

From: Dean Kruger <DKruger@doi.state.sc.us>  
To: rherlong@allianceai.org rherlong@allianceai.org  
ibjones5474@aol.com ibjones5474@aol.com  
lucyuntld@aol.com lucyuntld@aol.com  
sbael@aol.com sbael@aol.com  
statelinesc@aol.com statelinesc@aol.com  
gerald.jennings@collierjennings.com gerald.jennings@collierjennings.com  
Jim Byrd JByrd@doi.state.sc.us  
Lessia Lynch LLynch@doi.state.sc.us  
ekitzman@driverschoiceinsurance.com ekitzman@driverschoiceinsurance.com  
bhinds@geico.com bhinds@geico.com  
lruef@iiabsc.com lruef@iiabsc.com  
bwalker@landrumins.com bwalker@landrumins.com  
jeanette.lasorsa@libertymutual.com jeanette.lasorsa@libertymutual.com  
DStevens@MFXFairfax.com DStevens@MFXFairfax.com  
farleyc2@nationwide.com farleyc2@nationwide.com  
wisep@nationwide.com wisep@nationwide.com  
eep@nmrs.com eep@nmrs.com  
daniel.kummer@pciaa.net daniel.kummer@pciaa.net  
donald.seibert@progressive.com donald.seibert@progressive.com  
jrett@progressive.com jrett@progressive.com  
jwessingerhill@rpcrlaw.com jwessingerhill@rpcrlaw.com  
Annie.Phelps@SCDMV.net Annie.Phelps@SCDMV.net  
Gwendolyn.Green@SCDMV.net Gwendolyn.Green@SCDMV.net  
John.Caldwell@SCDMV.net John.Caldwell@SCDMV.net  
Marcia.Adams@SCDMV.net Marcia.Adams@SCDMV.net  
Patti.Royal@SCDMV.net Patti.Royal@SCDMV.net  
Phleisha.Lewis@SCDMV.net Phleisha.Lewis@SCDMV.net  
Richard.Jenkins@SCDMV.net Richard.Jenkins@SCDMV.net  
Sharon.Coleman@SCDMV.net Sharon.Coleman@SCDMV.net  
Steven.Lake@SCDMV.net Steven.Lake@SCDMV.net  
Val.Valenta@SCDMV.net Val.Valenta@SCDMV.net  
William.Wannamaker@SCDMV.net William.Wannamaker@SCDMV.net  
katkinson@scfbins.com katkinson@scfbins.com  
shawn.hevel@scfbins.com shawn.hevel@scfbins.com  
susanmerrill@scfbins.com susanmerrill@scfbins.com  
carlpayne@schp.org carlpayne@schp.org  
wsreid@schp.org wsreid@schp.org  
awright@scinsnews.com awright@scinsnews.com  
sbchamber@scsbs.org sbchamber@scsbs.org

skh@scsenate.orgskh@scsenate.org  
hat@scstatehouse.nethat@scstatehouse.net  
rfarmer@se.aiadc.orgrfarmer@se.aiadc.org  
bruce.white.gkmd@statefarm.combruce.white.gkmd@statefarm.com  
matt.nave.hws8@statefarm.commatt.nave.hws8@statefarm.com  
ruth.mazur@thehartford.comruth.mazur@thehartford.com  
tcs@tpgl.comtcs@tpgl.com  
j.s.goff@us.ibm.comj.s.goff@us.ibm.com  
lotte.devlin@us.ibm.comlotte.devlin@us.ibm.com  
saurabh.mittal@us.ibm.comsaurabh.mittal@us.ibm.com  
dwcothran@wchlaw.comdwcothran@wchlaw.com

Date: 5/11/2004 1:10:57 PM

Subject: Re: FW: ALIR group meeting minutes and agenda

---

My thoughts are that Alternative two is the appropriate design. It mirrors electronically the paper process where agents simply provide the certification.

We must keep in mind that this is not a "proof of coverage" system. This system will not be used to assess liability to a carrier. It is simply a "tickler" system to remind people they must have insurance and then fine those who ignore the law.

Since it is not a proof-of-coverage system, there is no need for security provisions involving an insurance company. Let agents fill out the electronic form as they do the paper form. The Department Of Insurance can take disciplinary action against violators.

What happens if an agent files an electronic notice that a particular insurer has a policy in place when it does not? What happens is the same thing that would happen with a paper document. The insurer is not obligated by these transactions as the insurer-agent relationship is specified in their contract. Nothing in the law on the database establishes the database as a proof of coverage system. The agent would be in some difficulty as it could be argued the agent filled out the form fraudulently. This could happen whether it is on paper or electronic.

Finally, establishing cumbersome procedures involving agents and insurers and bind authority and all of that would simply mean that most agents would ignore the system and they would inform customers to mail the hard copy in. If you make it a lot of work, like alternative one, then it won't work.

These are my thoughts. Please call me today if you have comments as I will be in the office. 803-737-5774

>>> "Lewis, Phleisha E" <Phleisha.Lewis@SCDMV.net> 05/07/04 02:18PM  
>>>

> The next ALIR working group meeting is scheduled for Wednesday, May 12 at  
> Outlet Point. The meeting will begin at 2:00.  
> Attached please find the following documents:  
> \* The Agenda for the May 12 Meeting  
> \* Minutes of the ALIR meeting on April 21  
> \* Initial requirements for the ALIR web site to allow on-line

agency

> compliance reporting

> \* Updated requirements for the ALIR web site to allow on-line

agency

> compliance reporting

> The ALIR working group will be asked to approve the minutes of the

April

> 21 meeting and to approve one of the two attached web site models to

allow

> on-line reporting by insurance agents. If you have any questions or

need

> additional information regarding the proposed design of the web

sites,

> please contact Jimmy Earley at jimmy.earley@scdmv.net

> <mailto:jimmy.earley@scdmv.net> or by phone at 803.737.1014.

> <<Web Design alternatives.doc>> <<ALIR Meeting agenda 051204.doc>>

> <<APRIL 21 ALIR meeting notes.doc>>