

Online Insurance Verification System Advisory Council

Meeting Minutes for Wednesday, September 18, 2013

Conference Call Meeting

Members Present: Julie Magee, Jay Starling, The Honorable Greg Tucker, Lori Biscaglia (for Ken Needham), Ken McFeeters, Lt. Frost (for Michael Robinson), Charles Angell, Alex Hageli, Dustin Wilson (for Jeff Bradwell)

Members Absent: Jeff Bradwell, Michael Robinson, Harvey Fischer, Greg Erath, Ken Needham, George Cooper, the Honorable Patrick Davenport

Others Present: Sherry Helms, Daniel Urquhart, Brenda R. Coone, Ken Williamson

Call to Order

The meeting was called to order at 10:03 by Mr. Starling.

Roll Call

Mr. Starling conducted the roll call.

Approval of July 17, 2013 and August 14, 2013 Meeting Minutes

There was not a quorum for the August meeting; therefore, votes were taken to adopt the minutes for the July meeting. Votes were also taken to adopt the minutes for the August meeting. The minutes for both meetings were approved with no corrections.

OIVS Update

Ms. Helms reported that the department is researching law enforcement OIVS inquiries. The purpose of the research is to determine whether these inquiries are being sent during traffic stops or doing investigations of vehicles that are inoperable, but registered due to municipal ordinances. The department has received responses from registrants indicating that their vehicles are inoperable. The source of the web service inquiry is law enforcement. If the vehicle is truly inoperable, the registration must be revoked in accordance with Section 32-7A-11(a)(2), Code of Alabama 1975. When the vehicle is repaired and becomes operable again, the registrant must register the vehicle again and obtain another license plate. If, however, the web service call was initiated during a traffic stop, and the registrant did not have insurance on the verification date, the registrant must remit the required reinstatement fee. The system may need to be tweaked to indicate the reason for a law enforcement inquiry.

Mr. Starling reported that when a registrant attempts to register a vehicle and does not have insurance, the registration is denied by the license plate issuing official and an unconfirmed response is logged. When the registrant obtains insurance and attempts to register the vehicle again, another web service call is logged. Since the system will log both web service calls and the first one returned an unconfirmed response, questionnaires are mailed to the registrant. Some licensing officials have indicated that they do not want registrants to receive questionnaires for web service calls not associated with motor vehicle registrations. The department is researching this issue.

Ms. Helms provided the following OIVS statistics, through September 16, 2013:

Approx. 14 million OIVS requests

Approx. 6,100 law enforcement officers

Approx. 92,000 questionnaires have been mailed to registrants

Online Insurance Verification System Advisory Council

Meeting Minutes for Wednesday, September 18, 2013

Conference Call Meeting

Approx. 47,000 Notices of suspensions have been mailed to registrants

Ms. Helms reported that language was added to the mailers (both questionnaires and notices of suspension) notifying registrants not to mail documents if they have responded online. Additionally, the department, on September 6, 2013, began sending email notifications, if email addresses are available, notifying registrants that they will receive an insurance mailer. The email contains the link for registrants to use to respond to the questionnaire. The department has sent 4,400 emails thus far.

Ms. Helms is working to pull reports for insurers to determine if the expected OIVS responses are being returned and if there are any issues associated with connectivity between their systems and the web service from May 14, 2013 to September 16, 2013.

New Business

Ms. Magee shared a concern mentioned by a Probate Judge regarding registrants commonly referred to as "snowbirds". In most cases, these registrants may have insurance policies written by companies licensed in their home jurisdictions. She asked for clarification as to why evidence of insurance written by out of state insurers was not sufficient to obtain an Alabama motor vehicle registration.

Discussion regarding this issue ensued. Section 32-7A-4(c), Code of Alabama 1975, states in part, "Only an insurer authorized to do business in this state shall issue a policy pursuant to this section for any vehicle subject to registration under Chapter 12 of Title 40." Additionally, Code Section 32-7A-10, provides that if an insurer refuses to cooperate with the department, the Department of Insurance can levy fines against the insurer. The Department of Insurance cannot levy fines on insurers not licensed to write policies in Alabama, so there is no incentive for them to comply with the law.

During the discussion, it was also pointed out that accepting a registrant's evidence of insurance from out of state carriers, which cannot be verified by the department, would be treating Alabama based registrations differently than a "snowbird" registration. Instead of denying or suspending the registration, the Department is notifying these registrants that their liability insurance policy must be written by an insurance company that is authorized to write policies in Alabama.

Note: After the council meeting, the following statistics were compiled regarding the number of out of state NAICs reported by registrants, by county:

County	Count of Out of State NAICs
AUTAUGA	35
BALDWIN	330
BARBOUR	1
BIBB	1
BLOUNT	15
BULLOCK	11
BUTLER	57
CALHOUN	78
CHAMBERS	40
CHEROKEE	10
CHILTON	15
CHOCTAW	39

Online Insurance Verification System Advisory Council

Meeting Minutes for Wednesday, September 18, 2013

Conference Call Meeting

CLARKE	16
CLAY	6
CLEBURNE	23
COFFEE	9
COLBERT	42
CONECUH	10
COOSA	14
COVINGTON	8
CRENSHAW	7
CULLMAN	28
DALE	43
DALLAS	18
DEKALB	41
ELMORE	2
ESCAMBIA	34
ETOWAH	52
FAYETTE	30
FRANKLIN	28
GENEVA	23
GREENE	10
HALE	22
HENRY	16
HOUSTON	97
JACKSON	44
JEFFERSON	334
LAMAR	20
LAUDERDALE	79
LAWRENCE	19
LEE	148
LIMESTONE	47
LOWNDES	3
MACON	19
MADISON	330
MARENGO	23
MARION	27
MARSHALL	50
MOBILE	2
MONROE	23
MONTGOMERY	20
MORGAN	67
PERRY	5
PICKENS	35
PIKE	24
RANDOLPH	50
RUSSELL	125
SHELBY	6
ST CLAIR	55
SUMTER	33

Online Insurance Verification System Advisory Council

Meeting Minutes for Wednesday, September 18, 2013

Conference Call Meeting

TALLADEGA	42
TALLAPOOSA	20
TUSCALOOSA	66
WALKER	41
WASHINGTON	15
WILCOX	7
WINSTON	18
TOTAL	3008

Next Meeting

The next meeting of the advisory council is scheduled for Wednesday, October 16, 2013 at 10:00 a.m. The meeting will be held via conference call. A conference call invitation, agenda, and the meeting minutes will be sent to all advisory council members. The meeting was adjourned at 10:43 a.m. by Ms. Magee.

Respectfully submitted by: Brenda R. Coone