

CHAPTER 55

(SB 176)

AN ACT relating to military surplus vehicles.

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

➔SECTION 1. A NEW SECTION OF KRS CHAPTER 186A IS CREATED TO READ AS FOLLOWS:

- (1) *As used in this section, "military surplus vehicle" has the same meaning as in Section 3 of this Act.*
- (2) *A person who has purchased a military surplus vehicle shall be issued a certificate of title after complying with the provisions of this section.*
- (3) *An owner of a military surplus vehicle that does not have a vehicle identification number shall, prior to applying for a certificate of title, apply to the Transportation Cabinet for a vehicle identification number under KRS 186A.090.*
- (4) *When applying for a certificate of title for a military surplus vehicle, the owner shall apply in the office of the county clerk of the county in which he or she resides and provide the clerk with the following:*
 - (a) *Proof of insurance to comply with KRS 304.39-080;*
 - (b) *Proof that the military surplus vehicle has passed an inspection in accordance with Section 2 of this Act; and*
 - (c) *Any other information that may be required by the Transportation Cabinet in an administrative regulation promulgated under KRS Chapter 13A.*
- (5) *The Transportation Cabinet shall promulgate administrative regulations pursuant to KRS Chapter 13A to implement this section.*

➔Section 2. KRS 186A.115 is amended to read as follows:

- (1)
 - (a) Except as otherwise provided in this section, the owner of every vehicle brought into this state and required to be titled in this state shall, before submitting his *or her* application for title to the county clerk, have the vehicle together with his *or her* application for title and its supporting documents inspected by a certified inspector in the county in which the application for title is to be submitted to the county clerk.
 - (b) *An owner of a military surplus vehicle seeking title in this state shall, before submitting his or her application for title to the county clerk, have the vehicle together with his or her application for title and its supporting documents inspected by a certified inspector in the county in which the application for title is to be submitted to the county clerk.*
- (2) *For inspections under this section:*
 - (a) The certified inspector shall be certified through the Department of Vehicle Regulation following requirements set forth by the department by regulation and shall be designated by the county sheriff. The certified inspector will be held responsible for all certifications required pursuant to this chapter and will be liable for any and all penalties prescribed in this chapter, and shall be available during regular office hours at any and all offices and branches that issue applications for titles;{+}
 - (b) There shall be a five dollar (\$5) fee for this certification, payable to the sheriff's office, upon completion of certification;{+}
 - (c) There shall be an additional fee of ten dollars (\$10) per trip when it becomes necessary for the certified inspector to travel to the site of the vehicle rather than bringing the vehicle to the sheriff's inspection area; *and*{+}
 - (d) An inspection conducted in one (1) county within the Commonwealth of Kentucky under this subsection, and the fees paid for that inspection under this subsection, shall be honored by the certified inspector, sheriff, and county clerk in all other counties within this state. A second inspection shall not be required and additional fees shall not be required.

- (3) *The Transportation Cabinet may require that modifications be made to a military surplus vehicle. Any modifications required by the cabinet under this section shall be made to the military surplus vehicle prior to its inspection.*
- (4) *The Transportation Cabinet shall promulgate administrative regulations pursuant to KRS Chapter 13A to implement the provisions of subsections (1)(b) and (3) of this section, including but not limited to vehicle modification requirements and the creation of a separate inspection form. The Transportation Cabinet shall note that military vehicles were originally manufactured under the federally mandated requirements set forth in 49 C.F.R. sec. 571.7 and shall only require these vehicles to meet applicable federal motor vehicle safety standards.*
- (5)~~(2)~~ The following vehicles are excluded from the requirement of inspection by a certified inspector prior to titling in this state:
- (a) New motor vehicles sold by a dealer licensed in this state;
 - (b) Vehicles required to be registered in this state by reason of lack of a reciprocity agreement with another state and for which a nonnegotiable registration document is to be issued;
 - (c) Motor vehicles operated by a motor carrier under a nonnegotiable certificate or permit issued by the Department of Vehicle Regulation;
 - (d) Motor vehicles owned by servicemen or servicewomen who are residents of Kentucky stationed outside of Kentucky may be inspected by the post provost or similar officer of the camp, post, or station. The post provost or similar officer shall submit an affidavit stating the name of the owner, the identification or serial number, the make, body style, current license or title number, if any, and state in which currently registered or titled, if any, of the motor vehicle;
 - (e) Motor vehicles purchased in another state by persons who are residents of Kentucky but are temporarily residing out of state for at least thirty (30) days, but not longer than nine (9) months, may after the purchase of the vehicle be inspected by the state police, a local law enforcement agency, or the vehicle inspection program of another state. If an inspector in another state examines a vehicle under this paragraph, the purchaser may request the inspector to complete an affidavit stating the name of the owner, the vehicle identification number, the vehicle make and body style, the current state of registration, if any, and the current vehicle license or title number, if any. The Transportation Cabinet shall create an affidavit form containing at a minimum this information and shall post the form on the cabinet's Internet Web site. A person using an inspector in another state under this paragraph shall comply with all requirements of that state's inspection program, including payment of fees charged in that state. A person registering a motor vehicle for the first time in Kentucky under this paragraph shall transmit the application for registration, all supporting documentation, and payment for registration and usage tax to the county clerk of the county in which the person resides, and upon receipt of the appropriate documentation, the county clerk shall register the vehicle; and
 - (f) Motor vehicles no longer located in Kentucky but which require inspection in order to issue a corrected Kentucky title due to error in vehicle identification or serial number may be inspected by an inspector authorized to inspect vehicle identification or serial number by the laws of the state or foreign country where application for a new title has been submitted.
- (6)~~(3)~~ When presented to a certified inspector for inspection or to a county clerk for processing, the owner's application for a first certificate of registration or title in his *or her* name shall be accompanied by proof of insurance in compliance with KRS 304.39-080 and one (1) of the following documents as applicable:
- (a) If the vehicle is a new vehicle not previously registered in this state, the properly assigned manufacturer's statement of origin for the vehicle for which registration or title is sought;
 - (b) If the vehicle was last registered in this state, and is a vehicle for which a title is not required in this state, a certificate of registration, or if the vehicle is one for which a certificate of title is required in this state, a properly assigned certificate of title;
 - (c) If the vehicle was last previously titled in another state, a properly assigned certificate of title;
 - (d) If the application refers to a vehicle previously registered in another country, the documents of that country establishing ownership of the vehicle;
 - (e) If the application refers to a vehicle last previously registered in another country by a person on active duty in the Armed Forces of the United States, the county clerk may accept on behalf of the Department

of Vehicle Regulation evidence of ownership provided the applicant by the United States Department of Defense; and

- (f) Except as provided in KRS 186A.072(2)(c) governing custom-built motorcycles, if the application relates to a vehicle which has been specially constructed or reconstructed, that fact shall be stated in the application, and the application shall be accompanied by the documents specified by administrative regulations of the Department of Vehicle Regulation.
- ~~(7)(4)~~ When requested to inspect a vehicle pursuant to this section, the certified inspector shall personally and physically inspect the vehicle, when registration or title is sought in this state, on the following points:
- (a) He *or she* shall ensure that the application is legible and properly executed to the extent required at the time of execution;
 - (b) He *or she* shall compare the vehicle identification number as appearing on both the vehicle identification number plate, and the federal safety standards label of the vehicle which is sought to be registered or titled, with the corresponding number inscribed on the application, and its supporting documentation, and ensure that the vehicle identification number appearing at each described location appears legitimate and that they are consistent with each other;
 - (c) He *or she* shall examine the primary odometer of the vehicle and legibly record the reading in the space provided in the inspection section of the application; and
 - (d) After exercising due diligence in inspecting the vehicle, the application, and its supporting documentation, and finding that they appear to be in order, the certified inspector shall execute the preprinted certificate of inspection according to its terms by printing in the spaces provided his *or her* first name, middle initial, and last name, and his *or her* title; the name of the county in which he serves; and the telephone number including the telephone area code of his *or her* agency, and sign in ink his *or her* signature in the space provided, and print the month, day, and year in which his *or her* inspection was made, certifying under penalty of forgery in the second degree the character, accuracy, and date of his *or her* inspection.
- ~~(8)(5)~~ The certified inspector shall refrain from executing the certificate of inspection if:
- (a) He *or she* has not personally and physically inspected the vehicle in accordance with this section;
 - (b) He *or she* has reason to believe that the vehicle displays an unlawfully altered vehicle identification number;
 - (c) The application and any of its copies are illegible or otherwise improperly executed, or contain information reasonably believed to be inaccurate or fraudulent;
 - (d) The documentation required in support of any application is not present, or not consistent with the vehicle and the owner's application or appears fraudulent; or
 - (e) He *or she* has probable cause to believe the vehicle is stolen.
- ~~(9)(6)~~
- (a) Inspections on motor vehicles that meet the definition of a "historic vehicle" under KRS 186.043(2) and are brought into this state shall be limited to verification of the vehicle identification number with supporting documentation for purposes of titling.
 - (b) Inspections on motor vehicles that meet the definition of a classic motor vehicle project as set forth in KRS 186A.510 shall be limited to verification of the vehicle identification number with supporting documentation for purposes of issuing a classic motor vehicle project certificate of title under KRS 186A.535(1).

➔Section 3. KRS 186.010 is amended to read as follows:

- (1) "Cabinet," as used in KRS 186.400 to 186.640, means the Transportation Cabinet; except as specifically designated, "cabinet," as used in KRS 186.020 to 186.270, means the Transportation Cabinet only with respect to motor vehicles, other than commercial vehicles; "cabinet," as used in KRS 186.020 to 186.270, means the Department of Vehicle Regulation when used with respect to commercial vehicles.
- (2) "Highway" means every way or place of whatever nature when any part of it is open to the use of the public, as a matter of right, license, or privilege, for the purpose of vehicular traffic.

- (3) "Manufacturer" means any person engaged in manufacturing motor vehicles who will, under normal conditions during the year, manufacture or assemble at least ten (10) new motor vehicles.
- (4) "Motor vehicle" means in KRS 186.020 to 186.260, all vehicles, as defined in paragraph (a) of subsection (8) of this section, which are propelled otherwise than by muscular power. As used in KRS 186.400 to 186.640, it means all vehicles, as defined in paragraph (b) of subsection (8) of this section, which are self-propelled. "Motor vehicle" shall not include a moped as defined in this section, but shall include low-speed vehicles *and military surplus vehicles* as defined in this section.
- (5) "Moped" means either a motorized bicycle whose frame design may include one (1) or more horizontal crossbars supporting a fuel tank so long as it also has pedals, or a motorized bicycle with a step-through type frame which may or may not have pedals rated no more than two (2) brake horsepower, a cylinder capacity not exceeding fifty (50) cubic centimeters, an automatic transmission not requiring clutching or shifting by the operator after the drive system is engaged, and capable of a maximum speed of not more than thirty (30) miles per hour.
- (6) "Operator" means any person in actual control of a motor vehicle upon a highway.
- (7) (a) "Owner" means a person who holds the legal title of a vehicle or a person who pursuant to a bona fide sale has received physical possession of the vehicle subject to any applicable security interest.
(b) A vehicle is the subject of an agreement for the conditional sale or lease, with the vendee or lessee entitled to possession of the vehicle, upon performance of the contract terms, for a period of three hundred sixty-five (365) days or more and with the right of purchase upon performance of the conditions stated in the agreement and with an immediate right of possession vested in the conditional vendee or lessee, or if a mortgagor of a vehicle is entitled to possession, the conditional vendee or lessee or mortgagor shall be deemed the owner.
(c) A licensed motor vehicle dealer who transfers physical possession of a motor vehicle to a purchaser pursuant to a bona fide sale, and complies with the requirements of KRS 186A.220, shall not be deemed the owner of that motor vehicle solely due to an assignment to his dealership or a certificate of title in the dealership's name. Rather, under these circumstances, ownership shall transfer upon delivery of the vehicle to the purchaser, subject to any applicable security interest.
- (8) (a) "Vehicle," as used in KRS 186.020 to 186.260, includes all agencies for the transportation of persons or property over or upon the public highways of this Commonwealth and all vehicles passing over or upon said highways, excepting road rollers, road graders, farm tractors, vehicles on which power shovels are mounted, such other construction equipment customarily used only on the site of construction and which is not practical for the transportation of persons or property upon the highways, such vehicles as travel exclusively upon rails, and such vehicles as are propelled by electric power obtained from overhead wires while being operated within any municipality or where said vehicles do not travel more than five (5) miles beyond the city limit of any municipality.
(b) As used in KRS 186.400 to 186.640, "vehicle" means every device in, upon or by which any person or property is or may be transported or drawn upon a public highway, excepting devices moved by human and animal power or used exclusively upon stationary rails or tracks, or which derives its power from overhead wires.
- (9) KRS 186.020 to 186.270 apply to motor vehicle licenses. KRS 186.400 to 186.640 apply to operator's licenses.
- (10) "Dealer" means any person engaging in the business of buying or selling motor vehicles.
- (11) "Commercial vehicles" means all motor vehicles that are required to be registered under the terms of KRS 186.050, but not including vehicles primarily designed for carrying passengers and having provisions for not more than nine (9) passengers (including driver), motorcycles, sidecar attachments, pickup trucks and passenger vans which are not being used for commercial or business purposes, and motor vehicles registered under KRS 186.060.
- (12) "Resident" means any person who has established Kentucky as his or her state of domicile. Proof of residency shall include but not be limited to a deed or property tax bill, utility agreement or utility bill, or rental housing agreement. The possession by an operator of a vehicle of a valid Kentucky operator's license shall be prima-facie evidence that the operator is a resident of Kentucky.
- (13) "Special status individual" means:

- (a) "Asylee" means any person lawfully present in the United States who possesses an I-94 card issued by the United States Department of Justice, Immigration and Naturalization Service, on which it states "asylum status granted indefinitely pursuant to Section 208 of the Immigration & Nationality Act";
 - (b) "K-1 status" means the status of any person lawfully present in the United States who has been granted permission by the United States Department of Justice, Immigration and Naturalization Service to enter the United States for the purpose of marrying a United States citizen within ninety (90) days from the date of that entry;
 - (c) "Refugee" means any person lawfully present in the United States who possesses an I-94 card issued by the United States Department of Justice, Immigration and Naturalization Service, on which it states "admitted as a refugee pursuant to Section 207 of the Immigration & Nationality Act"; and
 - (d) "Paroled in the Public Interest" means any person lawfully present in the United States who possesses an I-94 card issued by the United States Department of Justice, Immigration and Naturalization Service, on which it states "paroled pursuant to Section 212 of the Immigration & Nationality Act for an indefinite period of time."
- (14) "Instruction permit" includes both motor vehicle instruction permits and motorcycle instruction permits.
- (15) "Motorcycle" means any motor driven vehicle having a seat or saddle for the use of the operator and designed to travel on not more than three (3) wheels in contact with the ground, including vehicles on which the operator and passengers ride in an enclosed cab. "Motorcycle" shall include an alternative-speed motorcycle as defined in this section, but shall not include a tractor or a moped as defined in this section.
- (16) "Low-speed vehicle" means a motor vehicle that:
- (a) Is self-propelled using an electric motor, combustion-driven motor, or a combination thereof;
 - (b) Is four (4) wheeled; and
 - (c) Is designed to operate at a speed not to exceed twenty-five (25) miles per hour as certified by the manufacturer.
- (17) "Alternative-speed motorcycle" means a motorcycle that:
- (a) Is self-propelled using an electric motor, combustion-driven motor, or a combination thereof;
 - (b) Is three (3) wheeled;
 - (c) Has a fully enclosed cab and includes at least one (1) door for entry; and
 - (d) Is designed to operate at a speed not to exceed forty (40) miles per hour as certified by the manufacturer.
- (18) "Multiple-vehicle driving range" means an enclosed area that is not part of a highway or otherwise open to the public on which a number of motor vehicles may be used simultaneously to provide driver training under the supervision of one (1) or more driver training instructors.
- (19) ***"Military surplus vehicle" means a multipurpose wheeled surplus military vehicle that:***
- (a) ***Is not operated using continuous tracks;***
 - (b) ***Was originally manufactured for and sold directly to the Armed Forces of the United States; and***
 - (c) ***Was originally manufactured under the federally mandated requirements set forth in 49 C.F.R. sec. 571.7.***

Signed by Governor March 21, 2017.