

CHAPTER 8

(SB 78)

AN ACT relating to the towing and storage of vehicles.

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

➔Section 1. KRS 376.268 is amended to read as follows:

As used in KRS 376.270 and 376.275:~~;~~

- (1) *"Contents" means personal items located in a motor vehicle, but does not include manufacturer-installed or after-market accessories permanently affixed to the motor vehicle;*
- (2) "Motor vehicle" ~~includes~~*includes* vessels used or designed for navigation of or operation on waterways, rivers, lakes, and streams, as well as those used or designed for operation on the public highways; *and*
- (3) *"Reasonable charges" means those charges which are usual and customary, not discriminatory, and which are typical charges for services provided by similar towing or storage companies with similar equipment and facilities operating in the region or comparable-size city or county from which the vehicle was towed or stored.*

➔Section 2. KRS 376.275 is amended to read as follows:

- (1) When a motor vehicle has been involuntarily towed or transported pursuant to order of police, other public authority, or private person or business for any reason or when the vehicle has been stolen or misappropriated and its removal from the public ways has been ordered by police, other public authority, or by private person or business, or in any other situation where a motor vehicle has been involuntarily towed or transported by order of police, other authority, or by private person or business, the police, other authority, private person or business shall attempt to ascertain from the Transportation Cabinet the identity of the registered owner of the motor vehicle or lessor of a motor carrier as defined in KRS Chapter 281 and within ten (10) business days of the removal shall, by certified mail, attempt to notify the registered owner at the address of record of the make, model, license number and vehicle identification number of the vehicle and of the location of the vehicle, and the requirements for securing the release of said motor vehicle.
- (2) If a vehicle described in subsection (1) of this section is placed in a garage or other storage facility, the owner of the facility shall attempt to provide the notice provided in subsection (1) of this section, by certified mail, to the registered owner at the address of record of the motor vehicle or lessor of a motor carrier as defined in KRS Chapter 281 within ten (10) business days of recovery of, or taking possession of the motor vehicle. The notice shall contain the information as to the make, model, license number and vehicle identification number of the vehicle, the location of the vehicle and the amount of reasonable charges *for towing, recovery, storage, transporting, and other applicable charges* due on the vehicle. When the owner of the facility fails to provide notice as provided herein, the motor vehicle storage facility shall forfeit all storage fees accrued after ten (10) business days from the date of tow. This subsection shall not apply to a garage or storage facility owned or operated by a government entity.
- (3)
 - (a) Any person engaged in the business of storing or towing motor vehicles, who has substantially complied with the aforementioned requirements of this section, shall have a lien on the motor vehicle *and its contents, except as set forth in subsection (4) of this section*, for the reasonable or agreed charges for ~~storing or~~ towing, *recovery, storage, transporting, and other applicable charges due on* the vehicle, as long as it remains in his possession.
 - (b) *Prior to payment of fees and release of a vehicle, a towing or storage company shall not refuse the right of physical inspection of the towed vehicle by the owner or an insurance company representative. Release of the vehicle shall occur to the owner or insurance company representative upon payment and consent of the release from the owner or the owner's authorized representative. Each additional service shall be set forth individually as a single line item in the bill with an explanation and the exact charge for the service.*
 - (c) If after a period of forty-five (45) days, the reasonable or agreed charges for ~~storing or~~ towing, *recovery, storage, transporting, and other applicable charges due on* a motor vehicle *and its contents, except as set forth in subsection (4) of this section*, may be sold to pay the charges after the owner has been notified by certified mail ten (10) days

prior to the time and place of the sale. If the proceeds of the sale of any vehicle pursuant to this section are insufficient to satisfy accrued charges for towing, transporting, and storage, the sale and collection of proceeds shall not constitute a waiver or release of responsibility for payment of unpaid towing, transporting, and storage charges by the owner or responsible casualty insurer of the vehicle. ~~A~~^{This} lien *on a vehicle under this subsection* shall be subject to prior recorded liens.

- (d) *A lien holder having a prior recorded lien listed on the title issued by the Commonwealth of Kentucky shall be notified by certified mail within the first fifteen (15) days of impoundment. The letter shall include the make, model, license number, vehicle identification number, owner's name and last known address, and tentative date of sale for the vehicle. If the above-referenced certified letter is not sent within the fifteen (15) days by the towing and storage company, then only fifteen (15) days of storage may be charged. The lien holder has the right to take possession of the motor vehicle after showing proof of lien still enforced, and paying the reasonable or agreed towing and storage charges on the motor vehicle. Nothing in this section shall allow the transfer of a vehicle subject to a lien, except as provided in KRS 186A.190.*
- (4) *Subsection (3) of this section shall not apply to the following contents of a motor vehicle, which shall be released to the vehicle owner or the owner's designated agent upon request, if the request is made within forty-five (45) days of the date the vehicle was towed:*
- (a) *Prescription medication in its proper container;*
 - (b) *Personal medical supplies and equipment or records;*
 - (c) *Educational materials, including but not limited to calculators, books, papers, and school supplies;*
 - (d) *Documents, files, electronic devices, or equipment which may be able to store personal information or information relating to a person's employment or business;*
 - (e) *Firearms and ammunition. Notwithstanding the provisions of subsection (5) of this section, firearms and ammunition which are not claimed by the owner of the vehicle within forty-five (45) days of the date the vehicle was towed shall be transferred to the Department of State Police for disposition as provided by KRS 16.220;*
 - (f) *Cargo in the possession of persons engaged in transportation in interstate commerce as registered under KRS 186.020;*
 - (g) *Cargo in the possession of an integrated intermodal small package carrier as defined by KRS 281.605(12);*
 - (h) *Child restraint systems or child booster seats; and*
 - (i) *Checks, checkbooks, debit or credit cards, money orders, stocks, or bonds.*
- (5) *Except as provided for in subsection (4)(e) of this section, any contents exempted under subsection (4) of this section that are not claimed by the owner of the vehicle within forty-five (45) days of the date the vehicle was towed may be sold or otherwise legally disposed of by the storage or towing company.*
- (6) *The storage or towing company shall not be responsible for contents in a vehicle's trunk or other locked compartment to which the storage or towing company is without access, unless the towing company intentionally opens the area without the owner's consent.*
- (7) *The provisions of this section shall not apply when a local government causes a vehicle to be towed pursuant to KRS 82.605 to 82.640 or if state government causes a vehicle to be towed.*

Signed by Governor March 19, 2015.