

HOUSE BILL 229
SENATE BILL 254
MARYLAND GENERAL ASSEMBLY
2024

Implementation Policy and Regulations Review

Town Hall Meeting on September 5, 2024

AGENDA

- Legislation
- Review of Regulations
- Testing Timeframes (BoB and OLV)
- Book of Business (BoB) Testing Sign-up
- BoB Processing
- Transition Schedule
- Questions
- Additional Information Contacts



MARYLAND DEPARTMENT OF TRANSPORTATION

MOTOR VEHICLE ADMINISTRATION

Legislation

Currently, Insurance companies provide daily transactional data to Insurance Compliance Division (ICD)

This bill is designed to significantly reduce the number of false positive insurance lapse cases.

This legislation requires all insurance companies to provide a complete inventory of Maryland registered vehicles with auto policies.

Additionally, all insurance companies must develop an online verification web service. This will allow real-time validation of auto insurance policies.

Both of these policies have an implementation date of January 1, 2025

Regulations

MOTOR VEHICLE ADMINISTRATION

DEPARTMENT OF TRANSPORTATION

Subtitle 18 MOTOR VEHICLE ADMINISTRATION — FINANCIAL RESPONSIBILITY REQUIREMENTS

.01 Scope.

These regulations apply to mandatory electronic reporting of [lapses, terminations, reinstatements, and new] policies of security *and the mandatory electronic Online Insurance Verification (OLV) program operated by the Administration for the purpose of verifying insurance policies in real time* [required by Transportation Article, §§17-104(c) and 17-106, Annotated Code of Maryland].

.02 Definitions.

A. In this chapter, the following terms have the meanings indicated.

B. Terms Defined.

(1) “Administration” means the Motor Vehicle Administration.

(2) “Fleet policy” has the meaning as stated in Transportation Article, §17-101, Annotated Code of Maryland.

(3) [“Immediately” means by the close of business on the next business day.

(4) “Lapse or termination” means interruption of continuous coverage caused by the failure of an insurer to renew the security required by Transportation Article, §17-103(b), Annotated Code of Maryland.]“*Insurance companies*” or “*insurer*” means *licensed Maryland providers of required security as defined in Transportation Article, §17-101, Annotated Code of Maryland.*

(4) “*Online Insurance Verification (OLV)*” means *a program operated by the Administration for the purpose of verifying insurance policies in real time.*

(5) “Policy” or “*Policies*” means a vehicle policy or binder for required security as defined by §17-101(d), Annotated Code of Maryland, issued by an insurer or other provider of required security.

MOTOR VEHICLE ADMINISTRATION

Regulations (continued)

.03 Reporting Guidelines.

A. Required Reporting.

[(1) Except as provided in §A(2) of this regulation, insurance companies shall immediately report, in an electronic format determined by the Administration:

- (a) New policies;
- (b) Lapses;
- (c) Terminations;
- (d) Reinstatements, and
- (e) Policy changes as specified under §B of this regulation.]

[(2) Insurance companies shall report, in an electronic format determined by the Administration, fleet policy coverage changes every 30 days, to include:

- (a) Company additions or deletions; and
- (b) Policy number changes.]

[(3) If an insurance company does not have any new policies, lapses, terminations, reinstatements, or policy changes as specified under §B of this regulation, the insurance company shall submit a report of no business by the close of business on the last business day of the month.]

Insurance companies shall report on at least a weekly basis and according to the timeline determined by the Administration, all active policies in an electronic format determined by the Administration.

MOTOR VEHICLE ADMINISTRATION

Regulations (continued)

B. Except *for fleet policies* as provided in [§A(2)] §C of this regulation, notifications of *all* [new] policies, [lapses, terminations, and reinstatements by an insurer] shall include:

- (1) The name of the insured;
- (2) The Maryland driver's license number [or date of birth of the insured] *of the insured or FEIN if the insured is a business*;
- (3) The make of the vehicle;
- (4) The model year of the vehicle;
- (5) The vehicle identification number (VIN);
- (6) The current policy number; *and*
- (7) The effective date of the policy. [and
- (8) If applicable:
 - (a) The cancellation date of the policy; and
 - (b) A type code, in a format required by the Administration, explaining the reason for the termination or lapse of coverage.]

C. For fleet policies, reporting shall include:

- (1) Company additions and deletions; and*
- (2) Policy number changes.*

MARYLAND DEPARTMENT OF TRANSPORTATION

MOTOR VEHICLE ADMINISTRATION

Regulations (continued)

[C.] *D.* Rejected Notifications.

(1) The Administration shall reject notifications of *all active* [new] policies[, lapses, terminations, and reinstatements] which do not include all of the items specified in §B of this regulation.

(2) The insurer shall resubmit notifications rejected under the provisions of [§C(1)] *§D(1)* of this regulation to the Administration [as soon as practicable] *by the date of the next regular file submission*.

[D.] *E.* The insurer shall provide, at each occurrence when the required security will terminate or be canceled, timely notification to the insured of the penalties that may be imposed by the Administration in accordance with Transportation Article, §17-106, Annotated Code of Maryland, for their failure to return evidence of registration when the required security has ended and is not replaced. The notice shall include the following statements:

(1) "The registration plates must be returned to the Motor Vehicle Administration on or before the date the insurance policy expires or is canceled"; and

(2) "Failure to return the registration plates may result in an uninsured motorist penalty fine which is assessed at a rate of [\\$150] *\\$200* for the first 30 days and is increased by \$7 each day thereafter until the insurance is replaced or the registration plates are returned. The uninsured motorist penalty fine is assessed per vehicle."

MOTOR VEHICLE ADMINISTRATION

Regulations (continued)

[E.] *F.* Insurance companies shall report, maintain, and update contact information, in a format required by the Administration, for the purpose of establishing and maintaining a database containing the proper address for providing notice to an insurer under Transportation Article §21–10A–04, Annotated Code of Maryland.

.04 Online Insurance Verification Participation and Program Requirements.

A. Required Participation. All insurance companies shall:

(1) Participate in the Administration's OLV program; and

(2) Support a program where the Administration can electronically access the book of business of insured vehicles at any time.

B. Program Requirements. The OLV Program will consist of the following:

(1) The Administration will electronically send an inquiry to an insurance company in real time which will include information required by the Administration.

(2) Insurance companies shall use the data provided by the Administration to determine the policy status on the verification date and return an electronic response, automatically, in real time to the Administration in an electronic format determined by the Administration.

(3) The response from the insurance company shall be used to validate or remove the existing policy in the records of the Administration.

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MOTOR VEHICLE ADMINISTRATION

Testing Timeframes

Online Verification

- Testing is available **now**.
- Start by emailing MDMVAICDSupport@mdot.Maryland.gov

Book of Business Testing

- Schedule a time by going to <https://mva.maryland.gov/businesses/Pages/Insurance-Industry-Hub.aspx>
 - Testing will begin on September 9, 2024.
 - Testing must be completed by November 21, 2024.
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MOTOR VEHICLE ADMINISTRATION

Maryland MVA Insurance Compliance Industry Hub

The URL is

<https://mva.maryland.gov/businesses/Pages/Insurance-Industry-Hub.aspx>

The screenshot shows a web browser window displaying the 'Insurance Industry Hub' page. The browser's address bar shows the URL: mva.maryland.gov/businesses/Pages/Insurance-Industry-Hub.aspx. The page features a blue header with the text: 'APPOINTMENTS REQUIRED – You Name the Time and Place, We'll Take Care of the Rest. Not sure if your transaction can be completed at home? Visit our Online Services tab below to see what services are available right now!'. Below the header, the main content area is titled 'Insurance Industry Hub' and includes a sub-header: 'If you are a customer (not an insurance company), click here to visit our Insurance page for Marylanders.' A red-bordered box contains the text: 'Maryland HB 229 / SB 254 has been signed into law, changing the way insurance compliance will be reported to the MVA starting January 1, 2025. Click here for all the information you need to prepare.' Below this, there is a 'QUICK LINKS' section with five icons and labels: 'e-FR19 Insurance Agent Login', 'Update Customer Information', 'Insurance Contact Registry', 'Insurance Bulletins', and 'BOB Testing Sign-Up'. A section titled 'Need help submitting your eFR-19?' provides instructions for submitting an eFR-19, including a list of steps: 1. Log in to the myMVA eFR-19 Insurance Agent portal here. 2. Select Yes, I have my Case Number. 3. Enter the case number and either the VIN, title, or tag number. 4. On the case information screen, scroll to the bottom of the page and select I'm the Insurance Agent. 5. Enter your Maryland Producer License number and password. If you haven't logged into the system before, it will prompt you to create a password. 6. Submit your eFR-19. Once submitted, the information will be updated in real time. At the bottom right, there is a red button labeled 'Ask Chatbot for MVA'.

Book of Business Testing Sign-up Form (Page 1)

forms.office.com/pages/responsepage.aspx?id=fNKMs8pXI0W-KCLiQ91H8ao-DAq_3MBBqRwMoRXCgCZUM0wyM0REnKNSVVCSE5VTU0hEMOZTW4u&origin=lprLink&route=shorturl

MDOT Hub MTRACK CHART - Live Camer... Gmail Yahoo Maryland State Retir... CC-FCR/SQR MVA Project Mgmt OneDrive_Steve myMVA MVA (Public) MVA Telework Plan... OneLogin Cornerstone OnD... Adobe Acrobat All Bookmarks

Maryland Department of Transportation
Motor Vehicle Administration
Insurance Compliance Division

Book of Business Testing Request

Testing Timeframes: September 9, 2024 through November 21, 2024
For Questions Contact: MDWMVAICDSupport@mdot.maryland.gov

* Required

Contact Information

1. Contact Name *

2. Company Name *

3. Contact Phone Number *

4. Contact Email *

5. NAIC Code(s) - if entering multiple codes please separate with a comma. *

Next Page 1 of 2

MARYLAND DEPARTMENT OF TRANSPORTATION

MOTOR VEHICLE ADMINISTRATION

Book of Business Testing Sign-up Form (Page 2)

Microsoft Department of Transportation
Motor Vehicle Administration

Book of Business Testing Request

* Required

Request Testing Date (1st, 2nd, and 3rd Choice)

Possible Dates

September: 9, 10, 11, 12, 16, 17, 18, 19, 23, 24, 25, 26, 30
October: 1, 2, 3, 7, 8, 9, 10, 15, 16, 17, 21, 22, 23, 24, 28, 29, 30, 31
November: 4, 6, 7, 12, 13, 14, 18, 19, 20, 21

6. Preferred Choice #1 *

Please input date (M/d/yyyy)

7. Preferred Choice #2

Please input date (M/d/yyyy)

8. Preferred Choice #3

Please input date (M/d/yyyy)

Back Submit Page 2 of 2

Microsoft 365

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MOTOR VEHICLE ADMINISTRATION

Book of Business Processing

BoB Processing Schedule

- BoB files will be accepted beginning at 8:00 a.m. on Monday continuing through 11:59 pm on Saturday.
 - Formatting errors will be returned later the same evening.

- BoB files will be processed on Sunday.
 - Processing errors will be available on Monday by 8:00 a.m.

New Requirement

- CUSTOMER ID (driver license number, ID Number, FEIN) must be included with each record.
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MOTOR VEHICLE ADMINISTRATION

Transition Schedule

Action	Date
Last Day for insurance companies to submit an FR-13	December 31, 2024
Last Day MVA will process FR-13s	January 1, 2025
First day insurance companies can submit BoB files	December 30, 2024
First round of BoB files will be processed	January 5, 2025
Final date for BoB testing with insurance companies	November 21, 2024

MOTOR VEHICLE ADMINISTRATION



ANY
QUESTIONS



MARYLAND DEPARTMENT OF TRANSPORTATION
MOTOR VEHICLE ADMINISTRATION

For Additional information:

FAQ page for SB254 Implementation information can be found:

<https://mva.maryland.gov/businesses/Pages/Insurance-Industry-Hub.aspx>

Any follow-up questions can be emailed to:

MDMVAICDSupport@mdot.Maryland.gov

Thank you for attention and cooperation.
