

AN ACT relating to the disclosure of damages by motor vehicle dealers.

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

➔Section 1. KRS 186A.540 is amended to read as follows:

- (1) An individual, or a dealer required to be licensed pursuant to KRS Chapter 190, shall disclose all damages to a motor vehicle:
  - (a) Of which the individual or the dealer has direct knowledge;
  - (b) Which result in repairs, for items other than tires or glass, ~~for repair estimates—~~ that exceed two thousand~~one thousand~~ dollars (\$2,000)~~(\$1,000)~~; and
  - (c) That occur while the motor vehicle is in the individual's or the dealer's possession and prior to delivery to a purchaser.
- (2) Disclosure under this section shall be in writing and shall require the purchaser's signature acknowledging the disclosure of damages.

➔Section 2. KRS 190.0491 is amended to read as follows:

- (1) "Delivery" of a motor vehicle to a dealer by a manufacturer or distributor for the purposes of this section shall be accomplished by the:
  - (a) Tender of the motor vehicle and any documents necessary to enable the dealer to obtain title and possession of the motor vehicle at the dealer's place of business or designated place of delivery, and
  - (b) The giving of notice of the tender of the motor vehicle and documents to the dealer.
- (2) Whenever a motor vehicle is damaged while in transit when the carrier or the means of transportation is designated by the manufacturer or distributor, or whenever a motor vehicle is otherwise damaged prior to delivery to the dealer, the dealer must:
  - (a) Notify the manufacturer or distributor of the damage within three (3) working days of the occurrence of the delivery of the motor vehicle as defined in subsection (1) of this section; and

(b) Request from the manufacturer or distributor authorization to repair the damages sustained or to replace the parts or accessories damaged.

Notification of damage by the dealer must be by certified mail, with a notice of delivery requested to be returned to the dealer, and shall be presumed to have occurred upon deposit of the notice with the United States Postal Service.

- (3) In the event the manufacturer or distributor refuses or fails to authorize repair or replacement of the damage within three (3) working days of notification of damage by the dealer, ownership of the motor vehicle shall revert to the manufacturer or distributor, and the dealer shall incur no obligations, financial or otherwise, for the damage to the motor vehicle. In determining when the notification of the damage by the dealer to the manufacturer or distributor occurs, the date the notice is received by the manufacturer or distributor by the United States Postal Service indicated on the notice of delivery returned to the dealer shall be controlling.
- (4) In computing the lapse of three (3) working days under this section, the day of the occurrence of delivery of the motor vehicle to the dealer by the manufacturer or distributor, as defined in subsection (1) of this section, or the day of notification of the damage to the manufacturer or distributor by the dealer, as described in subsection (3) of this section, shall not be included, but the last working day of the period so computed shall be included.
- (5) Prior to the sale of any motor vehicle damaged prior to delivery to the dealer as described in subsection (2) of this section, excluding damage to glass, tires, and bumpers when replaced by identical manufacturer's original equipment and any damage not exceeding six percent (6%) of the sticker price of the vehicle, the occurrence and extent of the damage must be disclosed by the dealer to the consumer, and upon repair of the damage sustained, or replacement of the parts or accessories damaged, the manufacturer and/or dealer, must certify to the consumer that the motor vehicle has been repaired or remanufactured to the manufacturer's

standards; if the dealer makes the certification he shall be indemnified by the manufacturer. Upon this certification, liability for any concealed damages then remaining with the motor vehicle shall lie with the manufacturer.

- (6) Whenever a motor vehicle is damaged resulting in repairs, for items other than tires or glass, ~~[or repair estimates]~~ that exceed two thousand~~[one thousand]~~ dollars (\$2,000)~~[\$1,000]~~ after delivery to the dealer by the manufacturer or distributor, as defined in subsection (1) of this section, but before sale by the dealer to the consumer, the occurrence and extent of the damage must be disclosed by the dealer to the consumer prior to a sale, and upon repair of the damage sustained, or replacement of parts or accessories damaged, the dealer must certify to the consumer that this motor vehicle has been repaired or remanufactured according to the manufacturer's standards. Upon this certification, liability for any concealed damages then remaining with the motor vehicle shall lie with the dealer.
- (7) Notwithstanding the terms of any franchise agreement, it shall be a violation of this section for any new motor vehicle manufacturer to fail to indemnify and hold harmless its franchised dealers against any judgment or settlement agreed to in writing by the manufacturer for damages, including, but not limited to, court costs and reasonable attorneys' fees of the new motor vehicle dealer, arising out of complaints, claims, or lawsuits including, but not limited to, strict liability, negligence, misrepresentation, warranty (express or implied), or rescission of the sale as is defined in KRS 355.2-608, to the extent that the judgment or settlement agreed to in writing by the manufacturer relates to the alleged defective or negligent manufacture, assembly, or design of new motor vehicles, parts, or accessories or other functions by the manufacturer, beyond the control of the dealer.

➔Section 3. KRS 186.162 is amended to read as follows:

- (1) As used in this section and in KRS 186.043, 186.164, 186.166, 186.1722, and 186.174:

- (a) "Special license plate" means a unique license plate issued under this chapter to a group or organization that readily identifies the operator of the motor vehicle or motorcycle bearing the plate as a member of a group or organization, or a supporter of the work, goals, or mission of a group or organization. The term shall not include regular license plates issued under KRS 186.240;
- (b) "Street rod" means a modernized private passenger motor vehicle manufactured prior to the year 1949, or designed or manufactured to resemble a vehicle manufactured prior to 1949;
- (c) "SF" means the portion of an initial or renewal fee to obtain a special license plate that is dedicated for use by the Transportation Cabinet;
- (d) "CF" means the portion of an initial or renewal fee to obtain a special license plate that is dedicated for use by a county clerk; and
- (e) "EF" means the portion of an initial or renewal fee to obtain a special license plate that is mandated by this chapter to be dedicated for use by a particular group or organization.
- (2) The initial purchase fee and renewal fee for a special license plate created under this chapter shall be as established in this subsection and includes the name of group or organization and the total initial and renewal fee required for the plate. The amount in parentheses indicates how the total fee is required to be divided:
- (a) Disabled veterans who receive assistance to purchase a vehicle from the United States Department of Veterans' Affairs, veterans declared by the United States Department of Veterans' Affairs to be one hundred percent (100%) service-connected disabled, and recipients of the Congressional Medal of Honor:
1. Initial Fee: \$0 (\$0 SF/\$0 CF/\$0 EF).
  2. Renewal Fee: \$0 (\$0 SF/\$0 CF/\$0 EF).

- (b) Former prisoners of war and survivors of Pearl Harbor:
1. Initial Fee: \$20 (\$12 SF/\$3 CF/\$5 EF to the veterans' program trust fund established under KRS 40.460).
  2. Renewal Fee: \$3 (\$0 SF/\$3 CF/\$0 EF).
- (c) Members of the Kentucky National Guard and recipients of the Purple Heart:
1. Initial Fee: \$20 (\$12 SF/\$3 CF/\$5 EF to the veterans' program trust fund established under KRS 40.460).
  2. Renewal Fee: \$8 (\$0 SF/\$3 CF/\$5 EF to the veterans' program trust fund established under KRS 40.460).
- (d) Members of the Civil Air Patrol; active, retired, veteran, reserve, or auxiliary members of the United States Army, Navy, Air Force, Marine Corps, or Coast Guard; Merchant Marines who served between December 7, 1941, and August 15, 1945; recipients of the Silver Star Medal, or the Bronze Star Medal awarded for valor; persons who wish to receive Gold Star Mothers, Gold Star Fathers, or Gold Star Spouses license plates beyond the two (2) exempted from fees under KRS 186.041(6); individuals eligible for a special military service academy license plate under KRS 186.041(8); and disabled veterans who have been declared to be between fifty percent (50%) and ninety-nine percent (99%) service-connected disabled by the United States Department of Veterans' Affairs:
1. Initial Fee: \$20 (\$12 SF/\$3 CF/\$5 EF to the veterans' program trust fund established under KRS 40.460).
  2. Renewal Fee: \$20 (\$12 SF/\$3 CF/\$5 EF to the veterans' program trust fund established under KRS 40.460).
- (e) Recipients of the Distinguished Service Cross, Navy Cross, or Air Force Cross:
1. Initial Fee: \$3 (\$0 SF/\$3 CF/\$0 EF).

2. Renewal Fee: \$3 (\$0 SF/\$3 CF/\$0 EF).
- (f) Disabled license plates:
1. Initial Fee: \$15 (\$12 SF/\$3 CF/\$0 EF).
  2. Renewal Fee: \$15 (\$12 SF/\$3 CF/\$0 EF).
- (g) Historic vehicles:
1. Initial Fee for two plates: \$53 (\$50 SF/\$3 CF/\$0 EF).
  2. Renewal Fee: Do not renew annually.
- (h) Members of Congress:
1. Initial Fee: \$40 (\$37 SF/\$3 CF/\$0 EF).
  2. Renewal Fee: \$20 (\$12 SF/\$3 CF/\$5 EF to the veterans' program trust fund established under KRS 40.460).
- (i) Firefighters:
1. Initial Fee: \$15 (\$12 SF/\$3 CF/\$0 EF).
  2. Renewal Fee: \$15 (\$12 SF/\$3 CF/\$0 EF).
- (j) Emergency management:
1. Initial Fee: \$28 (\$25 SF/\$3 CF/\$0 EF).
  2. Renewal Fee: \$15 (\$12 SF/\$3 CF/\$0 EF).
- (k) Fraternal Order of Police:
1. Initial Fee: \$38 (\$25 SF/\$3 CF/\$10 EF to the Kentucky FOP Death Benefit Fund).
  2. Renewal Fee: \$25 (\$12 SF/\$3 CF/\$10 EF to the Kentucky FOP Death Benefit Fund).
- (l) Law Enforcement Memorial:
1. Initial Fee: \$38 (\$25 SF/\$3 CF/\$10 EF to the Kentucky Law Enforcement Memorial Foundation, Inc.).
  2. Renewal Fee: \$25 (\$12 SF/\$3 CF/\$10 EF to the Kentucky Law Enforcement Memorial Foundation, Inc.).

## (m) Personalized plates:

1. Initial Fee: \$40 (\$37 SF/\$3 CF/\$0 EF).
2. Renewal Fee: \$40 (\$37 SF/\$3 CF/\$0 EF).

## (n) Street rods:

1. Initial Fee: \$40 (\$37 SF/\$3 CF/\$0 EF).
2. Renewal Fee: \$15 (\$12 SF/\$3 CF/\$0 EF).

## (o) Nature plates:

1. Initial Fee: \$25 (\$12 SF/\$3 CF/\$10 EF to Kentucky Heritage Land Conservation Fund established under KRS 146.570).
2. Renewal Fee: \$25 (\$12 SF/\$3 CF/\$10 EF to Kentucky Heritage Land Conservation Fund established under KRS 146.570).

## (p) Amateur radio:

1. Initial Fee: \$40 (\$37 SF/\$3 CF/\$0 EF).
2. Renewal Fee: \$15 (\$12 SF/\$3 CF/\$0 EF).

## (q) Kentucky General Assembly:

1. Initial Fee: \$40 (\$37 SF/\$3 CF/\$0 EF).
2. Renewal Fee: \$20 (\$12 SF/\$3 CF/\$5 EF to the veterans' program trust fund established under KRS 40.460).

## (r) Kentucky Court of Justice:

1. Initial Fee: \$40 (\$37 SF/\$3 CF/\$0 EF).
2. Renewal Fee: \$8 (\$0 SF/\$3 CF/\$5 EF to the veterans' program trust fund established under KRS 40.460).

## (s) Masons:

1. Initial Fee: \$28 (\$25 SF/\$3 CF/\$0 EF).
2. Renewal Fee: \$15 (\$12 SF/\$3 CF/\$0 EF).

## (t) Collegiate plates:

1. Initial Fee: \$50 (\$37 SF/\$3 CF/\$10 EF to the general

scholarship fund of the university whose name will be borne on the plate).

2. Renewal Fee: \$25 (\$12 SF/\$3 CF/\$10 EF to the general scholarship fund of the university whose name will be borne on the plate).

(u) Independent Colleges:

1. Initial Fee: \$38 (\$25 SF/\$3 CF/\$10 EF to the Association of Independent Kentucky Colleges and Universities for distribution to the general scholarship funds of the Association's members).
2. Renewal Fee: \$25 (\$12 SF/\$3 CF/\$10 EF to the Association of Independent Kentucky Colleges and Universities for distribution to the general scholarship funds of the Association's members).

(v) Child Victims:

1. Initial Fee: \$38 (\$25 SF/\$3 CF/\$10 EF to the child victims' trust fund established under KRS 41.400).
2. Renewal Fee: \$20 (\$12 SF/\$3 CF/\$5 EF to the child victims' trust fund established under KRS 41.400).

(w) Kentucky Horse Council:

1. Initial Fee: \$38 (\$25 SF/\$3 CF/\$10 EF to the Kentucky Horse Council).
2. Renewal Fee: \$20 (\$12 SF/\$3 CF/\$5 EF to the Kentucky Horse Council).

(x) Ducks Unlimited:

1. Initial Fee: \$38 (\$25 SF/\$3 CF/\$10 EF to Kentucky Ducks Unlimited).
2. Renewal Fee: \$25 (\$12 SF/\$3 CF/\$10 EF to Kentucky Ducks Unlimited).



## (y) Spay neuter:

1. Initial Fee: \$25 (\$12 SF/\$3 CF/\$10 EF to the animal control and care fund established under KRS 258.119).
2. Renewal Fee: \$20 (\$12 SF/\$3 CF/\$5 EF to the animal control and care fund established under KRS 258.119).

## (z) Gold Star Mothers, Gold Star Fathers, or Gold Star Spouses:

1. Initial Fee: \$0 (\$0 SF/\$0 CF/ \$0 EF).
2. Renewal Fee: \$0 (\$0 SF/\$0 CF/ \$0 EF).
3. A person may receive a maximum of two (2) plates under this paragraph free of charge and may purchase additional plates for fees as established in subsection (2)(d) of this section.

## (aa) I Support Veterans:

1. Initial Fee: \$25 (\$12 SF/\$3 CF/\$10 EF to the Kentucky Department of Veterans' Affairs).
2. Renewal Fee: \$20 (\$12 SF/\$3 CF/\$5 EF to the Kentucky Department of Veterans' Affairs).

(ab) Gold Star Siblings, *Gold Star Sons, or Gold Star Daughters*:

1. Initial Fee: \$25 (\$12 SF/\$3 CF/\$10 EF to the veterans' program trust fund established under KRS 40.460).
2. Renewal Fee: \$20 (\$12 SF/\$3 CF/\$5 EF to the veterans' program trust fund established under KRS 40.460).

- (3) Any special license plate may be combined with a personalized license plate for a twenty-five dollar (\$25) state fee in addition to all other fees for the particular special license plate established in this section and in KRS 186.164(3). The twenty-five dollar (\$25) fee required under this subsection shall be divided between the cabinet and the county clerk of the county where the applicant is applying for the license plate with the cabinet receiving twenty dollars (\$20) and the county clerk

receiving five dollars (\$5).

- (4) Owners and lessees of motorcycles registered under KRS 186.050(2) may be eligible to receive special license plates issued under this section or established under the provisions of KRS 186.164 after the cabinet has received three hundred (300) applications and initial state fees from the sponsoring organization. Applicants for a special license plate for a motorcycle shall be required to pay the fee for a special plate as prescribed in this section or in KRS 186.164. The fee paid for the special plate for a motorcycle shall be in lieu of the registration fee required under KRS 186.050(2).

➔Section 4. KRS 186.164 is amended to read as follows:

- (1) The SF portion of the fee required under KRS 186.162 shall include the fee to reflectorize all license plates under KRS 186.240. All EF fees required under KRS 186.162 shall be collected at the time of an initial or renewal application by the county clerk who shall forward the EF fee to the cabinet. The cabinet shall remit EF fees to the group or organization identified in KRS 186.162 on a quarterly basis. The cabinet may retain any investment income earned from holding EF fees designated to be remitted under this subsection to offset administrative costs incurred by the cabinet in the administration of EF fees.
- (2) A special license plate shall be the color and design selected by the group or organization identified in subsection (13) of this section, contingent upon the approval of the Transportation Cabinet. In addition to the design selected for a special license plate, the name "Kentucky," an annual renewal decal, and any combination of letters or numerals required by the cabinet in the design shall also appear on the plate.
- (3) Except as provided in KRS 186.162, the total initial fee for a special license plate created under this chapter shall be twenty-eight dollars (\$28), of which the Transportation Cabinet shall receive twenty-five dollars (\$25) and the county clerk

shall receive three dollars (\$3), and the total renewal fee shall be fifteen dollars (\$15), of which the Transportation Cabinet shall receive twelve dollars (\$12) and the county clerk shall receive three dollars (\$3). The twenty-five dollar (\$25) initial fee and twelve dollar (\$12) renewal fee received by the Transportation Cabinet under this subsection shall include an applicant's registration fee required under KRS 186.050.

- (4) An actual metal special license plate shall be issued on the same schedule as regular license plates are issued under KRS 186.240. The cabinet shall have the discretion to extend the time period that will exist between the date a metal special license plate is issued and the date that regular plates are issued under KRS 186.240. A renewal registration decal shall be issued all other years during the owner's or lessee's birth month, except as provided in KRS 186.041(2), 186.042(5), and 186.174(2). A person seeking a special license plate for a vehicle provided as part of the person's occupation shall conform to the requirements of KRS 186.050(14).
- (5)
  - (a) If a special license plate issued under this chapter deteriorates to the point that the lettering, numbering, or images on the face of the plate are not legible, the plate shall be replaced free of charge, if the owner or lessee has not transferred the vehicle to which the plate was issued during the current licensing period.
  - (b) If a special license plate issued under this chapter is lost, stolen, or damaged in an accident, the county clerk shall issue a new plate upon payment of a three dollar (\$3) county clerk fee, if the owner or lessee has not transferred the vehicle to which the plate was issued during the current licensing period.
- (6) Upon the sale, transfer, or termination of a lease of a vehicle with any special license plate issued under this chapter, the owner or lessee shall remove the special plate and return it and the certificate of registration to the county clerk. The county clerk shall reissue the owner or lessee a regular license plate and a certificate of registration upon payment of a three dollar (\$3) county clerk fee. If the owner or

lessee requests, the county clerk shall reissue the special plate upon payment of a three dollar (\$3) county clerk fee for use on any other vehicle of the same classification and category owned, leased, or acquired by the person during the current licensing period. If the owner or lessee has the special plate reissued to a vehicle which has been previously registered in this state, the regular license plate that is being replaced shall be returned to the county clerk who shall forward the plate to the Transportation Cabinet.

- (7) A special license plate may be issued to the owner or lessee of a motor vehicle that is required to be registered under KRS 186.050(1), (3)(a), or (4)(a), except a special license plate shall not be issued to a taxicab, limousine, or U-Drive-It registered and licensed under this chapter or KRS Chapter 281. A person applying for a special license plate shall apply in the office of the county clerk in the county of the person's residence, except as provided in KRS 186.168(3). All special license plates issued under this chapter may be combined with a personalized license plate under the provisions of KRS 186.174. The fee to combine a special license plate with a personalized license plate shall be as established in KRS 186.162(3).
- (8) Within thirty (30) days of termination from election to, appointment to, or membership with any group or organization, an applicant to whom a special license plate was issued under this chapter shall return the special license plate to the county clerk of the county of his or her residence, unless the person is merely changing his or her status with the group or organization to retired.
- (9) A group wanting to create a special license plate that is not authorized under this chapter on June 20, 2005, shall comply with the following conditions before being eligible to apply for a special license plate:
  - (a) The group shall be nonprofit and based, headquartered, or have a chapter in Kentucky;
  - (b) The group may be organized for, but shall not be restricted to, social, civic, or

- entertainment purposes;
- (c) The group, or the group's lettering, logo, image, or message to be placed on the license plate, if created, shall not discriminate against any race, color, religion, sex, or national origin, and shall not be construed, as determined by the cabinet, as an attempt to victimize or intimidate any person due to the person's race, color, religion, sex, or national origin;
  - (d) The group shall not be a political party and shall not have been created primarily to promote a specific political belief;
  - (e) The group shall not have as its primary purpose the promotion of any specific faith, religion, or antireligion;
  - (f) The name of the group shall not be the name of a special product or brand name, and shall not be construed, as determined by the cabinet, as promoting a product or brand name; and
  - (g) The group's lettering, logo, image, or message to be placed on the license plate, if created, shall not be obscene, as determined by the cabinet.
- (10) If the cabinet denies to issue a group a special license plate based upon the conditions specified in subsection (9) of this section, the cabinet shall, immediately upon denying to issue a group a special license plate, notify in writing the chairperson of both the House and Senate standing committees on transportation of the denial and the reasons upon which the cabinet based the denial. A person seeking a personalized license plate under KRS 186.174 shall be subject to the conditions specified in subsection (9)(c) to (g) of this section.
- (11) If the cabinet approves a request for a special license plate, the cabinet shall begin designing and printing the plate after the group collects a minimum of nine hundred (900) applications with each application being accompanied by a twenty-five dollar (\$25) state fee. The applications and accompanying fee shall be submitted to the cabinet at one (1) time as a whole and shall not be submitted individually or

intermittently.

- (12) An initial applicant for, or an applicant renewing, his or her registration for a special license plate may, at the time of application, make a voluntary contribution that the county clerk shall forward to the cabinet. The entity that sponsors a special plate established by the process outlined in this section may set a requested donation amount, not to exceed ten dollars (\$10), that will automatically be added to the cost of registration or renewal, unless the individual registering or renewing the vehicle registration opts out of contributing that recommended amount. The cabinet shall, on an annual basis, remit the voluntary contributions to the appropriate group identified to be used for the declared purpose stated under subsection (13) of this section. The cabinet may retain any investment income earned from holding voluntary contributions designated to be remitted under this subsection to offset administrative costs incurred by the cabinet in the administration of the contributions. Any group or organization that receives a mandatory EF fee under KRS 186.162 shall submit the information required under subsection (13)(a) and (c) of this section to the Transportation Cabinet within thirty (30) days of June 20, 2005.
- (13) If a group wants to receive a donation when the group or organization's special license plate is initially purchased or renewed under subsection (12) of this section, the group shall, at the time the nine hundred (900) applications are submitted to the Transportation Cabinet, also submit a notarized affidavit to the cabinet attesting to:
- (a) The name, address, and telephone number for the group or organization. If the group or organization does not have its headquarters in the Commonwealth, then the name, address, and telephone number for the group or organization's Kentucky state chapter shall be required. The names of the officers of the group or organization shall also be required. If the entity receiving funds under subsection (12) of this section is not a state governmental agency, a

program unit within a state governmental agency, or is a group or organization that does not have a statewide chapter, then an extra donation for use by the group or organization shall be prohibited;

- (b) The amount of the monetary donation the group wants to receive when a person purchases the group or organization's special license plate; and
  - (c) The purpose for which the donated funds will be used by the group or organization. Donated funds shall not be limited for use by members of the group or organization, and shall not be used for administrative or personnel costs of the group or organization.
- (14) All funds received by a group or organization under subsection (12) of this section shall be deposited into an account separate from all other accounts the group or organization may have, and the account shall be audited yearly at the expense of the group or organization. The completed audit shall be forwarded to the Transportation Cabinet in Frankfort. One hundred percent (100%) of the funds received by a group or organization under subsection (12) of this section shall be used for the express purpose identified by the group in subsection (13) of this section. Any group or organization that receives a mandatory EF fee under KRS 186.162 shall comply with the provisions of this subsection.
- (15) The secretary of the Transportation Cabinet shall promulgate administrative regulations under KRS Chapter 13A to establish additional rules to implement the issuance of special license plates issued under this chapter, including but not limited to:
- (a) Documentation that will be required to accompany an application for a special license plate to provide proof of:
    - 1. Election to the United States Congress or the Kentucky General Assembly;
    - 2. Election or appointment to the Kentucky Court of Justice;

3. Membership in a Masonic Order, Fraternal Order of Police, or emergency management organization;
4. Eligibility for membership in the Gold Star Mothers of America;
5. Eligibility as a father for associate membership in the Gold Star Mothers of America;
6. Eligibility for membership in the Gold Star Wives of America;
7. Ownership of an amateur radio operator license;
8. Receipt of the Silver Star Medal;
9. Receipt of the Bronze Star Medal awarded for valor; ~~or~~
10. Eligibility for a Gold Star Siblings license plate for a person whose sibling died while serving the country in the United States Armed Forces. For the purposes of this subparagraph, "sibling" means a sibling by blood, a sibling by half-blood, a sibling by adoption, or a stepsibling;

or

**11. Eligibility for a Gold Star Sons or Gold Star Daughters license plate for a person whose parent or stepparent died while serving the country in the United States Armed Forces.**

- (b) The time schedule permissible for a group or organization to request a design change for the special license plate; and
  - (c) The procedures for review of proposed license plates and the standards by which proposed special license plates are approved or rejected in accordance with subsection (9) of this section.
- (16) Any individual, group, or organization that fails to audit any funds received under this chapter, or that intentionally uses any funds received in any way other than attested to under subsection (13) of this section or for administrative or personnel costs in violation of subsection (13) of this section, shall be guilty of a Class D felony and upon conviction shall, in addition to being subject to criminal penalties,



be assessed a mandatory five thousand dollar (\$5,000) fine.

➔Section 5. KRS 186.166 is amended to read as follows:

- (1) The Transportation Cabinet shall, unless directed otherwise by the General Assembly, perpetually produce the following special license plates: military license plates, U.S. Congressional license plates, firefighter license plates, emergency management license plates, Fraternal Order of Police license plates, Law Enforcement Memorial license plates, street rod license plates, nature license plates, amateur radio license plates, Kentucky General Assembly license plates, Kentucky Court of Justice license plates, Masonic Order license plates, collegiate license plates, independent college and university license plates, child victims' trust fund license plates, Kentucky Horse Council license plates, Ducks Unlimited license plates, Gold Star Mothers, Fathers, and Spouses license plates, Gold Star Siblings, Sons, and Daughters license plates, Silver Star Medal license plates, Bronze Star Medal license plates, spay neuter license plates, service academy license plates, and I Support Veterans license plates.
- (2) The design of the plates identified for perpetual production under this section may be revised upon request of a group or organization requesting a design revision under the provisions of KRS 186.164(15).
- (3)
  - (a) The design of a Purple Heart license plate shall not include any representation of the word "Kentucky" that is a registered trademark or slogan which appears on a general issue license plate.
  - (b) The design of a Purple Heart license plate shall include a representation of the Purple Heart medal and the words "Combat Wounded."

➔Section 6. KRS 189.2715 is amended to read as follows:

- (1) In order to promote economic development and retain jobs within this state, subject to the provisions of KRS 189.222, the department may promulgate administrative regulations pursuant to KRS Chapter 13A governing the issuance of annual permits

for the operation of motor vehicles transporting steel or aluminum products or steel or aluminum materials in divisible or nondivisible loads to or from a facility manufacturing products in this state or a facility used for storage of those products, whose gross weight exceeds the limits prescribed by this chapter. In no instance shall the gross weight limits issued pursuant to this section exceed one hundred twenty thousand (120,000) pounds. The movement of the products or materials shall be limited to no more than one hundred fifty (150) miles within the state.

- (2) A motor carrier transporting steel or aluminum products or steel or aluminum materials in divisible or nondivisible loads to or from a facility manufacturing steel products in this state or a facility used for storage of those products, may apply for an annual overweight permit pursuant to subsection (1) of this section. The permit shall be valid twenty-four (24) hours a day, but shall be limited to movements of steel products or steel materials of not more than one hundred fifty (150) miles within the state. The cost of the annual permit shall be two hundred fifty dollars (\$250).

➔Section 7. Sections 3 to 5 of this Act take effect January 1, 2017.