

CHAPTER 113**(HB 511)**

AN ACT relating to motor vehicle titles.

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

➔Section 1. KRS 186A.060 is amended to read as follows:

- (1) The Department of Vehicle Regulation is directed to develop, in cooperation with county clerks, auto dealers, and the Department of Revenue, Department of Insurance, and Department of Kentucky State Police, the forms required to record all information pertinent to the initial registration, or titling and taxation, or transfer of registration or title of a vehicle.
- (2) The Department of Vehicle Regulation shall make every effort to minimize and reduce the amount of paperwork required to apply for, or transfer, a vehicle title. When possible, the title document itself shall be used as the primary form used to effect a transfer of vehicle ownership. ***The title document shall contain space exclusively reserved for a minimum of two (2) dealer assignments.***
- (3) When no in-state title exists, ~~the~~ forms shall be designed by the department that require only the appropriate and essential information to effect the application for title.
- (4) The department shall constantly review the information needs of government agencies and other organizations with the goal of reducing, or eliminating, unnecessary documentation. Information being sought for application for title relevant to, but not limited to, vehicle identification, owner, buyer, usage tax, county clerk or inspector shall be set forth by the cabinet in such a way as to promote flexibility in reaching this goal, except that an applicant for a motor vehicle title shall not be required to provide his or her social security number as part of the application process.
- (5) The use of an electronic medium shall be employed so that forms can be printed by the automated system. Existing statutory language in this chapter and KRS Chapter 186 pertaining to application, signature, forms, or application transfer record may be construed to be electronic in nature at the discretion of the cabinet as provided for by administrative regulation.
- (6) Any person who knowingly enters, or attests to the entry of, false or erroneous information in pursuit of a certificate of title shall be guilty of forgery in the second degree.

➔Section 2. KRS 186A.170 is amended to read as follows:

- (1) The Department of Vehicle Regulation shall:
 - (a) Within five (5) working days following receipt by it of an application for a certificate of title in proper form, process the application and its supporting documents in the manner provided in this section, and unless it finds discrepancies with respect to it or its supporting documents, issue a certificate of title in the name of the owner and send it postpaid to such owner.
 - (b) Within twenty-four (24) hours following electronic notification by a county clerk's office of an application for a certificate of title, issue a speed title which shall be held for pickup or returned to the owner by mail. The clerk shall take the application for title and process the appropriate paperwork as provided for in this chapter. The department may provide, by administrative regulation, for exceptions to the speed title procedure.
- (2) Upon receiving an application packet from a county clerk, the application receipt clerk of the Department of Vehicle Regulation shall:
 - (a) Cause the date and time of receipt to be stamped on both the department's copy and the acknowledgment copy of the application transmittal record and accompanying documents;
 - (b) Cause at least duplicate sets of images to be made of each transmittal record application and supporting document by a means that will provide rapid, selective, automated retrieval of individual document images by appropriate indexing methods or keys;
 - (c) Compare the application transmittal record with the documents accompanying it, and, if all applications shown upon the record are accompanying the record, endorse the department's copy of the transmittal record and the acknowledgment copy, and forward the acknowledgment copy to the clerk who issued it.

- (3) In the event there is a discrepancy between the application transmittal record and the application attached to it, the Department of Vehicle Regulation shall note the discrepancy upon the department's copy and the acknowledgment copy, and shall promptly contact the issuing clerk and resolve the discrepancy. After resolving the discrepancy, the department shall note the nature of the disposition of the discrepancy and endorse the respective copies and forward the acknowledgment copy with the discrepancy disposition noted thereon to the issuing clerk.
- (4) After executing the acknowledgment of receipt of applications, the Department of Vehicle Regulation shall carry out the following action with respect to each application:
- (a) Examine the owner's application for legibility and proper execution, presence of required information, including required supporting documents, and the presence of required signatures. The Department of Vehicle Regulation shall ensure also that the required supporting documents are consistent in pertinent part with the information shown on the owner's application;
 - (b) The documents supporting an owner's application shall be examined as to authenticity and to determine if fraudulent alteration has occurred;
 - (c) Assure that the vehicle identification number of the subject vehicle is apparently legitimate;
 - (d) Ensure that the vehicle identification number and any other appropriate information with respect to a vehicle for which a certificate of title has been applied for is compared against the National Crime Information Center (NCIC) computerized listings of vehicles reported stolen, unless NCIC is not operational and the department has official notification that it is not expected to be operational within four (4) working days following the day on which an application for a certificate of title is received by it;
 - (e) Compare the computer-produced certificate of title for consistency with the owner's application and supporting documents.
- (5) When the title application has been completed, and the application examiner at each significant stage has indicated, by placing his unique symbol upon the application in the space provided thereon, that an application has passed the required examinations, the application shall be examined by a title examination certifier.
- (6) The title application certifier shall ensure that each application has received the required examinations as indicated by the presence of each required examiner's symbol. Upon satisfying himself that an application has passed the required examinations, the title examination certifier shall place his unique symbol together with the date upon the application.
- (7) The Department of Vehicle Regulation shall withhold issuance of a title, until its questions are resolved to its satisfaction, when it finds material discrepancies or has information giving probable cause to believe:
- (a) That an applicant is not the lawful owner of a vehicle for which he seeks a title;
 - (b) His application is not in order;
 - (c) The documentation supporting an application is insufficient or fraudulent;
 - (d) The vehicle has an illegitimate vehicle identification number;
 - (e) The vehicle is stolen; or
 - (f) That the computer-produced certificate of title is not consistent with the owner's application.
- (8) ***In the case of multiple owners, the Department of Vehicle Regulation shall require only two (2) primary owners' names to be printed on the certificate of title. Upon submission of the title application, if more than two (2) owners are listed, the primary owners shall be determined by the title applicants. In such instances, the certificate of the title shall note that there are more than two (2) owners. The names of all title applicants shall be documented in AVIS.***
- (9) When the Department of Vehicle Regulation finds that a certificate of title should be issued for a vehicle, the endorsement of the commissioner of the Department of Vehicle Regulation shall be engrossed upon the certificate of title following a preprinted statement which shall read: I certify that the Department of Vehicle Regulation has exercised due diligence in examining an application for a certificate of title for the above-described vehicle, and to the best of our knowledge and belief, the applicant whose name appears above is the lawful owner of the apparently legitimate vehicle described herein. ----- (signature), commissioner, Department of Vehicle Regulation, Kentucky Transportation Cabinet.

➔ Section 3. The provisions of this Act shall take effect January 1, 2014.

Signed by Governor April 11, 2012.