

September 1, 1982

SUBJECT: INSURANCE

CIRCULAR LETTER NO. 24 (1982)

DATED:September 1, 1982

TO: ALL INSURERS WRITING MOTOR VEHICLE LIABILITY INSURANCE IN NEW YORK STATE

SUBJECT: Accident Prevention Course Discounts Insurance Law Section 176(7). Also see Circular Letter No. 1 (1980) as amended.

It has come to the Department's attention that some insurers have misinterpreted certain provisions of Circular Letter No. 1 (1980) which this letter will serve to clarify.

1) We have received questions as to whether a course given under the Alcohol and Drug Rehabilitation Program (a.k.a. Drinking Driver Program) by the Department of Motor Vehicles qualifies for an accident prevention course discount. Section 176(7) of the Insurance Law specifically provides that its provisions "...shall not apply to attendance at a program pursuant to article twenty-one of the vehicle and traffic law as a result of any traffic infraction." Accordingly, insurers are not required to offer a discount to those insureds who have taken such courses. In addition, attendance at any other driver safety classes at the direction of the New York State Department of Motor Vehicles will not qualify the attendee for a discount.

2) We wish to remind insurers that Section 176(7) is applicable to motor homes, motorcycles and all other motor vehicles which can legally be operated on a public highway where the principal operator(s) has taken an accident prevention course approved by the Department of Motor Vehicles. The only exceptions are commercial motor vehicles insured under policies eligible for experience rating or any other commercial rating plan which reflects individual characteristics of the risk.

Very truly yours,

[SIGNATURE]

ALBERT B. LEWIS

Superintendent of Insurance

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