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BULLETIN 2026-04

The following Bulletin is to inform the reader of the current position of the Kentucky Department of Insurance on the specified issue. The Bulletin is not legally binding on either the Department or the reader.

TO: ALL INSURERS ISSUING AUTO INSURANCE WITHIN THE COMMONWEALTH OF KENTUCKY

FROM: SHARON P. CLARK, COMMISSIONER
KENTUCKY DEPARTMENT OF INSURANCE

DATE: JULY 20, 2026

RE: NO FAULT REJECTION FORM

Purpose

The Kentucky Department of Insurance ("Department") is issuing this Bulletin to provide information regarding the requirements of House Bill 627 (HB 627), passed during the 2026 Regular Session of the Kentucky General Assembly.

Background

KRS 304.39-060(4) permits any person to refuse to consent to the limitation of his or her tort rights and liabilities set forth in KRS Chapter 304 Subtitle 39. Any such rejection must be completed in writing or electronically on a form prescribed by the Department. The rejection form must be filed with the Department and becomes effective upon the date it is filed with the Department.

806 KAR 39:030 establishes the Kentucky No-Fault Rejection Form. The regulation provides that any person may refuse to consent to the limitation of his or her tort rights and liabilities by filing this form with the Department. The regulation incorporates by reference the Kentucky No-Fault Rejection Form

to be used by individuals refusing to consent to the limitation of his or her tort rights and liabilities, pursuant to KRS 304.39-060(4). This form explains that basic no-fault coverage provides prompt payment of medical expenses, lost wages up to $200 per week, replacement services, and survivor's benefits due to bodily injury arising out of a motor vehicle accident.

HB 627 amends KRS 304.39-130 by raising the basic reparation benefits payable for work loss, survivor's economic loss, replacement services loss, and survivor's replacement services loss from $200 to $500 per week. This amendment becomes effective July 15, 2026.

Implementation

The Department is pursuing an amendment to 806 KAR 39:030 to update the Kentucky No-Fault Rejection Form so that it conforms with the amendment made to KRS 304.39-130 by HB 627. However, that regulatory amendment will not be effective by July 15, 2026, when the new $500 threshold dictated by HB 627 will become controlling. The Department is therefore providing the attached Kentucky No-Fault Rejection Form for industry use, until the incorporated form can be formally amended through the regulation promulgation process.

The Department encourages all insurers issuing auto insurance in Kentucky to use the attached updated form until 806 KAR 39:030 is formally amended through regulation promulgation process, to ensure compliance with HB 627. Insurers, licensees, and registered entities are charged with notifying their agents and employees of the provisions of HB 627, the amendment to KRS 304.39-130, and the recommended use of the updated form.

If you have any questions about this Advisory Opinion, please contact the Kentucky Department of Insurance, Property and Casualty Division at (502) 564-6046 or DOI.PropertyCasualty@ky.gov.

Sharon P. Clark

Sharon P. Clark, *Commissioner*
Kentucky Department of Insurance
On this 20 day of July 2026.