

**186A.040 Accessible online insurance verification system -- Definitions -- Administrative regulations -- Technical advisory committee -- Notification of cancellation, nonrenewal of policy, or absence of vehicle identification number to insured -- Revocation of license -- Information not subject to Kentucky Open Records Act.**

- (1) As used in this section, unless the context requires otherwise:
  - (a) "Accessible online insurance verification system" or "system" means the accessible online insurance verification system established by the department under this section;
  - (b) "Commercial motor vehicle" means a motor vehicle that is covered by commercial motor vehicle insurance;
  - (c) "Commercial motor vehicle insurance" means coverage:
    1. Provided to an insured, regardless of the number of vehicles or entities covered, under a commercial coverage form; and
    2. Rated from a commercial manual approved by the Department of Insurance;
  - (d) "Department" means the Department of Vehicle Regulation;
  - (e) "IICMVA" means the Insurance Industry Committee on Motor Vehicle Administration or a successor organization;
  - (f) "Insurer" means an insurer that provides coverage for the security required under KRS 304.39-080;
  - (g) "Personal motor vehicle" means a motor vehicle that is not covered by commercial motor vehicle insurance; and
  - (h) "Requestor" means the authorized personnel of any of the following:
    1. The department;
    2. Any District or Circuit Court of this state;
    3. Any county attorney or Commonwealth's attorney of this state;
    4. Any county clerk of this state;
    5. Any law enforcement agency of this state; or
    6. Any other entities authorized by the department, to the extent permitted by state and federal privacy laws.
- (2) (a) The department shall:
  1. Provide and receive information on the insurance status of motor vehicles registered in Kentucky in accordance with this section and KRS 304.39-085 and 304.39-087;
  2. Establish an accessible online insurance verification system that:
    - a. Is used for verification of whether motor vehicles are covered by the security required under KRS 304.39-080;
    - b. Is interfaced with AVIS;
    - c. Beginning not later than October 1, 2026, is:
      - i. Operational; and

- ii. Available to insurers;
    - d. Beginning not later than January 1, 2027, is accessible by requestors to assist the requestors in the identification of motor vehicles that are not in compliance with KRS 304.39-080; and
    - e. Includes information that enables the department to make inquiries to insurers by using multiple data elements for greater matching accuracy;
  - 3. On or before January 1, 2026, promulgate an emergency and ordinary administrative regulation in accordance with KRS Chapter 13A to establish, implement, and effectuate the accessible online insurance verification system, which:
    - a. Shall:
      - i. Except as otherwise provided in this section, establish guidelines and requirements for the system that are consistent with IICMVA guidelines;
      - ii. Include appropriate provisions to secure the system's data against unauthorized access;
      - iii. Specify, in accordance with subsection (3) of this section, the information that insurers shall electronically submit, and the format, manner, and frequency of the electronic submissions, to the system for personal motor vehicles and commercial motor vehicles; and
      - iv. Establish a period of not less than six (6) months but not more than twelve (12) months from the date of all requests and responses that system data shall be retained; and
    - b. May establish an alternative method of reporting, in lieu of reporting to the system, for insurers who write one thousand (1,000) or fewer policies or contracts that provide coverage for the security required under KRS 304.39-080; and
  - 4. Make any amendments to the administrative regulation promulgated under this section or any other administrative regulation related to the system that are necessary to establish, implement, operate, or maintain the accessible online insurance verification system, which shall include any necessary improvements to or replacement of the system.
- (b) The department may contract with a private service provider who has successfully implemented similar systems in other states to assist in establishing, implementing, operating, and maintaining the accessible online insurance verification system.
- (c) 1. Notwithstanding KRS 13A.100, the department shall:
  - a. By January 1, 2026, publish on its website and distribute to motor vehicle insurers authorized to do business in Kentucky a final detailed guide of the accessible online insurance verification system;

- b. Periodically review, make any necessary updates to, and publish on its website any updates to the guide referenced in this subparagraph; and
      - c. Distribute any updates made to the guide referenced in this subparagraph to motor vehicle insurers authorized to do business in Kentucky.
    2. The guide referenced in subparagraph 1. of this paragraph shall not conflict with, or impose requirements that are not set out or incorporated by reference in, an administrative regulation promulgated by the department under this section.
    3. The Department of Insurance shall assist the department in making the distributions required under this paragraph.
  - (d) The department and any contracted private service provider shall each maintain a contact person for insurers during the implementation and operation of the accessible online insurance verification system.
- (3) (a) Except as otherwise provided in this section, insurers that provide coverage for the security required under KRS 304.39-080 for personal motor vehicles shall:
  1. Cooperate with the department in the implementation, operation, maintenance, and any necessary improvements to or replacement of the accessible online insurance verification system; and
  2. On and after January 1, 2027:
    - a. Send to the department:
      - i. A list of the vehicle identification numbers (VINs) of the personal motor vehicles that are covered by the insurer; and
      - ii. The name of each policyholder for each personal motor vehicle covered by the insurer as specified by the department;
    - b. Provide access to any other insurance status information for personal motor vehicles that are covered by the insurer as specified by the department; and
    - c. Submit the information required under this subparagraph electronically to the department through the accessible online insurance verification system.
- (b)
  1. In lieu of compliance with KRS 304.39-085, an insurer may opt to submit insurance status information for commercial motor vehicles electronically to the department through the accessible online insurance verification system.
  2. An insurer that opts to submit insurance status information under this paragraph shall comply with any specifications and requirements established by the department under subsection (2)(a)3.a.iii. of this section for the information.
- (c) Insurers may contract for the services of a third-party vendor to facilitate or

otherwise comply with the requirements of this section.

- (d) Insurers shall not be subject to civil or administrative liability for libel, slander, or any other relevant tort, and no civil cause of action of any nature shall arise against an insurer or an authorized employee of an insurer for any good-faith efforts to comply with this section, including but not limited to submitting, or providing access to, any information or data required or permitted under this section, even if the information or data is inaccurate or incomplete.
- (4) (a) As used in this subsection, "domestic" insurer and "foreign" insurer have the same meanings as in KRS 304.1-070.
- (b) There is created a technical advisory committee whose duties shall be to:
- 1. Review the establishment, implementation, operation, and maintenance of the accessible online insurance verification system; and
  - 2. Make recommendations to the department to ensure that the accessible online insurance verification system is:
    - a. Efficient and operational upon implementation; and
    - b. Consistent with the objectives and requirements of this section.
- (c) The technical advisory committee shall be composed of the following seven (7) members:
- 1. Four (4) voting members appointed by the commissioner of the Department of Insurance in accordance with paragraph (d) of this subsection;
  - 2. The president of the Kentucky County Clerk's Association or the president's designee, who shall serve as a voting ex officio member;
  - 3. The commissioner of the Department of Insurance or the commissioner's designee, who shall serve as a voting ex officio member; and
  - 4. The commissioner of the department or the commissioner's designee, who shall serve as a nonvoting ex officio member and as chair of the committee.
- (d) 1. The commissioner of the Department of Insurance shall, in accordance with this paragraph, appoint to the technical advisory committee one (1) representative for each of the four (4) insurers:
- a. Identified by the Department of Insurance under this paragraph; and
  - b. That designate, upon request and within a reasonable amount of time, an individual to serve as a representative on the committee.
2. The Department of Insurance shall identify the following four (4) insurers:
- a. The domestic property and casualty insurer that has the largest dollar amount of direct written premiums for motor vehicle insurance in Kentucky as of the date of the notification made under subparagraph 4. of this paragraph;
  - b. The two (2) foreign property and casualty insurers that have the

largest dollar amounts of direct written premiums for motor vehicle insurance in Kentucky as of the date of the notification made under subparagraph 4. of this paragraph; and

- c. A domestic or foreign property and casualty insurer with direct written premiums for motor vehicle insurance in Kentucky designated by the commissioner of the Department of Insurance to represent small and medium-sized insurers in Kentucky's motor vehicle insurance market.
  3. If an insurer identified by the Department of Insurance under subparagraph 2. of this paragraph declines or fails, within a reasonable amount of time, to designate an individual to serve as a representative of the insurer on the technical advisory committee, the Department of Insurance shall identify:
    - a. For an insurer identified under subparagraph 2.a. of this paragraph, the domestic property and casualty insurer with the next largest dollar amount of direct written premiums for motor vehicle insurance in Kentucky as of the date that the previously identified domestic property and casualty insurer declined or failed to designate a representative;
    - b. For an insurer identified under subparagraph 2.b. of this paragraph, the foreign property and casualty insurer with the next largest dollar amount of direct written premiums for motor vehicle insurance in Kentucky as of the date that the previously identified foreign property and casualty insurer declined or failed to designate a representative; and
    - c. For an insurer identified under subparagraph 2.c. of this paragraph, an insurer that meets the requirements of that subdivision.
  4. The Department of Insurance shall:
    - a. Request each insurer identified by the Department of Insurance under subparagraph 2. of this paragraph, and if applicable, subparagraph 3. of this paragraph, to designate an individual to serve as a representative of the insurer on the technical advisory committee; and
    - b. Appoint the individual designated by the insurer notified under this subparagraph to the technical advisory committee.
  5. Each member appointed under this paragraph shall serve a four (4) year term and may be reappointed.
  6. Vacancies of members appointed under this paragraph shall be filled:
    - a. Within thirty (30) days of the vacancy; and
    - b. In the same manner as the original appointment.
- (e) Prior to making a filing under KRS Chapter 13A or publishing and distributing, as applicable, the department shall submit drafts of the following to the technical advisory committee for review and recommendations:

1. Any new, amended, or repealer emergency or ordinary administrative regulation, along with any forms required under KRS 13A.230, required or permitted under this section or otherwise related to the system; and
  2. The final detailed guide, including any updates to the final detailed guide, required under subsection (2)(c) of this section.
- (f) In addition to the requirements of paragraph (e) of this subsection, the department shall keep the technical advisory committee informed about, and consult with the committee regarding, the establishment, implementation, operation, and maintenance of the accessible online insurance verification system.
- (g) All meetings of, and communications to and from, the technical advisory committee shall be exempt from the requirements of the Open Meetings Act, KRS 61.805 to 61.850.
- (5) (a) The department shall immediately make a notification to a motor vehicle owner upon any of the following:
1. Notification to the department from an insurer of cancellation or nonrenewal of the owner's commercial motor vehicle insurance pursuant to KRS 304.39-085;
  2. Prior to January 1, 2027, if the vehicle identification number (VIN) of the owner's personal motor vehicle, as defined in KRS 304.39-087(1)(a), does not appear in the database created by KRS 304.39-087 for two (2) consecutive reporting months; or
  3. On and after January 1, 2027, if the vehicle identification number (VIN) of the owner's personal motor vehicle, or commercial motor vehicle if the commercial motor vehicle is covered by an insurer that has opted to report to the system, does not appear in the accessible online insurance verification system for seven (7) consecutive days.
- (b) The notification required under paragraph (a) of this subsection shall:
1. Be in either a paper or an electronic format;
  2. Specify each motor vehicle to which the notification pertains; and
  3. State that:
    - a. The owner's insurance is no longer valid; and
    - b. The department shall revoke the registration of each motor vehicle to which the notification pertains unless one (1) of the following occurs within fourteen (14) days after the date the insurance became invalid:
      - i. The owner provides proof of insurance to the county clerk or the department; or
      - ii. The accessible online insurance verification system indicates that the motor vehicle or motor vehicles are covered by the security required under KRS 304.39-080.
- (c) An owner may present the proof of insurance required under this subsection in either a paper or an electronic format.

- (d) When proof of insurance is provided in electronic format, the department or county clerk may require the owner to email or otherwise electronically submit the proof of insurance for the department's or clerk's records.
- (6) (a) In developing the mechanism to electronically transfer information pursuant to this section and KRS 304.39-085 and 304.39-087, the commissioner of the department shall:
  - 1. Consult with the commissioner of the Department of Insurance and insurers of motor vehicles to adopt a standardized system of organizing, recording, and transferring the information so as to minimize insurer administrative expenses; and
  - 2. To the maximum extent possible, utilize nationally recognized electronic data information systems consistent with the requirements of this section.
- (b) Notwithstanding any other provision of law:
  - 1. Information obtained by the department pursuant to this section and KRS 304.39-087 shall not be:
    - a. Subject to the Kentucky Open Records Act, KRS 61.870 to 61.884; or
    - b. Disclosed, used, sold, accessed, or utilized in any manner, or released by the department to any individual, entity, or state or local agency, except:
      - i. In accordance with state law for the purposes specified by this section; or
      - ii. In response to a specific individual request for the information authorized pursuant to the federal Driver's Privacy Protection Act, 18 U.S.C. sec. 2721 et seq.;
  - 2. The department shall institute measures to ensure that only authorized persons are permitted to access the information referenced in this paragraph for the purposes specified by this section; and
  - 3. Persons who knowingly release or disclose information for a purpose other than those authorized by this paragraph or to a person not entitled to receive it shall be guilty of a Class A misdemeanor for each release or disclosure.
- (7) The Commonwealth Office of Technology and the Department of Insurance shall provide support and assistance to the department in carrying out the provisions of this section.

**Effective:** June 27, 2025

**History:** Amended 2025 Ky. Acts ch. 39, sec. 1, effective June 27, 2025. -- Amended 2010 Ky. Acts ch. 24, sec. 238, effective July 15, 2010. -- Amended 2005 Ky. Acts ch. 85, sec. 611, effective June 20, 2005. -- Amended 2004 Ky. Acts ch. 130, sec. 2, effective July 13, 2004. -- Amended 2000 Ky. Acts ch. 319, sec. 1, effective July 14, 2000; ch. 506, sec. 22, effective July 14, 2000; and ch. 536, sec. 22, effective July 14, 2000. -- Amended 1998 Ky. Acts ch. 442, sec. 1, effective July 15, 1998. -- Amended 1996 Ky. Acts ch. 341, sec. 1, effective July 15, 1996. -- Amended 1984 Ky. Acts ch. 129, sec. 6, effective January 1, 1985. -- Created 1982 Ky. Acts ch. 164,

sec. 5, effective July 15, 1982.

**Legislative Research Commission Note (6/27/2025).** 2025 Ky. Acts ch. 39, sec. 12, provides that:

"By July 1, 2025:

(1) The Department of Insurance shall identify and appoint the initial four insurer representatives to the technical advisory committee created under subsection (4) of Section 1 of this Act [this statute] in accordance with paragraph (d) of that subsection; and

(2) The Department of Vehicle Regulation shall notify the members of the technical advisory committee created under subsection (4) of Section 1 of this Act [this statute] of the date, time, and location of the first meeting, which meeting may include remote attendance and shall:

(a) Take place within 30 days of the date of the notification; and

(b) Include an informational status update from the department relating to the establishment and implementation of the accessible online insurance verification system."