February 13, 2015

CIRCULAR LETTER NO.: CC-2015-1856-AP

TO ALL PROPERTY AND CASUALTY INSURERS AUTHORIZED TO TRANSACT VEHICLE INSURANCE IN PUERTO RICO

PROCESS FOR NOTIFYING INCLUSION ON THE “SELECTION FORM” OF THE COMPULSORY LIABILITY INSURANCE

Dear Sirs and Madams:

Public Law No. 245-2014 amended the "Compulsory Motor Vehicle Liability Insurance Act," Public Law No. 253, enacted on December 27, 1995, among other matters, to establish a mechanism to broaden the opportunities that consumers have to select the insurer of their preference to write the Compulsory Liability Insurance, ("CLI").

This new mechanism provides for the creation of a "Selection Form" that will be available at entities authorized to collect the CLI along with the collection of fees for issuing or renewing the motor vehicle registration. The form will show, in addition to the Joint Underwriting Association, the name of the private insurers that choose to be shown on the form and as a result have the obligation to accept any insured that selects such insurer, among other things. The Selection Form will have an effective term of one year.

To this effect, Public Law No. 253 requires that all private insurers that are interest in participating in the Selection Form should notify annually the Commissioner of Insurance of their decision at least 90 days in advance of the effective date of the form, so that the name of the insurer may be shown on the Form. Only one private insurer has notified its intention. Nevertheless, in order to guarantee equal opportunity to all private insurers, they will have until March 2, 2015 to notify in writing their decision to participate or not on the selection form for 2015-2016. Any private insurer that has advised of its intention in writing to participate in the form will be included in such and will participate in the process of implementing the form.
Strict compliance with this letter is hereby required.

Very truly yours,

SIGNED

Edward Rivera Maldonado, Esq.
Deputy Commissioner