

Online Insurance Verification System Advisory Council

Meeting Minutes for Wednesday, April 20, 2016

Conference Call Meeting

Members Present: Julie Magee, Jay Starling, Charles Angell, Daniel Urquhart (for Michael Robinson), Alex Hageli and Ken McFeeters

Members Absent: the Honorable Greg Tucker, Dustin Wilson, the Honorable Sheila Moore, Greg Erath, Harvey Fischer, Ken Needham, George Cooper and Michael Robinson

Others Present: Sherry Helms and Troy Thigpen.

Call to Order

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

Roll Call

Mr. Starling conducted the roll call.

Approval of February 17, 2016 Meeting Minutes

Mr. Hageli requested that statistical information regarding the insurance verification rate be clarified. The minutes of the February 17, 2016 meeting could not be approved because there were not enough council members in attendance to establish a quorum.

OIVS Update

Ms. Helms provided the following statistics from January 1, 2016 through March 31, 2016:

1. Nearly 14 M OIVS requests to date
2. Over 13 M 1st requests (sources - counties, law enforcement, and reverification process) with an 85% confirm rate (up from 84.1% reported in February).

The department has sent over 112,000 questionnaires and over 94,000 notices of suspensions to Alabama registrants thus far this calendar year. Nearly 17,000 registration reinstatements have been processed this year. Of the processed reinstatements, 59% were reinstated without payment because the registrant had valid insurance (down from 69% reported in February), while 41% of the reinstatements resulted in fees being collected (up from 31% reported in February). For this same time period, 46% of the processed responses resulted in registration revocations because the registrant claimed the vehicle was sold, inoperable, or stored on the insurance verification date (down from 49% reported in February) and 27% of the questionnaire records were closed (insurance confirmed) before the registration was suspended (down from 34% reported in February).

Ms. Helms reported she attended the Insurance Industry Committee on Motor Vehicle Administration (IICMVA) meeting, April 4th through 6th. At the meeting, Ms. Helms provided updates on the Department's effort to collect BOB files from all insurers. Ms. Helms was able to obtain updates from the last two insurers from which the Department is awaiting BOB files. Both companies reported they are actively working to provide the files within the next few months. The Department will continue to reach out to the insurers until the files are provided.

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New Business

Council members again discussed concern with registrants using the “stored/inoperable” response to avoid paying a reinstatement fee when the vehicle is not insured. From the statistics provided above, 46% of the insurance questionnaires result in registration revocation due the registrant providing a “stored/inoperable” response. The council is concerned that registrants are utilizing this option, as provided by law, to avoid paying reinstatement fees. Members offered suggestions to address this issue, including requiring the registrant to surrender the license plate to the licensing official when insurance is cancelled on a stored/inoperable vehicle. This would require legislation to address. Mr. Starling reminded members that during the creation of the online insurance verification law, licensing officials, law enforcement and insurers discussed this issue, and decided that they did not want to get into the business of collecting license plates. It was pointed out that when a registration is revoked due to a registrant’s stored/inoperable response, law enforcement would know that a license plate was revoked, therefore, could issue a citation for operation with a revoked registration. See attached spreadsheet detailing citations issued for suspended registration. Administrative rule 810-5-8-.10 entitled Mandatory Liability Insurance (MLI) Questionnaire and Notice of Suspension, was amended effective August 21, 2015 to add language specifying if a registrant responds that a vehicle was not insured on the insurance verification date because the vehicle was stored, inoperable, or otherwise unused, the vehicle owner must provide evidence of the vehicle’s non-use to the licensing official prior to re-registering the vehicle, as provided in administrative rule 810-5-1-.244. The current vehicle registration is revoked for the remainder of the registration period. When the vehicle is no longer stored, inoperable, or unused, a new license plate/registration must be obtained prior to operating the vehicle. If the owner fails to provide acceptable evidence of non-use to the licensing official, the vehicle registration will be suspended and related reinstatement fees would be due. According to the statistics, the number of revoked registrations resulting from stored/inoperable responses is less than 5% of the total vehicle population subject to OIVS. The Department will continue to monitor the revocation responses to see what impact the requirements related to administrative rule 810-5-8-.10 have on reducing registrants’ election to utilize the stored/inoperable response.

Next Meeting

Mr. Starling suggested that the council should be meeting quarterly instead of bi-monthly. Council members present for the meeting agreed.

The next meeting of the advisory council is tentatively scheduled for July 20th and will be officially scheduled when council members approve quarterly council meetings. 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 11:05 a.m. by Mr. Starling.

Respectfully submitted by: Sherry Helms

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Year	Month	Date	Citations
2010	3	1/3/2010	1
2010	4	1/4/2010	1
2010	5	1/5/2010	1
2010	6	1/6/2010	2
2010	7	1/7/2010	2
2010	8	1/8/2010	1
2010	9	1/9/2010	1
2010	10	1/10/2010	1
2010	11	1/11/2010	1
2010	12	1/12/2010	3
2011	1	1/1/2011	7
2011	2	1/2/2011	1
2011	3	1/3/2011	2
2011	4	1/4/2011	2
2011	5	1/5/2011	3
2011	6	1/6/2011	7
2011	7	1/7/2011	7
2011	8	1/8/2011	3
2011	9	1/9/2011	4
2011	11	1/11/2011	1
2011	12	1/12/2011	1
2012	1	1/1/2012	4
2012	2	1/2/2012	4
2012	3	1/3/2012	4
2012	4	1/4/2012	1
2012	5	1/5/2012	3
2012	6	1/6/2012	4
2012	7	1/7/2012	3
2012	8	1/8/2012	6
2012	9	1/9/2012	6
2012	10	1/10/2012	9
2012	12	1/12/2012	4
2013	1	1/1/2013	2
2013	2	1/2/2013	2
2013	3	1/3/2013	3
2013	4	1/4/2013	2
2013	6	1/6/2013	3
2013	7	1/7/2013	3
2013	8	1/8/2013	1
2013	9	1/9/2013	8
2013	10	1/10/2013	6
2013	11	1/11/2013	6
2013	12	1/12/2013	5
2014	1	1/1/2014	9
2014	2	1/2/2014	6
2014	3	1/3/2014	5
2014	4	1/4/2014	7
2014	5	1/5/2014	3
2014	6	1/6/2014	10
2014	7	1/7/2014	7
2014	8	1/8/2014	8
2014	9	1/9/2014	5
2014	10	1/10/2014	5
2014	11	1/11/2014	8
2014	12	1/12/2014	17
2015	1	1/1/2015	16
2015	2	1/2/2015	6
2015	3	1/3/2015	11
2015	4	1/4/2015	5
2015	5	1/5/2015	14
2015	6	1/6/2015	7
2015	7	1/7/2015	16
2015	8	1/8/2015	3
2015	9	1/9/2015	8
2015	10	1/10/2015	8
2015	11	1/11/2015	11
2015	12	1/12/2015	10
2016	1	1/1/2016	9
2016	2	1/2/2016	9
2016	3	1/3/2016	9
2016	4	1/4/2016	12

