

1 AN ACT relating to motor vehicle insurance.

2 ***Be it enacted by the General Assembly of the Commonwealth of Kentucky:***

3 ➔Section 1. KRS 186A.040 is amended to read as follows:

- 4 (1) The Department of Vehicle Regulation shall provide and receive information on the  
5 insurance status of vehicles registered in the Commonwealth of Kentucky pursuant  
6 to KRS 304.39-087 and 304.39-085. The department shall provide appropriate  
7 insurance information to the Commonwealth Office of Technology for inclusion in  
8 the AVIS database to assist in identifying uninsured motor vehicles.
- 9 (2) (a) Upon notification to the Department of Vehicle Regulation from an insurance  
10 company of cancellation or nonrenewal of a policy pursuant to KRS 304.39-  
11 085, or on and after January 1, 2006, if the vehicle identification number  
12 (VIN) of a personal motor vehicle does not appear in the database created by  
13 KRS 304.39-087 for two (2) consecutive reporting months, the department  
14 shall immediately make a determination as to the notification of the insured.  
15 Notification to the insured shall state that the insured's policy is no longer  
16 valid and that the insured shall have thirty (30) days to show proof of  
17 insurance to the county clerk. The department shall further inform the insured  
18 that if evidence of insurance is not received within thirty (30) days the  
19 department shall revoke the registration of the motor vehicle until:
- 20 1. The person presents proof of insurance to the county clerk and pays the  
21 reinstatement fee required by KRS 186.180;
  - 22 2. The person presents proof in the form of an affidavit stating, under  
23 penalty of perjury as set forth in KRS 523.030, that the failure to  
24 maintain motor vehicle insurance on the vehicle specified in the  
25 department's notification is the result of the inoperable condition of the  
26 motor vehicle;
  - 27 3. The person presents proof in the form of an affidavit stating, under

1 penalty of perjury as set forth in KRS 523.030, that the failure to  
 2 maintain motor vehicle insurance on the vehicle specified in the  
 3 department's notification is the result of the seasonal nature of the  
 4 vehicle. The affidavit shall explain that when the vehicle is out of  
 5 dormancy and when the seasonal use of the vehicle is resumed, the  
 6 proper security will be obtained; or

- 7 4. The person presents proof in the form of an affidavit stating, under  
 8 penalty of perjury as set forth in KRS 523.030, that he or she requires a  
 9 registered motor vehicle in order to carry out his or her employment and  
 10 that the motor vehicle that he or she drives during the course of his or  
 11 her employment meets the security requirement of Subtitle 39 of KRS  
 12 Chapter 304. The person shall also declare in the affidavit that he or she  
 13 will operate a motor vehicle only in the course of his or her employment.  
 14 If a person has his or her motor vehicle registration revoked in  
 15 accordance with this subsection [~~three (3) times within any twelve (12)~~  
 16 ~~month period~~], the revocation [~~revocations~~] shall constitute a violation of  
 17 KRS 304.39-080. The department shall notify the county attorney to  
 18 begin prosecution for violation of Subtitle 39 of KRS Chapter 304 and  
 19 shall notify the sheriff.

- 20 (b) The Department of Vehicle Regulation shall be responsible for notification to  
 21 the appropriate county attorney that a motor vehicle is not properly insured, if  
 22 the insured does not respond to notification set out by paragraph (a) of this  
 23 subsection. The notice that the department gives to the county attorney and  
 24 the sheriff in accordance with paragraph (a) of this subsection shall include a  
 25 certified copy of the person's driving record and [~~which shall include~~]:

- 26 1. The notice that the department received from an insurance company that  
 27 a person's motor vehicle insurance policy has been canceled or has not

1           been renewed; and

2           2. A dated notice that the department sent to the person requiring the  
3           person to present proof of insurance to the county clerk.

4           **Notification under this paragraph may be sent to the county attorney and**  
5           **the sheriff by electronic means.** Upon notification by the department, a  
6           county attorney shall immediately begin prosecution of the person who had  
7           his or her motor vehicle registration revoked ~~three (3) times within any~~  
8           ~~twelve (12) month period~~ in accordance with paragraph (a) of this subsection.

9           (c) The certified copies sent by the department described in paragraph (b) of this  
10           subsection, shall be prima facie evidence of a violation of KRS 304.39-080.

11           (d) If the insured provides proof of insurance to the clerk within the thirty (30)  
12           day notification period, the department shall ensure action is taken to denote a  
13           valid insurance policy is in force.

14           (3) (a) In developing the mechanism to electronically transfer information pursuant to  
15           KRS 304.39-087, the commissioner of the Department of Vehicle Regulation  
16           shall consult with the commissioner of the Department of Insurance and  
17           insurers of personal motor vehicles to adopt a standardized system of  
18           organizing, recording, and transferring the information so as to minimize  
19           insurer administrative expenses. The commissioner of vehicle regulation shall  
20           to the maximum extent possible utilize nationally recognized electronic data  
21           information systems such as those developed by the American National  
22           Standards Institute or the American Association of Motor Vehicle  
23           Administrators.

24           (b) Notwithstanding any other provision of law, information obtained by the  
25           department pursuant to KRS 304.39-087 shall not be subject to the Kentucky  
26           Open Records Act, KRS 61.872 to 61.884, and shall not be disclosed, used,  
27           sold, accessed, utilized in any manner, or released by the department to any

1 person, corporation, or state and local agency, except in response to a specific  
2 individual request for the information authorized pursuant to the federal  
3 Driver's Privacy Protection Act, 18 U.S.C. secs. 2721 et seq. The department  
4 shall institute measures to ensure that only authorized persons are permitted to  
5 access the information for the purposes specified by this section. Persons who  
6 knowingly release or disclose information from the database created by KRS  
7 304.39-087 for a purpose other than those described as authorized by this  
8 section or to a person not entitled to receive it shall be guilty of a Class A  
9 misdemeanor for each release or disclosure.

10 ➔Section 2. KRS 186.180 is amended to read as follows:

- 11 (1) (a) If the owner loses his or her copy of a registration or transfer receipt, he or she  
12 may obtain a duplicate from the county clerk who issued the present owner's  
13 copy of the receipt by presenting the clerk proof of insurance on the motor  
14 vehicle in compliance with KRS 304.39-080, and by filing an affidavit, upon a  
15 form furnished by the cabinet. The owner shall pay to the clerk a fee of three  
16 dollars (\$3), except proof of insurance shall not be required for duplicates  
17 applied for by motor vehicle dealers as defined in KRS 190.010.
- 18 (b) When the owner's copy of any registration or transfer receipt shows that the  
19 spaces provided thereon for noting and discharging security interests have  
20 been exhausted, the owner may apply to the county clerk who issued the  
21 receipt in order to obtain a duplicate thereof. The owner shall surrender his or  
22 her copy of the current receipt to the clerk and provide proof of insurance on  
23 the motor vehicle in compliance with KRS 304.39-080, before a duplicate  
24 may be issued. The owner shall pay the clerk a fee of three dollars (\$3), except  
25 proof of insurance shall not be required for duplicates applied for by motor  
26 vehicle dealers as defined in KRS 190.010.
- 27 (c) Any security interest which has been discharged as shown by the records of

1 the clerk or upon the owner's copy of the current receipt shall be omitted from  
2 the duplicate receipt to be issued by the clerk.

3 (2) If the owner loses a registration plate, he or she shall surrender his or her  
4 registration receipt to the county clerk from whom it was obtained and file a written  
5 statement as to the loss of the plate. Upon presenting the clerk proof of insurance on  
6 the motor vehicle in compliance with KRS 304.39-080, and upon the payment of  
7 the sum of three dollars (\$3) for each plate and a fee of three dollars (\$3) to the  
8 clerk for his or her services, the owner shall be issued another registration receipt  
9 and a plate or plates which shall bear a different number from that of the lost plate.  
10 The clerk shall retain the owner's statement and a copy of the owner's proof of  
11 insurance, and shall make a notation on the ~~triplicate~~ copy of the surrendered  
12 registration receipt stating the number of the registration receipt replacing it. The  
13 original copy of the surrendered receipt shall be forwarded to the cabinet. The  
14 cabinet shall forthwith cancel the registration corresponding to the number of the  
15 lost plate. The cancellation shall be reported by the cabinet to the commissioner of  
16 the Department of Kentucky State Police, **and may be reported by electronic**  
17 **means**. Any person finding a lost registration plate shall deliver it to the  
18 Transportation Cabinet or to any county clerk for forwarding it to the cabinet.

19 (3) If the owner moves from one (1) county into another county of the Commonwealth,  
20 he or she may obtain a registration plate bearing the name of the county of  
21 residence. In order to obtain a new registration plate, the owner shall surrender his  
22 or her current registration receipt and current registration plate to the county clerk.  
23 Upon being provided with proof of insurance on the motor vehicle in compliance  
24 with KRS 304.39-080, the clerk shall provide the owner with a new registration  
25 receipt and plate bearing the county name. The surrendered receipt and plate shall  
26 be forwarded to the Transportation Cabinet. The fee for this registration shall be  
27 five dollars (\$5) of which the clerk shall be entitled to three dollars (\$3) and the

- 1 cabinet shall be entitled to two dollars (\$2).
- 2 (4) If the owner's registration is revoked as a result of the provisions set forth in KRS  
3 186A.040, the owner may have his or her registration reinstated by the county clerk  
4 who issued the present owner's copy of the receipt by presenting the clerk proof of:
- 5 (a) Insurance on the motor vehicle in compliance with KRS 304.39-080 and by  
6 filing an affidavit upon a form furnished by the cabinet; or
- 7 (b) A valid compliance or exemption certificate in compliance with KRS 224.20-  
8 720 or issued under the authority of an air pollution control district under KRS  
9 224.20-760.
- 10 (5) The owner of a motor vehicle that has the vehicle's registration revoked under KRS  
11 186.290 or Section 1 of this Act shall pay to the clerk a fee of twenty dollars (\$20),  
12 which shall be equally divided between the county clerk and the cabinet.
- 13 (6) On and after January 1, 2006, if the motor vehicle is a personal motor vehicle as  
14 defined in KRS 304.39-087, proof of insurance required under this section shall be  
15 determined by the county clerk as provided in KRS 186A.042.