



**STATE OF NEW YORK
INSURANCE DEPARTMENT**
25 BEAVER STREET
NEW YORK, NEW YORK 10004

**Circular Letter No. 3 (2001)
January 23, 2001**

TO: All Insurers Authorized To Write Motor Vehicle Insurance

RE: Insurance Information and Enforcement System (IIES) Of The New York State Department of Motor Vehicles

The Insurance Information and Enforcement System (IIES), developed by the New York State Department of Motor Vehicle (DMV), makes use of an insurance information database to monitor the insurance status of New York State registered vehicles.

The purpose of this electronic on-line registry program is to ensure that all motor vehicles registered and driven in New York State have adequate motor vehicle insurance to protect individuals from damages that may occur from operating these motor vehicles. The registry will give the Commissioner of Motor Vehicles and state and local law enforcement officers the tools needed to identify, sanction and ultimately remove uninsured vehicles from New York's highways.

Articles 6 and 8 of the Vehicle and Traffic Law provide that the Commissioner of Motor Vehicles shall be notified by insurers of certain transactions related to motor vehicle liability insurance coverage with respect to motor vehicles registered in New York State for which an insurance ID card or insurance certificate has been issued by, or on behalf of, an insurance company.

Insurers shall fully comply with the reporting requirements of Articles 6 and 8 of the Vehicle and Traffic Law and regulations promulgated by the Commissioner of Motor Vehicles. All insurers are required to transmit appropriate notices to the Commissioner of Motor Vehicles in a efficient, accurate, compatible and timely manner in full accordance with the requirements set forth in Part 34 of the Commissioner's regulations and the DMV MVLIR implementation guide specifications.

The purpose of this Circular Letter is to advise insurers that the Superintendent, based on information received from the Commissioner of Motor Vehicles, will take appropriate disciplinary action against any insurer who is not in compliance with the IIES.

Section 317 of the Insurance Law grants authorization for the Superintendent to impose a fine in the event that an insurer fails to timely and properly report any of the required information. The Superintendent is authorized to impose a fine on such insurer in an amount not to exceed five hundred dollars for each failure to timely and properly report. In the event of persistent and willful violations of the reporting requirements, the Superintendent is authorized to impose a fine on such insurer, in an amount not to exceed five thousand dollars per day for each day such violation continues.

Note that transactions specifically excluded from the reporting request of Part 34 that are reported are considered violations and will be fined accordingly.

Pursuant to Section 308 of the Insurance Law, each insurer shall submit to the Department of Motor Vehicles, the name, telephone number and e-mail address of a contact person and an alternate contact person, both of who are fully conversant with the Vehicle and Traffic statute and the company's obligations thereunder. This information must be submitted in electronic format to IIEScompliance@dmv.state.ny.us no later than February 15, 2001.

Acknowledgement of receipt of this Circular Letter is required and should be sent no later than February 15, 2001 to:

Peter Wong, Senior Insurance Examiner
New York State Insurance Department
Property Bureau, 2nd floor
25 Beaver Street
New York, NY 10004
212-480-5588

pwong@ins.state.ny.us

Very truly yours,

Mark Presser
Assistant Deputy Superintendent
and Bureau Chief
Property Bureau