

Bulletin 2002-6

To: All Companies Writing Automobile Liability Insurance In Kansas
From: Kathleen Sebelius, Commissioner of Insurance
Re: Disclosure of Information for the Processing of Motor Vehicle Registrations
Date: August 23, 2002

The Kansas Division of Vehicles (“Division”) has created a program for the electronic processing of renewals of motor vehicle registrations. Under the program, the Division creates a data file that contains all vehicles due for renewal. Within the data file, a personal identification number will be assigned to those records that are simple renewals. The Division requests that insurance companies provide: the NAIC number, VIN, policy number, policy transaction code and expiration date.

Kansas law specifically requires that an owner must have “in effect a policy of motor vehicle liability insurance covering such motor vehicle” prior to registering the motor vehicle. K.S.A. 40-3118(a). The Kansas Director of Vehicles (“Director”) must require vehicle owners to “certify and provide verification” of having insurance. K.S.A. 40-3118(a). When registering a motor vehicle, the owner must certify and provide verifiable proof, from the insurance company, that the mandated insurance is currently in effect and will remain in effect during the registration period. K.S.A. 8-173(c) and (d). When examining the proof of insurance, the information may be verified “on-line or electronically.” K.S.A. 8-173(d).

The Kansas Insurance Department (“Department”) regulates the privacy of consumer financial information. Insurance companies are exempt from the notice requirements “to comply with federal, state or local laws, rules and other applicable legal requirements.” KAR 40-1-46, Sec. 16.A.(7)(a). The regulation further allows insurance companies to disclose information “to the extent specifically permitted or required under other provisions of law.” KAR 40-1-46, Sec. 16.A.(4). Disclosures made under the Division’s program would comply with K.S.A. 8-173 and K.S.A. 40-3118.

Please cooperate with the Division by providing the requested information at your earliest convenience. Requests for additional information or questions regarding this bulletin may be directed to the Legal Division of the Kansas Insurance Department at (785) 296-3071 or the Legal Services Bureau of the Department of Revenue at (785) 296-2381.