Insurance Reinstatement + Backout

This guide explains how to process and backout the new $40 Reinstatement fees that are now required to be collected when a customer's registration has been cancelled due to a sustained lack of insurance coverage, per **Senate Bill 199.**

MVL guidance is that Insurance is vehicle-specific, and so if the names do not match exactly on the insurance cards, it is still acceptable and valid.

Overview

In accordance with **Senate Bill 199, KRS 186.040** was amended in 2024 to require the collection of a $40 fee for a suspended or revoked vehicle registration to be reinstated:

(8) The owner of a motor vehicle for which the registration has been cancelled under this section shall be subject to a reinstatement fee of forty dollars ($40), payable to the county clerk. The county clerk shall retain twenty dollars ($20) of the reinstatement fee and forward the remaining twenty dollars ($20) to the cabinet.

Because the Mainframe Insurance System and KAVIS are separate, this updated business process and fee collection will require clerk/user actions in both systems.

The Clerk/user will use the Mainframe (AVIS) IU screen's **Function 1. PROCESS PROOF / REINSTATE** as they did in AVIS. Once processed, the Mainframe will update the vehicle's registration and the shopping cart (SC) in KAVIS with the new Reinstatement fees. It is very important that the clerk/user ensures the customer is aware of and agrees to the fees prior to performing this process, that the drawer is assigned to that specific clerk/user, that there are no items belonging to any other customer in the SC, and that the clerk/user that does the reinstatement in the Mainframe IU screen is the same one processing the transaction in KAVIS. The clerk/user's Mainframe ID (CC# or DTI#) will carry from the Mainframe to KAVIS*.
Note that the clerk/user may need to refresh their screen to see changes to the Registration Status after performing PROCESS PROOF / REINSTATEMENT in the Mainframe IU screen

Clerk/users may also perform additional title and/or manage actions for the same customer and add these additional items to the same cart for a single checkout.

Existing KAVIS POS Reports (Daily Processing Reports, Remittance Reports, and Verified Remittance Reports) will also be updated to handle the new cart items.

1. Prechecks Before Reinstatement
Before performing a PROCESS PROOF / REINSTATEMENT follow the below Prechecks.

1. Ensure the customers is <mark>aware of and verbally agrees</mark> to the <mark>new $40 fees <u>PRIOR</u></mark> to taking a Reinstatement Action in the Mainframe IU screen. This will help avoid time-consuming Backouts on the Mainframe and in KAVIS.

2. Ensure the clerk/user has a drawer assigned to them in KAVIS <mark><u>PRIOR</u></mark> to taking any Reinstatement actions on the Mainframe. <mark>**Ensure that the KAVIS user is logged-in the mainframe using their CC# and not someone else's**</mark>.

3. Ensure there are <mark>**no items in the cart**</mark> belonging to <mark>**any other customers <u>BEFORE</u>**</mark> starting a Reinstatement transaction. Shopping carts are <mark>**<u>NOT</u> vehicle or customer specific; they are user/clerk specific**</mark>. A careless error could result in the wrong customer mistakenly being charged for someone else's Reinstatement.

4. Ensure that the clerk/user <mark>**performing the PROCESS PROOF / REINSTATE action on the Mainframe IU screen**</mark> is the <mark>**<u>SAME</u>**</mark> clerk/user who will be <mark>**completing the transaction in KAVIS**</mark>. In other words, make sure if you are performing the action in KAVIS, you are using <mark>**<u>YOUR</u> Mainframe ID (CC#/DTI#) in the Mainframe.**</mark>

5. <mark>**<u>DO NOT SHARE</u>**</mark> Mainframe Insurance System credentials/IDs with other users in your county/branch as Reinstatement Fees will <mark>**<u>ALWAYS</u> route to the KAVIS cart matching the CC# or DTI # of the logged-in user of the Insurance System**</mark>
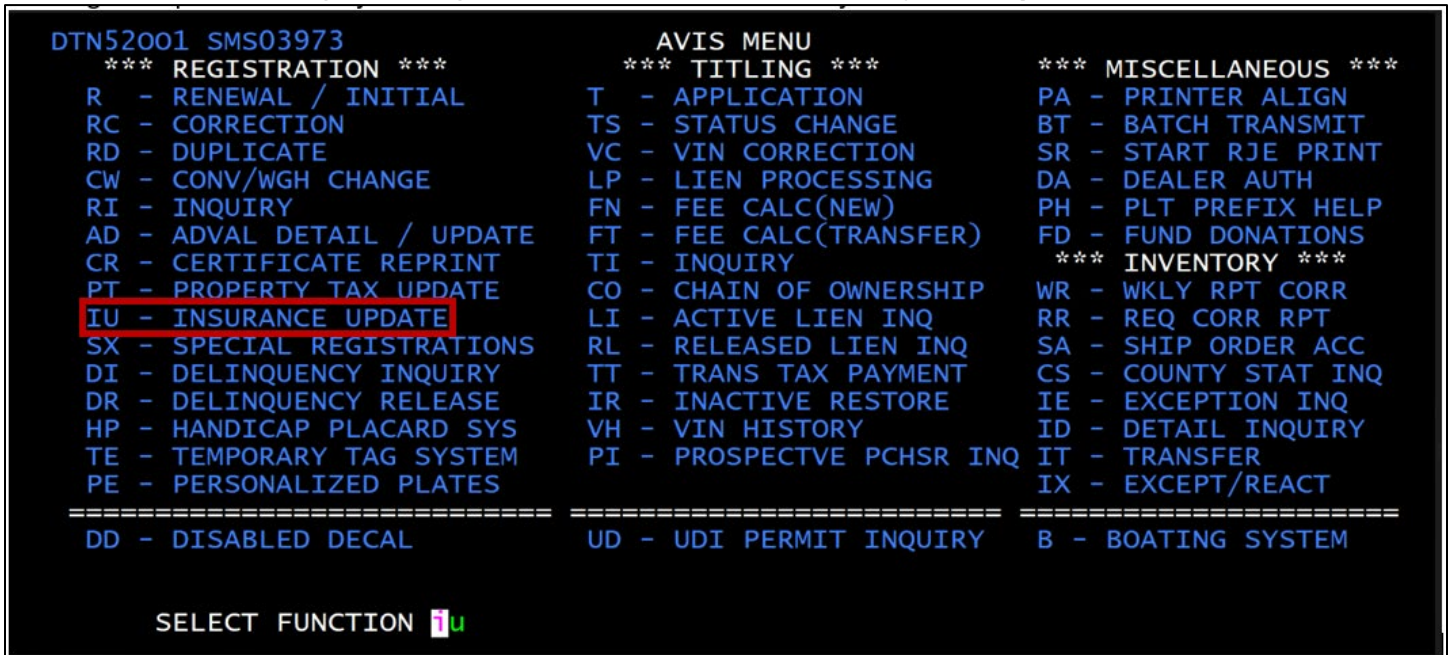
2. Mainframe IU Screen Reinstate Process

1. If a customer comes in to reinstate a cancelled registration due to lack of insurance, or if the clerk/user notices on the Vehicle Summary Page Registration section's status that the customer's vehicle is "Cancelled – No Proof of Insurance" (*Image 2.1*), the clerk/user will perform the Prechecks mentioned above in section **1. Prechecks Before Reinstatement**.

(*Image 2.1*)

2. Clerk/user will access the Mainframe IU menu via the Mainframe legacy AVIS menu (*Image 2.2*). *
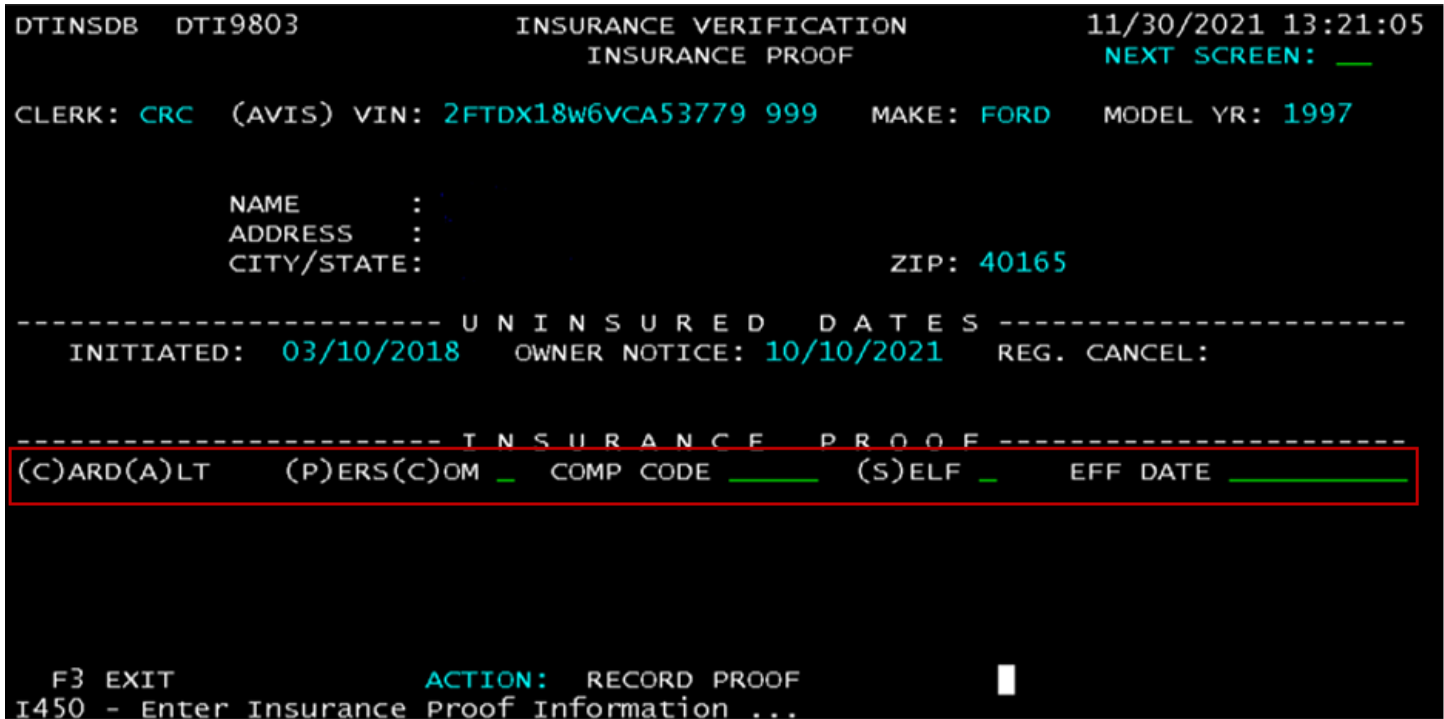   *Note that this is an image before go-live of KAVIS and will have only a few options*

(*Image 2.2*)

3. User will land on the Insurance Menu page (*Image 2.3*) and will select Function 1. PROCESS PROOF / REINSTATE.

(*Image 2.3*)

4. Clerk/user will enter required insurance information and process the transaction (*Image 2.4*)

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DTINSDB  DTI9803              INSURANCE VERIFICATION        11/30/2021 13:21:05
                                INSURANCE PROOF                NEXT SCREEN: __

CLERK: CRC  (AVIS) VIN: 2FTDX18W6VCA53779 999    MAKE: FORD    MODEL YR: 1997


            NAME      :
            ADDRESS   :
            CITY/STATE:                             ZIP: 40165

--------------------- U N I N S U R E D   D A T E S ---------------------
   INITIATED:  03/10/2018   OWNER NOTICE: 10/10/2021   REG. CANCEL:


--------------------- I N S U R A N C E   P R O O F ---------------------
(C)ARD(A)LT     (P)ERS(C)OM _   COMP CODE _____   (S)ELF _    EFF DATE _____




    F3 EXIT                  ACTION:  RECORD PROOF
I450 - Enter Insurance Proof Information ...
```

(*Image 2.4*)

5. The **2. Mainframe IU Screen Reinstate Process** is now complete, and the clerk/user will finish the remaining work in KAVIS.

3. KAVIS Reinstatement Fee Process

1. The clerk/user may need to refresh their KAVIS screen to see the fees and changes.

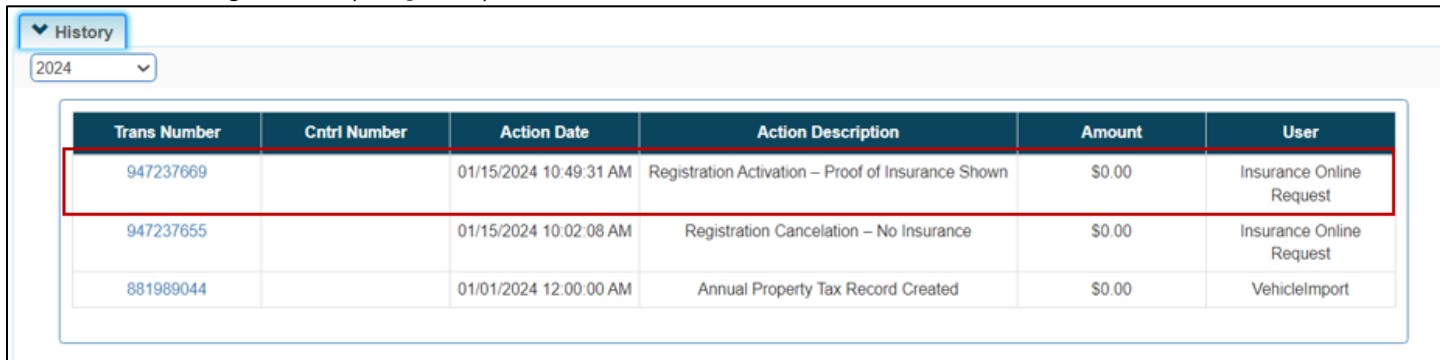2. A pop-up message confirming that the Reinstatement Fees have been added will appear (*Image 3.2*)
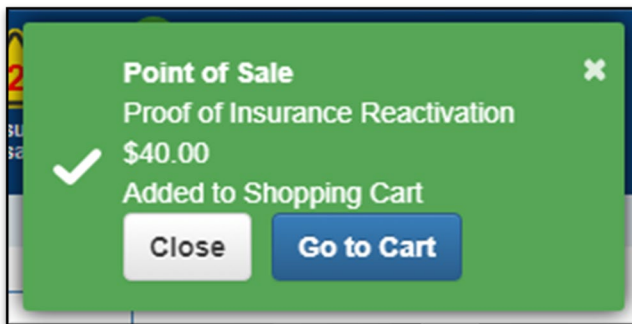
(*Image 3.2*)

3. The Vehicle Summary Page's Registration Information section will update (*Image 3.3*). <mark>**Refresh Required**</mark>.
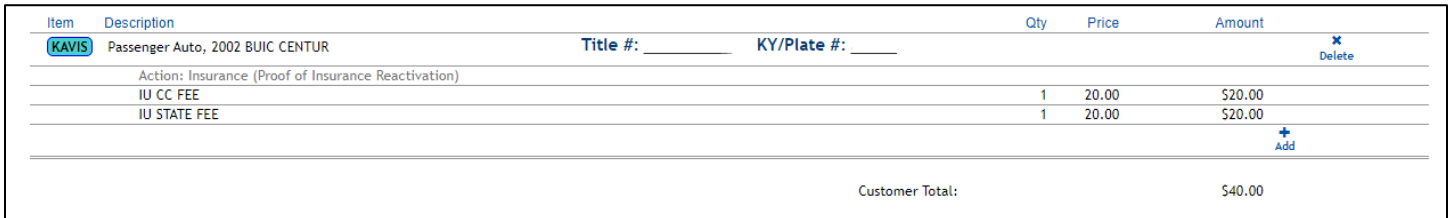

(*Image 3.3*)

4. The Vehicle Summary Page's History section will have a new record showing the activation/reinstatement of the customer's registration (*Image 3.4*).

(*Image 3.4*)

5. The clerk/user's cart will have the new Reinstatement Fees (*Image 3.5*).

(*Image 3.5*)

6. The clerk/user may add additional title or manage actions for this customer and checkout, or if this all the customer needs, they may checkout the Reinstatement fees only.

Questions? kavis@ky.gov or (502) 782-1018

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Final Points

Please remember the following points:

- Reinstatement transactions **DO NOT** yet print PODD receipts.
- Reinstatement Fees are **NOT REVERSABLE** in the same way as other KAVIS fees (see Backout Procedures).
- If a customer decides not to finalize a Reinstatement transaction **AFTER** fees have already been passed to KAVIS, deleting the cart items from KAVIS will **NOT** reverse the Reinstatement action taken in the Mainframe Insurance System. That will require the '**3. Backout Transaction**' option to be performed on the Mainframe Insurance System Menu.

Backout Procedures

The process is as follows for Backouts that take place PRIOR to checkout of the initial $40 Reinstatement Fee:

1. From the KAVIS Vehicle Summary, the Registration Information Section will show the **ACB** status:

2. There will also be POSITIVE Reinstatement Fees in the KAVIS Shopping Cart:

3. Perform the Backout using the "3. BACKOUT TRANSACTION" option from the IU screen. This will reverse the Registration Status back to CCB and also add NEGATIVE FEES to the KAVIS Shopping Cart.

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DTINSDA   DTI9803              INSURANCE MENU              NEXT SCREEN: __

CLERK: ▮__

RETRIEVAL OPTIONS:
   NOTICE#: _____   PLATE#: __ _____   VIN#: _____ ___

FUNCTION SELECTION: __

        1. PROCESS PROOF / REINSTATE        5. SELF-INSURED INQUIRY

        2. RECORD INSURANCE EXEMPTION       6. UNINSURED NOTICE INQUIRY

        3. BACKOUT TRANSACTION              7. REPRINT PROCESS PROOF RECEIPT

        4. INSURANCE INQUIRY                8. MAINTAIN INSURANCE INFORMATION

PF3: BACK TO AVIS MENU       ENTER: TO PROCESS
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Item	Description			Qty	Price	Amount	
KAVIS	Passenger Auto, 2008 BUIC LACROSS	Title #: 230410050070	KY/Plate #: C1T035				✕ Delete
	Action: Insurance (Proof of Insurance Reactivation)						
	IU CC FEE			1	20.00	$20.00	
	IU STATE FEE			1	20.00	$20.00	
							✚ Add
KAVIS	Passenger Auto, 2008 BUIC LACROSS	Title #: 230410050070	KY/Plate #: C1T035				✕ Delete
	Action: Insurance (Backout Proof of Insurance Reactivation)						
	IU CC FEE			1	-20.00	-$20.00	
	IU STATE FEE			1	-20.00	-$20.00	
							✚ Add
			Customer Total:			$0.00	

Checkout Both the 'positive' and 'negative' fees in your cart so that an audit trail is created.

4. Verify on the Vehicle Summary that the Registration Status was reversed back to CCB

5. **For Backouts that take place AFTER checkout of the $40 Reinstatement fee, the process is exactly the same EXCEPT you will only be checking out the 'negative' $40 fees in your KAVIS cart to offset the amount that was previously collected.**

SUMMARY:

- Reinstatement Option on the mainframe, independently:
    - Updates CCB status to ACB
    - Adds 'positive' $40 fees to the logged-in mainframe user's cart in KAVIS

- Backout Option on the mainframe, independently:
    - Reverses the ACB status to CCB
    - Adds 'negative' $40 fees to the logged-in user's cart in KAVIS