

CHAPTER 190**(SB 131)**

AN ACT relating to transportation and making an appropriation therefor.

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

➔Section 1. KRS 15A.350 is repealed, reenacted as a new section of KRS Chapter 176, and amended to read as follows:

- (1) The ~~Transportation~~~~Justice and Public Safety~~ Cabinet shall establish a motorcycle safety education program. The program shall provide for instructor training courses, instructor approval, and rider training courses for novice riders that shall be held at locations *accessible to Kentucky residents*~~throughout the state~~. The program may provide for the following:
 - (a) Rider training courses for *novice and* experienced riders;
 - (b) Activities to increase the awareness of a motorcyclist's knowledge of the effects of alcohol and drug use;
 - (c) Driver improvement efforts;
 - (d) Licensing improvement efforts;
 - (e) Program promotion activities;
 - (f) Enhancement of the public's awareness of motorcycles; and
 - (g) Enhancement of motorcycle safety through education.
- (2) The ~~Transportation~~~~Justice and Public Safety~~ Cabinet shall promulgate administrative regulations, pursuant to KRS Chapter 13A, governing the development of standards for, and the administration of, a motorcycle safety education program. Standards for the motorcycle rider training courses shall include standards for course content, delivery, curriculum, materials, student evaluation, and the training and approval of instructors. Standards shall meet or exceed established national standards for motorcycle rider training courses prescribed by the National Highway Traffic Safety Administration.

➔Section 2. KRS 15A.352 is repealed, reenacted as a new section of KRS Chapter 176, and amended to read as follows:

- (1) The motorcycle safety education program shall offer motorcycle rider training courses designed to develop and instill the knowledge, attitudes, habits, and skills necessary for the proper operation of a motorcycle. The courses shall be taught by instructors approved under *Section 3 of this Act*~~KRS 15A.354~~ and shall include no fewer than eight (8) hours of hands-on instruction for a novice course.
- (2) Rider training courses shall be open to ~~a~~~~any~~ resident of ~~any~~~~the~~ state who is eligible for a motor vehicle instruction permit *in the person's home state*.
- (3) Rider training courses shall be provided free of charge to applicants under eighteen (18) years of age.
- (4) The cabinet shall issue certificates of completion in a manner and form prescribed by administrative regulations promulgated pursuant to KRS Chapter 13A to persons who satisfactorily complete the requirements of a motorcycle rider training course offered or authorized by the state program.
- (5) The Transportation Cabinet shall exempt applicants for a motorcycle driver's license or endorsement from the licensing skill test if they present satisfactory evidence of successful completion of an approved rider training course that includes a similar test of skill.
- (6)
 - (a) The Motorcycle Safety Education Commission shall publish a list of approved rider training courses which meet the licensing requirements.
 - (b) The Motorcycle Safety Education Commission shall publish a list of approved instructor training courses which meet the licensing requirements.

➔Section 3. KRS 15A.354 is repealed, reenacted as a new section of KRS Chapter 176, and amended to read as follows:

- (1) The cabinet shall approve instructors for the motorcycle rider training courses. A person shall not be approved as an instructor unless the person meets the requirements of this section and administrative regulations of the cabinet and holds a currently valid instructor certification issued by the governing body of a program approved under **subsection (6)(b) of Section 2 of this Act**~~[KRS 15A.352(6)(b)]~~.
- (2) The program shall offer instructor training courses to prepare instructors to teach the motorcycle rider training courses. Successful completion of the instructor training course shall require the participant to demonstrate knowledge of the course material, knowledge of proper motorcycle operation, motorcycle riding proficiency, and the necessary aptitude for instructing students. A person shall not be approved as an instructor unless the person has successfully completed the instructor training course or an equivalent course offered in another state.
- (3) The cabinet shall establish additional requirements for the approval of instructors, including but not limited to the following:
 - (a) The person shall have a high school diploma or its equivalent;
 - (b) The person shall be at least eighteen (18) years of age and hold a valid motorcycle driver's license or endorsement;
 - (c) The person shall have at least two (2) years of recent motorcycle riding experience; and
 - (d) The person's driver's license shall not have been suspended or revoked at any time during the preceding two (2) years or at any time within the preceding five (5) years for any alcohol or drug related offense.
- (4) In the case of a nonresident, the cabinet shall obtain and review the person's driving record from the state where the person is licensed prior to approval or reapproval of the person as an instructor.
- (5) The cabinet shall ~~annually~~ review the status of all approved instructors **at least once every two (2) years** and shall withdraw approval from any instructor who is no longer qualified under the requirements of this section. The cabinet shall immediately withdraw approval of an instructor when it receives adequate notice of any disqualification.

➔Section 4. KRS 15A.356 is repealed and reenacted as a new section of KRS Chapter 176 to read as follows:

- (1) The cabinet may enter into contracts with public or private entities for course delivery and for the provision of services or materials necessary for implementation of the program.
- (2) The cabinet may offer motorcycle rider training courses directly and may approve courses offered by independent public or private entities as authorized program courses if they are administered and taught in full compliance with standards established for the state program.
- (3) The cabinet may establish by administrative regulation reasonable enrollment fees to be charged for persons who participate in motorcycle rider training courses offered by the cabinet and for persons who participate in approved courses offered by independent public or private entities.
- (4) The cabinet may utilize up to ten percent (10%) of available program funds each fiscal year to defray its own expenses in offering motorcycle rider training courses and may reimburse entities that offer approved courses for the expenses incurred in offering the courses to minimize course enrollment fees charged to the students.
- (5) The cabinet shall provide meeting facilities and administrative assistance and support to the Motorcycle Safety Education Commission and the expenses shall be paid from the budget of the cabinet. The cabinet shall prepare and maintain all minutes of the commission's proceedings and shall be the custodian of all files and records of the commission.

➔Section 5. KRS 15A.358 is repealed, reenacted as a new section of KRS Chapter 176, and amended to read as follows:

- (1) The motorcycle safety education program fund is established as a restricted fund in the State Treasury. Moneys in the fund are hereby appropriated for the purposes set forth in **Sections 1 to 9 of this Act**~~[KRS 15A.350 to 15A.366]~~. Moneys in the fund shall be utilized to provide motorcycle training courses as established in **Section 2 of this Act**~~[KRS 15A.352]~~ and for implementation of the program, including reimbursement of entities that offer approved motorcycle rider education courses. The **Transportation**~~Justice and Public Safety~~ Cabinet may deduct up to ten percent (10%) of available program funds per fiscal year for administrative costs from the motorcycle safety education program fund.

- (2) If at the end of each fiscal year money remains in the fund, it shall be retained in the fund. The interest and income earned on money in the fund, after deducting any applicable charges, shall be credited to the motorcycle safety education program fund.
- (3) The following revenue shall be credited to the fund:
 - (a) Four dollars (\$4) of the annual registration fee for each registered motorcycle as provided in **Section 12 of this Act** [~~KRS 186.050~~];
 - (b) Four dollars (\$4) of the application fee for a motorcycle instruction permit as provided in KRS 186.531;
 - (c) Ten dollars (\$10) of the fee for each original or renewal motorcycle driver's license or endorsement as provided in KRS 186.531; and
 - (d) Any federal or state motorcycle safety funds granted to the program.

➔Section 6. KRS 15A.360 is repealed, reenacted as a new section of KRS Chapter 176, and amended to read as follows:

The ~~**Transportation**~~ [~~Justice and Public Safety~~] Cabinet shall report monthly to the Interim Joint Committee on Appropriations and Revenue on the revenues deposited into the motorcycle safety education program fund, the expenditures incurred, and the available balance in the fund. In addition, the cabinet shall identify the safety programs provided, the cost of the programs, location, and number of attendees. To facilitate the timely reporting of data under this section, the cabinet shall enter into agreements with entities that provide the training to require monthly billing and attendance records.

➔Section 7. KRS 15A.362 is repealed, reenacted as a new section of KRS Chapter 176, and amended to read as follows:

- (1) The Motorcycle Safety Education Commission is established as an independent body to help foster the growth and development of the motorcycle safety education program established under KRS 15A.350.
- (2) The Motorcycle Safety Education Commission shall be composed of seven (7) members, appointed as follows:
 - (a) One (1) representative of the Department of Kentucky State Police, appointed by the Governor;
 - (b) One (1) representative of the Transportation Cabinet, appointed by the Governor;
 - (c) One (1) instructor in the motorcycle safety education program, appointed by the Governor;
 - (d) Two (2) members of the Kentucky Motorcycle Association, to be appointed by the Governor from a list of five (5) nominees selected by the association;
 - (e) One (1) member appointed by the Governor from a list of three (3) nominees selected by the President of the Senate; and
 - (f) One (1) member appointed by the Governor from a list of three (3) nominees selected by the Speaker of the House of Representatives.
- (3) Members of the Motorcycle Safety Education Commission shall serve a term of four (4) years. Sitting members shall be eligible to succeed themselves.
- (4) Commission members shall receive no compensation for their services and shall not be compensated for expenses incurred from travel or in connection with the performance of their duties as commission members.
- (5) The commission shall elect its chair and vice chair from its membership.
- (6) The commission shall meet quarterly or upon the call of the chair or the request of the secretary of the ~~**Transportation**~~ [~~Justice and Public Safety~~] Cabinet.
- (7) The commission may take action only at meetings where a quorum is present.
- (8) The commission shall keep a record of its meetings and recommendations.
- (9) ***The commission shall be attached to the Office of Highway Safety within the Department of Highways for administrative purposes.***

➔Section 8. KRS 15A.364 is repealed and reenacted as a new section of KRS Chapter 176 to read as follows:

The Motorcycle Safety Education Commission shall have the following responsibilities:

- (1) Approve any administrative regulation relating to the motorcycle safety education program promulgated by the cabinet prior to the administrative regulation being filed with the Legislative Research Commission pursuant to KRS Chapter 13A;
- (2) Approve any proposal by the cabinet to contract for services pursuant to KRS Chapter 45A or any interagency agreement for services relating to the motorcycle safety education program prior to the issuance of the contract or the agreement;
- (3) Approve all expenditures of money relating to the motorcycle safety education program which has not been specifically authorized in the biennial budget;
- (4) Establish for the cabinet the short-range and long-range goals to promote the continued growth and expansion of the motorcycle safety education program;
- (5) Make recommendations regarding the administration of the motorcycle safety education program;
- (6) Ensure that the cabinet and the motorcycle safety education program is informed on the views and philosophies of interested parties; and
- (7) Act as a communication channel between the relevant state agencies and motorcyclists and the general public.

➔Section 9. KRS 15A.366 is repealed and reenacted as a new section of KRS Chapter 176 to read as follows:

The cabinet shall prepare an annual report on the program to be submitted to the Governor and the Legislative Research Commission and made available to the public for review during the cabinet's normal business hours. The report shall include:

- (1) The number and location of courses offered;
- (2) The number of:
 - (a) Applicants that have applied to be instructors during the previous year;
 - (b) Applicants approved to be instructors during the previous year; and
 - (c) Active instructors during the previous year;
- (3) The number of students that registered for the various courses and the number of students that completed the various courses successfully;
- (4) The number of permits, licenses, and registrations issued;
- (5) The amount of money collected by category for permits, licenses, and registrations;
- (6) Other information about program implementation as the cabinet shall deem appropriate; and
- (7) An assessment of the overall impact of the program on motorcycle safety in the state.

The report shall also provide a complete accounting of revenue receipts of the motorcycle safety education program fund and of all moneys expended under the program.

➔Section 10. KRS 186.450 is amended to read as follows:

- (1) A person who is at least sixteen (16) years of age may apply for an instruction permit to operate a motor vehicle. A person who possesses a valid intermediate motor vehicle operator's license issued under KRS 186.452 or a person who is at least eighteen (18) years of age may apply for an instruction permit to operate a motorcycle. A holder of either a motor vehicle or motorcycle instruction permit may also operate a moped under that permit. A person applying for an instruction permit under this section shall make application to the Transportation Cabinet. A person applying for an instruction permit shall be required to comply with the following:
 - (a) If the person is under the age of eighteen (18), the instruction permit application shall be signed by the applicant's parent or legal guardian. If the person does not have a living parent or does not have a legal guardian, the instruction permit application shall be signed by a person willing to assume responsibility for the applicant pursuant to KRS 186.590;
 - (b) If the person is under the age of eighteen (18) and in the custody of the Cabinet for Health and Family Services, the instruction permit application shall be signed by:

1. The applicant's parent, legal guardian, grandparent, adult sibling, aunt, or uncle if the parental rights have not been terminated in accordance with KRS Chapter 625;
 2. The foster parent with whom the applicant resides;
 3. Another person who is at least age eighteen (18) and is willing to assume responsibility for the applicant pursuant to KRS 186.590; or
 4. The applicant, without another person, upon verification by the Cabinet for Health and Family Services in accordance with KRS 605.102 that shall include proof of financial responsibility in accordance with KRS 186.590(2); and
- (c) All applicants for an instruction permit shall comply with the examinations required by KRS 186.480.
- (2) If an applicant successfully passes the examinations required by KRS 186.480, the applicant shall be issued an instruction permit upon payment of the fee set forth in KRS 186.531.
- (3) (a) An instruction permit to operate a motor vehicle shall be valid for three (3) years and may be renewed. An instruction permit to operate a motorcycle shall be valid for one (1) year and may be renewed one (1) time.
- (b) Except as provided in KRS 186.415, a person who has attained the age of sixteen (16) years and is under the age of eighteen (18) years shall have the instruction permit a minimum of one hundred eighty (180) days before applying for an intermediate license and shall have an intermediate license for a minimum of one hundred eighty (180) days before applying for an operator's license.
- (c) A person who was under eighteen (18) years of age at the time of application for an instruction permit and is eighteen (18) years of age or older shall have the instruction permit a minimum of one hundred eighty (180) days and complete a driver training program under KRS 186.410(4) before applying for an operator's license.
- (d) A person who is at least eighteen (18) years of age and is under the age of twenty-one (21) years at the time of application for an instruction permit shall have the instruction permit a minimum of one hundred eighty (180) days before applying for an operator's license.
- (e) A person who is at least twenty-one (21) years of age at the time of application for an instruction permit shall have the instruction permit a minimum of thirty (30) days before applying for an operator's license.
- (f) In accordance with *subsection (5) of Section 2 of this Act* ~~[KRS 15A.352(5)]~~, a person whose motorcycle instruction permit has expired may apply to the cabinet to receive a motorcycle operator's license or endorsement if the person presents proof of successful completion of a motorcycle safety education course approved by the *Transportation* ~~[Justice and Public Safety]~~ Cabinet under *Sections 1 to 9 of this Act* ~~[KRS 15A.350 to 15A.366]~~.
- (4) (a) A person shall have the instruction permit in his possession at all times when operating a motor vehicle, motorcycle, or moped upon the highway.
- (b) When operating a motor vehicle, a motor vehicle instruction permit holder shall be accompanied by a person with a valid operator's license who is at least twenty-one (21) years of age occupying the seat beside the operator at all times.
- (c) The requirements of paragraph (b) of this subsection shall not apply to a motor vehicle instruction permit holder being supervised on a multiple-vehicle driving range by a driver training instructor affiliated with a driver training school licensed under KRS Chapter 332 or a public or nonpublic secondary school.
- (5) A person with an instruction permit who is under the age of eighteen (18) shall not operate a motor vehicle, motorcycle, or moped between the hours of 12 midnight and 6 a.m. unless the person can demonstrate good cause for driving, including but not limited to emergencies, involvement in school-related activities, or involvement in work-related activities.
- (6) Except when accompanied by a driver training instructor affiliated with a driver training school licensed under KRS Chapter 332 or a public or nonpublic secondary school, a person with an instruction permit who is under the age of eighteen (18) years shall not operate a motor vehicle at any time when accompanied by more than one (1) unrelated person who is under the age of twenty (20) years. A peace officer shall not stop or seize a

person nor issue a uniform citation for a violation of this subsection if the officer has no other cause to stop or seize the person other than a violation of this subsection. This subsection shall not apply to any operator of a vehicle registered under the provisions of KRS 186.050(4) who is engaged in agricultural activities.

- (7) A violation under subsection (4), (5), or (6) of this section, a conviction for a moving violation under KRS Chapter 189 for which points are assessed by the cabinet, or a conviction for a violation of KRS 189A.010(1) shall add an additional minimum of one hundred eighty (180) days from the date of the violation before a person who is under the age of eighteen (18) years may apply for an intermediate license to operate a motor vehicle, motorcycle, or moped.
- (8) A person under the age of eighteen (18) who accumulates more than six (6) points against his driving privilege may have the driving privilege suspended pursuant to KRS Chapter 186 or probated by the court.

➔Section 11. KRS 186.531 is amended to read as follows:

- (1) As used in this section:

- (a) "AOC Fund" means the circuit court clerk salary account created in KRS 27A.052;
- (b) "GF" means the general fund;
- (c) "IP" means instruction permit;
- (d) "License Fund" or "LF" means the KYTC photo license account created in KRS 174.056;
- (e) "MC" means motorcycle;
- (f) "MC Fund" or "MCF" means the motorcycle safety education program fund established in *Section 5 of this Act* ~~[KRS 15A.358]~~;
- (g) "OL" means operator's license; and
- (h) "PIDC" means personal identification card.

- (2) The fees imposed for voluntary travel ID operator's licenses, instruction permits, and personal identification cards shall be as follows. The fees received shall be distributed as shown in the table. The fees shown, unless otherwise noted, are for an eight (8) year period:

| Card Type | Fee | LF | GF | MCF |
|--|------|---------|--------|------|
| OL (initial/renewal) | \$48 | \$48 | \$0 | \$0 |
| OL (Under 21) (Up to 4 years) | \$18 | \$18 | \$0 | \$0 |
| Any OL, MC, or combination (duplicate/corrected) | \$15 | \$13.25 | \$1.75 | \$0 |
| Motor vehicle IP (3 years) | \$18 | \$16 | \$2 | \$0 |
| Motorcycle IP (1 year) | \$18 | \$13 | \$1 | \$4 |
| Motorcycle OL (initial/renewal) | \$48 | \$38 | \$0 | \$10 |
| Combination vehicle/MC OL (initial/renewal) | \$58 | \$48 | \$0 | \$10 |
| PIDC (initial/renewal) | \$28 | \$25 | \$3 | \$0 |
| PIDC (duplicate/corrected) | \$15 | \$13.50 | \$1.50 | \$0 |

- (3) Except as provided in subsection (11) of this section, the fees imposed for standard operator's licenses, instruction permits, and personal identification cards shall be as follows:

- (a) If the identity document is issued through a circuit clerk's office, the fees received shall be distributed as shown in the table. The fees shown, unless otherwise noted, are for an eight (8) year period:

| Card Type | Fee | Road Fund | License Fund | AOC Fund | GF | MC Fund |
|-----------|-----|-----------|--------------|----------|----|---------|
| OL | | | | | | |

| | | | | | | |
|------------------------------------|------|---------|-----|--------|--------|------|
| (initial/renewal) | \$43 | \$28 | \$7 | \$8 | \$0 | \$0 |
| OL (Under 21) | | | | | | |
| (Up to 4 years) | \$15 | \$7.50 | \$4 | \$3.50 | \$0 | \$0 |
| Any OL, MC OL or combination | | | | | | |
| (duplicate /corrected) | \$15 | \$5.25 | \$4 | \$4 | \$1.75 | \$0 |
| Motor vehicle IP | | | | | | |
| (3 years) | \$15 | \$5 | \$4 | \$4 | \$2 | \$0 |
| Motorcycle IP | | | | | | |
| (1 year) | \$15 | \$5 | \$4 | \$1 | \$1 | \$4 |
| Motorcycle OL | | | | | | |
| (initial/renewal) | \$43 | \$17.50 | \$8 | \$7.50 | \$0 | \$10 |
| Combination vehicle/MC OL | | | | | | |
| (initial/renewal) | \$53 | \$25 | \$7 | \$11 | \$0 | \$10 |
| PIDC | | | | | | |
| (initial/renewal) | \$23 | \$8 | \$8 | \$4 | \$3 | \$0 |
| PIDC | | | | | | |
| (duplicate/corrected) | \$15 | \$6 | \$4 | \$3.50 | \$1.50 | \$0 |
| PIDC | | | | | | |
| (no fixed address) | | | | | | |
| KRS 186.4122(5) and 186.4123(5) | \$10 | \$0 | \$5 | \$5 | \$0 | \$0 |

(b) If the identity document is issued through a Transportation Cabinet office, the fees received shall be distributed as shown in the table. The fees shown, unless otherwise noted, are for an eight (8) year period:

| Card Type | Fee | LF | GF | MCF |
|---------------------------------|------|---------|--------|------|
| OL(initial/renewal) | \$43 | \$43 | \$0 | \$0 |
| OL (Under 21) (Up to 4 years) | \$15 | \$15 | \$0 | \$0 |
| Any OL, MC, or combination | | | | |
| (duplicate/corrected) | \$15 | \$13.25 | \$1.75 | \$0 |
| Motor vehicle IP (3 years) | \$15 | \$13 | \$2 | \$0 |
| Motorcycle IP (1 year) | \$15 | \$10 | \$1 | \$4 |
| Motorcycle OL (initial/renewal) | \$43 | \$33 | \$0 | \$10 |
| Combination vehicle/MC OL | | | | |
| (initial/renewal) | \$53 | \$43 | \$0 | \$10 |
| PIDC (initial/renewal) | \$23 | \$20 | \$3 | \$0 |
| PIDC (duplicate/corrected) | \$15 | \$13.50 | \$1.50 | \$0 |
| PIDC (no fixed address) under | | | | |

KRS 186.4122(5)/186.4123(5) \$10 \$10 \$0 \$0

- (4) The fee for a second or subsequent duplicate personal identification card for a person who does not have a fixed, permanent address, as allowed under KRS 186.4122(5) and 186.4123(5), shall be the same as for a duplicate regular personal identification card.
- (5) The fee for a four (4) year original or renewal license issued pursuant to KRS 186.4101 shall be fifty percent (50%) of the amount shown in subsections (2) and (3) of this section. The distribution of fees shown in subsections (2) and (3) of this section shall also be reduced by fifty percent (50%) for licenses that are issued for four (4) years.
- (6) Any fee for any identity document applied for using alternative technology under KRS 186.410 and 186.4122 shall be distributed in the same manner as a document applied for in person with the cabinet.
- (7) (a) An applicant for an original or renewal operator's license, permit, commercial driver's license, motorcycle operator's license, or personal identification card shall be requested by the cabinet to make a donation to promote an organ donor program.
- (b) The donation under this subsection shall be added to the regular fee for an original or renewal motor vehicle operator's license, permit, commercial driver's license, motorcycle operator's license, or personal identification card. One (1) donation may be made per issuance or renewal of a license or any combination thereof.
- (c) The fee shall be paid to the cabinet and shall be forwarded by the cabinet on a monthly basis to the Kentucky Circuit Court Clerks' Trust for Life, and such moneys are hereby appropriated to be used exclusively for the purpose of promoting an organ donor program. A donation under this subsection shall be voluntary and may be refused by the applicant at the time of issuance or renewal.
- (8) In addition to the fees outlined in this section, the following individuals, upon application for an initial or renewal operator's license, instruction permit, or personal identification card, shall pay an additional application fee of thirty dollars (\$30), which shall be deposited in the photo license account:
- (a) An applicant who is not a United States citizen or permanent resident and who applies under KRS 186.4121 or 186.4123; or
- (b) An applicant who is applying for a instruction permit, operator's license, or personal identification card without a photo under KRS 186.4102(9).
- (9) (a) Except for individuals exempted under paragraph (c) of this subsection, an applicant for relicensing after revocation or suspension shall pay a reinstatement fee of forty dollars (\$40).
- (b) The reinstatement fee under this subsection shall be distributed by the State Treasurer as follows:
1. Thirty-five dollars (\$35) shall be deposited into the photo license account; and
 2. Five dollars (\$5) shall be deposited into a trust and agency fund to be used in defraying the costs and expenses of administering a driver improvement program for problem drivers.
- (c) This subsection shall not apply to:
1. Any person whose license was suspended for failure to meet the conditions set out in KRS 186.411 when, within one (1) year of suspension, the driving privileges of the individual are reinstated; or
 2. A student who has had his or her license revoked pursuant to KRS 159.051.
- (10) ~~Beginning July 1, 2020,~~ As payment for any fee identified in this section, the cabinet:
- (a) Shall accept cash and personal checks; and
- (b) May accept other methods of payment in accordance with KRS 45.345.
- (11) There shall be no fee assessed for the initial, renewal, or duplicate standard personal identification card to an individual, if the individual:
- (a) Does not possess a valid operator's license or a commercial driver's license; and
- (b) Is at least eighteen (18) years of age on or before the next regular election.

➔Section 12. KRS 186.535 is amended to read as follows:

- (1) From the portion of the fee for each eight (8) year original or renewal operator's license which is assigned to the photo license account under KRS 186.531, two dollars (\$2) shall be credited to a special account within the road fund, and shall be used exclusively by the Transportation Cabinet for the purpose of expanding the state driver education program, and two dollars (\$2) shall be paid to the fiscal court of the county where the driver's license is issued to be used by the fiscal court for county road purposes. The distribution of fees under this subsection shall be reduced by fifty percent (50%) for licenses issued for a four (4) year term in accordance with KRS 186.4101.
- (2) From the fee for each annual registration of a motorcycle pursuant to KRS 186.050, four dollars (\$4) shall be credited to ~~a special account within the road fund and shall be used exclusively for the purpose of~~ the motorcycle safety education program fund pursuant to ***Section 5 of this Act and shall be used exclusively for the purposes outlined in Sections 1 to 9 of this Act***~~[KRS 186.050]~~.

➔Section 13. KRS 176.010 is amended to read as follows:

As used in this chapter, unless the context requires otherwise:

- (1) "Biennial highway construction plan" means the specifically identified individual transportation projects or portions thereof identified for funding during the upcoming biennium, which correspond to the first two (2) years of the six (6) year road plan;
- (2) "Department" means Department of Highways;
- (3) ***"Cabinet" means the Transportation Cabinet;***
- (4) "Lowest and best bidder" includes the reciprocal resident bidder preference described in KRS 176.082;
- ~~(5)(4)~~ "Project" means the design, right-of-way, utility, or construction phase of a highway construction project;
- ~~(6)(5)~~ "Roads" includes highways, bridges, and bridge approaches; and
- ~~(7)(6)~~ "Six (6) year road plan" means the plan developed under KRS 176.430.

➔Section 14. KRS 190.030 is amended to read as follows:

- (1) (a) A motor vehicle dealer, new, used, or auction motor vehicle dealer, nonprofit motor vehicle dealer, motor vehicle leasing dealer, restricted motor vehicle dealer, motorcycle dealer, broker, wholesaler, automotive recycling dealer, new recreational vehicle dealer, a salesperson of motor vehicles, or a salesperson of new recreational vehicles shall not engage in business in this state at any location without a license issued for that location as provided in KRS 190.010 to 190.080.
- (b) If a person ***licensed as a motor vehicle dealer or new recreational vehicle dealer*** acts as a motor vehicle salesperson or a new recreational vehicle salesperson, ***that person***~~he~~ shall secure a motor vehicle salesperson's license or a new recreational vehicle salesperson's license in addition to a license for a motor vehicle dealer or for a new recreational vehicle dealer.
- (c) ***In addition to the authority granted under subsection (6) of this section, the motor vehicle commission may promulgate***~~[provide by]~~ ***administrative regulations in accordance with KRS Chapter 13A to establish licenses and appropriate fees***~~[regulation]~~ for other licensee activities~~[and an appropriate fee]~~.
- (2) A manufacturer of motor vehicles, recreational vehicles, factory branch, distributor, distributor branch, or wholesaler shall not engage in business in this state without a license as provided in KRS 190.010 to 190.080.
- (3) A factory representative or distributor representative shall not engage in business in this state without a license as provided in KRS 190.010 to 190.080.
- (4) Application for license shall be made to the licensor, at a time, in a form, and containing information the licensor shall require and shall be accompanied by the required fee. The licensor may require, ***as part of***~~in~~ the application ***process***~~[or otherwise]~~, information relating to the applicant's solvency, ~~this~~ financial standing, or other pertinent matter commensurate with the safeguarding of the public interest in the locality in which the applicant proposes to engage in business. The information may be considered by the licensor in determining the fitness of the applicant to engage in business as set forth in this section.
- (5) All licenses shall be granted or refused within thirty (30) days after submission of a complete application and shall expire, unless revoked or suspended, on December 31 of the calendar year for which they are granted. If

a complaint of unfair cancellation of dealer franchise is in the process of being heard, a replacement application for the franchise shall not be considered until a decision is rendered by the commission.

- (6) (a) *The commission shall promulgate administrative regulations in accordance with KRS Chapter 13A to establish annual license fees, not to exceed five hundred dollars (\$500), [fee] for:*
1. *New motor vehicle dealers;*
 2. *Used motor vehicle dealers;*
 3. *Motor vehicle leasing dealers;*
 4. *Restricted motor vehicle dealers;*
 5. *Motorcycle dealers;*
 6. *Motor vehicle manufacturers and factory branches;*
 7. *Distributors, motor vehicle auction dealers, and wholesalers;*
 8. *Factory representatives and distributor branch representatives;*
 9. *Automotive mobility dealers;*
 10. *Recreational vehicle manufacturers and distributors; and*
 11. *New recreational vehicle dealers.*
- (b) *The commission shall promulgate administrative regulations in accordance with KRS Chapter 13A to establish annual license fees, not to exceed fifty dollars (\$50), for motor vehicle salespersons and new recreational vehicle salespersons.*
- (c) *The license fee imposed on motor vehicle salespersons and new recreational vehicle salespersons shall be paid by the licensed dealer for every salesperson the dealer employs.*
- (d) *A license fee shall not be imposed on nonprofit motor vehicle dealer salespersons [a calendar year, or part thereof, shall be as follows:*
- ~~(a) For new motor vehicle dealers, one hundred dollars (\$100) for each office or branch or agent thereof, plus one hundred dollars (\$100) for a supplemental license for each used car lot not immediately adjacent to the office or to a branch;~~
 - ~~(b) For used motor vehicle dealers, one hundred dollars (\$100) for each office or branch or agent thereof;~~
 - ~~(c) For motor vehicle leasing dealers, one hundred dollars (\$100) for each office or branch or agent thereof;~~
 - ~~(d) For restricted motor vehicle dealers, one hundred dollars (\$100) for each office or branch or agent thereof;~~
 - ~~(e) For motorcycle dealers, one hundred dollars (\$100) for each office, branch, or agent thereof;~~
 - ~~(f) For motor vehicle manufacturers, one hundred dollars (\$100); and for each factory branch in this state, one hundred dollars (\$100);~~
 - ~~(g) For distributors, motor vehicle auction dealers or wholesalers, the same as for dealers;~~
 - ~~(h) For motor vehicle or recreational vehicle salespersons, twenty dollars (\$20), to be paid by the licensed dealer for every salesperson the dealer employs;~~
 - ~~(i) For factory representatives, or distributor branch representatives, one hundred dollars (\$100);~~
 - ~~(j) For automotive mobility dealers, one hundred dollars (\$100);~~
 - ~~(k) For nonprofit motor vehicle dealers, one hundred dollars (\$100);~~
 - ~~(l) For nonprofit motor vehicle dealer salespersons, a license fee shall not be imposed;~~
 - ~~(m) For recreational vehicle manufacturers or distributors, one hundred dollars (\$100); and~~
 - ~~(n) For new recreational vehicle dealers, one hundred dollars (\$100)].~~
- (7) (a) The licenses of dealers, manufacturers, factory branches, distributors, and distributor branches shall specify the location of the office or branch and shall be conspicuously displayed there. If the location is

changed, the licensor shall endorse the change of location on the license. A licensee shall not be charged a fee for changing locations. A change of location shall require a new application.

- (b) 1. A motor vehicle dealer who is not a new motor vehicle dealer may conduct a temporary sale or display in the county where the dealer is licensed to conduct business.
- 2. A new motor vehicle dealer may conduct a temporary sale or display in the dealer's market as defined in KRS 190.047(6).
- 3. A recreational vehicle dealer may conduct a temporary sale or display in the county where the dealer is licensed to conduct business or in any other county where there is no licensed recreational vehicle dealer.
- (c) A temporary sale or display may be conducted under this subsection if the temporary sale or display is permitted under an enabling ordinance enacted by the city, county, urban-county, or consolidated local government within whose boundaries the temporary sale or display is to be conducted. A temporary sale or display shall be advertised as temporary in nature and shall consist of a representative sampling of the inventory of each participating licensee.
- (d) The provisions of this subsection shall not apply to a nonprofit motor vehicle dealer.
- (8) Every salesperson, factory representative, or distributor representative shall carry his license when engaged in business, and display it upon request. The license shall name his employer; and in case of a change of employer, the salesperson shall immediately mail his license to the licensor who shall endorse the change on the license without charge.
- (9) If the licensor has reasonable cause to doubt the financial responsibility or the compliance by the applicant or licensee with the provisions of this statute, the licensor may require the applicant or licensee to furnish and maintain a bond in a form, amount and with sureties up to one hundred thousand dollars (\$100,000), conditioned upon the applicant or licensee complying with the provisions of the statutes applicable to the licensee. The bonds shall be executed in the name of the State of Kentucky for the benefit of any aggrieved parties, but the penalty of the bond shall not be invoked except after a court adjudication. The commission may promulgate administrative regulations to permit the applicant to submit evidence, in lieu of posting bond, that reliable financial arrangements, deposits, or commitments exist providing assurance, substantially equivalent to that afforded by a bond complying with this subsection, for payment on conditions and indemnity set forth in this subsection. The bonding requirements of this subsection shall not apply to manufacturers, factory branches, and their agents.
- (10) Application for dealer's license shall be submitted to the commission and contain information the commission may require. A motor vehicle dealer, unless licensed under KRS 190.010 to 190.080, shall not be permitted to register, receive, or use any motor vehicle registration plates.
- (11) Every motor vehicle dealer or new recreational vehicle dealer licensed in accordance with the provisions of this section shall make reports to the licensor at intervals and show information the licensor may require.

➔Section 15. (1) The Legislative Program Review and Investigations Committee shall review the system of traffic safety programs for traffic offenders operated by county attorneys in the Commonwealth.

(2) The review under this section shall cover Fiscal Year 2019-2020.

(3) The Legislative Program Review and Investigations Committee shall report, at a minimum, preliminary findings of the review required under this section by December 29, 2021.

(4) The Legislative Research Commission shall have the authority to alternatively assign the issues identified herein to an interim joint committee or subcommittee thereof and to designate a study completion date.

➔Section 16. The General Assembly hereby confirms Executive Order 2020-992, which transfers the Motorcycle Safety Education Commission and the Motorcycle Safety Education Program from the Justice and Public Safety Cabinet to the Transportation Cabinet.

➔Section 17. KRS 186.450 is amended to read as follows:

- (1) A person who is at least sixteen (16) years of age may apply for an instruction permit to operate a motor vehicle. A person who possesses a valid intermediate motor vehicle operator's license issued under KRS 186.452 or a person who is at least eighteen (18) years of age may apply for an instruction permit to operate a motorcycle. A holder of either a motor vehicle or motorcycle instruction permit may also operate a moped

under that permit. A person applying for an instruction permit under this section shall make application to the Transportation Cabinet. A person applying for an instruction permit shall be required to comply with the following:

- (a) If the person is under the age of eighteen (18), the instruction permit application shall be signed by the applicant's parent or legal guardian. If the person does not have a living parent or does not have a legal guardian, the instruction permit application shall be signed by a person willing to assume responsibility for the applicant pursuant to KRS 186.590;
 - (b) If the person is under the age of eighteen (18) and in the custody of the Cabinet for Health and Family Services, the instruction permit application shall be signed by:
 - 1. The applicant's parent, legal guardian, grandparent, adult sibling, aunt, or uncle if the parental rights have not been terminated in accordance with KRS Chapter 625;
 - 2. The foster parent with whom the applicant resides;
 - 3. Another person who is at least age eighteen (18) and is willing to assume responsibility for the applicant pursuant to KRS 186.590; or
 - 4. The applicant, without another person, upon verification by the Cabinet for Health and Family Services in accordance with KRS 605.102 that shall include proof of financial responsibility in accordance with KRS 186.590(2); and
 - (c) All applicants for an instruction permit shall comply with the examinations required by KRS 186.480.
- (2) If an applicant successfully passes the examinations required by KRS 186.480, the applicant shall be issued an instruction permit upon payment of the fee set forth in KRS 186.531.
- (3) (a) An instruction permit to operate a motor vehicle shall be valid for three (3) years and may be renewed. An instruction permit to operate a motorcycle shall be valid for one (1) year and may be renewed one (1) time.
- (b) Except as provided in KRS 186.415, a person who has attained the age of sixteen (16) years and is under the age of eighteen (18) years shall have the instruction permit a minimum of one hundred eighty (180) days before applying for an intermediate license and shall have an intermediate license for a minimum of one hundred eighty (180) days before applying for an operator's license.
- (c) A person who was under eighteen (18) years of age at the time of application for an instruction permit and is eighteen (18) years of age or older shall have the instruction permit a minimum of one hundred eighty (180) days and complete a driver training program under KRS 186.410(4) before applying for an operator's license.
- (d) A person who is at least eighteen (18) years of age and is under the age of twenty-one (21) years at the time of application for an instruction permit shall have the instruction permit a minimum of one hundred eighty (180) days before applying for an operator's license.
- (e) A person who is at least twenty-one (21) years of age at the time of application for an instruction permit shall have the instruction permit a minimum of thirty (30) days before applying for an operator's license.
- (f) In accordance with KRS 15A.352(5), a person whose motorcycle instruction permit has expired may apply to the cabinet to receive a motorcycle operator's license or endorsement if the person presents proof of successful completion of a motorcycle safety education course approved by the Justice and Public Safety Cabinet under KRS 15A.350 to 15A.366.
- (4) (a) A person shall have the instruction permit in his possession at all times when operating a motor vehicle, motorcycle, or moped upon the highway.
- (b) When operating a motor vehicle, a motor vehicle instruction permit holder shall be accompanied by a person with a valid operator's license who is at least twenty-one (21) years of age occupying the seat beside the operator at all times.
- (c) The requirements of paragraph (b) of this subsection shall not apply to a motor vehicle instruction permit holder being supervised on a multiple-vehicle driving range by a driver training instructor affiliated with a driver training school licensed under KRS Chapter 332 or a public or nonpublic secondary school.

- (5) A person with an instruction permit who is under the age of eighteen (18) shall not operate a motor vehicle, motorcycle, or moped between the hours of 12 midnight and 6 a.m. unless the person can demonstrate good cause for driving, including but not limited to emergencies, involvement in school-related activities, or involvement in work-related activities.
- (6) Except when accompanied by a driver training instructor affiliated with a driver training school licensed under KRS Chapter 332 or a public or nonpublic secondary school, a person with an instruction permit who is under the age of eighteen (18) years shall not operate a motor vehicle at any time when accompanied by more than one (1) unrelated person who is under the age of twenty (20) years. A peace officer shall not stop or seize a person nor issue a uniform citation for a violation of this subsection if the officer has no other cause to stop or seize the person other than a violation of this subsection. This subsection shall not apply to any operator of a vehicle registered under the provisions of KRS 186.050(4) who is engaged in agricultural activities.
- (7) A violation under subsection (4), (5), or (6) of this section, a conviction for a moving violation under KRS Chapter 189 for which points are assessed by the cabinet, or a conviction for a violation of KRS 189A.010(1) shall add an additional minimum of one hundred eighty (180) days from the date of the violation before a person who is under the age of eighteen (18) years may apply for an intermediate license to operate a motor vehicle, motorcycle, or moped.
- (8) A person under the age of eighteen (18) who accumulates more than six (6) points against his driving privilege may have the driving privilege suspended pursuant to KRS Chapter 186 or probated by the court.
- (9) ***The Transportation Cabinet shall promulgate administrative regulations, in accordance with KRS Chapter 13A, to establish procedures for:***
 - (a) ***Minors who reside with individuals in informal guardianship arrangements to have an adult who resides with them sign the minor's application and assume responsibility in accordance with subsection (1) of this section;***
 - (b) ***Individuals who have signed for responsibility under subsection (1) of this section to rescind that assumption of responsibility;***
 - (c) ***Notifying minors when an adult has rescinded responsibility under subsection (1) of this section; and***
 - (d) ***Allowing minors for whom an adult has rescinded responsibility under subsection (1) of this section, to obtain a new signature of an individual assuming responsibility without having to retake any examinations the minor has successfully passed.***

Signed by Governor April 6, 2021.