

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.