

244.200 Rights of owner or lienor as to contraband -- Disposition of contraband.

- (1) Contraband property included in subsection KRS 244.180(5) shall be subject to the right of any owner or lienor, whose lien is valid and of record, to intervene and establish the owner or lienor's rights in the property by proving that the property was being used in connection with traffic in alcoholic beverages without the knowledge, consent, or approval of the owner or lienor.
 - (a) If the owner of the property proves the owner's lack of knowledge, consent, or approval, the court shall order the property restored to the owner; or
 - (b) If the lienor proves the lienor's lack of knowledge, consent, or approval, the court shall order a sale of the property at public auction, unless an agreement is made between the lienor and the board, which shall not become final until it has been approved by the court. The board may deliver any property found to be contraband to a lienor whose claim has been established by order of a court of competent jurisdiction, upon payment to the board of the difference between the fair market value of the seized property and the recorded claim of the lienor.
- (2) Where an agreement has been made between the lienor and the board and approved by the court, a public auction shall not be required. If an agreement is not entered into between the board and the lienor or approved by the court, and a public auction is required, the public auction shall be conducted by the sheriff of the county in which the property is seized. The sheriff shall receive and be allowed the same fees as allowed for sales under execution.
- (3) The expenses of keeping and selling the property, and the amount of all valid recorded liens that are established by intervention as being bona fide, shall be paid out of the proceeds of the sales, whether they are private or public. The balance shall be paid into the State Treasury and be credited to the general fund.
- (4) If the defendant is acquitted, no property seized as contraband in connection with the arrest of the defendant shall be ordered returned or restored unless the person from whose possession the property was taken proves that the person was in lawful possession of the property, and if no other person appears and proves that the other person owns the property or has a valid recorded lien on the property and that the property was being used without that person's knowledge and consent, title shall vest in the board at the end of ninety (90) days.
- (5) If the owners or lienholders of any contraband seized by state administrators or investigators of the department or turned over to the department by other officials, cannot be located within ninety (90) days, and during that time fail to appear and claim the contraband, or if the owner or lienholder appears and agrees, title to the contraband shall immediately vest in the board, which may sell the contraband at a private sale.

Effective: June 29, 2017

History: Amended 2017 Ky. Acts ch. 62, sec. 101, effective June 29, 2017. -- Amended 2010 Ky. Acts ch. 24, sec. 593, effective July 15, 2010. -- Amended 1984 Ky. Acts ch. 132, sec. 5, effective July 13, 1984. -- Recodified 1942 Ky.

Acts ch. 208, sec. 1, effective October 1, 1942, from Ky. Stat. sec. 2554b-151.