

806 KAR 13:040. Automobile fleet insurance defined.

RELATES TO: KRS 304.13-121

STATUTORY AUTHORITY: KRS 304.2-110

NECESSITY, FUNCTION, AND CONFORMITY: KRS 304.2-110 authorizes the Commissioner of Insurance to make reasonable rules and administrative regulations necessary for or as an aid to the effectuation of any provision of the Kentucky Insurance Code. This administrative regulation provides a uniform definition for purposes of "fleet" insurance on automobiles.

Section 1. For purposes of vehicle damage or liability coverage, a fleet of automobiles is defined as five (5) or more private passenger or commercial automobiles owned and operated by an individual partnership, firm, or corporation.

Section 2. A leased automobile may be construed as an "owned automobile," if:

- (1) There is a written agreement of lease for a term of not less than one (1) year; and
- (2) The lease agreement stipulates that lessor shall not enjoy the use or control of the leased vehicle during the term of the lease.

Section 3. Buses leased by the Commonwealth may be written as a fleet if the term of the insurance is not longer than the term of the lease.

(I-13.08; 1 Ky.R. 865; eff. 5-14-75; Am. 9 Ky.R. 44; eff. 9-8-82; TAm eff. 8-9-2007; Crt eff. 2-28-2020; 46 Ky.R. 1634, 2279; eff. 5-5-2020.)