

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 revocations shall constitute a violation of KRS
17 304.39-080. The department shall notify the county attorney to begin
18 prosecution for violation of subtitle 39 of KRS Chapter 304.

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

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

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

3 Upon notification by the department, a county attorney shall immediately
4 begin prosecution of the person who had his or her motor vehicle registration
5 revoked~~[three (3) times within any twelve (12) month period]~~ in accordance
6 with paragraph (a) of this subsection.

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

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

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

22 (b) Notwithstanding any other provision of law, information obtained by the
23 department pursuant to KRS 304.39-087 shall not be subject to the Kentucky
24 Open Records Act, KRS 61.872 to 61.884, and shall not be disclosed, used,
25 sold, accessed, utilized in any manner, or released by the department to any
26 person, corporation, or state and local agency, except in response to a specific
27 individual request for the information authorized pursuant to the federal

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

8 **(4) Any motor vehicle for which the registration has been revoked under this section**
 9 **shall be subject to the provisions of KRS 186.181.**

10 **(5) The owner of a motor vehicle for which the registration has been revoked under**
 11 **this section shall be subject to a reinstatement fee of fifty dollars (\$50). The**
 12 **reinstatement fee shall be paid to the county clerk, and shall be distributed as**
 13 **follows:**

14 **(a) Twenty dollars (\$20) shall be retained by the county clerk;**

15 **(b) Twenty dollars (\$20) shall be forwarded to the Department of Vehicle**
 16 **Regulation; and**

17 **(c) Ten dollars (\$10) shall be forwarded to the:**

18 **1. Department of Kentucky State Police; or**

19 **2. Law enforcement agency of the peace officer that removed the license**
 20 **plate.**

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

- 22 (1) (a) If the owner loses his or her copy of a registration or transfer receipt, he or she
 23 may obtain a duplicate from the county clerk who issued the present owner's
 24 copy of the receipt by presenting the clerk proof of insurance on the motor
 25 vehicle in compliance with KRS 304.39-080, and by filing an affidavit, upon a
 26 form furnished by the cabinet. The owner shall pay to the clerk a fee of three
 27 dollars (\$3), except proof of insurance shall not be required for duplicates

1 applied for by motor vehicle dealers as defined in KRS 190.010.

2 (b) When the owner's copy of any registration or transfer receipt shows that the
3 spaces provided thereon for noting and discharging security interests have
4 been exhausted, the owner may apply to the county clerk who issued the
5 receipt in order to obtain a duplicate thereof. The owner shall surrender his or
6 her copy of the current receipt to the clerk and provide proof of insurance on
7 the motor vehicle in compliance with KRS 304.39-080, before a duplicate
8 may be issued. The owner shall pay the clerk a fee of three dollars (\$3), except
9 proof of insurance shall not be required for duplicates applied for by motor
10 vehicle dealers as defined in KRS 190.010.

11 (c) Any security interest which has been discharged as shown by the records of
12 the clerk or upon the owner's copy of the current receipt shall be omitted from
13 the duplicate receipt to be issued by the clerk.

14 (2) If the owner loses a registration plate, he or she shall surrender his or her
15 registration receipt to the county clerk from whom it was obtained and file a written
16 statement as to the loss of the plate. Upon presenting the clerk proof of insurance on
17 the motor vehicle in compliance with KRS 304.39-080, and upon the payment of
18 the sum of three dollars (\$3) for each plate and a fee of three dollars (\$3) to the
19 clerk for his or her services, the owner shall be issued another registration receipt
20 and a plate or plates which shall bear a different number from that of the lost plate.
21 The clerk shall retain the owner's statement and a copy of the owner's proof of
22 insurance, and shall make a notation on the triplicate copy of the surrendered
23 registration receipt stating the number of the registration receipt replacing it. The
24 original copy of the surrendered receipt shall be forwarded to the cabinet. The
25 cabinet shall forthwith cancel the registration corresponding to the number of the
26 lost plate. The cancellation shall be reported by the cabinet to the commissioner of
27 the Department of Kentucky State Police. Any person finding a lost registration

1 plate shall deliver it to the Transportation Cabinet or to any county clerk for
2 forwarding it to the cabinet.

3 (3) If the owner moves from one (1) county into another county of the Commonwealth,
4 he or she may obtain a registration plate bearing the name of the county of
5 residence. In order to obtain a new registration plate, the owner shall surrender his
6 or her current registration receipt and current registration plate to the county clerk.
7 Upon being provided with proof of insurance on the motor vehicle in compliance
8 with KRS 304.39-080, the clerk shall provide the owner with a new registration
9 receipt and plate bearing the county name. The surrendered receipt and plate shall
10 be forwarded to the Transportation Cabinet. The fee for this registration shall be
11 five dollars (\$5) of which the clerk shall be entitled to three dollars (\$3) and the
12 cabinet shall be entitled to two dollars (\$2).

13 (4) If the owner's registration is revoked as a result of the provisions set forth in KRS
14 186A.040, the owner may have his or her registration reinstated by the county clerk
15 who issued the present owner's copy of the receipt by *paying the reinstatement fee*
16 *required in Section 1 of this Act and* presenting the clerk proof of:

17 (a) Insurance on the motor vehicle in compliance with KRS 304.39-080 and by
18 filing an affidavit upon a form furnished by the cabinet; or

19 (b) A valid compliance or exemption certificate in compliance with KRS 224.20-
20 720 or issued under the authority of an air pollution control district under KRS
21 224.20-760.

22 (5) The owner of a motor vehicle that has the vehicle's registration revoked under KRS
23 186.290 shall pay to the clerk a fee of twenty dollars (\$20), which shall be equally
24 divided between the county clerk and the cabinet.

25 (6) On and after January 1, 2006, if the motor vehicle is a personal motor vehicle as
26 defined in KRS 304.39-087, proof of insurance required under this section shall be
27 determined by the county clerk as provided in KRS 186A.042.