

1 AN ACT relating to electric and hybrid vehicle fees and making an appropriation
2 therefor.

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

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

6 *(1) At the time of initial and annual vehicle registration under Section 3 of this Act,*
7 *the county clerk shall collect from the registrant the base fee for highway usage*
8 *established under subsection (2) of this section, as adjusted by the calculations in*
9 *subsection (3) of this section.*

10 *(2) The base floor for vehicle fees in this section shall be as follows:*

11 *(a) Fifty dollars (\$50) for hybrid vehicles model year 2019 or newer;*

12 *(b) One hundred dollars (\$100) for hybrid electric plug-in vehicles; and*

13 *(c) One hundred fifty dollars (\$150) for non-hybrid electric vehicles.*

14 *(3) The Department of Revenue shall adjust the fee established in subsection (2) of*
15 *this section on the same schedule as the adjustment for the gasoline tax*
16 *established under KRS 138.228, in the following manner:*

17 *(a) For each two-tenths of one cent (\$0.002) increase in the gasoline tax, the*
18 *fee outlined in this section shall increase one dollar (\$1);*

19 *(b) For each two-tenths of one cent (\$0.002) decrease in the gasoline tax, the*
20 *fee outlined in this section shall decrease one dollar (\$1); and*

21 *(c) Any adjustment of fees under this subsection, shall not result in a decrease*
22 *below the base fees established in subsection (2) of this section.*

23 *(4) All fees collected under this section shall be transferred to the road fund, as*
24 *defined in KRS 48.010.*

25 ➔Section 2. KRS 186.010 (Effective January 1, 2019) is amended to read as
26 follows:

27 As used in this chapter, unless otherwise indicated:

- 1 (1) "Cabinet," as used in KRS 186.400 to 186.640, means the Transportation Cabinet;
2 except as specifically designated, "cabinet," as used in KRS 186.020 to 186.270,
3 means the Transportation Cabinet only with respect to motor vehicles, other than
4 commercial vehicles; "cabinet," as used in KRS 186.020 to 186.270, means the
5 Department of Vehicle Regulation when used with respect to commercial vehicles;
- 6 (2) "Highway" means every way or place of whatever nature when any part of it is open
7 to the use of the public, as a matter of right, license, or privilege, for the purpose of
8 vehicular traffic;
- 9 (3) "Manufacturer" means any person engaged in manufacturing motor vehicles who
10 will, under normal conditions during the year, manufacture or assemble at least ten
11 (10) new motor vehicles;
- 12 (4) "Motor vehicle" means in KRS 186.020 to 186.260, all vehicles, as defined in
13 paragraph (a) of subsection (8) of this section, which are propelled otherwise than by
14 muscular power. As used in KRS 186.400 to 186.640, it means all vehicles, as
15 defined in paragraph (b) of subsection (8) of this section, which are self-propelled.
16 "Motor vehicle" shall not include a moped as defined in this section, but for
17 registration purposes shall include low-speed vehicles and military surplus vehicles
18 as defined in this section and vehicles operating under KRS 189.283;
- 19 (5) "Moped" means either a motorized bicycle whose frame design may include one (1)
20 or more horizontal crossbars supporting a fuel tank so long as it also has pedals, or a
21 motorized bicycle with a step-through type frame which may or may not have pedals
22 rated no more than two (2) brake horsepower, a cylinder capacity not exceeding fifty
23 (50) cubic centimeters, an automatic transmission not requiring clutching or shifting
24 by the operator after the drive system is engaged, and capable of a maximum speed
25 of not more than thirty (30) miles per hour;
- 26 (6) "Operator" means any person in actual control of a motor vehicle upon a highway;
- 27 (7) (a) "Owner" means a person who holds the legal title of a vehicle or a person who

1 pursuant to a bona fide sale has received physical possession of the vehicle
2 subject to any applicable security interest.

3 (b) A vehicle is the subject of an agreement for the conditional sale or lease, with
4 the vendee or lessee entitled to possession of the vehicle, upon performance of
5 the contract terms, for a period of three hundred sixty-five (365) days or more
6 and with the right of purchase upon performance of the conditions stated in the
7 agreement and with an immediate right of possession vested in the conditional
8 vendee or lessee, or if a mortgagor of a vehicle is entitled to possession, the
9 conditional vendee or lessee or mortgagor shall be deemed the owner.

10 (c) A licensed motor vehicle dealer who transfers physical possession of a motor
11 vehicle to a purchaser pursuant to a bona fide sale, and complies with the
12 requirements of KRS 186A.220, shall not be deemed the owner of that motor
13 vehicle solely due to an assignment to his dealership or a certificate of title in
14 the dealership's name. Rather, under these circumstances, ownership shall
15 transfer upon delivery of the vehicle to the purchaser, subject to any applicable
16 security interest;

17 (8) (a) "Vehicle," as used in KRS 186.020 to 186.260, includes all agencies for the
18 transportation of persons or property over or upon the public highways of this
19 Commonwealth and all vehicles passing over or upon said highways, excepting
20 road rollers, road graders, farm tractors, vehicles on which power shovels are
21 mounted, such other construction equipment customarily used only on the site
22 of construction and which is not practical for the transportation of persons or
23 property upon the highways, such vehicles as travel exclusively upon rails, and
24 such vehicles as are propelled by electric power obtained from overhead wires
25 while being operated within any municipality or where said vehicles do not
26 travel more than five (5) miles beyond the city limit of any municipality.

27 (b) As used in KRS 186.400 to 186.640, "vehicle" means every device in, upon or

1 by which any person or property is or may be transported or drawn upon a
2 public highway, excepting devices moved by human and animal power or used
3 exclusively upon stationary rails or tracks, or which derives its power from
4 overhead wires;

5 (9) KRS 186.020 to 186.270 apply to motor vehicle licenses. KRS 186.400 to 186.640
6 apply to operator's licenses;

7 (10) "Dealer" means any person engaging in the business of buying or selling motor
8 vehicles;

9 (11) "Commercial vehicles" means all motor vehicles that are required to be registered
10 under the terms of KRS 186.050, but not including vehicles primarily designed for
11 carrying passengers and having provisions for not more than nine (9) passengers
12 (including driver), motorcycles, sidecar attachments, pickup trucks and passenger
13 vans which are not being used for commercial or business purposes, and motor
14 vehicles registered under KRS 186.060;

15 (12) "Resident" means any person who has established Kentucky as his or her state of
16 domicile. Proof of residency shall include but not be limited to a deed or property
17 tax bill, utility agreement or utility bill, or rental housing agreement. The possession
18 by an operator of a vehicle of a valid Kentucky operator's license shall be prima-facie
19 evidence that the operator is a resident of Kentucky;

20 (13) "Special status individual" means:

21 (a) "Asylee" means any person lawfully present in the United States who possesses
22 an I-94 card issued by the United States Department of Justice, Immigration
23 and Naturalization Service, on which it states "asylum status granted
24 indefinitely pursuant to Section 208 of the Immigration & Nationality Act";

25 (b) "K-1 status" means the status of any person lawfully present in the United
26 States who has been granted permission by the United States Department of
27 Justice, Immigration and Naturalization Service to enter the United States for

1 the purpose of marrying a United States citizen within ninety (90) days from
2 the date of that entry;

3 (c) "Refugee" means any person lawfully present in the United States who
4 possesses an I-94 card issued by the United States Department of Justice,
5 Immigration and Naturalization Service, on which it states "admitted as a
6 refugee pursuant to Section 207 of the Immigration & Nationality Act"; and

7 (d) "Paroled in the Public Interest" means any person lawfully present in the
8 United States who possesses an I-94 card issued by the United States
9 Department of Justice, Immigration and Naturalization Service, on which it
10 states "paroled pursuant to Section 212 of the Immigration & Nationality Act
11 for an indefinite period of time";

12 (14) "Instruction permit" includes both motor vehicle instruction permits and motorcycle
13 instruction permits;

14 (15) "Motorcycle" means any motor driven vehicle having a seat or saddle for the use of
15 the operator and designed to travel on not more than three (3) wheels in contact
16 with the ground, including vehicles on which the operator and passengers ride in an
17 enclosed cab. For purposes of registration, "motorcycle" shall include an alternative-
18 speed motorcycle and an auticycle as defined in this section, but shall not include a
19 tractor or a moped as defined in this section;

20 (16) "Low-speed vehicle" means a motor vehicle that:

21 (a) Is self-propelled using an electric motor, combustion-driven motor, or a
22 combination thereof;

23 (b) Is four (4) wheeled; and

24 (c) Is designed to operate at a speed not to exceed twenty-five (25) miles per hour
25 as certified by the manufacturer;

26 (17) "Alternative-speed motorcycle" means a motorcycle that:

27 (a) Is self-propelled using an electric motor;

- 1 (b) Is three (3) wheeled;
- 2 (c) Has a fully enclosed cab and includes at least one (1) door for entry;
- 3 (d) Is designed to operate at a speed not to exceed forty (40) miles per hour as
4 certified by the manufacturer; and
- 5 (e) Is not an autocycle as defined in this section;
- 6 (18) "Multiple-vehicle driving range" means an enclosed area that is not part of a highway
7 or otherwise open to the public on which a number of motor vehicles may be used
8 simultaneously to provide driver training under the supervision of one (1) or more
9 driver training instructors;
- 10 (19) "Autocycle" means any motor vehicle that:
- 11 (a) Is equipped with a seat that does not require the operator to straddle or sit
12 astride it;
- 13 (b) Is designed to travel on three (3) wheels in contact with the ground;
- 14 (c) Is designed to operate at a speed that exceeds forty (40) miles per hour as
15 certified by the manufacturer;
- 16 (d) Allows the operator and passenger to ride either side-by-side or in tandem in a
17 seating area that may be enclosed with a removable or fixed top;
- 18 (e) Is equipped with a three (3) point safety belt system;
- 19 (f) May be equipped with a manufacturer-installed air bags or a roll cage;
- 20 (g) Is designed to be controlled with a steering wheel and pedals; and
- 21 (h) Is not an alternative-speed motorcycle as defined in this section;
- 22 (20) "Military surplus vehicle" means a multipurpose wheeled surplus military vehicle
23 that:
- 24 (a) Is not operated using continuous tracks;
- 25 (b) Was originally manufactured for and sold directly to the Armed Forces of the
26 United States; and
- 27 (c) Was originally manufactured under the federally mandated requirements set

1 forth in 49 C.F.R. sec. 571.7;

2 (21) "Livestock" means cattle, sheep, swine, goats, horses, alpacas, llamas, buffaloes, and
3 any other animals of the bovine, ovine, porcine, caprine, equine, or camelid species;

4 (22) "Identity document" means an instruction permit, operator's license, or personal
5 identification card issued under KRS 186.4102, 186.412, 186.4121, 186.4122, and
6 186.4123 or a commercial driver's license issued under KRS Chapter 281A;~~and~~

7 (23) "Travel ID," as it refers to an identity document, means a document that complies
8 with Pub. L. No. 109-13, Title II;

9 **(24) "Hybrid vehicle" means a motor vehicle that:**

10 **(a) Draws propulsion energy from both an internal combustion engine and an**
11 **energy storage device; and**

12 **(b) Employs a regenerative braking system to recover waste energy to charge**
13 **the energy storage device that is providing propulsion energy;**

14 **(25) "Hybrid electric plug-in vehicle" means a motor vehicle that is primarily**
15 **propelled by an electric motor that is powered by an energy storage device that is**
16 **recharged from an external source, but a combustion engine will power the**
17 **vehicle when the energy storage device that powers the electric motor is low; and**

18 **(26) "Non-hybrid electric vehicle" means a motor vehicle that is solely propelled by**
19 **an electric motor.**

20 ➔Section 3. KRS 186.050 is amended to read as follows:

21 (1) The annual registration fee shall be eleven dollars fifty cents (\$11.50) for:

22 (a) Motor vehicles, including pickup trucks and passenger vans; and

23 (b) Motor carrier vehicles, as defined in KRS 281.010, primarily designed for
24 carrying passengers or passengers for hire and having been designed or
25 constructed to transport not more than fifteen (15) passengers, including the
26 operator.

27 (2) Except as provided in KRS 186.041 and 186.162, the annual registration fee for

1 each motorcycle shall be nine dollars (\$9).

2 (3) (a) All motor vehicles having a declared gross weight of vehicle and any towed
3 unit of ten thousand (10,000) pounds or less, except those mentioned in
4 subsections (1) and (2) of this section, are classified as commercial vehicles
5 and the annual registration fee, except as provided in subsections (4) to (14) of
6 this section, shall be eleven dollars and fifty cents (\$11.50).

7 (b) All motor vehicles, except those mentioned in subsections (1) and (2) of this
8 section, and those engaged in hauling passengers for hire which are designed
9 or constructed to transport more than fifteen (15) passengers including the
10 operator, whose registration fee shall be one hundred dollars (\$100), are
11 classified as commercial vehicles and the annual registration fee, except as
12 provided in subsections (3)(a) and (4) to (14) of this section, shall be as
13 follows:

Declared Gross Weight of Vehicle and Any Towed Unit	Registration Fee
10,001-14,000	30.00
14,001-18,000	50.00
18,001-22,000	132.00
22,001-26,000	160.00
26,001-32,000	216.00
32,001-38,000	300.00
38,001-44,000	474.00
44,001-55,000	669.00
55,001-62,000	1,007.00
62,001-73,280	1,250.00
73,281-80,000	1,410.00

27 (4) (a) 1. Any farmer owning a truck having a gross weight of twenty-six thousand

1 (26,000) pounds or less may have it registered as a farmer's truck and
2 obtain a license for eleven dollars and fifty cents (\$11.50). The
3 applicant's signature upon the certificate of registration and ownership
4 shall constitute a certificate that he is a farmer engaged in the production
5 of crops, livestock, or dairy products, that he owns a truck of the gross
6 weight of twenty-six thousand (26,000) pounds or less, and that during
7 the next twelve (12) months the truck shall not be used in for-hire
8 transportation and may be used in transporting persons, food, provender,
9 feed, machinery, livestock, material, and supplies necessary for his
10 farming operation, and the products grown on his farm.

11 2. Any farmer owning a truck having a gross weight of twenty-six thousand
12 one (26,001) pounds to thirty-eight thousand (38,000) pounds may have
13 it registered as a farmer's truck and obtain a license for eleven dollars and
14 fifty cents (\$11.50). The applicant's signature upon the certificate of
15 registration and ownership shall constitute a certificate that he is a farmer
16 engaged in the production of crops, livestock, or dairy products, that he
17 owns a truck of the gross weight between twenty-six thousand one
18 (26,001) pounds and thirty-eight thousand (38,000) pounds, and that
19 during the next twelve (12) months the truck shall not be used in for-hire
20 transportation and may be used in transporting persons, food, provender,
21 feed, machinery, livestock, material, and supplies necessary for his
22 farming operation and the products grown on his farm.

23 (b) Any farmer owning a truck having a declared gross weight in excess of thirty-
24 eight thousand (38,000) pounds shall not be required to pay the fee set out in
25 subsection (3) of this section and, in lieu thereof, shall pay forty percent (40%)
26 of the fee set out in subsection (3) of this section and shall be exempt from any
27 fee charged under the provisions of KRS 281.752. The applicant's signature

1 upon the registration receipt shall be considered to be a certification that he is
2 a farmer engaged solely in the production of crops, livestock, or dairy
3 products, and that during the current registration year the truck will be used
4 only in transporting persons, food, provender, feed, and machinery used in
5 operating his farm and the products grown on his farm.

6 (c) An initial applicant for, or an applicant renewing, his or her registration
7 pursuant to this subsection, may at the time of application make a voluntary
8 contribution to be deposited into the agricultural program trust fund
9 established in KRS 246.247. The recommended voluntary contribution shall be
10 set at ten dollars (\$10) and automatically added to the cost of registration or
11 renewal unless the individual registering or renewing the vehicle opts out of
12 contributing the recommended amount. The county clerk shall collect and
13 forward the voluntary contribution to the cabinet for distribution to the
14 Department of Agriculture.

15 (5) Any person owning a truck or bus used solely in transporting school children and
16 school employees may have the truck or bus registered as a school bus and obtain a
17 license for eleven dollars fifty cents (\$11.50) by filing with the county clerk, in
18 addition to other information required, an affidavit stating that the truck or bus is
19 used solely in the transportation of school children and persons employed in the
20 schools of the district, that he has caused to be printed on each side of the truck or
21 bus and on the rear door the words "School Bus" in letters at least six (6) inches
22 high, and of a conspicuous color, and the truck or bus will be used during the next
23 twelve (12) months only for the purpose stated.

24 (6) Any church or religious organization owning a truck or bus used solely in
25 transporting persons to and from a place of worship or for other religious work may
26 have the truck or bus registered as a church bus and obtain a license for eleven
27 dollars and fifty cents (\$11.50) by filing with the county clerk, in addition to other

1 information required, an affidavit stating that the truck or bus will be used only for
2 the transporting of persons to and from a place of worship, or for other religious
3 work, and that there has been printed on the truck or bus in large letters the words
4 "Church Bus," with the name of the church or religious organization owning and
5 using the truck or bus, and that during the next twelve (12) months the truck or bus
6 will be used only for the purpose stated.

7 (7) Any person owning a motor vehicle with a gross weight of fourteen thousand
8 (14,000) pounds or less on which a wrecker crane or other equipment suitable for
9 wrecker service has been permanently mounted may register the vehicle and obtain a
10 license for eleven dollars fifty cents (\$11.50) by filing with the county clerk, in
11 addition to other information required, an affidavit that a wrecker crane or other
12 equipment suitable for wrecker service has been permanently mounted on such
13 vehicle and that during the next twelve (12) months the vehicle will be used only in
14 wrecker service. If the gross weight of the vehicle exceeds fourteen thousand
15 (14,000) pounds, the vehicle shall be registered in accordance with subsection (3) of
16 this section. The gross weight of a vehicle used in wrecker service shall not include
17 the weight of the vehicle being towed by the wrecker.

18 (8) Motor vehicles having a declared gross weight in excess of eighteen thousand
19 (18,000) pounds, which when operated in this state are used exclusively for the
20 transportation of property within the limits of the city named in the affidavit
21 hereinafter required to be filed, or within ten (10) miles of the city limits of the city if
22 it is a city with a population equal to or greater than three thousand (3,000) based
23 upon the most recent federal decennial census, or within five (5) miles of its limits if
24 it is a city with a population of less than three thousand (3,000) based upon the most
25 recent federal decennial census, or anywhere within a county containing an urban-
26 county government, shall not be required to pay the fee as set out in subsection (3)
27 of this section, and in lieu thereof shall pay seventy-five percent (75%) of the fee set

1 forth in subsection (3) of this section and shall be exempt from any fee charged
2 under the provisions of KRS 281.752. Nothing in this section shall be construed to
3 limit any right of nonresidents to exemption from registration under any other
4 provisions of the laws granting reciprocity to nonresidents. Operations outside of
5 this state shall not be considered in determining whether or not the foregoing
6 mileage limitations have been observed. When claiming the right to the reduced fee,
7 the applicant's signature on the certificate of registration and ownership shall
8 constitute a certification or affidavit stating that the motor vehicle when used within
9 this state is used only for the transportation of property within the city to be named
10 in the affidavit and the area above set out and that the vehicle will not be used
11 outside of a city and the area above set out during the current registration period.

12 (9) Motor vehicles having a declared gross weight in excess of eighteen thousand
13 (18,000) pounds, which are used exclusively for the transportation of primary forest
14 products from the harvest area to a mill or other processing facility, where such mill
15 or processing facility is located at a point not more than fifty (50) air miles from the
16 harvest area or which are used exclusively for the transportation of concrete blocks
17 or ready-mixed concrete from the point at which such concrete blocks or ready-
18 mixed concrete is produced to a construction site where such concrete blocks or
19 ready-mixed concrete is to be used, where such construction site is located at a point
20 not more than thirty (30) air miles from the point at which such concrete blocks or
21 ready-mixed concrete is produced shall not be required to pay the fee as set out in
22 subsection (3) of this section, and in lieu thereof, shall pay seventy-five percent
23 (75%) of the fee set out in subsection (3) of this section and shall be exempt from
24 any fee charged under the provisions of KRS 281.752. The applicant's signature
25 upon the certificate of registration and ownership shall constitute a certification that
26 the motor vehicle will not be used during the current registration period in any
27 manner other than that for which the reduced fee is provided in this section.

- 1 (10) Any owner of a commercial vehicle registered for a declared gross weight in excess
2 of eighteen thousand (18,000) pounds, intending to transfer same and desiring to
3 take advantage of the refund provisions of KRS 186.056(2), may reregister such
4 vehicle and obtain a "For Sale" certificate of registration and ownership for one
5 dollar (\$1). Title to a vehicle so registered may be transferred, but such registration
6 shall not authorize the operation or use of the vehicle on any public highway. No
7 refund may be made under the provisions of KRS 186.056(2) until such time as the
8 title to such vehicle has been transferred to the purchaser thereof. Provided,
9 however, that nothing herein shall be so construed as to prevent the seller of a
10 commercial vehicle from transferring the registration of such vehicle to any
11 purchaser thereof.
- 12 (11) The annual registration fee for self-propelled vehicles containing sleeping or eating
13 facilities shall be twenty dollars (\$20) and the multiyear license plate issued shall be
14 designated "Recreational vehicle." The foregoing shall not include any motor vehicle
15 primarily designed for commercial or farm use having temporarily attached thereto
16 any sleeping or eating facilities, or any commercial vehicle having sleeping facilities.
- 17 (12) The registration fee on any vehicle registered under this section shall be increased
18 fifty percent (50%) when the vehicle is not equipped wholly with pneumatic tires.
- 19 (13) (a) The Department of Vehicle Regulation is authorized to negotiate and execute
20 an agreement or agreements for the purpose of developing and instituting
21 proportional registration of motor vehicles engaged in interstate commerce, or
22 in a combination of interstate and intrastate commerce, and operating into,
23 through, or within the Commonwealth of Kentucky. The agreement or
24 agreements may be made on a basis commensurate with, and determined by,
25 the miles traveled on, and use made of, the highways of this Commonwealth as
26 compared with the miles traveled on and use made of highways of other states,
27 or upon any other equitable basis of proportional registration. Notwithstanding

1 the provisions of KRS 186.020, the cabinet shall promulgate administrative
2 regulations concerning the registration of motor vehicles under any agreement
3 or agreements made under this section and shall provide for direct issuance by
4 it of evidence of payment of any registration fee required under such
5 agreement or agreements. Any proportional registration fee required to be
6 collected under any proportional registration agreement or agreements shall be
7 in accordance with the taxes established in this section.

8 (b) Any owner of a commercial vehicle who is required to title his motor vehicle
9 under this section shall first title such vehicle with the county clerk pursuant to
10 KRS 186.020 for a state fee of one dollar (\$1). Title to such vehicle may be
11 transferred; however title without proper registration shall not authorize the
12 operation or use of the vehicle on any public highway. Any commercial vehicle
13 properly titled in Kentucky may also be registered in Kentucky, and, upon
14 payment of the required fees, the department may issue an apportioned
15 registration plate to such commercial vehicle.

16 (c) Any commercial vehicle that is properly titled in a foreign jurisdiction, which
17 vehicle is subject to apportioned registration, as provided in paragraph (a) of
18 this subsection, may be registered in Kentucky, and, upon proof of proper title
19 and payment of the required fees, the department may issue an apportioned
20 registration plate to the commercial vehicle. The department shall promulgate
21 administrative regulations in accordance with this section.

22 (14) Any person seeking to obtain a special license plate for an automobile that has been
23 provided to him pursuant to an occupation shall meet both of the following
24 requirements:

25 (a) The automobile shall be provided for the full-time exclusive use of the
26 applicant; and

27 (b) The applicant shall obtain permission in writing from the vehicle owner or

1 lessee on a form provided by the cabinet to use the vehicle and for the vehicle
2 to bear the special license plate.

3 (15) An applicant for any motor vehicle registration issued pursuant to this section shall
4 have the opportunity to make a donation of two dollars (\$2) to promote a hunger
5 relief program through specific wildlife management and conservation efforts by the
6 Department of Fish and Wildlife Resources in accordance with KRS 150.015. If an
7 applicant elects to make a contribution under this subsection, the two dollar (\$2)
8 donation shall be added to the regular fee for any motor vehicle registration issued
9 pursuant to this section. One (1) donation may be made per issuance of each
10 registration. The fee shall be paid to the county clerk and shall be transmitted by the
11 State Treasurer to the Department of Fish and Wildlife Resources to be used
12 exclusively for the purpose of wildlife management and conservation activities in
13 support of hunger relief. The county clerk may retain up to five percent (5%) of the
14 fees collected under this subsection for administrative costs associated with the
15 collection of this donation. Any donation requested under this subsection shall be
16 voluntary and may be refused by the applicant at the time of issuance or renewal of a
17 license plate.

18 **(16) In addition to the registration fees outlined in this section, any owner of a hybrid**
19 **vehicle model year 2019 or newer, a hybrid plug-in vehicle, or a non-hybrid**
20 **electric vehicle, shall, at the time of registration, be subject to the fees established**
21 **in Section 1 of this Act.**

22 ➔Section 4. KRS 138.220 is amended to read as follows:

23 (1) (a) An excise tax at the rate of nine percent (9%) of the average wholesale price
24 rounded to the nearest one-tenth of one cent (\$0.001) shall be paid on all
25 gasoline and special fuel received in this state. The tax shall be paid on a per
26 gallon basis.

27 (b) The average wholesale price shall be determined and adjusted as provided in

1 KRS 138.228.

2 (c) For the purposes of the allocations in KRS 177.320(1) and (2) and 177.365,
3 the amount calculated under this subsection shall be reduced by the amount
4 calculated in subsection (3) of this section.

5 (d) Except as provided by KRS Chapter 138, no other excise or license tax shall
6 be levied or assessed on gasoline or special fuel by the state or any political
7 subdivision of the state.

8 (e) The tax herein imposed shall be paid by the dealer receiving the gasoline or
9 special fuel to the State Treasurer in the manner and within the time specified
10 in KRS 138.230 to 138.340 and all such tax may be added to the selling price
11 charged by the dealer or other person paying the tax on gasoline or special fuel
12 sold in this state.

13 (f) Nothing herein contained shall authorize or require the collection of the tax
14 upon any gasoline or special fuel after it has been once taxed under the
15 provisions of this section, unless such tax was refunded or credited.

16 (2) (a) In addition to the excise tax provided in subsection (1) of this section, there is
17 hereby levied a supplemental highway user motor fuel tax to be paid in the
18 same manner and at the same time as the tax provided in subsection (1) of this
19 section.

20 (b) The tax shall be:

- 21 1. Five cents (\$0.05) per gallon on gasoline; and
- 22 2. Two cents (\$0.02) per gallon on special fuel.

23 (c) The supplemental highway user motor fuel tax provided by this subsection and
24 the provisions of subsections (1) and (3) of this section shall constitute the tax
25 on motor fuels imposed by KRS 138.220.

26 (3) Two and one-tenth cents (\$0.021), of the tax collected under subsection (1) of this
27 section shall be excluded from the calculations in KRS 177.320(1) and (2) and

1 177.365. The funds identified in this subsection shall be deposited into the state road
2 fund.

3 (4) (a) Notification of the average wholesale price shall be given to all licensed
4 dealers; *and*

5 (b) Notification of the fees established in Section 1 of this Act shall be given to
6 all county clerks;

7 at least twenty (20) days in advance of the first day of each fiscal year~~calendar~~
8 ~~quarter~~.

9 (5) Dealers with a tax-paid gasoline or special fuel inventory at the time an average
10 wholesale price becomes effective, shall be subject to additional tax or appropriate
11 tax credit to reflect the increase or decrease in the average wholesale price for the
12 new quarter. The department shall promulgate administrative regulations to properly
13 administer this provision.

14 ➔Section 5. This Act takes effect January 1, 2019.