

Bulletin

January 24, 2002

Dear Maryland Insurer:

The Motor Vehicle Administration has recently experienced a significant increase in the number of complaints from the public and insurers concerning MVA's requests for insurance verification (FR-19). After review of the complaints, it appears that the majority of complaints were caused by cancellations received for policies that had **NOT** been cancelled. Also, in most instances, the FR-19's were from the same company with no change in policy number.

Additionally, we are seeing a large number of requests for insurance verification issued for vehicle owners changing insurance companies while maintaining continuous coverage. These requests would not have been issued if the business had been reported as required.

In order to correct these problems, **please note that:**

- *Cancellations are reported only when the termination or lapse is final.*
- *New business must be reported within 30 days of the effective date on the new policy.*

Thank you in advance for your cooperation. If you should have any questions or need further clarification, please call my office at 410-787-2927.

Sincerely,
Joseph W. Colden, Director
Vehicle Insurance Compliance Division