

Insurance Verification Responsibilities of an Issuing Agent Questions and Answers

Listed below are the most frequently asked questions and answers concerning proof of insurance.

Q1. What items must be used by a vehicle owner to serve as acceptable proof of insurance?

A1.

1. An insurance identification card issued by an insurance carrier or by a self-insured motorist. (PennDOT issues a self-insured certificate to motorists who are then authorized to produce an insurance ID card); or,
2. The declaration page of an insurance policy or a copy thereof; or
3. A copy of a valid binder of insurance, which contains all the information required to appear on the ID card, excluding the policy number, and is signed and dated by a licensed insurance agent or broker; or,
4. A valid copy of an application for insurance to the Pennsylvania Assigned Risk Plan, which contains all of the information required to appear on the ID card, excluding the policy number, and is signed and dated by a licensed producer (insurance agent).

NOTE: A computer generated copy of the vehicle insurance application signed by the insurance agent is acceptable when the signature of the insurance agent is an original, in lieu of the carbon copy of a valid binder of insurance or application for insurance to the Pennsylvania Assigned Risk Plan (number 3 and 4 above). A legible photocopy, facsimile (FAX) or printout of an electronic transmission of a document listed above (numbers 1 through 4) are acceptable provided the issuing agent receives the photocopy, facsimile (FAX) or printout directly from a licensed insurance company or licensed insurance agency. The photocopy, facsimile (FAX) or printout must be on the letterhead of the company or the agency or with a letter written upon the insurance company's or agency's letterhead. The letterhead photocopy, facsimile (FAX) or printout of the proof of insurance document or letter on company/agency letterhead document must specifically reference the proof of financial responsibility by the insured's name and address, vehicle make, model and vehicle identification number (VIN) of the insured vehicle. An issuing agent may not accept a photocopy, facsimile (FAX) or printout of an electronic transmission as proof of financial responsibility when the issuing agent is also acting as an insurance agent for the licensed insurance company or agency.

NOTE: Hand-printed identification cards, issued by a Pennsylvania licensed insurance company or agency, are unacceptable.

Q2. What is required to be printed on a financial responsibility (insurance) ID card?

- A2. The Pennsylvania Vehicle Code, Section 1782(d) and Insurance Department Regulations, Chapter 67.21, require insurers to issue financial responsibility (insurance) ID cards containing the following:

NOTE: Vehicle owners may not deliver the faxed copies to an issuing agent's office.

1. Title of card, "Financial Responsibility Identification Card."
2. NAIC number of the insurer or self-insurance certificate number.
3. Name of the insurer or self-insurer.

4. Name and address of the named insured or motor vehicle registrant when the vehicle is self-insured.
5. Description of Vehicle - Year, make and vehicle identification number (VIN). The model of the vehicle may be used as the make. All digits of the VIN must appear on the ID card.
6. Policy number where applicable.
7. Effective date - month, day and year of the policy must be shown.
8. Policy expiration date or the following inscription below the effective date: "Not valid for more than one year from effective date."

NOTE: When a policy holder or self-insurer has five or more vehicles registered in the Commonwealth of Pennsylvania, the insurer or self-insurer may use the statement "all owned vehicles" or "all owned and leased vehicles" instead of a specific vehicle description on each ID card. However, each vehicle must have an ID card issued for it. In addition, a separate document should be provided by a fleet owner and carried in the vehicle that specifically identifies the insured vehicles by vehicle identification number, make and body style.

Q3. May verification of insurance information be made by telephoning the applicant's insurance agent?

- A3. No. The Pennsylvania Vehicle Code requires that proof of financial responsibility be verified by issuing agents examining one of the acceptable items listed under Question #1. Therefore, telephone calls to insurance agents for insurance verification purposes may not be made by issuing agents. However, issuing agents may telephone an insurance agent to request that a photocopy, facsimile (FAX) or printout of an acceptable proof of insurance document be provided.

Q4. May an agent accept a valid identification card on a customer's electronic device (i.e., cell phone)?

- A4. Yes, Act 132 of 2013 allows for electronic proof of financial responsibility. It amends Section 1782(d) of the Pennsylvania Vehicle Code to allow insurers to issue the identification card solely in electronic format if both the insured and the insurer agree to that format.

It does not change PennDOT procedural requirements with respect to an agent's responsibility to retain copies of supporting documents for vehicle transactions. An agent service may accept and verify the electronic financial responsibility identification card as proof of insurance for the purpose of registering a motor vehicle in Pennsylvania. However, agent services are still required by Chapter 43 of Department regulations to keep a file copy of the proof of financial responsibility for a minimum of three years.

If the insured is unable to provide a screen print or email of the valid insurance identification card, the customer must provide:

- A paper financial responsibility identification card received from their insurance company; or,
- The agent must receive a legible photocopy, facsimile or printout of acceptable proof of financial responsibility directly from an insurance company or insurance agent before registration may be issued.

Q5. How do I as an agent obtain a copy of the verified identification card?

- A5. After the agent has verified the valid identification card on the insured's electronic device, the agent may do one of the following to obtain a copy of the verified identification card:

- request the insured to email the agent a screen print of the identification card from the insured's electronic device; or,
- request the insured to email the agent a copy of their insurance identification card from their insurance company's website. (**NOTE:** Customers may do this from their

electronic device while in your place of business or you may offer customers use of a computer in your place of business if you so choose.)

The agent must receive and print the electronic copy of the identification card they verified, to retain in their files or submit to PennDOT if PennDOT is issuing the registration plate, prior to completing the application.

Q6. May photocopy, facsimile (FAX) or printout copies of insurance documents be accepted as proof of insurance?

A6. Photocopy, facsimile (FAX) or printout copies of an acceptable proof of insurance document may be accepted by an issuing agent when sent by the vehicle owner's insurance company or agency directly to the issuing agent's office for verification purposes. **NOTE:** Vehicle owners may not deliver the above copies to the issuing agent's office.

Q7. Why aren't photocopies, facsimile (FAX) or printout copies of insurance documents allowed to be delivered to the issuing agent by the vehicle owner?

A7. The Pennsylvania Vehicle Code requires the information listed on photocopies, facsimile (FAX) or printout copies to be delivered directly from the licensed insurance company or licensed insurance agency to the issuing agent.

Q8. How must photocopies, facsimile (FAX) or printout copies of proof of insurance documents be presented to the issuing agent?

A8. Photocopies, facsimile (FAX) or printout copies of proof of insurance documents must be provided to the issuing agent on the letterhead of the company or agency, or with a letter written upon the company's or agency's letterhead and must specifically reference the proof of financial responsibility by the insured's name and address, the make, model and vehicle identification number (VIN) of the insured vehicle.

Q9. May an issuing agent acting as an insurance agent for the licensed insurance company or licensed insurance agency accept a photocopy, facsimile (FAX) or printout of an electronic transmission as proof of financial responsibility for an insured?

A9. No. The Pennsylvania Vehicle Code prohibits an issuing agent acting as an insurance agent for a licensed insurance company or agency from accepting an electronically transmitted proof of financial responsibility document.

Q10. Are "Auto Binder Receipt" or "Auto Policy Status" forms acceptable as proof of insurance?

A10. No. Pennsylvania's financial responsibility law requires that only those items listed under Question #1 be used to serve as acceptable proof of insurance.

Q11. Are "Temporary Financial Responsibility Cards" acceptable as proof of insurance?

A11. Yes. On the expiration date of the ID cards, a letter is generated and mailed to the vehicle owner requesting verification of a permanent ID card.

Q12. Are hand typed insurance I.D. cards acceptable as proof of insurance?

A12. Yes, as long as the issuing agent has no reason to believe the information provided is fraudulent or the insurance agent or vehicle owner falsified the information listed on the ID card. If an issuing agent has reason to believe the information provided is false or fraudulent, the issuing agent may ask the vehicle owner to provide further proof of insurance by asking to see the declaration page of the insurance policy or the binder accompanied by a letter on the licensed insurance company or agency letterhead issued by the insurance agent.

Q13. Are handwritten insurance ID cards acceptable as proof of insurance?

A13. According to the Pennsylvania Insurance Department, handwritten insurance ID cards are not permitted to be issued by Pennsylvania licensed insurance companies or agents. However, if the handwritten proof of financial responsibility is acceptable proof of insurance in the state where the vehicle is to be registered, for intransit tag issuance, the issuing agent is authorized to accept a handwritten insurance card as proof, provided the issuing agent receives written confirmation from the applicable state, insurance company or insurance agency that handwritten proof is acceptable in that state.

Q14. Are all insurance binders valid for only 30 days?

A14. No. As a general rule, a binder is valid until an insurance policy is issued. However, some binders stipulate when it expires, i.e., 15 days, 30 days, 45 days, etc.

Q15. If an applicant brings an expired insurance ID card in error to an issuing agent, must the applicant be sent home to get their current card or can the issuing agent telephone the insurance agent?

A15. The issuing agent may telephone the applicant's insurance agent to request the insurance agent to provide a photocopy, facsimile (FAX) or printout copy of an acceptable proof of insurance document accompanied by a letter on the insurance company or agency letterhead to the issuing agent's office for verification purposes. Issuing agents may not telephone insurance agents to verify an applicant's insurance information in lieu of examining an acceptable proof of insurance document.

Q16. Must every insurance ID card list all the names covered by an insurance policy before an issuing agent can issue a temporary plate or complete a transfer of registration plates?

A16. No. The issuing agent may ask the applicant to provide the declaration page of the insurance policy to verify if an applicant is covered by a policy.

Q17. Can an issuing agent accept an insurance ID card on May 29, 20XX with an expiration date of May 31, 20XX to issue a temporary plate or transfer a registration plate?

A17. Yes. The proof of insurance document verified by the issuing agent was valid on the date the temporary plate was issued or the registration plate was transferred.

Q18. May a vehicle owner present an insurance card in a company's name to use as proof of insurance for a vehicle that is being titled in the individual owner's name?

A18. NO. The issuing agent must request written documentation from the insurance company that states the individual owner's vehicle is covered by the business policy. The written documentation, in addition to the insurance ID card, declaration page or binder would be acceptable as proof of insurance.

Q19. Must the issuing agent maintain copies of the proof of insurance document used for insurance verification?

A19. Yes. The issuing agent is required to maintain legible copies of the documents used for insurance verification for at least three years. These copies must be kept at the issuing agent's established place of business.

Q20. Is an insurance ID card issued to an individual acceptable as proof of insurance to title and issue a temporary registration plate in the name of a company?

A20. No. The insurance ID card is unacceptable as proof of insurance. If the individual is the sole owner of the company, the issuing agent must see the declaration page of the applicant's insurance policy. If upon review of the policy, the issuing agent determines that other vehicles titled in the company name are covered by that policy, a temporary registration plate may be

issued. If no other company vehicles are listed on the applicant's declaration page, temporary registration plates may not be issued using that document as proof of insurance. If the individual is not the sole owner of the company, written documentation from the company and the applicant's insurance agent is required in addition to the document submitted as proof of insurance.

Q21. When a vehicle is "titled only" in excess of 14 days and the vehicle owner now wants to obtain a registration plate, may the vehicle owner present a proof of insurance document for another vehicle currently in the registrant's name?

A21. No. Insurance policies state that a vehicle owner has 14 days from purchase of a vehicle to report additional/substitute vehicles to an existing policy. The vehicle owner is required to obtain a binder for the vehicle before the issuing agent can issue a temporary plate.

Q22. May an issuing agent accept proof of insurance in a husband's name only for a vehicle being titled and registered in a wife's name only?

A22. Yes. As long as the wife currently is in possession of a vehicle and the registration card and the proof of insurance have the same vehicle identification number (VIN) listed. Otherwise, the issuing agent must request the applicant to present the declaration page of the existing insurance policy to verify coverage for the wife. If the wife's name is not listed on the declaration policy, a binder of insurance in the wife's name would be required.

Q23. If a vehicle is being titled in both a husband and wife's names, can an issuing agent accept the current insurance ID card in one name and issue a temporary registration plate or complete a temporary transfer of plate?

A23. Yes. It would be the responsibility of the insured to report the purchase of the new vehicle and any other changes to the existing insurance policy to the insurance agent.

Q24. When a vehicle owner has died and the vehicle is being transferred to the surviving spouse, may the insurance ID card in only the deceased spouse's name be used as proof of insurance to transfer the registration plate?

A24. No. The insurance ID card would be unacceptable as proof of insurance. The issuing agent must request the surviving spouse to present the declaration page of the existing insurance policy or obtain a copy of a binder of insurance in their name. The declaration page of the existing policy may have the surviving spouse's name listed, wherein the issuing agent could transfer the plate. The surviving spouse must contact the insurance agent and make the appropriate changes to the policy.

Q25. If a vehicle is being titled in two unrelated individual names, must an issuing agent see both names on the insurance ID card as proof of insurance?

A25. No. A valid insurance ID card in one of the co-owner's names is acceptable as proof of insurance.

Q26. If a vehicle is being titled in two names and one of the co-owners is a non-driver, must an issuing agent see both names on the insurance ID card as proof of insurance?

A26. No. As long as one of the co-owner's names appears on the ID card, it is acceptable.

Q27. When an issuing agent is transferring a registration plate and is presented with one of the acceptable proof of insurance items in a name that differs from the name shown on the transferred vehicle's registration card, may the plate be transferred?

A27. The plate may be transferred and the proof of insurance is acceptable if the old registration card and proof of insurance have the same vehicle identification number (VIN) listed.

- Q28. Must a 16 year old son who wants to register a vehicle in his name have his own policy or may he be a driver listed on his parent's policy?**
- A28. The son may own a vehicle and be covered by a parent's policy if the son's name is listed on the declaration page of the parent's policy, and the son's vehicle identification number (VIN) is shown on the policy. The son may also have a policy for the vehicle issued in his own name.
- Q29. A vehicle is titled in the father's name only. The father is transferring ownership to his son. The son presents a declaration page from his father's policy. The son does not have his own policy. May an issuing agent accept the declaration page from his father's policy as proof of insurance and issue a temporary plate?**
- A29. Yes. The son's name must be listed on the declaration page of the parent's policy and the son's vehicle identification number (VIN) must be shown on the policy.
- Q30. May an issuing agent accept a proof of insurance document, which lists information for a passenger vehicle, to issue a registration plate to a motorcycle?**
- A30. Yes. The issuing agent may accept proof of insurance, which lists information for another vehicle that an individual owns as proof to issue a temporary plate on a motorcycle as long as the individual's insurance agent or broker provides documentation that coverage from the original policy will be extended to the recently purchased motorcycle. If the coverage cannot be extended, the individual must get a new binder for the motorcycle from the insurance agent/broker prior to the issuing agent issuing a motorcycle registration plate.
- Q31. Is a valid insurance ID card issued by an insurance company located in another state acceptable as proof of insurance to issue temporary registration plates when an applicant has moved to Pennsylvania?**
- A31. Approximately 500 insurance companies are currently licensed to provide vehicle insurance in Pennsylvania. Some of these companies are located outside the Commonwealth of Pennsylvania. An ID card issued from an authorized insurance company located outside of Pennsylvania would be acceptable proof of insurance. To determine whether the out-of-state insurance company is authorized to provide vehicle insurance in Pennsylvania, the issuing agent must contact the Insurance Department at (717) 787-2317. The Insurance Department service representative will verify whether or not the insurance company is licensed to write vehicle insurance in Pennsylvania and provide the issuing agent a telephone number for the out-of-state insurance company. The issuing agent must then contact the out-of-state insurance company and request written proof that satisfactorily shows the company is licensed in Pennsylvania to sell vehicle insurance, the liability insurance coverage provided is in compliance with Pennsylvania's insurance laws and that the applicant is currently covered.
- Q32. Is other insurance verification information available to issuing agents from the Bureau of Motor Vehicles?**
- A32. Yes. Pennsylvania offers a fact sheet titled, "Insurance Verification Responsibilities of an Issuing Agent" and a "Proof of Insurance" posted on its Driver and Vehicle Services Web site at www.dmv.pa.gov.

Please Note: Authorized agents are under contract to PennDOT and may charge a market driven service (delivery) fee; these are in addition to any PennDOT statutory fees for temporary, or in some cases, permanent motor vehicle registration plates and cards or other related products and services offered by the agent. The agent's service (delivery) fees are market driven, and vary by agent. To compare service (delivery) fees, you are encouraged to contact the authorized agents in your area for the applicable service (delivery) fees charged.