

# **Insurance Information & Enforcement System (IIES)**

*New Directions in Enforcing Compulsory Insurance Laws*

## **IMPORTANT NOTICE**

### **\*ACTUAL EFFECTIVE DATES NEEDED\***

#### **Part 34 Regulation**

Effective Date (Section 34.9(f)(7)): The actual date that liability insurance became effective (or will become effective- For Hire) for a policy, a vehicle added to a policy or other activity defined in Part 34. Effective date shall not represent an administrative, mailing, processing or other date prior to or subsequent to the actual effective date.

Initial Load (LOD) Transaction (Section 34.3(a)(1)): The effective date provided with an initial load transaction shall be the actual policy effective date reflective of the last policy level activity, e.g., issuance, reinstatement or renewal.

#### **Problem**

Run or send dates (not the prescribed actual effective dates) have been submitted with LOD transactions. This does not cause a problem for the vast majority of registrant policyholders. However, a LOD transaction with a non-compliant effective date interacting with a cancellation transaction from the previous program can calculate a chargeable lapse resulting in the issuance of a definite registration suspension. A definite license suspension, if applicable, is also issued if the calculated lapse in coverage is greater than 90 days.

#### **Impact on Registrant Policyholders**

Negative and unwanted. Please be aware that in this situation a suspension based on an insurance company submitted EDI transaction cannot be rescinded or overridden by NYS DMV using information from an insurance ID card, letter of coverage, policy, etc. for the same insurance company. Manual entry of an earlier effective date with the same insurance company code (ICC) is not allowed in DMV's issuing office and central office insurance processing systems. The insurance company must submit a LOD or NBS transaction with the actual effective date to rescind a registrant policyholder's suspension(s).

**PLEASE ENSURE THAT ACTUAL EFFECTIVE DATES ARE SUBMITTED.**

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