



State of New Jersey
DEPARTMENT OF BANKING AND INSURANCE
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Commissioner

BULLETIN NO. 04-21

TO: ALL NEW JERSEY PRIVATE PASSENGER AUTOMOBILE INSURERS

FROM: HOLLY C. BAKKE, COMMISSIONER

RE: TEMPORARY EVIDENCE OF AUTOMOBILE INSURANCE DOCUMENT

It has come to the Department's attention that a combination of recent statutes and rules may prevent some insureds from being able to produce proof of automobile insurance coverage during the period between the binding of coverage and the receipt by the insured of an insurance I.D. card. The Uniform Electronic Transactions Act provides generally that transactions made electronically over the Internet or on the telephone are as enforceable as those made on paper. As part of its effort to crack down on uninsured motorists, however, the Department has adopted rules that, in effect, make it impossible for insurers to fax a valid identification card or to have one printed on an insured's computer printer. *See* N.J.A.C. 11:3-6. Finally, the penalties for driving without proof of insurance have recently been increased.

The result is that a person can apply for and obtain immediate automobile insurance coverage over the internet or telephone but cannot receive the identification card(s) through the mail until several days later. If an insured drives without the identification card, he or she is subject to considerable fines, notwithstanding that the vehicle is insured.

To address this problem, the Department will permit insurers to issue a Temporary Evidence of Insurance document that can be faxed or emailed to the policyholder and which can be presented to a law enforcement officer or court official as proof of insurance. The Temporary Evidence of Insurance document should only be issued in those situations where it is not possible to deliver a Temporary or Permanent identification card to the policyholder at the time the coverage is bound.

The Temporary Evidence of Insurance document is not to be used by insureds as a substitute for the insurance identification card required by N.J.A.C. 11:3-6. Rather, these documents are to be used only until the policyholder receives a permanent or temporary identification card. They also cannot be used to get a vehicle inspected at a Motor Vehicle Commission facility. In addition, an insurer that issues a Temporary Evidence of Insurance document must be available to verify by telephone that there is coverage 24 hours a day, seven days a week.

The Temporary Evidence of Insurance Document should contain the following information:

1. The information required by N.J.A.C. 11:3-6.2(a)3i - iii, v, vi, ix and 6.2(a)4;
2. The policy number or binder number, whichever is available;
3. An expiration date that provides sufficient time for the permanent identification cards to arrive in the mail but is not longer than 20 days;
4. The telephone number where coverage can be verified;
5. A statement that the Temporary Evidence of Insurance Coverage is not an insurance identification card and should be destroyed upon receipt of the permanent identification card; and
6. A statement, set out prominently such as in larger bolded type, that the Temporary Evidence of Insurance document cannot be used as proof of insurance for the purpose of having a vehicle inspected at a Motor Vehicle Commission or private facility.

Insurers are not required to file the Temporary Evidence of Coverage document with the Department for approval. Questions about the Temporary Evidence of Insurance document should be addressed to: Jean Bickal, Manager, Division of Insurance, 609-292-0844 Ext. 50023 or jbickal@doib.state.nj.us .

10/26/04

Date

/s/ Holly C. Bakke

Holly C. Bakke
Commissioner