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ADDITIONAL INFORMATION

TO MEMBERS OF THE COMMERCIAL AUTOMOBILE COMMITTEE

FOR THE MEETING OF:

Tuesday, August 11, 2020 at 10:30 a.m.

CAC

20.07 Foreign License Requirements

Updates to the Registry of Motor Vehicles Driver's Manual have resulted in amended language with regards to drivers with foreign driver's licenses. To be consistent with the amended language, updates are required to the Standards for the Verification of Applicant Drivers' Licenses.

Attached for the Committee's review are proposed updates to the Non-Fleet Private Passenger Type Certification Form and to Chapter X – Servicing Carrier and Exclusive Representative Producer Standards and Forms of the Manual of Administrative Procedures. (Docket #CAC20.07, Exhibit #1)

WENDY BROWNE
Vice President – Business Operations

Attachment

Boston, Massachusetts
August 4, 2020

August 4, 2020

CAR Manual Updates – Foreign Driver’s License Requirements

Memorandum of Changes

In determining whether an applicant is eligible for placement in the commercial automobile residual market, Servicing Carriers and Exclusive Representative Producers are required for all new business to verify that the applicant establishes that any person who usually drives the motor vehicle(s) holds or is eligible to obtain a valid driver’s license. For non-fleet private passenger type business, Servicing Carriers and Exclusive Representative Producers are required to verify for all new and renewal business, that the applicant establishes that any person who usually drives the motor vehicle(s) holds or is eligible to obtain a valid driver’s license. The Standards for the Verification of Applicant Drivers’ Licenses require, among other things, validation of licensing information for operators of the vehicle(s) that hold a foreign driver’s license.

Recent updates to the Registry of Motor Vehicles Driver’s Manual have resulted in amended language with regards to drivers with foreign driver’s licenses. For consistency with the amended language, updates are required to the Standards for the Verification of Applicant Drivers’ Licenses.

The following modifications are proposed:

Non-Fleet Private Passenger Type Certification Form

To further confirm the validity of a foreign license, the Non-Fleet Private Passenger Type (NF-PPT) Certification Form has been updated to require that all NF-PPT applicants must also provide a foreign driver’s license expiration date for any operator listed on the application for insurance that has a valid license from a country or territory approved by the Massachusetts Registry of Motor Vehicles.

Manual of Administrative Procedures

Chapter X – Servicing Carrier and Exclusive Representative Standards and Forms

Section D. Standards for the Verification of Applicant Drivers’ Licenses has been updated to reflect amendments made to Appendix A of the RMV’s Massachusetts Driver’s Manual. Updates have been made to indicate that foreign drivers are eligible for placement in the commercial automobile residual market with a valid foreign driver’s license. Previously, a valid foreign license could only be used for up to one year after entry to the United States. Additionally, if the foreign driver’s license is not in English, either a valid International Driving Permit or an alternative translation document, as set forth in Appendix A of the Driver’s Manual must be provided.

Additionally, Exhibit X-B-1 of Chapter X has been updated to reflect proposed modifications made to the Non-Fleet Private Passenger Type Certification Form.

CR 00 02 08 18

NON-FLEET PRIVATE PASSENGER TYPE (NF-PPT) CERTIFICATION FORM

*****TO BE CERTIFIED BY ALL NF-PPT APPLICANTS PRIOR TO PLACEMENT IN THE COMMERCIAL AUTOMOBILE INSURANCE RESIDUAL MARKET (CAR)*****

NAME OF BUSINESS: _____

DESCRIPTION OF BUSINESS: _____

Submit a copy of *at least one* or, at the request of the Servicing Carrier, more of the following documentation with the application:

1. Contract for services with a customer relative to the listed business entity/operation
2. Tax filing information for the business (Schedule C if filing an individual return)
3. Workers Compensation Insurance Policy
4. General Liability Insurance Policy
5. If prior insurance coverage, copy of declarations page
6. Copies of leases and utility bills

If documents are not available, please explain: _____

VEHICLE USAGE:

How are vehicles used in your business? _____

VEHICLE OPERATORS:

Number of employees: Full Time: _____ Part Time: _____

ALL EMPLOYEES, FAMILY MEMBERS AND ANY OTHERS WHO HAVE PERMISSION TO DRIVE ONE OR MORE OF THE VEHICLES MUST BE LISTED ON, OR INCLUDED WITH THE APPLICATION FOR INSURANCE (A LICENSE NUMBER, STATE OR COUNTRY OF ISSUANCE MUST BE INCLUDED FOR EACH).

***FOR ANY OPERATOR LISTED ON THE APPLICATION WITH A VALID LICENSE FROM A COUNTRY OR TERRITORY APPROVED BY THE MASSACHUSETTS RMV, THE FOLLOWING EXPIRATION DATE OF THE FOREIGN DRIVER'S LICENSE MUST ALSO BE COMPLETED:**

1.) OPERATOR NAME: _____

LICENSE #: _____ STATE/COUNTRY: _____

~~DATE OF ARRIVAL IN THE U.S.:~~ _____
~~*EXPIRATION DATE OF FOREIGN DRIVER'S LICENSE:~~ _____

2.) OPERATOR NAME: _____

LICENSE #: _____ STATE/COUNTRY: _____

~~DATE OF ARRIVAL IN THE U.S.:~~ _____
~~*EXPIRATION DATE OF FOREIGN DRIVER'S LICENSE:~~ _____

For additional operators that meet this criteria, attach information listing the above information

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NON-FLEET PRIVATE PASSENGER TYPE (NF-PPT) CERTIFICATION FORM

OWNER(S) NOT LISTED AS AN OPERATOR(S) OR NOT LICENSED

If the owner(s) of the business does not have a valid driver's license and is/are not listed on the application as an operator(s), a Driver Exclusion Form must be signed and submitted with the application. In addition, the/those owner(s) will sign the following:

I have voluntarily chosen not to list myself as a driver on the application. I understand and agree that if an unlisted owner is involved in a claim, there may be no coverage under my policy because of the Material Misrepresentation provision of the policy. Owner(s) Signature(s): _____

SIGNED CERTIFICATION OF BUSINESS ENTITY AND VEHICLE USAGE

The application I submitted herewith represents that my vehicles are used to further my business objectives. I understand and agree that the Company is entitled to examine books and records as they relate to the premium for this policy at any time during the policy period. This may include verification of actual business use of the vehicles. I certify that I have listed on the application all my employees, family members and others who have permission to drive one or more of the vehicles listed in my application. I understand that I am required to cooperate with and notify the insuring carrier of any change to information presented in the application, including information pertinent to the ownership and permissive operators of the vehicle(s), during the policy period. **I understand that, if found responsible for fraud or material misrepresentation in the application or any extension or renewal of the policy, the insurance company can cancel or rescind all or part of the insurance and/or deny coverage of a claim pursuant to the provisions of the policy and applicable law.** By signing below, I hereby certify that all information provided herein and all other information submitted with the company's application is true and accurate.

Signature of Owner/Applicant's Authorized Representative: _____

Printed Name of Owner/Applicant's Authorized Representative: _____

Title: _____

Date: _____

Witness to the Signator and Signing above:

Signature of Producer: _____

Printed Name of Producer: _____

Agency Name: _____

Date: _____

MA Fraud Warning: "Any person who knowingly and with the intent to defraud any insurance company or another person files an application for insurance or statement of claim containing any material false information, or conceals for the purpose of misleading information concerning any fact material thereto, may be committing a fraudulent insurance act, which may be a crime and may subject the person to criminal and civil penalties."

---Documentation to be submitted to the insuring Servicing Carrier, copy to be retained by Producer---

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EXHIBIT X-B-1
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NON-FLEET PRIVATE PASSENGER TYPE (NF-PPT) CERTIFICATION FORM

*****TO BE CERTIFIED BY ALL NF-PPT APPLICANTS PRIOR TO PLACEMENT IN THE COMMERCIAL AUTOMOBILE INSURANCE RESIDUAL MARKET (CAR)*****

NAME OF BUSINESS: _____

DESCRIPTION OF BUSINESS: _____

Submit a copy of **at least one** or, at the request of the Servicing Carrier, more of the following documentation with the application:

1. Contract for services with a customer relative to the listed business entity/operation
2. Tax filing information for the business (Schedule C if filing an individual return)
3. Workers Compensation Insurance Policy
4. General Liability Insurance Policy
5. If prior insurance coverage, copy of declarations page
6. Copies of leases and utility bills

If documents are not available, please explain: _____

VEHICLE USAGE:

How are vehicles used in your business? _____

VEHICLE OPERATORS:

Number of employees: Full Time: _____ Part Time: _____

ALL EMPLOYEES, FAMILY MEMBERS AND ANY OTHERS WHO HAVE PERMISSION TO DRIVE ONE OR MORE OF THE VEHICLES MUST BE LISTED ON, OR INCLUDED WITH THE APPLICATION FOR INSURANCE (A LICENSE NUMBER, STATE OR COUNTRY OF ISSUANCE MUST BE INCLUDED FOR EACH).

***FOR ANY OPERATOR LISTED ON THE APPLICATION WITH A VALID LICENSE FROM A COUNTRY OR TERRITORY APPROVED BY THE MASSACHUSETTS RMV, THE FOLLOWING EXPIRATION DATE OF THE FOREIGN DRIVER'S LICENSE MUST ALSO BE COMPLETED:**

1.) OPERATOR NAME: _____

LICENSE #: _____ STATE/COUNTRY: _____

DATE OF ARRIVAL IN THE U.S.: _____

***EXPIRATION DATE OF FOREIGN DRIVER'S LICENSE:** _____

2.) OPERATOR NAME: _____

LICENSE #: _____ STATE/COUNTRY: _____

DATE OF ARRIVAL IN THE U.S.: _____

***EXPIRATION DATE OF FOREIGN DRIVER'S LICENSE:** _____

For additional operators that meet this criteria, attach information listing the above information.

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D. Standards for the Verification of Applicant Drivers' Licenses

In determining whether an applicant is eligible for placement in the commercial automobile residual market, Servicing Carriers and Exclusive Representative Producers are required for all new business to verify that the applicant establishes that any person who usually drives the motor vehicle(s) holds or is eligible to obtain a valid ~~operator's~~ driver's license.

However, with respect to non-fleet private passenger type business, Servicing Carriers and Exclusive Representative Producers are required to verify for all new and renewal business, that the applicant establishes that any person who usually drives the motor vehicle(s) holds or is eligible to obtain a valid ~~operator's~~ driver's license.

1. Driver Eligibility

a. Foreign Licensed Drivers

~~Foreign drivers may be eligible for placement for one year in the commercial automobile residual market with~~ A person who holds a valid foreign driver's license is eligible for placement in the commercial automobile residual market and, if their foreign driver's license is not in English, he/she must either provide a valid International Driving Permit or an alternative translation document, such as a completed Registry of Motor Vehicles Translation into English of a Foreign Driver License form, as set forth in Appendix A of the Massachusetts Driver's Manual published by the Registry of Motor Vehicles. ~~before obtaining a Massachusetts driver's license. The year begins on the driver's most recent date of arrival in the United States.~~

Note that an International Driver's License is not considered a valid driver's license and will not be accepted as a valid form of license.

b. Domestic Licensed Drivers

Any person who holds a valid ~~operator's~~ driver's license from a state other than Massachusetts must obtain a Massachusetts license in accordance with the standards of the Massachusetts Registry of Motor Vehicles. This requirement does not apply to anyone who usually drives a motor vehicle owned by a named insured if the applicant can establish that said person is employed by a named insured whose Principal Place of Business is located in Massachusetts but resides in another state which has issued him or her a valid license.

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2. Required Documentation

Servicing Carriers will require that the driver's license number and state of any licensed member of the named insured's household as well as any other licensed individuals who usually drive the insured vehicle(s) and who hold a valid Massachusetts or domestic driver's license, be listed on the application for insurance.

In addition, Servicing Carriers shall require, for any licensed member of the named insured's household and/or any other licensed individuals who usually drive the insured vehicle(s), and who lack a valid Massachusetts or domestic driver's license, that the following documentation be provided with the application:

- a. A copy of a valid foreign driver's license,
- b. If the foreign driver's license is not in English, either a corresponding International Driving Permit or an alternative translation document, such as a completed Registry of Motor Vehicles Translation into English of a Foreign Driver License form, as set forth in Appendix A of the Massachusetts Driver's Manual published by the Registry of Motor Vehicles, and
- c. A copy of one of the following documents:
 - 1) A valid passport from the country of origin
 - 2) A valid alien registration receipt card (green card)
 - 3) A valid employment authorization card issued by the United States Department of Homeland Security
 - 4) Valid proof of nonimmigrant classification provided by the United States Department of Homeland Security

~~Documentation providing proof of arrival date in the United States is required to validate eligibility for new and renewal business (i.e. passport entry date, dated airline ticket, etc.).~~

An application submitted without the above information and documents shall be considered incomplete and will result in cancellation or nonrenewal of the policy based on the procedures set forth in Rule 4 – Standard Procedures of CAR's Commercial Automobile Insurance Manual. The cancellation/nonrenewal notice must contain the following statement: "If the insured furnishes the necessary item(s) prior to the effective date of the cancellation, the cancellation shall be rescinded."

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3. Exclusion of Listed Operators Not Holding or Not Eligible to Obtain a Valid License

Pursuant to Rule 31 – Operator Exclusion Form of CAR’s Commercial Automobile Insurance Manual, Servicing Carriers will attach the Operator Exclusion Form, CR 99 01 08 18, to the policy for each operator listed on the application who does not hold or is not eligible to obtain a valid license.

The Operator Exclusion Form is available on the Reports page of CAR’s website, under the Commercial Only, Forms, Manuals link. Refer to Exhibit X-B-2.

4. Servicing Carrier/Exclusive Representative Producer Validation Tools

For renewal business, the Servicing Carrier will rely on the information provided on the insured’s new business application unless the insured or the Exclusive Representative Producer provides documentation updating the licensing. ~~of most recent date of arrival in the United States for operators with foreign licenses.~~

Servicing Carriers and Exclusive Representative Producers will utilize the appropriate resources (i.e. Massachusetts Registry of Motor Vehicles system, Non-Massachusetts driver’s license reporting systems, etc.) to verify information regarding registration and/or insured/driver information to ascertain a presence in Massachusetts relative to the operation of a motor vehicle with a foreign or out-of-state driver’s license.

Servicing Carriers should utilize the CAR Ineligible Risk Database for review of previous actions taken pursuant to the cancellation of an insured’s and/or operator’s driver’s license and/or non-renewal actions by other Servicing Carriers. Refer to Section B.4. of Chapter III – Servicing Carrier Responsibilities of this Manual for additional information relative to the Ineligible Risk Database.

5. Definition of Terms

For purposes of this standard, the following definitions shall apply:

“Foreign driver’s license” is a valid driver’s license obtained in a foreign country. ~~A valid foreign driver’s license may be used for up to one year after entry to the United States.~~ Validity of a foreign driver’s license is to be determined according to Appendix A of the Massachusetts Driver’s Manual published by the Registry of Motor Vehicles.

“Domestic driver’s license” is a driver’s license issued by any state of the United States, the District of Columbia, Puerto Rico, the United States Virgin Islands, Guam, American Samoa, the Commonwealth of the Mariana Islands or any other territory or possession of the United States.

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“Foreign driver” is an individual who holds a foreign driver’s license but does not hold a valid Massachusetts or domestic driver’s license.

“International Driving Permit” is a document, described in Appendix A of the Massachusetts Driver’s Manual published by the Registry of Motor Vehicles, to be used in conjunction with a valid foreign driver’s license obtained in the driver’s home country. It is a translation of the foreign driver’s license into various languages, including English.

“Alternative translation document” is a document, described in Appendix A of the Massachusetts Driver’s Manual published by the Registry of Motor Vehicles, to be used in conjunction with a valid foreign driver’s license to properly identify the license holder and translate relevant license information into English, if an International Driving Permit cannot be obtained in the country that issued the driver’s license.

“International Driver’s License” is an unofficial document purporting to be a valid driver’s license. It is usually sold on the internet or through storefronts with claims that it: 1) authorizes consumers to drive legally in the United states, even if they don’t have state-issued licenses or if their state-issued licenses have been suspended or revoked; 2) can be used to avoid points or fines affecting state-issued driver’s licenses; and 3) can be used as a photo identification in the United States.