

**CHAPTER 152****( HB 493 )**

AN ACT relating to the towing and storage of motor vehicles.

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

➔Section 1. KRS 281.630 is amended to read as follows:

- (1) A person shall not act as a motor carrier without first obtaining a certificate from the department.
- (2) A certificate for the intrastate transportation of passengers or property, including household goods, shall be issued to any qualified applicant authorizing operation covered by the application, if it is found that the applicant conforms to the provisions of this chapter and the requirements of the administrative regulations promulgated in accordance with this section.
- (3) (a) The department shall issue the following certificates:
  1. Taxicab certificate;
  2. Limousine certificate;
  3. Disabled persons vehicle certificate;
  4. Transportation network company certificate;
  5. Household goods certificate;
  6. Charter bus certificate;
  7. Bus certificate;
  8. U-Drive-It certificate;
  9. Property certificate;
  10. Driveaway certificate;
  11. Peer-to-peer car sharing certificate;~~[-and]~~
  12. Automobile utility trailer certificate; *and*
  13. *Towing and storage certificate.*
- (b) Application for a certificate shall be made in such form as the department may require. The department shall receive an application fee of two hundred fifty dollars (\$250) for all applications, except that the department shall receive an application fee of twenty-five dollars (\$25) for a property certificate.
- (c) Before the department may issue a certificate, an applicant shall:
  1. Pay the application fee established under paragraph (b) of this subsection;
  2. For entities other than TNCs and peer-to-peer car sharing companies, file a motor carrier vehicle license application for each motor carrier vehicle as required by KRS 281.631. The applicant shall file at least one (1) motor carrier vehicle license application before being eligible for a certificate;
  3. For TNCs, file a TNC authority application with the department pursuant to administrative regulations promulgated by the department;
  4. For peer-to-peer car sharing companies, file a peer-to-peer car sharing certificate application with the department pursuant to administrative regulations promulgated by the department;
  5. File with the department one (1) or more approved indemnifying bonds or insurance policies as required by KRS 281.655;
  6. For taxicab, limousine, disabled persons vehicle, TNC, household goods, charter bus, and bus certificates, obtain and retain for a period of at least three (3) years, a nationwide criminal background check, in compliance with KRS 281.6301, of each owner, official, employee,

independent contractor, or agent operating a passenger vehicle or household goods vehicle or entering a private residence or storage facility for the purpose of providing or facilitating the transportation of household goods;

7. For household goods certificates, file with the department a current tariff;~~and~~
  8. For a bus certificate, file with the department authorization from a city as required by KRS 281.635; **and**
  9. ***For towing and storage certificates, the applicant shall have a rate sheet on file with the department. All rates included shall be reasonable and customary to Kentucky.***
- (4) (a) Every certificate shall be renewed annually. Application for renewal shall be in such form as the department may require.
- (b) A certificate not renewed within one (1) calendar year after the date for its renewal shall become null and void.
- (c) The department shall not renew any certificate if it has been revoked or, if suspended, during the period of any suspension. A certificate shall not be considered revoked or suspended when an appeal of the revocation or suspension is pending in a court of competent jurisdiction.
- (d) For the renewal of an intrastate certificate, the department shall receive a fee of two hundred fifty dollars (\$250), except for an application for renewal of a property certificate, for which the department shall receive a fee of twenty-five dollars (\$25).
- (e) Before the department may renew a certificate, the certificate holder shall:
1. Pay the renewal fee established under paragraph (d) of this subsection;
  2. For the entities other than TNCs and peer-to-peer car sharing companies, file a motor carrier vehicle license application or renewal for each motor carrier vehicle as required by KRS 281.631. The certificate holder shall file at least one (1) motor carrier vehicle license application or renewal before being eligible for renewal;
  3. For TNCs, file a TNC authority application with the department pursuant to administrative regulations promulgated by the department;
  4. For peer-to-peer car sharing companies, file a peer-to-peer car sharing certificate application with the department pursuant to administrative regulations promulgated by the department;
  5. File with the department one (1) or more approved indemnifying bonds or insurance policies as required by KRS 281.655;
  6. Every three (3) years, for taxicab, limousine, disabled persons vehicle, TNC, household goods, charter bus, and bus certificates, obtain and retain for a period of at least three (3) years, a nationwide criminal background check in compliance with KRS 281.6301, of each owner, official, employee, independent contractor, or agent operating a passenger vehicle or entering a private residence or storage facility for the purpose of providing or facilitating the transportation of household goods. However, within the three (3) year period:
    - a. If a new owner, official, employee, independent contractor, or agent joins the certificate holder and performs the aforementioned duties; or
    - b. If the certificate holder has knowledge that a current owner, official, employee, independent contractor, or agent who performs the aforementioned duties has been convicted of or pled guilty to any of the offenses listed in KRS 281.6301(2);

then the certificate holder shall obtain and retain for a period of at least three (3) years, a nationwide criminal background check for that owner, official, employee, independent contractor, or agent;~~and~~
  7. For household goods certificates, have on file with the department a current tariff; **and**
  8. ***For towing and storage certificates, have on file with the department a current rate sheet.***
- (5) (a) A motor carrier operating under a household goods certificate shall, at all times the certificate is in effect, maintain on file with the department a current tariff.

- (b) Except for a household goods certificate holder that has had only an out-of-state address on file with the department prior to January 1, 2015, all certificate holders shall maintain on file with the department an address within the Commonwealth. The certificate holder shall keep open for public inspection at that address such information as the department may require.
  - (c) The certificate holder shall not charge, demand, collect, or receive a greater, less, or different compensation for the transportation of household goods or for any service in connection therewith, than the tariff filed with the department and in effect at the time would require. A certificate holder shall not make or give any unreasonable preference or advantage to any person, or subject any person to any unreasonable discrimination.
- (6) A certificate shall not be transferred unless the transfer involves either the change of the legal name of the existing certificate holder or the incorporation of a sole proprietor certificate holder.
  - (7) A certificate authorizing a person to act as an automobile utility trailer lessor shall also authorize the agents of the person to act on his or her behalf during the period of their agency.
  - (8) A motor carrier vehicle shall not be operated after the expiration of the certificate under which it is operated.
  - (9) A person shall not knowingly employ the services of a motor carrier not authorized to perform such services.
  - (10) If the department, after a hearing held upon its own motion or upon complaint, finds any existing rate unjustly discriminatory, or finds the services rendered or facilities employed by any motor carrier to be unsafe, inadequate, inconvenient, or in violation of law or of the administrative regulations of the department, it may by final order do any or all of the following:
    - (a) Require the certificate holder to follow any rate or time schedule in effect at the time of service;
    - (b) Require the certificate holder to issue a refund to the complainant;
    - (c) Require the certificate holder to pay the fine set out in KRS 281.990 to the department; and
    - (d) Determine the reasonable, safe, adequate, and convenient service to be thereafter furnished.
  - (11) Hearings conducted under authority of this section shall be conducted in the same manner as provided in KRS 281.640.
  - (12) (a) Subject to the limitation of paragraph (b) of this subsection, the department shall have the power to promulgate administrative regulations as it may deem necessary to carry out the provisions of this section.
    - (b) Any administrative regulation that reasonably applies only to a human driver shall not apply to the operation of a fully autonomous vehicle licensed under this section.

➔Section 2. KRS 281.631 is amended to read as follows:

- (1) No person shall act as a motor carrier without first obtaining a motor carrier vehicle license from the department for each motor carrier vehicle.
- (2) Application for and renewal of a motor carrier vehicle license shall be made in such form as the department may require. Every motor carrier vehicle license shall be renewed annually.
- (3) (a) Except as permitted under paragraph (b) of this subsection, an applicant or license holder shall pay to the department the following annual license fees:
  - 1. Thirty dollars (\$30) for each taxicab, limousine, TNC, or disabled persons vehicle;
  - 2. Ten dollars (\$10) for each motor carrier vehicle transporting household goods for hire;
  - 3. One hundred dollars (\$100) for each charter bus or bus;
  - 4. Fifteen dollars (\$15) for each motor carrier vehicle operating as a U-Drive-It;
  - 5. Ten dollars (\$10) for each motor carrier vehicle transporting property other than household goods and those exempt under KRS 281.605;
  - 6. Ten dollars (\$10) for each motor carrier vehicle operating as a driveaway;~~and~~
  - 7. Ten dollars (\$10) for each automobile utility trailer; **and**

**8. *Ten dollars (\$10) for each tow truck that is not actively registered with the unified carrier registration.***

- (b) The cabinet may promulgate administrative regulations to set forth an optional motor carrier vehicle license fee schedule under this subsection on a bulk basis for applicants who employ or contract with more than fifty (50) vehicles. Bulk application fees under these administrative regulations may use a tiered system based on the type of certificate and the number of vehicles.
- (4) Before the department may issue or renew a motor carrier vehicle license, the applicant or license holder shall:
  - (a) Pay the fee established under subsection (3) of this section;
  - (b) For a taxicab, limousine, disabled persons vehicle, TNC vehicle, charter bus, and bus, provide a copy of the vehicle registration for each out-of-state registered motor carrier vehicle being licensed, and if necessary, a statement showing that the driver is an insured driver of the vehicle, and that the registered owner or lessee authorizes the use of the vehicle for TNC services; and
  - (c) For a taxicab, limousine, disabled persons vehicle, TNC vehicle, charter bus, and bus, obtain and retain for a period of at least three (3) years, an inspection of the motor vehicle in the manner and form as the department may require.
- (5) No motor carrier vehicle shall be operated after the expiration of the motor carrier vehicle license under which it is operated.
- (6) All cities or counties of the Commonwealth may impose an annual license fee on an intrastate taxicab, limousine, or disabled persons vehicle operated from said city or county. The annual license fee shall not exceed thirty dollars (\$30) per vehicle.
- (7) Notwithstanding any other provisions of this section, nonresident motor carriers engaged in transporting passengers for hire in irregular route interstate charter or special operations shall be exempt from all fees prescribed in this chapter, if reciprocal privileges are granted to similar nonresident carriers by the laws and regulations of his or her state.
- (8) If any person required to pay a license fee under subsection (3) of this section begins the operation of an additional motor carrier vehicle after the date of its certificate or renewal, the fee shall be as many twelfths of the annual fee as there are unexpired months in the certificate or renewal year.
- (9) The department may promulgate administrative regulations as it deems necessary to carry out.

➔Section 3. KRS 281.928 is amended to read as follows:

- (1) Within one (1) business day of the removal, a towing company shall contact the cabinet in order to ascertain the identity of the owner and any lienholder of any motor vehicle registered in Kentucky which it has towed and, within ten (10) days of the removal, shall, by certified mail, provide notice to the owner and any lienholder at the address or addresses of record, when a motor vehicle has been:
  - (a) Towed under KRS 281.924 or 281.926;
  - (b) Involuntarily towed or transported pursuant to order of police, other public authority, or private person or business for any reason;
  - (c) 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
  - (d) In any other situation, involuntarily towed or transported by order of police, other authority, or by private person or business. If the lienholder is a registered organization listed in the business records of the Secretary of State, the cabinet shall provide the address listed for the lienholder.
- (2) The cabinet shall, within two (2) business days, provide the towing company the name and address of the owner and lienholder of any motor vehicle requested pursuant to subsection (1) of this section.
- (3)
  - (a) 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 provide the notice required in subsection (1) of this section, by certified mail, to the owner and any lienholder at the address or addresses of record of the motor vehicle within ten (10) days of recovery of, or taking possession of, the motor vehicle.
  - (b) Any notice sent under this subsection shall comply with the notification provisions of subsection (4) of this section and shall include an estimated itemized invoice pursuant to KRS 281.926(5) that specifies

the amount of charges for towing, recovery, storage, transporting, and other applicable charges due on the vehicle.

- (c) If the owner of the storage facility fails to provide notice as provided in this section, the motor vehicle storage facility shall forfeit all storage fees accrued after ten (10) days from the date of tow.
  - (d) This subsection shall not apply to a garage or storage facility owned or operated by a government entity.
- (4) Any notification required under subsection (1) or (2) of this section shall include:
- (a) The date and time the vehicle was towed;
  - (b) The location from which the vehicle was towed;
  - (c) The name, address, and telephone number where the vehicle will be located;
  - (d) The location, address, and phone number where payment and business transactions take place if different from the business address;
  - (e) The name, address, and phone number of the towing company or storage facility;
  - (f) A description of the towed vehicle which shall at a minimum include the make, model, year, vehicle identification number, and color of the towed vehicle;
  - (g) The license plate number and state of registration of the towed vehicle; and
  - (h) A copy of the rate sheet required in KRS 281.926(2), if the vehicle was towed by a towing company operating under this chapter and vehicles are being held in a storage facility or garage.
- (5) If a vehicle described in subsection (1) of this section is determined to be a corporately owned motor vehicle, the notices required under subsections (1) and (2) of this section shall be sent to the corporate address listed on the registration. A motor vehicle under this subsection shall be held for up to forty-five (45) days to allow the motor vehicle owner or lienholder to retrieve the towed motor vehicle. The rate charged shall be the standard daily rate of the towing company or storage facility. If at any time more than one (1) motor vehicle owned by the same corporation is under the control of a towing company or storage facility, each motor vehicle shall be processed under a separate transaction.
- (6) ***If a vehicle described in subsection (1) of this section is being held for potential evidence in a civil or criminal investigation, the entity requesting the hold shall provide written notice to the vehicle owner within five (5) business days of a hold being initiated and within two (2) business days of a hold being released. The notice required under this subsection shall be transmitted either electronically or by certified mail.***
- (7) A towing company or storage facility that has met the provisions of this section may sell the towed vehicle in accordance with KRS 359.230.
- ➔Section 4. KRS 281.930 is amended to read as follows:
- (1) This section applies to towing companies that tow and store motor vehicles, and to storage facilities that store vehicles towed by a towing company, regardless of whether the towing company and the storage facilities are affiliates.
  - (2) Upon payment of all costs incurred against a motor vehicle towed and stored under this chapter, the towing company or storage facility shall release the motor vehicle to:
    - (a) A properly identified owner or lienholder of the motor vehicle; or
    - (b) An authorized representative of the insurance company or its contracted service provider insuring the motor vehicle if the:
      - 1. Motor vehicle is covered by an active policy of insurance and the insurance representative provides proof of coverage; or
      - 2. Owner of the motor vehicle approves release of the vehicle to the insurance company representative.
  - (3) (a) Prior to payment of fees and release of the motor vehicle, a storage facility or towing company shall not refuse the right of physical inspection of the towed vehicle during posted business hours by:

1. An owner;
  2. A lienholder;
  3. A representative of the insurance company that insures the motor vehicle; or
  4. A contracted service provider of the insurance company.
- (b) The inspection of a vehicle that is being held as evidence by a law enforcement agency shall only occur if authorized by the investigating law enforcement agency. The law enforcement agency may impose any or all of the following restrictions:
1. Restrict the inspection to visual and touchless only; or
  2. Require any persons or entities outlined in paragraph (a) of this subsection to be accompanied by a law enforcement officer.
- (4) A towing company or storage facility shall accept payment made by any of the following means from an individual seeking to release a motor vehicle:
- (a) Cash;
  - (b) Check from an insurer or its agent;
  - (c) Credit card;
  - (d) Debit card;
  - (e) Money order; or
  - (f) Check drawn by a bank or other financial institution.
- (5) Upon receiving payment of all costs incurred against a motor vehicle, a towing company or storage facility shall provide to the person making payment an itemized receipt in accordance with KRS 281.926(4) and (5) to the extent the information is known or available.
- (6) A towing company or storage facility shall be open for business or accessible by telephone during posted business hours. A towing company or storage facility shall provide a telephone number available on a twenty-four (24) hour basis to receive calls and messages from callers, including calls made outside posted business hours. All calls made to a towing company or storage facility shall be returned within twenty-four (24) hours from the time received. However, if adverse weather, an emergency situation, or another act over which the towing company or storage facility has no control prevents the towing company or storage facility from returning calls within twenty-four (24) hours, the towing company or storage facility shall return all calls received as quickly as possible.
- (7) (a) *Storage fees may be charged by a towing company or storage facility during a hold period initiated for potential evidence in any criminal or civil investigation.*
- (b) *Subject to the conditions in paragraph (c) of this subsection, a reasonable daily storage rate of no more than the daily storage rate included on the published rate sheet may be charged during the hold period. A towing company or storage facility shall not charge any additional fee or combination of fees during the hold period other than:*
1. *A daily storage fee; or*
  2. *Fees charged in accordance with the rate sheet for completed labor to assist with an inspection, as directed by the entity overseeing the investigation.*
- (c) *If an insurer offers to provide a secure facility for storage during the hold period at no cost, the entity requesting the hold may allow the vehicle to be moved to the insurer's facility.*
- (d) *Upon release of the hold and payment from the owner or insurer for all towing and storage charges set forth by the published rate sheet, the vehicle shall be released to the owner, insurer, or representative of the insurer.*

➔Section 5. KRS 281.926 is amended to read as follows:

- (1) This section applies to any towing company that engages in, or offers to engage in, emergency towing.
- (2) ~~Prior to attaching a motor vehicle to the tow truck,~~ The towing company shall furnish the vehicle's owner or operator, if the owner or operator is present at the scene of the disabled vehicle, ~~or~~ ~~and~~ upon the owner's or

operator's request, a rate sheet listing all rates for towing services, including but not limited to all rates for towing and associated fees, cleanup, labor, storage, and any other services provided by the towing company.

- (3) (a) Any towing company or storage facility shall:
  1. Post a rate sheet as described in subsection (2) of this section at its place of business;
  2. Provide a current rate sheet to the nearest Department of Kentucky State Police post and any law enforcement agency in its service area;~~and~~
  3. Make the rate sheet available upon a customer's request; *and*
  4. ***Have only one (1) rate sheet that is applicable to all customers, regardless of the customer or entity responsible for payment of the services provided. This subparagraph shall not apply to negotiated rates in a contract between a towing company or storage facility and a law enforcement entity.***
- (b) Any charge in excess of the rate sheets provided under this subsection shall be deemed excessive. ***Any payments made that are deemed excessive shall be refunded to the payor within thirty (30) days of notification to the towing company or storage facility by the department. Any charge deemed excessive from a towing company or storage facility in relation to a property, casualty, or property and casualty insurance policy shall be a fraudulent insurance act in violation of KRS 304.47-020.***
- (c) If a towing company fails to comply with any of the provisions of this subsection, the Department of Kentucky State Police and any local law enforcement agency in the company's service area shall remove that towing company from its wrecker log for a period of:
  1. Six (6) months for the first violation; and
  2. One (1) year for any subsequent violation.
- (4) An itemized invoice of actual towing charges assessed by a towing company for a completed tow shall be made available to the owner of the motor vehicle or the owner's agent no later than one (1) business day after:
  - (a) The tow is completed; or
  - (b) The towing company has obtained all necessary information to be included on the invoice, including any charges submitted by subcontractors used by the towing company to complete the tow and recovery.
- (5) The itemized invoice required under subsection (4) of this section shall contain the following information:
  - (a) The date and time the motor vehicle was towed;
  - (b) The location to which the motor vehicle was towed;
  - (c) The name, address, and telephone number of the towing company;
  - (d) A description of the towed motor vehicle, including the color, make, model, year, and vehicle identification number of the motor vehicle;
  - (e) The license plate number and state of registration for the towed motor vehicle;
  - (f) The cost of the original towing service;
  - (g) The cost of any vehicle storage fees, expressed as a daily rate;
  - (h) Other fees, including documentation fees and motor vehicle search fees; and
  - (i) A list of the services that were performed under a warranty or that were otherwise performed at no cost to the owner of the motor vehicle.
- (6) Any service or fee in addition to the services or fees described in subsection (5)(f), (g), or (h) of this section shall be set forth individually as a single line item on the invoice required by this section, with an explanation and the exact charge for the service or the exact amount of the fee.
- (7) A copy of each invoice and receipt submitted by a tow truck operator in accordance with this section shall:
  - (a) Be retained by the towing company for a period of two (2) years from the date of issuance; and

- (b) Throughout the two (2) year period described in this subsection, be made available for inspection and copying not later than forty-eight (48) hours after receiving a written request for inspection from:
1. A law enforcement agency;
  2. The Attorney General;
  3. A city attorney, county attorney, or the prosecuting attorney having jurisdiction in the location of any of the towing company's business locations;
  4. The disabled motor vehicle's owner or lienholder;
  5. An agent of the disabled motor vehicle's owner or lienholder; or
  6. Any individual involved in the underlying collision, his or her respective insurance companies, or his or her legal representatives, if the disabled motor vehicle was involved in a collision.

➔Section 6. KRS 281.010 is amended to read as follows:

As used in this chapter:

- (1) "Automobile club" means a person that, for consideration, promises to assist its members or subscribers in matters relating to the assumption of or reimbursement of the expense or a portion thereof for towing of a motor vehicle; emergency road service; matters relating to the operation, use, and maintenance of a motor vehicle; and the supplying of services which includes, augments, or is incidental to theft or reward services, discount services, arrest bond services, lock and key services, trip interruption services, and legal fee reimbursement services in defense of traffic-related offenses;
- (2) "Automobile utility trailer" means any trailer or semitrailer designed for use with and towed behind a passenger motor vehicle;
- (3) "Automobile utility trailer certificate" means a certificate authorizing a person to engage in the business of automobile utility trailer lessor;
- (4) "Automobile utility trailer lessor" means any person operating under an automobile utility trailer certificate who is engaged in the business of leasing or renting automobile utility trailers, but shall not include the agents of such persons;
- (5) "Broker" means a person selected by the cabinet through a request for proposal process to coordinate human service transportation delivery within a specific delivery area. A broker may also provide transportation services within the specific delivery area for which the broker is under contract with the cabinet;
- (6) "Bus" means a motor vehicle operating under a bus certificate transporting passengers for hire between points over regular routes;
- (7) "Bus certificate" means a certificate granting authority for the operation of one (1) or more buses;
- (8) "Cabinet" means the Kentucky Transportation Cabinet;
- (9) "Certificate" means a certificate of compliance issued under this chapter to motor carriers;
- (10) "Charter bus" means a motor vehicle operating under a charter bus certificate providing for-hire intrastate transportation of a group of persons who, pursuant to a common purpose under a single contract at a fixed charge for the motor vehicle, have acquired the exclusive use of the motor vehicle to travel together under an itinerary either specified in advance or modified after having left the place of origin;
- (11) "Charter bus certificate" means a certificate granting authority for the operation of one (1) or more charter buses;
- (12) "Commissioner" means the commissioner of the Department of Vehicle Regulation;
- (13) "CTAC" means the Coordinated Transportation Advisory Committee created in KRS 281.870;
- (14) "Department" means the Department of Vehicle Regulation;
- (15) "Delivery area" means one (1) or more regions established by the cabinet in administrative regulations promulgated under KRS Chapter 13A for the purpose of providing human service transportation delivery in that region;
- (16) "Disabled persons vehicle carrier" means a motor carrier for hire, transporting passengers including the general public who require transportation in disabled persons vehicles;



- (17) "Disabled persons vehicle" means a motor vehicle operating under a disabled persons vehicle certificate especially equipped for the transportation of passengers with disabilities in accordance with 49 C.F.R. pt. 38, and is designed or constructed with not more than fifteen (15) regular seats. It shall not mean an ambulance as defined in KRS 311A.010. It shall not mean a motor vehicle equipped with a stretcher;
- (18) "Disabled persons vehicle certificate" means a certificate granting authority for the operation of one (1) or more disabled persons vehicles transporting passengers for hire;
- (19) "Driveaway" means the transporting and delivering of motor vehicles, except semitrailers and trailers, whether destined to be used in either a private or for-hire capacity, under their own power or by means of a full mount method, saddle mount method, the tow bar method, or any combination of them over the highways of this state from any point of origin to any point of destination for hire. "Driveaway" does not include the transportation of such vehicles by the full mount method on trailers or semitrailers;
- (20) "Driveaway certificate" means a certificate granting authority for the operation of one (1) or more motor carrier vehicles operating as a driveaway;
- (21) "Driver" means the person physically operating the motor vehicle;
- (22) "Flatbed/rollback service" means a form of towing service which involves moving vehicles by loading them onto a flatbed platform;
- (23) "Fully autonomous vehicle" has the same meaning as in KRS 186.760;
- (24) "Highway" means all public roads, highways, streets, and ways in this state, whether within a municipality or outside of a municipality;
- (25) "Household goods" has the same meaning as in 49 C.F.R. sec. 375.103;
- (26) "Household goods carrier" has the same meaning as "household goods motor carrier" in 49 C.F.R. sec. 375.103;
- (27) "Household goods certificate" means a certificate granting authority for the operation of one (1) or more household goods vehicles;
- (28) "Human service transportation delivery" means the provision of transportation services to any person that is an eligible recipient in one (1) of the following state programs:
  - (a) Nonemergency medical transportation under KRS Chapter 205;
  - (b) Mental health, intellectual disabilities, or comprehensive care under KRS Chapter 202A, 202B, 210, or 645;
  - (c) Work programs for public assistance recipients under KRS Chapter 205;
  - (d) Adult services under KRS Chapter 205, 209, 216, or 273;
  - (e) Vocational rehabilitation under KRS Chapter 151B or 157; or
  - (f) Blind industries or rehabilitation under KRS Chapter 151B or 163;
- (29) "Interstate commerce" has the same meaning as in 49 C.F.R. sec. 390.5;
- (30) "Intrastate commerce" has the same meaning as in 49 C.F.R. sec. 390.5;
- (31) "Limousine" means a motor vehicle operating under a limousine certificate that is designed or constructed with not more than fifteen (15) regular seats;
- (32) "Limousine certificate" means a certificate granting authority for the operation of one (1) or more limousines transporting passengers for hire;
- (33) "Mobile application" means an application or a computer program designed to run on a smartphone, tablet computer, or other mobile device that is used by a TNC to connect drivers with potential passengers;
- (34) "Motor carrier" means any person in either a private or for-hire capacity who owns, controls, operates, manages, or leases, except persons leasing to authorized motor carriers, any motor vehicle for the transportation of passengers or property upon any highway, and any person who engages in the business of automobile utility trailer lessor, vehicle towing, driveaway, or U-Drive-It;

- (35) "Motor carrier vehicle" means a motor vehicle, including a fully autonomous vehicle, used by a motor carrier to transport passengers or property;
- (36) "Motor carrier vehicle license" means a license issued by the department for a motor carrier vehicle authorized to operate under a certificate;
- (37) "Motor carrier license plate" means a license plate issued by the department to a motor carrier authorized to operate under a certificate other than a household goods, property, TNC, peer-to-peer car sharing, or U-Drive-It certificate;
- (38) "Motor vehicle" means any motor-propelled vehicle used for the transportation of passengers or property on a public highway, including any such vehicle operated as a unit in combination with other vehicles;
- (39) "Passenger" means an individual or group of people;
- (40) "Peer-to-peer car sharing":
  - (a) Means the authorized use of a motor vehicle by an individual other than the vehicle's owner through a peer-to-peer car sharing program; and
  - (b) Does not:
    - 1. Include the operation of a U-Drive-It certificate as defined in this section; or
    - 2. Involve the sale or provision of rental vehicle insurance as defined in KRS 304.9-020;
- (41) "Peer-to-peer car sharing certificate" means a certificate granting the authority for the operation of a peer-to-peer car sharing program;
- (42) "Peer-to-peer car sharing company" means a person that operates a peer-to-peer car sharing program;
- (43) "Peer-to-peer car sharing program":
  - (a) Means a business platform that connects shared vehicle owners with shared vehicle drivers to enable the sharing of motor vehicles for financial consideration; and
  - (b) Does not include a:
    - 1. U-Drive-It;
    - 2. Motor vehicle renting company as defined in KRS 281.687;
    - 3. Rental vehicle agent as defined in KRS 304.9-020; or
    - 4. Service provider that is solely providing hardware or software as a service to a person or entity that is not effectuating payment of financial consideration for use of a shared vehicle;
- (44) "Permit" means a temporary permit of compliance issued under this chapter for a specified period not to exceed ten (10) days, and for a specific vehicle, to any motor carrier, including one who is a nonresident of the Commonwealth, who operates a motor vehicle and is not entitled to an exemption from the payment of fees imposed under KRS 186.050 because of the terms of a reciprocal agreement between the Commonwealth and the state in which the vehicle is licensed;
- (45) "Person" means any individual, firm, partnership, corporation, company, association, or joint stock association, and includes any trustee, assignee, or personal representative thereof;
- (46) "Platoon" means a group of two (2) individual commercial motor vehicles traveling in a unified manner at electronically coordinated speeds at following distances that are closer than would ordinarily be allowed under KRS 189.340(9)(b);
- (47) "Prearranged ride" means the period of time that begins when a transportation network company driver accepts a requested ride through a digital network or mobile application, continues while the driver transports the rider in a personal vehicle, and ends when the transportation network company services end;
- (48) "Pre-trip acceptance liability policy" means the transportation network company liability insurance coverage for incidents involving the driver for a period of time when a driver is logged into a transportation network company's digital network or mobile application but is not engaged in a prearranged ride;
- (49) "Property" means general or specific commodities, including hazardous and nonhazardous materials;

- (50) "Property certificate" means a certificate granting authority for the transportation of property, other than household goods, not exempt under KRS 281.605;
- (51) "Recovery":
  - (a) Means a form of towing service which involves moving vehicles by the use of a wheel-lift device, such as a lift, crane, hoist, winch, cradle, jack, automobile ambulance, tow dolly, or any other similar device as requested by a state or local law enforcement agency; and
  - (b) Includes:
    - 1. Relocating a vehicle or cargo from a place where towing is not possible to a place where towing is possible; and
    - 2. The cleanup of debris or cargo, and returning an area to pre-event condition;
- (52) "Regular route" means the scheduled transportation of passengers between designated points over designated routes under time schedules that provide a regularity of services;
- (53) "Regular seat" means a seat ordinarily and customarily used by one (1) passenger and, in determining such seating capacity, the manufacturer's rating may be considered;
- (54) "Shared vehicle":
  - (a) Means a motor vehicle that is available for car sharing through a peer-to-peer car sharing program; and
  - (b) Does not include a motor vehicle leased or rented by a person operating under a U-Drive-It certificate;
- (55) "Shared vehicle driver" means an individual who has been authorized to drive the shared vehicle by the shared vehicle owner under a car sharing program agreement;
- (56) "Shared vehicle owner":
  - (a) Means the registered owner, or a person designated by the registered owner, of a motor vehicle made available for sharing to shared vehicle drivers, through a peer-to-peer car sharing program; and
  - (b) Does not include a:
    - 1. Person operating a U-Drive-It certificate;
    - 2. Motor vehicle renting company as defined in KRS 281.687; or
    - 3. Rental vehicle agent as defined in KRS 304.9-020;
- (57) "Storage facility" means any lot, facility, or other property used to store motor vehicles that have been removed from another location by a tow truck;
- (58) "Street hail" means a request for service made by a potential passenger using hand gestures or verbal statement;
- (59) "Subcontractor" means a person who has signed a contract with a broker to provide human service transportation delivery within a specific delivery area and who meets human service transportation delivery requirements, including proper operating authority;
- (60) "Tariff" means the listing of compensation received by a motor carrier for household goods that includes the manner in which and the amount of fares an authorized motor carrier may charge;
- (61) "Taxicab" means a motor vehicle operating under a taxicab certificate that is designed or constructed with not more than eight (8) regular seats and may be equipped with a taximeter;
- (62) "Taxicab certificate" means a certificate granting authority for the operation of one (1) or more taxicabs transporting passengers for hire;
- (63) "Taximeter" means an instrument or device approved by the department that automatically calculates and plainly indicates the charge to a passenger for hire who is being charged on the basis of mileage;
- (64) "Tow truck" means a motor vehicle equipped to provide any form of towing service, including recovery service or flatbed/rollback service;

- (65) "Tow truck operator" means an individual who operates a tow truck as an employee or agent of a towing company;
- (66) "Towing" means:
- (a) Emergency towing, which is the towing of a motor vehicle, with or without the owner's consent, because of:
    - 1. A motor vehicle accident on a public highway;
    - 2. An incident related to an emergency; or
    - 3. An incident that necessitates the removal of the motor vehicle from a location for public safety reasons;
  - (b) Private property towing, which is the towing of a motor vehicle, without the owner's consent, from private property:
    - 1. On which the motor vehicle was illegally parked; or
    - 2. Because of an exigent circumstance necessitating its removal to another location; and
  - (c) Seizure towing, which is the towing of a motor vehicle for law enforcement purposes involving the:
    - 1. Maintenance of the chain of custody of evidence;
    - 2. Forfeiture of assets; or
    - 3. Delinquency of highway fuel tax, weight distance tax, or any other taxes and fees administered by the Transportation Cabinet;
- (67) ***"Towing and storage certificate" means a certificate granting authority for the operation of one (1) or more tow trucks, storage facilities, or both;***
- (68) "Towing company":
- (a) Means a service or business operating as a motor carrier that:
    - 1. Tows or otherwise moves motor vehicles by means of a tow truck; or
    - 2. Owns or operates a storage ~~facility~~ ~~lot~~;
  - (b) Includes a tow truck operator acting on behalf of a towing company when appropriate in the context; and
  - (c) Does not include an automobile club, car dealership, insurance company, repossession company, lienholders and entities hired by lienholders for the purpose of repossession, local government, or any other entity that contracts with a towing company;
- ~~(69)~~~~(68)~~ "Transportation network company" or "TNC" means a person or entity that connects passengers through its digital network or mobile application to its drivers for the provision of transportation network company services;
- ~~(70)~~~~(69)~~ "Transportation network company certificate" or "TNC certificate" means a certificate granting the authority for the operation of one (1) or more transportation network company vehicles transporting passengers for hire;
- ~~(71)~~~~(70)~~ "Transportation network company driver" or "TNC driver" means an individual who operates a motor vehicle that is owned or leased by the individual, or a motor vehicle for which the driver is an insured driver and has the permission of the owner or lessee of the motor vehicle, and used to provide transportation network company services;
- ~~(72)~~~~(71)~~ "Transportation network company service" or "TNC service" means a prearranged passenger transportation service offered or provided through the use of a transportation network company mobile application or digital network to connect potential passengers with transportation network company drivers;
- ~~(73)~~~~(72)~~ "Transportation network company vehicle" or "TNC vehicle" means a privately owned or leased motor vehicle, including a fully autonomous vehicle, designed or constructed with not more than eight (8) regular seats, operating under a transportation network company certificate;

~~(74)(73)~~ "U-Drive-It" means any person operating under a U-Drive-It certificate who leases or rents a motor vehicle for consideration to be used for the transportation of persons or property, but for which no driver is furnished, and the use of which motor vehicle is not for the transportation of persons or property for hire by the lessee or rentee; and

~~(75)(74)~~ "U-Drive-It certificate" means a certificate granting authority for the operation of one (1) or more U-Drive-Its.

➔Section 7. KRS 281.990 is amended to read as follows:

- (1) Except as provided in subsections (4) and (5) of this section, a person shall be fined not less than twenty-five dollars (\$25) and no more than two hundred dollars (\$200), if the person:
  - (a) Violates, causes, aids, or abets any violation of the provisions of this chapter, or any order, rule, or administrative regulation lawfully issued pursuant to authority granted by this chapter;
  - (b) Knowingly makes any false or erroneous statement, report, or representation to the Department of Vehicle Regulation with respect to any matter placed under the jurisdiction of the department by this chapter;
  - (c) Knowingly makes any false entry in the accounts or records required to be kept pursuant to the authority granted by this chapter; or
  - (d) Knowingly fails to keep, or knowingly destroys or mutilates, any accounts or records.

Every device to evade or to prevent the application of any provision of this chapter, or any lawful order, rule or administrative regulation of the department issued pursuant thereto, shall constitute a violation thereof.

- (2) (a) Any person who violates KRS 281.630(1) or 281.631(1) shall be fined not less than five hundred dollars (\$500) nor more than three thousand five hundred dollars (\$3,500).
- (b) Any person who operates as a motor carrier in violation of the terms of his or her certificate or motor carrier vehicle license shall be fined not less than five hundred dollars (\$500) nor more than three thousand five hundred dollars (\$3,500).
- (3) A person who violates KRS 281.630(9) shall not be subject to a penalty under this section.
- (4) (a) Except as provided in this subsection, any person who violates KRS 281.757 shall be fined two hundred fifty dollars (\$250) for each offense.
- (b) A person who is cited for a violation of KRS 281.757 in which the lights were inoperable or the reflectors were missing may, within thirty (30) days from the date of the citation, provide proof to the county attorney of the county in which the offense occurred that the mechanical problem has been repaired and that the lights are in working order or that the required reflectors have been placed on the vehicle. If such proof is shown, the citation shall be dismissed.
- (c) A law enforcement officer and the department shall not issue a citation to a person as violating KRS 281.757 if the atmospheric conditions all motorists were subjected to at the time the person is stopped reasonably limit the ability of a person to keep the vehicle's lights or reflectors from being obscured by dirt, mud, or debris.
- (5) (a) ***A towing company or storage facility which violates KRS 281.920 to 281.936 shall be subject the following administrative penalties levied by the cabinet:***
  1. ***For each violation, up to four (4) violations within a three (3) year period, the towing company or storage facility shall have its certificate suspended for thirty (30) days; and***
  2. ***For each subsequent violation within a three (3) year period, a towing company or storage facility shall have its certificate suspended for twelve (12) months.***
- (b) ***During a period when a towing company or storage facility has had its certificate suspended, the towing company or storage facility shall not charge fees.***
- (6) The cabinet may promulgate administrative regulations in accordance with KRS Chapter 13A to set ***additional*** penalties for violations of KRS 281.920 to 281.936.

**Signed by Governor April 1, 2025.**

