

Alabama Department of Revenue

News Release
June 12, 2012

Real Time Insurance Verification Coming to County Tag Offices

Montgomery— In January, county license plate issuing officials will have access to a new online insurance verification system developed by the Alabama Department of Revenue (ADOR) that will allow them, as well as Alabama law enforcement, to immediately verify the insurance status of a vehicle at any point in time.

“By working with the insurance community, other Alabama agencies, and county governments, we have delivered a web service system that will accomplish real time insurance verification. The system, the Online Insurance Verification System or OIVS, is needed to meet the new requirements of Alabama’s mandatory liability insurance law that will become effective Jan. 1, 2013,” said State Revenue Commissioner Julie P. Magee.

The new requirements of the law, Act 2011-688, mandate that the ADOR have an online system in place by Jan. 1, 2013, that can verify evidence of a vehicle owner’s liability insurance coverage. Under the new requirements, a vehicle owner will not be allowed to register his or her vehicle or renew a registration unless the insurance status of the vehicle can be verified using OIVS or unless the vehicle owner can provide proof of insurance to the license plate issuing official at the time of registration or registration renewal.

Proof of insurance documents include the vehicle owner’s insurance card, current declaration page of the owner’s liability insurance policy, or other such documents substantiating liability insurance coverage. Electronic versions of proof documents may also be accepted by county license plate issuing officials in completing vehicle registration transactions. Emails sent by the owner’s insurer, computer printouts from an owner’s insurer, electronic images provided by an owner’s insurer on the vehicle owner’s cellular phone, lap top, or other portable electronic device meet the evidence of insurance requirements, according to the ADOR. (*Reference: Administrative Rule 810-5-8-.05, Evidence of Insurance Requirements, effective June 8, 2012.*)

Ten Alabama counties are currently piloting the department's Online Insurance Verification System (OIVS) before its statewide launch in 2013. The 10 Alabama counties participating in the pilot project are Covington, Elmore, Henry, Houston, Jefferson, Limestone, Mobile, Shelby, Tuscaloosa and Winston.

"Alabama averages over 4 million vehicle registrations each year which are subject to the mandatory liability insurance requirements, and this system will give both state and local motor vehicle administrators and law enforcement the ability to fulfill the requirements of Alabama's mandatory liability insurance law," added Magee.

"Various studies have indicated there is a valid concern among motorists nationwide that many of the drivers on the road are uninsured. This poses a huge risk to other drivers who are following the law. This new system should also greatly reduce the risk of the drivers dropping insurance coverage once they have registered their vehicles," added Magee.

According to the Insurance Research Council, Alabama's uninsured motorist rate is estimated to be 22 percent, ranking Alabama sixth among states having the highest percentage of uninsured drivers nationwide.

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Media contact for more information:

ADOR Media Affairs Office: Carla A. Snellgrove or Carolyn G. Blackstock: (334) 242-1390; FAX: (334) 242-0550

www.revenue.alabama.gov