

WEST VIRGINIA LEGISLATURE

2026 REGULAR SESSION

Introduced

House Bill 4142

**FISCAL
NOTE**

By Delegate Mallow

[Introduced January 14, 2026; referred to the
Committee on Finance]

1 A BILL to amend and reenact §17D-2A-4, 17D-2A-6a, and §33-6-31g of the Code of West Virginia,
2 1931, as amended, relating to motor vehicle safety; requiring the Department of Motor
3 Vehicles Commissioner to develop and implement an electronic insurance verification
4 program; requiring every driver have insurance; and requiring the Insurance
5 Commissioner to propose rules necessary to implement requirements of the electronic
6 insurance verification program.

Be it enacted by the Legislature of West Virginia:

CHAPTER 17D. MOTOR VEHICLE SAFETY RESPONSIBILITY LAW.

ARTICLE 2A. SECURITY UPON MOTOR VEHICLES.

§17D-2A-4. Certificate of insurance.

1 (a) All insurance carriers transacting insurance in this state shall supply a certificate to the
2 insured or to any person subject to the registration provisions of ~~article three, chapter seventeen-a~~
3 §17A-3-1 et seq. of this code certifying that there is in effect a motor vehicle liability policy upon
4 such motor vehicle in accordance with the provisions of ~~article three, chapter seventeen-a~~ §17A-3-
5 1 et seq. of this code. The certificate shall give its effective date and the effective date of the policy
6 and, unless the policy is issued to a person who is not the owner of a motor vehicle, must
7 designate by explicit description, in such detail as the Commissioner of the Division of Motor
8 Vehicles shall by rule require, all motor vehicles covered and all replacement vehicles of similar
9 classification: *Provided*, That on and after July 1, 1984, insurance companies shall supply a
10 certificate of insurance in duplicate for each policy term and for each vehicle included in a policy,
11 except for those listed in a fleet policy. Each such certificate of insurance shall list the name of the
12 policyholder and the name of the vehicle owner if different from the policyholder.

13 The certificate must specify for each vehicle listed therein that there is a minimum liability
14 insurance coverage not less than the requirements of ~~section two, article four, chapter seventeen-~~
15 §17D-4-2 of this code.

(b) The certificate provided pursuant to the provisions of this section or other proof of insurance shall be carried by the insured in the appropriate vehicle for use as proof of security, and must be presented at the time of vehicle inspection as required by ~~article sixteen, chapter seventeen-c~~ §17C-16-1 et seq. of this code. Any person violating the provisions of this subsection is guilty of a misdemeanor and, upon conviction thereof, shall be fined not less than \$200 nor more than \$5,000; and upon a second or subsequent conviction, shall be fined not less than \$200 nor more than \$5,000, or confined in the county or regional jail for not less than ~~fifteen~~ 15 days nor more than one year, or both: *Provided*, That an insured shall not be guilty of a violation of this subsection (b) if he or she furnishes proof that such insurance was in effect within seven days of being cited for not carrying such certificate or other proof in such vehicle.

(c) As used in this section, proof of insurance means a certificate of insurance, an insurance policy, a mechanically reproduced copy of an insurance policy, a certificate of self-insurance, an image displayed on a wireless communication device, as defined in ~~section one, article one, chapter seventeen-b~~ §17B-1-1 of this code, that includes the information required by this section as provided by a liability insurer or a copy of the current registration issued to a motor carrier by the Public Service Commission: (1) Through the single state registration system established pursuant to ~~section fourteen, article six-a, chapter twenty-four-a~~ §24A-6a-14 of this code; or (2) pursuant to the provisions of ~~section four, article six, chapter twenty-four-a~~ §24A-6-4 of this code.

(d) Every person operating a vehicle in the State of West Virginia shall have insurance coverage.

§17D-2A-6a. Determining if required security is in effect.

(a) The commissioner may make a determination that the required security on a motor vehicle is not in effect based upon crash reports required under the provisions of §17C-4-1 *et seq.* of this code, reports or citations from law-enforcement agencies, citations or abstracts of conviction from courts, inquiries from law-enforcement agencies, or from information from an

5 online electronic insurance verification program.

6 (b) The commissioner ~~is authorized to~~ shall develop and implement an electronic
7 insurance verification program based upon a model established by the Insurance Industry
8 Committee on Motor Vehicle Administration (IICMVA) to electronically verify evidence of insurance
9 coverage with insurance companies.

10 (c) The commissioner may contract with a third-party vendor to act as his or her agent to
11 develop the program, conduct the electronic verification process with insurance companies, and to
12 operate the program.

13 (d) If When developed and implemented by the commissioner, the online insurance
14 verification program shall:

15 (1) Be able to verify, on an on-demand basis minus reasonable down time for system
16 maintenance as agreed upon by the division or its agent and the insurance carrier, the liability
17 insurance status as of the time of the inquiry or at other times not exceeding six months prior
18 unless otherwise agreed upon by the division or its agent and the insurance carrier or via other
19 similar electronic system that is consistent with insurance industry and IICMVA recommendations
20 and the specifications and standards of the IICMVA model;

21 (2) Be able to make insurance verification inquiries to insurers by using multiple data
22 elements for greater matching accuracy including National Association of Insurance
23 ~~Commissioners'~~ Commissioners (NAIC) code specific to each licensed insurance company,
24 vehicle identification numbers, and policy number or other data elements as otherwise agreed to
25 by the division or its agent and the insurer;

26 (3) Provide sufficient measures for the security and integrity of data including a
27 requirement that the information obtained through the operation of the program be only used for
28 the sole use of the Division of Motor Vehicles or its agent, law enforcement, new and used motor
29 vehicle dealerships, and the judiciary to effectuate the provisions of this article; and

30 (4) Utilize open and agreed upon data and data transmission standards and standard SML

31 extensible markup language schema.

32 (e) If the commissioner develops and implements an online insurance verification program,
33 each insurer shall:

34 (1) Cooperate with the Division of Motor Vehicles or its agent in establishing and operating
35 the program;

36 (2) Maintain the data necessary to verify the existence of mandatory liability insurance
37 coverage provided to its customers pursuant to the required time period established for the online
38 insurance verification program;

39 (3) Maintain the internet web service, pursuant to the requirements established under the
40 online insurance verification program, through which online insurance verification can take place
41 that includes the ability to respond to authorized inquiries on whether the vehicle is insured or the
42 policy in effect on the requested date through the insurer's NAIC code, vehicle identification
43 number, insurance policy number, or other data key or keys as otherwise agreed to by the division
44 or its agent and the insurer;

45 (4) Provide security consistent with accepted insurance industry and United States motor
46 vehicle agency standards pertinent to the transmission of personal data;

47 (5) Be immune from civil and administrative liability for good faith efforts to comply with the
48 terms of the verification program; and

49 (6) As a condition of writing motor vehicle liability insurance in this state, insurance carriers
50 shall cooperate with the division or its agent and the insurance commission in establishing and
51 maintaining an insurance verification system. Nothing prohibits an insurer from using the services
52 of a third-party vendor for facilitating the insurance verification program required by this section.

53 (f) If When the commissioner develops and implements an online insurance verification
54 program, the Division of Motor Vehicles or its agent, as applicable, shall:

55 (1) Consult and cooperate with insurers in establishing and operating the online insurance
56 verification system;

(2) Designate and maintain a contact person for insurers during the establishment and implementation of the online insurance verification system;

(3) Conduct a pilot project to test the insurance verification system no less than 18 months prior to final implementation;

(4) Establish and maintain the systems necessary to make verification requests to insurers using the data elements that the Division of Motor Vehicles or its agent and the insurer have agreed upon and are necessary to receive accurate responses from insurers;

(5) For all information transmitted and received, implement and maintain strict system and data security measures consistent with applicable standards. Data secured via the verification system by either the division or its agent may not be shared by any person who accesses the verification system with any party other than those permitted by state or federal privacy laws;

(6) Be responsible for keeping all interested state agencies informed on the implementation status, functionality, and planned or unplanned service interruptions; and

(7) Provide alternative methods of reporting for small insurers writing less than 500 non-commercial motor vehicle policies in the state as determined by the Division of Motor Vehicles or its agent.

(g) Any information obtained by the division or its agent under the provisions of an electronic insurance system is for the sole use of the Division of Motor Vehicles or its agent, law enforcement, new and used motor vehicle dealerships, and the judiciary to effectuate the provisions of this article and is exempt from disclosure under the provisions of §29B-1-1 *et seq.* of this code and may not be considered a public record as defined in §29B-1-2 of this code.

(h) Not more than two years after the establishment of an online insurance verification program, the Division of Motor Vehicles, after consultation with insurers, shall report to the Legislature as to the costs of the program incurred by the division, insurers, and the public and the effectiveness of the program in reducing the number of uninsured motor vehicles.

(i) The online insurance verification system authorized in this section may be accessed by

83 new and used motor vehicle dealerships in this state to verify if a prospective purchaser has valid
84 motor vehicle insurance.

CHAPTER33. INSURANCE.

ARTICLE 6. THE INSURANCE POLICY.

§33-6-31g. Electronic insurance verification program; insurer's duty to cooperate.

1 (a) If When the Division of Motor Vehicles establishes an electronic insurance verification
2 program in accordance with the provisions of §17D-2A-6a of this code, any insurance company
3 that issues or delivers in this state a policy or contract of bodily injury liability insurance or of
4 property damage liability insurance covering liability arising from the ownership, maintenance or
5 use of any motor vehicle, or upon any motor vehicle for which a certificate of title has been issued
6 by the Division of Motor Vehicles of this state, shall comply with the requirements of the program.

7 (b) The insurance commissioner ~~may~~ shall propose rules for legislative approval in
8 accordance with the provisions of §29A-3-1 *et seq.* of this code as necessary to implement the
9 provisions of this section and may initially promulgate emergency rules pursuant to the provisions
10 of §29A-3-15 of this code. Such rules may prescribe penalties, including fines and other
11 administrative sanctions, that may be imposed by the commissioner for a company's failure to
12 comply with requirements of the electronic insurance verification program.

NOTE: The purpose of this bill is to require the commissioner of Motor Vehicles to develop and implement an electronic insurance verification program; to require the Insurance Commissioner to propose rules necessary to implement requirements of the electronic insurance verification program; and require every person operating a vehicle have insurance.

Strike-throughs indicate language that would be stricken from a heading or the present law and underscoring indicates new language that would be added.