

Alabama Department of Revenue

News Release

Dec. 15, 2000

Mandatory Liability Insurance Reminders: January 1 Registration Changes, Surveys Mailed

Montgomery, Dec. 15, 2000—January 1 rings in the second phase of Alabama's mandatory liability insurance requirements as the Alabama Department of Revenue begins its weekly mailing of some 1,500 insurance verification survey forms to vehicle owners.

State Revenue Commissioner Michael Patterson also reminds vehicle owners that in addition to the survey requirements, 2001 brings two new requirements to the state's motor vehicle registration process.

First, owners registering their vehicles after Jan. 1, 2001, will be required to provide their driver's license number or their identification card number issued by the Alabama Department of Public Safety (§32-6-4, *Code of Alabama 1975*) to county tag-issuing officials at the time of registration.

Companies or other business entities registering commercial vehicles will be required to provide the company's or business' federal employer identification number (FEIN) to county officials.

"The identification numbers will not be shown on the motor vehicle receipt, but will be recorded in confidential state and county motor vehicle databases. The Revenue Department is required to use this identification information to carry out its mandatory liability insurance compliance responsibilities," explained Patterson.

The second requirement involves the vehicle owner's written affirmation of insurance coverage. The owner's signature on the registration receipt will indicate that the information shown on the registration receipt is correct and that the vehicle is properly insured. No insurance proof documents will be required at the time of registration. The owner's signature is the only requirement.

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What can one expect if randomly selected as one of 80,000-plus vehicle owners surveyed annually for insurance coverage? Owners will be mailed a short one-page survey/questionnaire, identifying the particular vehicle selected for insurance verification, and will be asked to fill in the following information on the survey form:

- name of the insurance company (NOT AGENT'S NAME) which has insured that particular vehicle
- address and telephone number of the insurance company
- vehicle's insurance policy number
- effective date and expiration date of the vehicle policy.

Once completed, owners will sign and mail the completed surveys to the address shown on the provided pre-addressed, postage-paid envelope within 30 calendar days from the date shown on the survey form. Individuals may also return the information by fax or by Internet. Instructions are provided on the survey form for doing so. Failure to respond to the survey can result in suspension of the motor vehicle's registration.

"Once the department receives the returned surveys, we will begin the verification process," said Patterson. "If an owner is found not to have insurance, the owner will be notified and the vehicle's tag registration will be suspended. To reinstate the registration, the owner must provide proof of insurance to the Revenue Department at the time of reinstatement and pay a \$100 registration reinstatement fee for first-time suspensions."

"The department reminds owners that they are only required to verify insurance coverage for the vehicle identified on the survey form; owners are not required to verify insurance coverage for any additional vehicles they own," reminded Patterson.

"After one year, the department will again survey vehicle owners who were found without insurance. Subsequent offenses carry a mandatory four-month tag suspension, a \$200 reinstatement fee, proof of insurance at the time of reinstatement, and will require a vehicle owner to maintain liability insurance for three years," said Patterson.

In addition to the random surveys conducted by the department, Patterson points out that Alabama's mandatory liability insurance law stipulates that registrations of

January 1 Liability Insurance Reminders
Add Two
Dec. 15, 2000

vehicle owners whose licenses have been suspended or revoked for any reason after Jan. 1, 2001, or who have been convicted for driving without insurance after Jan. 1, 2001, will automatically be added to the survey pool.

“The law requires that such registrations remain in the compliance survey pool for four years and vehicle owners will be required to provide insurance verification on an annual basis throughout the four-year period,” said Patterson.

Certain vehicle categories are specifically exempted from Alabama’s mandatory liability insurance law and will not be subject to insurance verification. Exempt vehicles include: semitrailers, travel trailers, utility trailers, government-owned vehicles, for-hire trucking companies regulated by the Public Service Commission, and off-road vehicles such as road-graders, etc.

For more information concerning Alabama’s Mandatory Liability Insurance Law and the Department of Revenue’s related responsibilities, contact the department’s Mandatory Liability Insurance Section of the Motor Vehicle Division at (334) 353-2000, or visit the department’s Web site at www.ador.state.al.us.

-30-

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