

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 304.39-085, or
11 ~~for and after January 1, 2006,~~ if the vehicle identification number (VIN) of a
12 personal motor vehicle does not appear in the database created by KRS 304.39-087
13 for two (2) consecutive reporting months, the department shall immediately make a
14 determination as to the notification of the insured. Notification ***in writing*** to the
15 insured shall state that the insured's policy is no longer valid and that the insured
16 shall have thirty (30) days to show proof of insurance to the county clerk. The
17 department shall further inform the insured that if evidence of insurance is not
18 received within thirty (30) days the department shall revoke the registration of the
19 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]~~ ***or presents to the county clerk an***
22 ***affidavit under subsection (3) of this section.*** ~~[-]~~

23 ~~(3) [2.]~~ ***To comply with subsection (2) of this section,*** the person ***may***
24 ***present*** ~~[presents]~~ proof in the form of an affidavit stating, under penalty of perjury
25 as set forth in KRS 523.030, that:

26 ***(a)*** The failure to maintain motor vehicle insurance on the vehicle specified in the
27 department's notification is the result of the inoperable condition of the motor

1 vehicle;

2 ~~(b) [3. The person presents proof in the form of an affidavit stating, under~~
 3 ~~penalty of perjury as set forth in KRS 523.030, that]~~The failure to maintain
 4 motor vehicle insurance on the vehicle specified in the department's
 5 notification is the result of the seasonal nature of the vehicle. The affidavit
 6 shall explain that when the vehicle is out of dormancy and when the seasonal
 7 use of the vehicle is resumed, the proper security will be obtained; ~~{or}~~

8 ~~(c) [4. The person presents proof in the form of an affidavit stating, under~~
 9 ~~penalty of perjury as set forth in KRS 523.030, that]~~He or she requires a
 10 registered motor vehicle in order to carry out his or her employment and that
 11 the motor vehicle that he or she drives during the course of his or her
 12 employment meets the security requirement of Subtitle 39 of KRS Chapter
 13 304. The person shall also declare in the affidavit that he or she will operate a
 14 motor vehicle only in the course of his or her employment;

15 **(d) The vehicle is operated exclusively on farms and is only on the highway**
 16 **while being towed or hauled;**

17 **(e) The vehicle is used for his or her employment, is operated exclusively off-**
 18 **road, and is transported to and from job sites by means other than being**
 19 **operated on the highway;**

20 **(f) The vehicle is operated exclusively off-road on the person's property;**

21 **(g) The vehicle is not being used due to any reasonable emergency, including**
 22 **but not limited to the person being unemployed due to injury or being laid-**
 23 **off; or**

24 **(h) The vehicle is not being operated on the highway, but the owner's property**
 25 **does not have off-street parking and is located in a jurisdiction with a local**
 26 **ordinance prohibiting the parking of unregistered vehicles on local roads.**

27 **(4)** If a person has his or her motor vehicle registration revoked in accordance with this

1 subsection two (2)~~[three (3)]~~ times within any twelve (12) month period, the
 2 revocations shall constitute a violation of KRS 304.39-080. The department shall
 3 notify the county attorney to begin prosecution for violation of subtitle 39 of KRS
 4 Chapter 304.

5 ~~(5)(b)~~ The Department of Vehicle Regulation shall be responsible for notification to
 6 the appropriate county attorney that a motor vehicle is not properly insured, if the
 7 insured does not respond to notification set out by subsection (2) of this
 8 section~~[paragraph (a) of this subsection]~~. The notice that the department gives to the
 9 county attorney in accordance with subsection (2) of this section~~[paragraph (a) of~~
 10 ~~this subsection]~~ shall include a certified copy of the person's driving record which
 11 shall include:

12 ~~(a)(1)~~ The notice that the department received from an insurance company that
 13 a person's motor vehicle insurance policy has been canceled or has not been
 14 renewed; and

15 ~~(b)(2)~~ A dated notice that the department sent to the person requiring the
 16 person to present proof of insurance to the county clerk.

17 (6) (a) Upon notification by the department, a county attorney shall immediately
 18 begin prosecution of the person who had his or her motor vehicle registration
 19 revoked two (2)~~[three (3)]~~ times within any twelve (12) month period in
 20 accordance with subsection (2) of this section~~[paragraph (a) of this~~
 21 ~~subsection]~~.

22 ~~(b)(c)~~ The certified copies sent by the department described in subsection (5)
 23 of this section~~[paragraph (b) of this subsection]~~ shall be prima facie evidence
 24 of a violation of KRS 304.39-080.

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

1 ~~(Z)(3)~~ (a) In developing the mechanism to electronically transfer information
2 pursuant to KRS 304.39-087, the commissioner of the Department of Vehicle
3 Regulation shall consult with the commissioner of the Department of
4 Insurance and insurers of personal motor vehicles to adopt a standardized
5 system of organizing, recording, and transferring the information so as to
6 minimize insurer administrative expenses. The commissioner of vehicle
7 regulation shall to the maximum extent possible utilize nationally recognized
8 electronic data information systems such as those developed by the American
9 National Standards Institute or the American Association of Motor Vehicle
10 Administrators.

11 (b) Notwithstanding any other provision of law, information obtained by the
12 department pursuant to KRS 304.39-087 shall not be subject to the Kentucky
13 Open Records Act, KRS 61.872 to 61.884, and shall not be disclosed, used,
14 sold, accessed, utilized in any manner, or released by the department to any
15 person, corporation, or state and local agency, except in response to a specific
16 individual request for the information authorized pursuant to the federal
17 Driver's Privacy Protection Act, 18 U.S.C. secs. 2721 et seq. The department
18 shall institute measures to ensure that only authorized persons are permitted to
19 access the information for the purposes specified by this section. Persons who
20 knowingly release or disclose information from the database created by KRS
21 304.39-087 for a purpose other than those described as authorized by this
22 section or to a person not entitled to receive it shall be guilty of a Class A
23 misdemeanor for each release or disclosure.

24 **(8) The Transportation Cabinet shall prepare forms for affidavits required under**
25 **subsection (3) of this section and shall make them available to the public in each**
26 **county clerk's office and on the cabinet's Web site.**

27 **(9) The Department of Vehicle Regulation shall design and provide a sticker for use**

1 on vehicles as set out in subsection (3)(h) of this section. City, county, or local
 2 governments shall be prohibited from towing a vehicle or citing a vehicle owner
 3 for violation of any local ordinance prohibiting the parking of an inoperable
 4 vehicle on a city or local road when this sticker is affixed to the vehicle.

5 (10) Any motor vehicle for which the registration has been revoked under this section
 6 shall be subject to the provisions of KRS 186.181.

7 (11) The owner of a motor vehicle for which the registration has been revoked under
 8 this section shall be subject to a reinstatement fee of thirty dollars (\$30). The
 9 reinstatement fee shall be paid to the county clerk and shall be distributed as
 10 follows:

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

12 (b) Ten dollars (\$10) shall be forwarded to the Department of Vehicle
 13 Regulation.

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

15 (1) (a) If the owner loses his or her copy of a registration or transfer receipt, he or she
 16 may obtain a duplicate from the county clerk who issued the present owner's
 17 copy of the receipt by presenting the clerk proof of insurance on the motor
 18 vehicle in compliance with KRS 304.39-080, and by filing an affidavit, upon a
 19 form furnished by the cabinet. The owner shall pay to the clerk a fee of three
 20 dollars (\$3), except proof of insurance shall not be required for duplicates
 21 applied for by motor vehicle dealers as defined in KRS 190.010.

22 (b) When the owner's copy of any registration or transfer receipt shows that the
 23 spaces provided thereon for noting and discharging security interests have
 24 been exhausted, the owner may apply to the county clerk who issued the
 25 receipt in order to obtain a duplicate thereof. The owner shall surrender his or
 26 her copy of the current receipt to the clerk and provide proof of insurance on
 27 the motor vehicle in compliance with KRS 304.39-080, before a duplicate

1 may be issued. The owner shall pay the clerk a fee of three dollars (\$3), except
2 proof of insurance shall not be required for duplicates applied for by motor
3 vehicle dealers as defined in KRS 190.010.

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

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

23 (3) If the owner moves from one (1) county into another county of the Commonwealth,
24 he or she may obtain a registration plate bearing the name of the county of
25 residence. In order to obtain a new registration plate, the owner shall surrender his
26 or her current registration receipt and current registration plate to the county clerk.
27 Upon being provided with proof of insurance on the motor vehicle in compliance

1 with KRS 304.39-080, the clerk shall provide the owner with a new registration
2 receipt and plate bearing the county name. The surrendered receipt and plate shall
3 be forwarded to the Transportation Cabinet. The fee for this registration shall be
4 five dollars (\$5) of which the clerk shall be entitled to three dollars (\$3) and the
5 cabinet shall be entitled to two dollars (\$2).

6 (4) If the owner's registration is revoked as a result of the provisions set forth in KRS
7 186A.040, the owner may have his or her registration reinstated by the county clerk
8 who issued the present owner's copy of the receipt by paying the reinstatement fee
9 required in Section 1 of this Act and presenting the clerk proof of:

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

12 (b) A valid compliance or exemption certificate in compliance with KRS 224.20-
13 720 or issued under the authority of an air pollution control district under KRS
14 224.20-760.

15 (5) ~~The owner of a motor vehicle that has the vehicle's registration revoked under KRS~~
16 ~~186.290 shall pay to the clerk a fee of twenty dollars (\$20), which shall be equally~~
17 ~~divided between the county clerk and the cabinet.~~

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