 P.O. Box 327650 · Montgomery, AL 36132-7650 · (334) 242-3000
 www.revenue.alabama.gov

MV-MLI-C
 1/12

**Mandatory Liability Insurance
 Insurer Information Form**

Please complete for each NAIC code and submit via email to mli@revenue.alabama.gov.

Insurer Name _____ **NAIC Code** _____

Mailing Address _____

City _____ **State** _____ **Zip** _____

Contact Type	Contact Name	Email Address	Phone Number
Business Practices (BP)			
Alternate BP			
Information Technology (IT)			
Alternate IT			

Please place a check by each report method that can be used to provide insurance information.

_____ **Web Services:** _____ **2005 ANSI Schema** _____ **2008 ANSI Schema**

_____ **Alternative** – only allowed for companies that insure 500 or less vehicles in Alabama

APPENDIX B**Mandatory Liability Insurance
Status Report
2013**

	Totals
OIVS Request Grand Totals	32,185,808
First Request OIVS Totals	21,939,357
Counties	5,316,581
Law Enforcement	1,095,918
30 Day Reverify Process	15,526,858
Second Request OIVS Totals - Unconfirmed for Questionnaire Process	10,156,046
Subsequent Request OIVS Totals - Questionnaire Responses	90,405
OIVS Response Grand Totals	32,185,808
First Request OIVS Response Totals	21,939,357
Confirmed - Insurer Provided No Reason Code	17,761,958
Confirmed - System Cannot Locate VIN	464
Unconfirmed - Insurer Provided No Reason Code	342,855
Unconfirmed - Incorrect Data Format	25,173
Unconfirmed - NAIC Code Not Submitted	18
Unconfirmed - System Cannot Locate NAIC	1,147
Unconfirmed - Policy Key Not Submitted	3
Unconfirmed - Cannot Locate Policy Key	421,180
Unconfirmed - Matched Policy Key - Verification Date Cannot be Confirmed	935,617
Unconfirmed - Matched Policy Key - Cannot Locate VIN	540,834
Unconfirmed - Cannot Locate Policy - Manual Search in Progress	473
Unconfirmed - System Unavailable	410,930
Unconfirmed - Unauthorized Requestor	730
Unconfirmed - Verification Date Cannot be Confirmed	23,391
Unconfirmed - Verification Date Not Submitted	853
Unconfirmed - Cannot Locate VIN	390,081
Unconfirmed - Matched VIN - Verification Date Cannot be Confirmed	999,116
Unconfirmed - Matched VIN - Cannot Locate Policy Key	84,149
Unconfirmed - VIN Not Submitted	385
Second Request OIVS Response Totals	10,156,046
Confirmed - Insurer Provided No Reason Code	497,037
Confirmed - System Cannot Locate VIN	1,111
Unconfirmed - Insurer Provided No Reason Code	898,214
Unconfirmed - Incorrect Data Format	7,327
Unconfirmed - NAIC Code Not Submitted	0
Unconfirmed - System Cannot Locate NAIC	1,886
Unconfirmed - Policy Key Not Submitted	1
Unconfirmed - Cannot Locate Policy Key	837,882
Unconfirmed - Matched Policy Key - Verification Date Cannot be Confirmed	2,893,129
Unconfirmed - Matched Policy Key - Cannot Locate VIN	1,236,277
Unconfirmed - Cannot Locate Policy - Manual Search in Progress	89
Unconfirmed - System Unavailable	291,602
Unconfirmed - Unauthorized Requestor	29
Unconfirmed - Verification Date Cannot be Confirmed	73,598
Unconfirmed - Verification Date Not Submitted	0
Unconfirmed - Cannot Locate VIN	545,984
Unconfirmed - Matched VIN - Verification Date Cannot be Confirmed	2,719,889
Unconfirmed - Matched VIN - Cannot Locate Policy Key	151,737
Unconfirmed - VIN Not Submitted	254
Subsequent Request OIVS Response Totals	90,405
Confirmed - Insurer Provided No Reason Code	46,419
Confirmed - System Cannot Locate VIN	101
Unconfirmed - Insurer Provided No Reason Code	3,315
Unconfirmed - Incorrect Data Format	469
Unconfirmed - NAIC Code Not Submitted	0
Unconfirmed - System Cannot Locate NAIC	11
Unconfirmed - Policy Key Not Submitted	0
Unconfirmed - Cannot Locate Policy Key	6,519
Unconfirmed - Matched Policy Key - Verification Date Cannot be Confirmed	7,303
Unconfirmed - Matched Policy Key - Cannot Locate VIN	8,902
Unconfirmed - Cannot Locate Policy - Manual Search in Progress	2
Unconfirmed - System Unavailable	737
Unconfirmed - Unauthorized Requestor	9
Unconfirmed - Verification Date Cannot be Confirmed	43
Unconfirmed - Verification Date Not Submitted	29
Unconfirmed - Cannot Locate VIN	6,450
Unconfirmed - Matched VIN - Verification Date Cannot be Confirmed	6,962
Unconfirmed - Matched VIN - Cannot Locate Policy Key	3,122
Unconfirmed - VIN Not Submitted	12

APPENDIX B (Continued)

**Mandatory Liability Insurance
Status Report
2013**

	Totals
Questionnaire Sent	154,942
(Source) Registration	58,859
(Source) Law Enforcement	30,985
(Source) Reverification	61,871
(Source) AOC Records Received	990
(Source) DPS Records Received	2,237
Notice of Suspension Sent	82,426
(Source) Registration	39,798
(Source) Law Enforcement	18,167
(Source) Reverification	20,986
(Source) AOC Records Received	1,538
(Source) DPS Records Received	1,937
Questionnaire Response	60,254
Registrant Response System	22,915
MLI System - clerk entry (mail, fax or walk in)	37,339
Notice of Suspension Response	24,419
Registrant Response System	8,856
MLI System - clerk entry (mail, fax or walk in)	15,563
Suspensions	62,852
1st Suspension (S1)	62,634
2nd Suspension (S2)	218
Reinstatements (Registration Suspended)	25,531
R1 (\$200 fee paid)- 1st Violation	5,287
R2 (\$400 fee paid)- 2nd Violation	335
R3 (no fee paid) - Valid Insurance	19,909
RV - Revoked Registration	14,885
CL - Closed Record without Suspension	46,653

APPENDIX C**MLI Advisory Council Members
Established by Section 32-7B-2, Code of Alabama 1975****Alabama Department of Revenue (2)**

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