

1 AN ACT relating to motor vehicle titles.

2 ***Be it enacted by the General Assembly of the Commonwealth of Kentucky:***

3 → Section 1. KRS 186A.295 is amended to read as follows:

- 4 (1) (a) **Subject to the limitations of paragraph (c) of this subsection,** any person or
5 entity having a motor vehicle or trailer that has been destroyed, to the extent
6 that its repair cannot be obtained through usual commercial repair services, at
7 a cost less than its retail value as prescribed by a nationally accepted used car
8 valuation guide or tool identified under KRS 304.20-110, or from which two
9 (2) or more parts which typically bear a vehicle identification number placed
10 thereon by the manufacturer have been removed, or which he or she removes,
11 shall surrender the certificate of title for the vehicle for which he or she has a
12 certificate of title in his, or her, or another name, to the county clerk of the
13 county in which the vehicle is located. The clerk shall immediately forward
14 the surrendered title to Frankfort with instructions for canceling the title.
- 15 (b) Any person or entity engaged in the sale of used motor vehicle or trailer parts,
16 or the recycling or salvage of them, shall surrender the certificate of title for
17 any vehicle in his or her possession, and for which he or she has a certificate
18 of title, whether in his or her or another name, if the vehicle is destroyed
19 within the meaning of paragraph (a) of this subsection, or from which two (2)
20 or more parts which typically bear a vehicle identification number placed
21 thereon by a manufacturer have been removed, or which he or she removes, to
22 the county clerk of the county in which the vehicle is located. The clerk shall
23 immediately forward the surrendered title to Frankfort with instructions for
24 canceling the title.
- 25 (c) **The calculation of the cost of repair referenced in paragraph (a) of this**
26 **subsection shall not include the cost of parts and labor to make repairs to a**
27 **motor vehicle or trailer which do not impact the safety, structural integrity,**

1 *or functionality of the motor vehicle or trailer.*

2 *(d)* The surrender of the certificate of title pursuant to this section shall be made
3 within ten (10) working days, next succeeding the day when the vehicle was
4 received, destroyed, or next succeeding the day during which a second part
5 was removed.

6 (2) Each county clerk shall receive without charge, a certificate surrendered in
7 accordance with this section, cancel it, and remit it to the Department of Vehicle
8 Regulation, and take any other action related to it, as required by the Department of
9 Vehicle Regulation.