



**COMMONWEALTH OF MASSACHUSETTS**  
**Office of Consumer Affairs and Business Regulation**  
**DIVISION OF INSURANCE**

One South Station • Boston, MA 02110-2208  
(617) 521-7794 • FAX (617) 521-7475  
TTY/TDD (617) 521-7490  
<http://www.mass.gov/doi>

DEVAL L. PATRICK  
GOVERNOR

TIMOTHY P. MURRAY  
LIEUTENANT GOVERNOR

DANIEL O'CONNELL  
SECRETARY OF HOUSING AND  
ECONOMIC DEVELOPMENT

DANIEL C. CRANE  
DIRECTOR

JOSEPH G. MURPHY  
ACTING COMMISSIONER  
OF INSURANCE

**BULLETIN 2007-03**

TO: Insurance Producers and Insurance Companies Soliciting, Negotiating, Selling or Servicing Private Passenger Automobile Insurance Policies in Massachusetts

FROM: Joseph G. Murphy, Acting Commissioner of Insurance

RE: The Introduction of the MBTA CharlieCard and the Public Transit Discount in Private Passenger Automobile Insurance

DATE: February 23, 2007

---

This Bulletin is being issued to inform insurance producers and insurance companies who are selling or servicing private passenger automobile insurance policies about changes to the way their policyholders will provide evidence to their insurer of purchasing monthly public transit passes in order to be eligible for the Public Transit Discount, as set out in the Massachusetts Private Passenger Automobile Insurance Manual.

**New CharlieCards**

Since January of 2006, the Massachusetts Bay Transit Authority ("MBTA") has been using CharlieTickets to store purchased fares and for monthly public transit passes. Once exhausted or expired, these CharlieTickets no longer are valid for travel and riders are required to purchase a new CharlieTicket. Consequently, monthly public transit pass holders routinely purchase a new CharlieTicket at the beginning of each month.

On January 1, 2007, the MBTA implemented significant changes to its fare collection systems through the introduction of the new plastic CharlieCard. The plastic CharlieCard currently is used for travel on MBTA buses and subways, and it is expected to be used for travel on MBTA commuter trains and boats beginning in the Fall of 2007.

The new plastic CharlieCard is a permanent “smart card” that can be used over and over again. According to the MBTA, plastic CharlieCard holders upload fares, including monthly fares, onto the plastic CharlieCard and tap it on fare vending machines or fare gates to gain access to MBTA transportation systems.

If you have questions about obtaining or using the plastic CharlieCard, please either contact the MBTA at (617) 222-3200 [TTY: (617) 222-5146] or visit the MBTA website at [www.mbta.com](http://www.mbta.com).

### **The CharlieCard and the Public Transit Discount**

Certain Massachusetts private passenger automobile insurance policyholders are eligible for a discount on their policy if they provide their insurance company with evidence of purchase of 11 monthly public transit passes or tickets from a Qualifying Massachusetts Transit System during the policy period. Consequently, many policyholders regularly save their monthly CharlieTickets and forward them to their insurer to receive this discount.

Because the new plastic CharlieCard is a permanent card, policyholders cannot submit it to their insurer as evidence of purchasing the 11 monthly public transit passes required to be eligible for the Public Transit Discount. Currently, the MBTA is working on the way cardholders may obtain proof of monthly plastic CharlieCard purchases if they purchase the plastic CharlieCard through their employer’s payroll system. The MBTA also intends to implement a plan under which individuals may register that card and may download evidence of monthly plastic CharlieCard purchases. This CharlieCard registration system is not yet in place.

**Until the MBTA’s CharlieCard registration system is available, producers and insurers should inform their policyholders that, in order to be eligible for the Public Transit Discount, they must obtain and save receipts for each monthly plastic CharlieCard purchase to keep as evidence to submit to their insurer.**

### **2007 as a Transition Year**

In 2007, monthly public transit pass holders will likely need to save both CharlieTickets and receipts of monthly plastic CharlieCard purchases in order to provide appropriate evidence of 11 months of public transit pass purchases to their insurer. Thus, producers and insurers should inform their policyholders that, in order to be eligible for the Public Transit Discount, the policyholder should do the following:

- (1) Keep all CharlieTickets purchased during the insurance policy year until the policyholder switches to a plastic CharlieCard;
- (2) Keep all plastic CharlieCard monthly pass receipts until the CharlieCard registration system is available;
- (3) Register the plastic CharlieCard when the MBTA’s registration system is available;

- (4) Contact the MBTA after the plastic CharlieCard is registered to learn how to obtain a record of the plastic CharlieCard purchasing history; and
- (5) Forward all policy year CharlieTickets and the plastic CharlieCard proofs of purchase to the policyholder's insurance company, or its representative.

If you have any questions regarding the implementation of the MBTA plastic CharlieCard, please contact the MBTA at (617) 222-3200 [TTY: (617) 222-5146]. If you have any questions regarding the effect of the new plastic CharlieCard on the Public Transit Discount for private passenger automobile insurance, please contact the Division of Insurance Consumer Services Section at (617) 521-7794.