

TECHNICAL ADVISORY

DIVISION OF MOTORIST SERVICES



To: Tax Collectors and License Plate Agents

Subject: Changes to Insurance Requirements for Commercial Motor Vehicles

Advisory

Implementation

Clayton Boyd Walden

Date: 12/14/11

Date: Immediately

Director

Advisory Number: R11-08

This is an advisory to inform you of recent changes to insurance requirements for commercial motor vehicles, which are effective immediately.

In the past when registrants of commercial motor vehicles (26,000 pounds or more) presented proof of current insurance, we requested that the 30-day cancellation notification requirement in s. 320.02(5)(e), F.S., be listed under the Descriptions of Operations on a Certificate of Insurance (COI). One such COI form frequently used is the ACORD form.

Recently, the Department learned that ACORD revised its policy and no longer allows this endorsement language on the face of its form. In order to manage this new development, representatives from the Florida Association of Insurance Agents, ACORD, Department of Financial Services, Office of Insurance Regulation, and the Department strategized and created a new procedure.

We have notified the insurance industry that the statutory language shown below **MUST BE** endorsed on the policy and that the endorsement page containing the language must be provided at the time of registration renewal. Additionally, tax collector offices and license plate agencies must ensure that they receive **a copy of that portion of the policy along with the COI** for all commercial motor vehicle registration applications. The language should reflect the following:

“This policy may not be cancelled on less than 30 days written notice by the insurer to the Department of Highway Safety and Motor Vehicles, such 30 days notice to commence from the date notice is received by the Department.”

Additionally, the COI must show Personal Injury Protection (PIP), as well as the policy number, and the effective and cancellation dates.

While the language must be endorsed on the policy as soon as possible, we understand that this is a new procedure involving the Office of Insurance Regulation. Endorsement approval may take awhile, and insurance companies may not be able to comply with these exact terms for the upcoming renewal period.

For the short-term, we are offering an interim solution so we do not put our commercial motor vehicle customers in an impossible situation. We are advising all tax collectors to accept the statutory endorsement language on ANY documentation provided (i.e. insurance company letterhead letter/memo, the Certificate of Insurance, the policy etc.) by commercial motor vehicle customers during this renewal cycle.

We will provide you with further information regarding this issue after the 2012 Legislative Session.

We sincerely appreciate your cooperation and assistance during this transition period. If you have additional questions, please contact the Field Support Center.

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