

1 AN ACT relating to highway funding and making an appropriation therefor.

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

3 ➔Section 1. KRS 138.220 is amended to read as follows:

- 4 (1) (a) An excise tax ***with an initial base***~~[at the]~~ rate of ***twenty-four and six-tenths***
5 ***of a cent (\$0.246) per gallon***~~[nine percent (9%) of the average wholesale~~
6 ~~price rounded to the nearest one-tenth of one cent (\$0.001)]~~ shall be paid on
7 all gasoline and special fuel received in this state.~~[The tax shall be paid on a~~
8 ~~per gallon basis.]~~
- 9 (b) The ***excise tax under this section shall be***~~[average wholesale price shall be~~
10 ~~determined and]~~ adjusted ***annually*** as provided in ***Section 3 of this Act***~~[KRS~~
11 ~~138.228].~~
- 12 (c) For the purposes of the allocations in KRS 177.320(1) and (2) and 177.365,
13 the amount calculated under this ***section and adjusted under Section 3 of this***
14 ***Act***~~[subsection]~~ shall be reduced by the amount ***identified***~~[calculated]~~ in
15 subsection ***(2)***~~[(3)]~~ of this section.
- 16 (d) Except as provided by KRS Chapter 138, no other excise or license tax shall
17 be levied or assessed on gasoline or special fuel by the state or any political
18 subdivision of the state.
- 19 (e) The tax ***under this section***~~[herein imposed]~~ shall be paid by the dealer
20 receiving the gasoline or special fuel to the State Treasurer in the manner and
21 within the time specified in KRS 138.230 to 138.340 and all such tax may be
22 added to the selling price charged by the dealer or other person paying the tax
23 on gasoline or special fuel sold in this state.
- 24 (f) ***Except as provided by in subsection (4) of this section,*** nothing ***in this***
25 ***section***~~[herein contained]~~ shall authorize or require the collection of the tax
26 upon any gasoline or special fuel after it has been once taxed under the
27 provisions of this section, unless such tax was refunded or credited.

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

4 ~~(b) The tax shall be:~~

5 1. ~~Five cents (\$0.05) per gallon on gasoline; and~~

6 2. ~~Two cents (\$0.02) per gallon on special fuel.~~

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

10 ~~(3)}~~ Two and one-tenth cents (\$0.021), of the tax collected under subsection (1) of this
 11 section shall be excluded from the calculations in KRS 177.320(1) and (2) and
 12 177.365. The funds identified in this subsection shall be deposited into the state
 13 road fund.

14 ~~(3){(4)}~~ *At least twenty (20) days in advance of the first day of each fiscal year,*
 15 notification of:

16 *(a) The adjusted motor fuel tax rate for the upcoming fiscal year*~~{average~~
 17 ~~wholesale price}~~ shall be given to all licensed dealers; *and*

18 *(b) The adjusted electric and hybrid vehicle highway user fees established in*
 19 *Section 4 of this Act shall be given to all county clerks*~~{at least twenty (20)~~
 20 ~~days in advance of July 1 of each calendar year}.~~

21 ~~(4){(5)}~~ Dealers with a tax-paid gasoline or special fuel inventory at the time an
 22 *adjustment to the fuel tax rate under Section 3 of this Act*~~{average wholesale price~~
 23 ~~} becomes effective[,]~~ shall be subject to additional tax or appropriate tax credit to
 24 reflect the increase or decrease in the *fuel tax rate*~~{average wholesale price}~~ for the
 25 new *year*~~{quarter}~~. The department shall promulgate administrative regulations to
 26 ~~{properly}~~ administer this provision.

27 ➔Section 2. KRS 138.660 is amended to read as follows:

1 (1) Every motor carrier, excluding charter bus operators registered pursuant to KRS
 2 Chapter 281, shall pay a tax at the rate levied in KRS 138.220~~[(1) and (2)]~~ on the
 3 amount of gasoline and special fuels used in operations on the public highways of
 4 this state.

5 (2) (a) In addition to the tax imposed in subsection (1) of this section, if the motor
 6 carrier is a heavy equipment motor carrier as defined in KRS 138.655, he shall
 7 pay a surtax on fuels used in operations on public highways of this state at
 8 the initial base rates~~[rate]~~ of:

9 1. Four and three-tenths cents (\$0.043) per gallon on~~[two percent (2%)~~
 10 ~~of the average wholesale price as provided in subsection (1) of this~~
 11 ~~section, on the amount of] gasoline;~~ and

12 2. Seven and two-tenths cents (\$0.072) per gallon on~~[at the rate of four~~
 13 ~~and seven-tenths percent (4.7%) on the amount of] special fuels~~~~[used in~~
 14 ~~operations on public highways of this state].~~

15 (b) The surtax under this subsection shall be adjusted annually as provided in
 16 Section 3 of this Act.

17 (3) Every motor carrier shall pay for every motor vehicle operated upon the public
 18 highways of this state with a combined licensed weight in excess of fifty-nine
 19 thousand nine hundred and ninety-nine (59,999) pounds a weight distance tax
 20 computed at the rate of two and eighty-five hundredths cents (\$0.0285) per mile.

21 (4) Those taxes levied under this section shall be computed and paid as provided in
 22 KRS 138.685 and 138.690.

23 ➔SECTION 3. A NEW SECTION OF KRS CHAPTER 138 IS CREATED TO
 24 READ AS FOLLOWS:

25 (1) As used in section, "taxes" means:

26 (a) The excise tax on gasoline and special fuels established under Section 1 of
 27 this Act; and

1 **(b) The heavy equipment motor carrier surtax established under subsection (2)**
2 **of Section 2 of this Act.**

3 **(2) For the fiscal year beginning on July 1, 2021, and ending June 30, 2022:**

4 **(a) The excise tax on gasoline and special fuels established under Section 1 of**
5 **this Act shall be the initial base rate identified in subsection (1) of Section 1**
6 **of this Act; and**

7 **(b) The heavy equipment motor carrier surtax established under subsection (2)**
8 **of Section 2 of this Act shall be the initial base rate identified in that**
9 **subsection.**

10 **(3) (a) For fiscal years beginning on or after July 1, 2022, the taxes shall be**
11 **adjusted annually to the nearest one-tenth of one cent (\$0.001), as provided**
12 **in this subsection, and shall be effective on the first day of the fiscal year.**

13 **(b) On or before June 1, 2022, and on or before each June 1 thereafter, the**
14 **department shall compare the most current quarterly National Highway**
15 **Construction Cost Index 2.0 (NHCCI 2.0) value and determine the**
16 **percentage change in relation to the NHCCI 2.0 value from the same**
17 **quarter for the previous year.**

18 **(c) 1. The taxes on July 1, 2022, and on July 1 of each fiscal year thereafter,**
19 **shall be adjusted by the change in the NHCCI 2.0 determined by**
20 **paragraph (b) of this subsection, unless the change is:**

21 **a. Greater than a ten percent (10%) increase, in which case the**
22 **taxes shall be one hundred ten percent (110%) of the tax rates in**
23 **effect at the close of the previous fiscal year; or**

24 **b. Greater than a two percent (2%) decrease, in which case the**
25 **taxes shall be ninety-eight percent (98%) of the tax rates in effect**
26 **at the close of the previous fiscal year.**

27 **2. Notwithstanding subparagraph 1. of this paragraph, the tax rates shall**

1 not be less than the initial base rates identified in subsection (1) of
2 Section 1 and subsection(2)(a) of Section 2 of this Act.

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

5 (1) At the time of initial registration, and each year upon annual vehicle registration
6 renewal under Section 6 of this Act, the county clerk shall collect, from the
7 registrants of nonhybrid electric motor vehicles and plug-in hybrid electric motor
8 vehicles, the electric and hybrid vehicle user fees established under subsection (2)
9 of this section, as adjusted by the calculations in subsection (3) of this section.

10 (2) The base floor for the user fee shall be:

11 (a) One hundred fifty dollars (\$150) on nonhybrid electric motor vehicles with
12 a declared gross vehicle weight of ten thousand (10,000) pounds or less;

13 (b) Three hundred dollars (\$300) on nonhybrid electric motor vehicles with a
14 declared gross vehicle weight greater than ten thousand (10,000) pounds;

15 (c) Seventy-five dollars (\$75) on plug-in hybrid electric motor vehicles with a
16 declared gross vehicle weight of ten thousand (10,000) pounds or less; or

17 (d) One hundred fifty dollars (\$150) on plug-in hybrid electric motor vehicles
18 with a declared gross vehicle weight greater than ten thousand (10,000)
19 pounds.

20 (3) The Department of Revenue shall adjust the fees established in subsection (2) of
21 this section, on the same schedule and in the same manner as the adjustments to
22 motor fuels taxes under Section 3 of this Act, except that:

23 (a) Adjustments to the fees shall be rounded to the nearest dollar; and

24 (c) Any adjustment of fees under this subsection shall not result in a decrease
25 below the base fees established in subsection (2) of this section.

26 (4) All user fees collected under this section shall be transferred to the road fund, as
27 defined in KRS 48.010.

1 ➔Section 5. KRS 186.010 is amended to read as follows:

2 As used in this chapter, unless otherwise indicated:

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

- 1 (6) "Operator" means any person in actual control of a motor vehicle upon a highway;
- 2 (7) (a) "Owner" means a person who holds the legal title of a vehicle or a person who
3 pursuant to a bona fide sale has received physical possession of the vehicle
4 subject to any applicable security interest.
- 5 (b) A vehicle is the subject of an agreement for the conditional sale or lease, with
6 the vendee or lessee entitled to possession of the vehicle, upon performance of
7 the contract terms, for a period of three hundred sixty-five (365) days or more
8 and with the right of purchase upon performance of the conditions stated in
9 the agreement and with an immediate right of possession vested in the
10 conditional vendee or lessee, or if a mortgagor of a vehicle is entitled to
11 possession, the conditional vendee or lessee or mortgagor shall be deemed the
12 owner.
- 13 (c) A licensed motor vehicle dealer who transfers physical possession of a motor
14 vehicle to a purchaser pursuant to a bona fide sale, and complies with the
15 requirements of KRS 186A.220, shall not be deemed the owner of that motor
16 vehicle solely due to an assignment to his dealership or a certificate of title in
17 the dealership's name. Rather, under these circumstances, ownership shall
18 transfer upon delivery of the vehicle to the purchaser, subject to any
19 applicable security interest;
- 20 (8) (a) "Vehicle," as used in KRS 186.020 to 186.260, includes all agencies for the
21 transportation of persons or property over or upon the public highways of this
22 Commonwealth and all vehicles passing over or upon said highways, except
23 electric low-speed scooters, road rollers, road graders, farm tractors, vehicles
24 on which power shovels are mounted, such other construction equipment
25 customarily used only on the site of construction and which is not practical for
26 the transportation of persons or property upon the highways, such vehicles as
27 travel exclusively upon rails, and such vehicles as are propelled by electric

1 power obtained from overhead wires while being operated within any
2 municipality or where said vehicles do not travel more than five (5) miles
3 beyond the city limit of any municipality.

4 (b) As used in KRS 186.400 to 186.640, "vehicle" means every device in, upon,
5 or by which any person or property is or may be transported or drawn upon a
6 public highway, except electric low-speed scooters, devices moved by human
7 and animal power or used exclusively upon stationary rails or tracks, or which
8 derives its power from overhead wires;

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

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

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

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

24 (13) "Special status individual" means:

25 (a) "Asylee" means any person lawfully present in the United States who
26 possesses an I-94 card issued by the United States Department of Justice,
27 Immigration and Naturalization Service, on which it states "asylum status

1 granted indefinitely pursuant to Section 208 of the Immigration & Nationality
2 Act";

3 (b) "K-1 status" means the status of any person lawfully present in the United
4 States who has been granted permission by the United States Department of
5 Justice, Immigration and Naturalization Service to enter the United States for
6 the purpose of marrying a United States citizen within ninety (90) days from
7 the date of that entry;

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

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

17 (14) "Instruction permit" includes both motor vehicle instruction permits and motorcycle
18 instruction permits;

19 (15) "Motorcycle" means any motor driven vehicle that has a maximum speed that
20 exceeds fifty (50) miles per hour, has a seat or saddle for the use of the operator,
21 and is designed to travel on not more than three (3) wheels in contact with the
22 ground, including vehicles on which the operator and passengers ride in an enclosed
23 cab. Only for purposes of registration, "motorcycle" shall include a motor scooter,
24 an alternative-speed motorcycle, and an auticycle as defined in this section, but
25 shall not include a tractor or a moped as defined in this section;

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

27 (a) Is self-propelled using an electric motor, combustion-driven motor, or a

1 combination thereof;

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

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

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

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

7 (b) Is three (3) wheeled;

8 (c) Has a fully enclosed cab and includes at least one (1) door for entry;

9 (d) Is designed to operate at a speed not to exceed forty (40) miles per hour as
10 certified by the manufacturer; and

11 (e) Is not an autocycle as defined in this section;

12 (18) "Multiple-vehicle driving range" means an enclosed area that is not part of a
13 highway or otherwise open to the public on which a number of motor vehicles may
14 be used simultaneously to provide driver training under the supervision of one (1) or
15 more driver training instructors;

16 (19) "Autocycle" means any motor vehicle that:

17 (a) Is equipped with a seat that does not require the operator to straddle or sit
18 astride it;

19 (b) Is designed to travel on three (3) wheels in contact with the ground;

20 (c) Is designed to operate at a speed that exceeds forty (40) miles per hour as
21 certified by the manufacturer;

22 (d) Allows the operator and passenger to ride either side-by-side or in tandem in a
23 seating area that may be enclosed with a removable or fixed top;

24 (e) Is equipped with a three (3) point safety belt system;

25 (f) May be equipped with a manufacturer-installed air bags or a roll cage;

26 (g) Is designed to be controlled with a steering wheel and pedals; and

27 (h) Is not an alternative-speed motorcycle as defined in this section;

- 1 (20) "Military surplus vehicle" means a multipurpose wheeled surplus military vehicle
2 that:
- 3 (a) Is not operated using continuous tracks;
- 4 (b) Was originally manufactured for and sold directly to the Armed Forces of the
5 United States; and
- 6 (c) Was originally manufactured under the federally mandated requirements set
7 forth in 49 C.F.R. sec. 571.7;
- 8 (21) "Livestock" means cattle, sheep, swine, goats, horses, alpacas, llamas, buffaloes,
9 and any other animals of the bovine, ovine, porcine, caprine, equine, or camelid
10 species;
- 11 (22) "Identity document" means an instruction permit, operator's license, or personal
12 identification card issued under KRS 186.4102, 186.412, 186.4121, 186.4122, and
13 186.4123 or a commercial driver's license issued under KRS Chapter 281A;
- 14 (23) "Travel ID," as it refers to an identity document, means a document that complies
15 with Pub. L. No. 109-13, Title II;
- 16 (24) "Motor scooter" means a low-speed motorcycle that is:
- 17 (a) Equipped with wheels greater than sixteen (16) inches in diameter;
- 18 (b) Equipped with an engine greater than fifty (50) cubic centimeters;
- 19 (c) Designed to operate at a speed not to exceed fifty (50) miles per hour;
- 20 (d) Equipped with brake horsepower of two (2) or greater; and
- 21 (e) Equipped with a step-through frame or a platform for the operator's feet;~~and~~
- 22 (25) "Alternative technology," as used in KRS 186.400 to 186.640, means methods used
23 by the cabinet to facilitate the issuance of operator's licenses and personal
24 identification cards outside of the normal in-person application at a cabinet office,
25 including but not limited to a cabinet mobile unit or online services;
- 26 **(26) "Nonhybrid electric motor vehicle" means a motor vehicle that is solely propelled**
27 **by an electric motor; and**

1 (27) "Plug-in hybrid electric motor vehicle" or "PHEV" means a motor vehicle
 2 equipped with electrical drivetrain components, an internal combustion engine,
 3 and a battery or other energy storage device that can be recharged by plugging
 4 into an electrical outlet or electric vehicle charging station.

5 ➔Section 6. KRS 186.050 is amended to read as follows:

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

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

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

12 (2) Except as provided in KRS 186.041 and 186.162, the annual registration fee for
 13 each motorcycle shall be nine dollars (\$9).

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

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

| | |
|----------------------------------|--------------|
| Declared Gross Weight of Vehicle | Registration |
| and Any Towed Unit | Fee |

| | | |
|----|---------------|----------|
| 1 | 10,001-14,000 | 30.00 |
| 2 | 14,001-18,000 | 50.00 |
| 3 | 18,001-22,000 | 132.00 |
| 4 | 22,001-26,000 | 160.00 |
| 5 | 26,001-32,000 | 216.00 |
| 6 | 32,001-38,000 | 300.00 |
| 7 | 38,001-44,000 | 474.00 |
| 8 | 44,001-55,000 | 669.00 |
| 9 | 55,001-62,000 | 1,007.00 |
| 10 | 62,001-73,280 | 1,250.00 |
| 11 | 73,281-80,000 | 1,410.00 |

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

23 2. Any farmer owning a truck having a gross weight of twenty-six
24 thousand one (26,001) pounds to thirty-eight thousand (38,000) pounds
25 may have it registered as a farmer's truck and obtain a license for eleven
26 dollars and fifty cents (\$11.50). The applicant's signature upon the
27 certificate of registration and ownership shall constitute a certificate that

1 he is a farmer engaged in the production of crops, livestock, or dairy
2 products, that he owns a truck of the gross weight between twenty-six
3 thousand one (26,001) pounds and thirty-eight thousand (38,000)
4 pounds, and that during the next twelve (12) months the truck shall not
5 be used in for-hire transportation and may be used in transporting
6 persons, food, provender, feed, machinery, livestock, material, and
7 supplies necessary for his farming operation and the products grown on
8 his farm.

9 (b) Any farmer owning a truck having a declared gross weight in excess of thirty-
10 eight thousand (38,000) pounds shall not be required to pay the fee set out in
11 subsection (3) of this section and, in lieu thereof, shall pay forty percent (40%)
12 of the fee set out in subsection (3) of this section and shall be exempt from
13 any fee charged under the provisions of KRS 281.752. The applicant's
14 signature upon the registration receipt shall be considered to be a certification
15 that he is a farmer engaged solely in the production of crops, livestock, or
16 dairy products, and that during the current registration year the truck will be
17 used only in transporting persons, food, provender, feed, and machinery used
18 in operating his farm and the products grown on his farm.

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

- 1 (5) Any person owning a truck or bus used solely in transporting school children and
2 school employees may have the truck or bus registered as a school bus and obtain a
3 license for eleven dollars fifty cents (\$11.50) by filing with the county clerk, in
4 addition to other information required, an affidavit stating that the truck or bus is
5 used solely in the transportation of school children and persons employed in the
6 schools of the district, that he has caused to be printed on each side of the truck or
7 bus and on the rear door the words "School Bus" in letters at least six (6) inches
8 high, and of a conspicuous color, and the truck or bus will be used during the next
9 twelve (12) months only for the purpose stated.
- 10 (6) Any church or religious organization owning a truck or bus used solely in
11 transporting persons to and from a place of worship or for other religious work may
12 have the truck or bus registered as a church bus and obtain a license for eleven
13 dollars and fifty cents (\$11.50) by filing with the county clerk, in addition to other
14 information required, an affidavit stating that the truck or bus will be used only for
15 the transporting of persons to and from a place of worship, or for other religious
16 work, and that there has been printed on the truck or bus in large letters the words
17 "Church Bus," with the name of the church or religious organization owning and
18 using the truck or bus, and that during the next twelve (12) months the truck or bus
19 will be used only for the purpose stated.
- 20 (7) Any person owning a motor vehicle with a gross weight of fourteen thousand
21 (14,000) pounds or less on which a wrecker crane or other equipment suitable for
22 wrecker service has been permanently mounted may register the vehicle and obtain
23 a license for eleven dollars fifty cents (\$11.50) by filing with the county clerk, in
24 addition to other information required, an affidavit that a wrecker crane or other
25 equipment suitable for wrecker service has been permanently mounted on such
26 vehicle and that during the next twelve (12) months the vehicle will be used only in
27 wrecker service. If the gross weight of the vehicle exceeds fourteen thousand

1 (14,000) pounds, the vehicle shall be registered in accordance with subsection (3) of
2 this section. The gross weight of a vehicle used in wrecker service shall not include
3 the weight of the vehicle being towed by the wrecker.

4 (8) Motor vehicles having a declared gross weight in excess of eighteen thousand
5 (18,000) pounds, which when operated in this state are used exclusively for the
6 transportation of property within the limits of the city named in the affidavit
7 hereinafter required to be filed, or within ten (10) miles of the city limits of the city
8 if it is a city with a population equal to or greater than three thousand (3,000) based
9 upon the most recent federal decennial census, or within five (5) miles of its limits
10 if it is a city with a population of less than three thousand (3,000) based upon the
11 most recent federal decennial census, or anywhere within a county containing an
12 urban-county government, shall not be required to pay the fee as set out in
13 subsection (3) of this section, and in lieu thereof shall pay seventy-five percent
14 (75%) of the fee set forth in subsection (3) of this section and shall be exempt from
15 any fee charged under the provisions of KRS 281.752. Nothing in this section shall
16 be construed to limit any right of nonresidents to exemption from registration under
17 any other provisions of the laws granting reciprocity to nonresidents. Operations
18 outside of this state shall not be considered in determining whether or not the
19 foregoing mileage limitations have been observed. When claiming the right to the
20 reduced fee, the applicant's signature on the certificate of registration and ownership
21 shall constitute a certification or affidavit stating that the motor vehicle when used
22 within this state is used only for the transportation of property within the city to be
23 named in the affidavit and the area above set out and that the vehicle will not be
24 used outside of a city and the area above set out during the current registration
25 period.

26 (9) Motor vehicles having a declared gross weight in excess of eighteen thousand
27 (18,000) pounds, which are used exclusively for the transportation of primary forest

1 products from the harvest area to a mill or other processing facility, where such mill
2 or processing facility is located at a point not more than fifty (50) air miles from the
3 harvest area or which are used exclusively for the transportation of concrete blocks
4 or ready-mixed concrete from the point at which such concrete blocks or ready-
5 mixed concrete is produced to a construction site where such concrete blocks or
6 ready-mixed concrete is to be used, where such construction site is located at a point
7 not more than thirty (30) air miles from the point at which such concrete blocks or
8 ready-mixed concrete is produced shall not be required to pay the fee as set out in
9 subsection (3) of this section, and in lieu thereof, shall pay seventy-five percent
10 (75%) of the fee set out in subsection (3) of this section and shall be exempt from
11 any fee charged under the provisions of KRS 281.752. The applicant's signature
12 upon the certificate of registration and ownership shall constitute a certification that
13 the motor vehicle will not be used during the current registration period in any
14 manner other than that for which the reduced fee is provided in this section.

15 (10) Any owner of a commercial vehicle registered for a declared gross weight in excess
16 of eighteen thousand (18,000) pounds, intending to transfer same and desiring to
17 take advantage of the refund provisions of KRS 186.056(2), may reregister such
18 vehicle and obtain a "For Sale" certificate of registration and ownership for one
19 dollar (\$1). Title to a vehicle so registered may be transferred, but such registration
20 shall not authorize the operation or use of the vehicle on any public highway. No
21 refund may be made under the provisions of KRS 186.056(2) until such time as the
22 title to such vehicle has been transferred to the purchaser thereof. Provided,
23 however, that nothing herein shall be so construed as to prevent the seller of a
24 commercial vehicle from transferring the registration of such vehicle to any
25 purchaser thereof.

26 (11) The annual registration fee for self-propelled vehicles containing sleeping or eating
27 facilities shall be twenty dollars (\$20) and the multiyear license plate issued shall be

1 designated "Recreational vehicle." The foregoing shall not include any motor
2 vehicle primarily designed for commercial or farm use having temporarily attached
3 thereto any sleeping or eating facilities, or any commercial vehicle having sleeping
4 facilities.

5 (12) The registration fee on any vehicle registered under this section shall be increased
6 fifty percent (50%) when the vehicle is not equipped wholly with pneumatic tires.

7 (13) (a) The Department of Vehicle Regulation is authorized to negotiate and execute
8 an agreement or agreements for the purpose of developing and instituting
9 proportional registration of motor vehicles engaged in interstate commerce, or
10 in a combination of interstate and intrastate commerce, and operating into,
11 through, or within the Commonwealth of Kentucky. The agreement or
12 agreements may be made on a basis commensurate with, and determined by,
13 the miles traveled on, and use made of, the highways of this Commonwealth
14 as compared with the miles traveled on and use made of highways of other
15 states, or upon any other equitable basis of proportional registration.
16 Notwithstanding the provisions of KRS 186.020, the cabinet shall promulgate
17 administrative regulations concerning the registration of motor vehicles under
18 any agreement or agreements made under this section and shall provide for
19 direct issuance by it of evidence of payment of any registration fee required
20 under such agreement or agreements. Any proportional registration fee
21 required to be collected under any proportional registration agreement or
22 agreements shall be in accordance with the taxes established in this section.

23 (b) Any owner of a commercial vehicle who is required to title his motor vehicle
24 under this section shall first title such vehicle with the county clerk pursuant
25 to KRS 186.020 for a state fee of one dollar (\$1). Title to such vehicle may be
26 transferred; however title without proper registration shall not authorize the
27 operation or use of the vehicle on any public highway. Any commercial

1 vehicle properly titled in Kentucky may also be registered in Kentucky, and,
2 upon payment of the required fees, the department may issue an apportioned
3 registration plate to such commercial vehicle.

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

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

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

15 (b) The applicant shall obtain permission in writing from the vehicle owner or
16 lessee on a form provided by the cabinet to use the vehicle and for the vehicle
17 to bear the special license plate.

18 (15) An applicant for any motor vehicle registration issued pursuant to this section shall
19 have the opportunity to make a donation of two dollars (\$2) to promote a hunger
20 relief program through specific wildlife management and conservation efforts by the
21 Department of Fish and Wildlife Resources in accordance with KRS 150.015. If an
22 applicant elects to make a contribution under this subsection, the two dollar (\$2)
23 donation shall be added to the regular fee for any motor vehicle registration issued
24 pursuant to this section. One (1) donation may be made per issuance of each
25 registration. The fee shall be paid to the county clerk and shall be transmitted by the
26 State Treasurer to the Department of Fish and Wildlife Resources to be used
27 exclusively for the purpose of wildlife management and conservation activities in

1 support of hunger relief. The county clerk may retain up to five percent (5%) of the
2 fees collected under this subsection for administrative costs associated with the
3 collection of this donation. Any donation requested under this subsection shall be
4 voluntary and may be refused by the applicant at the time of issuance or renewal of
5 a license plate.

6 **(16) In addition to the registration fees outlined in this section, any owner of a**
7 **nonhybrid electric motor vehicle or plug-in hybrid electric motor vehicle shall, at**
8 **the time of registration, be subject to the electric and hybrid vehicle user fees**
9 **established in Section 4 of this Act.**

10 ➔Section 7. KRS 138.695 is amended to read as follows:

11 (1) Every licensee subject to the tax imposed by subsections (1) and (2) of KRS
12 138.660 shall be entitled to a credit for each quarterly period beginning on and after
13 July 1, 1980, equivalent to the tax rate levied in KRS 138.220~~[(1) and (2)]~~ on
14 gasoline and special fuels purchased by such licensee during such period for use in
15 its operations, provided such gasoline and special fuels were purchased in Kentucky
16 during the same period and the tax imposed by KRS 138.220~~[(1) and (2)]~~, 138.565,
17 and 234.320 has been paid. Evidence of the payment of such tax in such form as
18 may be required by or satisfactory to the cabinet shall be furnished by each such
19 licensee claiming the credit herein allowed.

20 (2) The cabinet shall at the close of each quarterly period, ending September 30,
21 December 31, March 31, and June 30, compute all credits granted by the cabinet
22 during such quarter, which credits shall be except as provided in subsection (3) of
23 this section, applied only to taxes due on the report filed for the next quarter.

24 (3) If the credit or credits referred to in subsections (1) and (2) of this section would
25 expire solely by reason of the lapse of time allowed in subsection (2) of this section,
26 then the balance of any credit shall be refunded to the licensee, provided application
27 therefor and all necessary information shall be filed with the cabinet within sixty

1 (60) days after the time the credit would otherwise expire as provided in subsection
2 (2) of this section, except a credit shall not be refunded to the licensee, where, as
3 estimated by the cabinet, the cost to the cabinet of making the refund would exceed
4 the amount of the refund.

5 (4) In order to facilitate administration of the credits and refunds allowed herein, the
6 cabinet shall prescribe what records must be kept by the licensee or any other
7 person and the cabinet shall also prescribe the form and content of said records and
8 any reports to be made relative thereto.

9 ➔Section 8. KRS 138.210 is amended to read as follows:

10 As used in KRS 138.220 to 138.446, unless the context requires otherwise:

11 (1) "Accountable loss" means loss or destruction of "received" gasoline or special fuel
12 through wrecking of transportation conveyance, explosion, fire, flood or other
13 casualty loss, or contaminated and returned to storage. The loss shall be reported
14 within thirty (30) days after discovery of the loss to the department in a manner and
15 form prescribed by the department, supported by proper evidence which in the sole
16 judgment of the department substantiates the alleged loss or contamination and
17 which is confirmed in writing to the reporting dealer by the department. The
18 department may make any investigation deemed necessary to establish the bona fide
19 claim of the loss;

20 (2) "Agricultural purposes" means purposes directly related to the production of
21 agricultural commodities and the conducting of ordinary activities on the farm;

22 ~~(3) ["Annual survey value" means the average of the quarterly survey values for a fiscal~~
23 ~~year, as determined by the department, based upon surveys taken during the first~~
24 ~~month of each quarter of the fiscal year;~~

25 ~~(4) "Average wholesale price" means the weighted average per gallon wholesale price~~
26 ~~of gasoline, based on the quarterly survey value as determined by the department,~~
27 ~~and as adjusted by KRS 138.228;~~

1 ~~(5)~~ "Bulk storage facility" means gasoline or special fuels storage facilities of not less
2 than twenty thousand (20,000) gallons owned or operated at one (1) location by a
3 single owner or operator for the purpose of storing gasoline or special fuels for
4 resale or delivery to retail outlets or consumers;

5 ~~(4)~~~~(6)~~ "Dealer" means any person who is:

6 (a) Regularly engaged in the business of refining, producing, distilling,
7 manufacturing, blending, or compounding gasoline or special fuels in this
8 state;

9 (b) Regularly importing gasoline or special fuel, upon which no tax has been paid,
10 into this state for distribution in bulk to others;

11 (c) Distributing gasoline from bulk storage in this state;

12 (d) Regularly engaged in the business of distributing gasoline or special fuels
13 from bulk storage facilities primarily to others in arm's-length transactions;

14 (e) In the case of gasoline, receiving or accepting delivery within this state of
15 gasoline for resale within this state in amounts of not less than an average of
16 one hundred thousand (100,000) gallons per month during any prior
17 consecutive twelve (12) months' period, when in the opinion of the
18 department, the person has sufficient financial rating and reputation to justify
19 the conclusion that he or she will pay all taxes and comply with all other
20 obligations imposed upon a dealer; or

21 (f) Regularly exporting gasoline or special fuels;

22 ~~(5)~~~~(7)~~ "Department" means the Department of Revenue;

23 ~~(6)~~~~(8)~~ "Diesel fuel" means any liquid other than gasoline that, without further
24 processing or blending, is suitable for use as a fuel in a diesel powered highway
25 vehicle. Diesel fuel does not include unblended kerosene, No. 5, and No. 6 fuel oil
26 as described in ASTM specification D 396 or F-76 Fuel Naval Distillate MILL-F-
27 166884;

1 ~~(7)~~⁽⁹⁾ "Dyed diesel fuel" means diesel fuel that is required to be dyed under United
2 States Environmental Protection Agency rules for high sulfur diesel fuel, or is dyed
3 under the Internal Revenue Service rules for low sulfur fuel, or pursuant to any
4 other requirements subsequently set by the United States Environmental Protection
5 Agency or the Internal Revenue Service;

6 ~~(8)~~⁽¹⁰⁾ "Financial instrument" means a bond issued by a corporation authorized to do
7 business in Kentucky, a line of credit, or an account with a financial institution
8 maintaining a compensating balance;

9 ~~(9)~~⁽¹¹⁾ "Gasoline" means all liquid fuels, including liquids ordinarily, practically, and
10 commercially usable in internal combustion engines for the generation of power,
11 and all distillates of and condensates from petroleum, natural gas, coal, coal tar,
12 vegetable ferments, and all other products so usable which are produced, blended,
13 or compounded for the purpose of operating motor vehicles, showing a flash point
14 of 110 degrees Fahrenheit or below, using the Elliott Closed Cup Test, or when
15 tested in a manner approved by the United States Bureau of Mines, are prima facie
16 commercially usable in internal combustion engines. The term "gasoline" as used
17 herein shall include casing head, absorption, natural gasoline, and condensates when
18 used without blending as a motor fuel, sold for use in motors direct, or sold to those
19 who blend for their own use, but shall not include: propane, butane, or other
20 liquefied petroleum gases, kerosene, cleaner solvent, fuel oil, diesel fuel, crude oil
21 or casing head, absorption, natural gasoline and condensates when sold to be
22 blended or compounded with other less volatile liquids in the manufacture of
23 commercial gasoline for motor fuel, industrial naphthas, rubber solvents, Stoddard
24 solvent, mineral spirits, VM and P & naphthas, turpentine substitutes, pentane,
25 hexane, heptane, octane, benzene, benzine, xylol, toluol, aromatic petroleum
26 solvents, alcohol, and liquefied gases which would not exist as liquids at a
27 temperature of sixty (60) degrees Fahrenheit and a pressure of 14.7 pounds per

1 square inch absolute, unless the products are used wholly or in combination with
2 gasoline as a motor fuel;

3 (10)~~[(12)]~~ "Motor vehicle" means any vehicle, machine, or mechanical contrivance
4 propelled by an internal combustion engine and licensed for operation and operated
5 upon the public highways and any trailer or semitrailer attached to or having its
6 front end supported by the motor vehicles;

7 (11)~~[(13)]~~ "Public highways" means every way or place generally open to the use of the
8 public as a matter or right for the purpose of vehicular travel, notwithstanding that
9 they may be temporarily closed or travel thereon restricted for the purpose of
10 construction, maintenance, repair, or reconstruction;

11 ~~[(14) (a)]~~ "Quarterly survey value" means a value determined by the department for each
12 calendar quarter of the weighted average per gallon wholesale price of
13 gasoline, determined from information available through independent
14 statistical surveys of gasoline prices or, if requested, from information
15 furnished by licensed gasoline dealers. The department shall determine, within
16 twenty (20) days following the end of the first month of each calendar quarter,
17 the weighted average of per gallon wholesale selling prices of gasoline for the
18 previous month. That value shall be the quarterly survey value for the
19 beginning of the following calendar quarter.

20 ~~(b)]~~ "Quarterly survey value" shall be determined exclusive of any federal gasoline
21 tax and any fee on imported oil imposed by the Congress of the United
22 States;]

23 (12)~~[(15)]~~ "Received" or "received gasoline" or "received special fuels" shall have the
24 following meanings:

25 (a) Gasoline and special fuels produced, manufactured, or compounded at any
26 refinery in this state or acquired by any dealer and delivered into or stored in
27 refinery, marine, or pipeline terminal storage facilities in this state shall be

1 deemed to be received when it has been loaded for bulk delivery into tank cars
2 or tank trucks consigned to destinations within this state. For the purpose of
3 the proper administration of this chapter and to prevent the evasion of the tax
4 and to enforce the duty of the dealer to collect the tax, it shall be presumed
5 that all gasoline and special fuel loaded by any licensed dealer within this state
6 into tank cars or tank trucks is consigned to destinations within this state,
7 unless the contrary is established by the dealer, pursuant to administrative
8 regulations prescribed by the department; and

9 (b) Gasoline and special fuels acquired by any dealer in this state, and not
10 delivered into refinery, marine, or pipeline terminal storage facilities, shall be
11 deemed to be received when it has been placed into storage tanks or other
12 containers for use or subject to withdrawal for use, delivery, sale, or other
13 distribution. Dealers may sell gasoline or special fuels to licensed bonded
14 dealers in this state in transport truckload, carload, or cargo lots, withdrawing
15 it from refinery, marine, pipeline terminal, or bulk storage tanks, without
16 paying the tax. In these instances, the licensed bonded dealer purchasing the
17 gasoline or special fuels shall be deemed to have received that fuel at the time
18 of withdrawal from the seller's storage facility and shall be responsible to the
19 state for the payment of the tax thereon;

20 ~~(13)~~~~(16)~~ "Refinery" means any place where gasoline or special fuel is refined,
21 manufactured, compounded, or otherwise prepared for use;

22 ~~(14)~~~~(17)~~ "Retail filling station" means any place accessible to general public vehicular
23 traffic where gasoline or special fuel is or may be placed into the fuel supply tank of
24 a licensed motor vehicle;

25 ~~(15)~~~~(18)~~ "Special fuels" means and includes all combustible gases and liquids capable
26 of being used for the generation of power in an internal combustion engine to propel
27 vehicles of any kind upon the public highways, including diesel fuel, and dyed

1 diesel fuel used exclusively for nonhighway purposes in off-highway equipment and
 2 in nonlicensed motor vehicles, except that it does not include gasoline, aviation jet
 3 fuel, kerosene unless used wholly or in combination with special fuel as a motor
 4 fuel, or liquefied petroleum gas as defined in KRS 234.100;

5 ~~(16)~~~~(19)~~ "Storage" means all gasoline and special fuels produced, refined, distilled,
 6 manufactured, blended, or compounded and stored at a refinery storage or delivered
 7 by boat at a marine terminal for storage, or delivered by pipeline at a pipeline
 8 terminal, delivery station, or tank farm for storage; ***and***

9 ~~(17)~~~~(20)~~ "Transporter" means any person who transports gasoline or special fuels on
 10 which the tax has not been paid or assumed~~[-; and~~

11 ~~(21)~~ "~~Wholesale floor price~~" means:

12 ~~(a) Prior to April 1, 2015, one dollar and seventy eight and six tenths cents~~
 13 ~~(\$1.786) per gallon; and~~

14 ~~(b) On and after April 1, 2015, two dollars and seventeen and seven tenths cents~~
 15 ~~(\$2.177) per gallon}.~~

16 ➔Section 9. KRS 138.270 is amended to read as follows:

17 (1) (a) From the total number of gallons of gasoline and special fuel received by the
 18 dealer within this state during the next preceding calendar month, deductions
 19 shall be made for the total number of gallons received by the dealer within this
 20 state that were sold or otherwise disposed of during the next preceding
 21 calendar month as set forth in subsection (2) of KRS 138.240.

22 (b) To cover evaporation, shrinkage, unaccountable losses, collection costs, bad
 23 debts, and handling and reporting the tax, each dealer shall be allowed
 24 compensation equal to two and one-fourth percent (2.25%) of the net tax due
 25 the Commonwealth pursuant to KRS 138.210 to 138.490 before all allowable
 26 tax credits, except the credit authorized pursuant to KRS 138.358. No
 27 compensation shall be allowed if the completed tax return and payment are

1 not submitted to the department within the time prescribed by KRS 138.210 to
2 138.490.

3 (2) The tax imposed by KRS 138.220~~[(1) and (2)]~~ shall be computed on the number of
4 gallons remaining after the deductions set forth in subsection (1) of this section
5 have been made, and shall constitute the amount of tax payable for the next
6 preceding calendar month.

7 (3) Notwithstanding any other provision of this chapter to the contrary, any person who
8 shall remit to the department, by the twenty-fifth day of the next month, an
9 estimated tax due amount equal to not less than ninety-five percent (95%) of his tax
10 liability, as finally determined for the report month, shall not be required to file the
11 monthly reports required by this chapter until the last day of the month following
12 the report month, and shall be permitted to claim as a credit against the tax liability
13 shown due on the report the estimated tax due amount so paid.

14 ➔Section 10. KRS 234.320 is amended to read as follows:

15 (1) An excise tax at the rate levied in KRS 138.220~~[(1) and (2)]~~ is hereby levied and
16 shall be paid by the liquefied petroleum gas motor fuel dealer to the department on
17 all taxable liquefied petroleum gas motor fuel delivered to the licensed liquefied
18 petroleum gas motor fuel user-seller or withdrawn by the liquefied petroleum gas
19 motor fuel dealer to propel motor vehicles on the public highways, either within or
20 without this state. An allowance of one percent (1%) of the tax shall be made to the
21 liquefied petroleum gas motor fuel dealer to cover unaccountable losses, bad debts,
22 and handling and reporting the tax.

23 (2) No other excise or license tax shall be levied or assessed on liquefied petroleum gas
24 motor fuel by any political subdivision of the state, except the licenses under KRS
25 234.120.

26 (3) No provision of KRS 234.310 to 234.440 shall in any way affect the surtax imposed
27 on heavy equipment motor carriers under KRS 138.660.

1 ➔Section 11. KRS 234.380 is amended to read as follows:

2 Liquefied petroleum gas motor fuel dealers using, selling, and/or delivering liquefied
3 petroleum gas to motor vehicles, or into storage for use in motor vehicles, shall report and
4 pay the state tax at the rate levied in KRS 138.220~~[(1) and (2)]~~ on all such fuel to the
5 Department of Revenue. The dealer shall issue an invoice to the customer whenever the
6 sale or delivery is consummated giving the invoice date, name and address of the
7 customer, and number of taxable gallons sold or delivered. The number of taxable gallons
8 to be invoiced shall be determined in the following manner by the dealer:

- 9 (1) The metered gallons, if placed into a fuel tank of a motor vehicle;
- 10 (2) The metered gallons, if placed into storage, all of which is to be used or sold for use
11 in motor vehicles;
- 12 (3) The number of gallons to be used in motor vehicles, if the storage is for multiple
13 uses. The number of taxable gallons to be determined by the user and the dealer
14 based on the best estimate possible from mileage and efficiency records available;
15 or
- 16 (4) If the motor vehicle carburetor is connected to a fuel line leading from a fuel tank
17 where another, or other motors are supplied with fuel also, then the number of
18 gallons to be invoiced as taxable motor fuel shall be determined from mileage and
19 fuel efficiency records.

20 ➔Section 12. KRS 42.409 is amended to read as follows:

21 As used in KRS 42.410 and 45.760, unless the context requires otherwise:

- 22 (1) "State total personal income" means the measure of all income received by or on
23 behalf of persons in the Commonwealth, as most recently published in the Survey
24 of Current Business by the United States Department of Commerce, Bureau of
25 Economic Analysis.
- 26 (2) "Estimated state total personal income" means the personal income figure used by
27 the Governor's Office for Economic Analysis to generate final detailed revenue

- 1 estimates.
- 2 (3) "Total revenues" means revenues credited to the general fund and the road fund
3 consistent with the provisions of KRS 48.120, as well as any restricted agency fund
4 account from which debt service is expended.
- 5 (4) "Anticipated total revenues" means the official revenue estimates, as provided for in
6 KRS 48.120, projected for the general fund and the road fund, as well as any
7 restricted agency fund account from which debt service is expended.
- 8 (5) "Available revenues" means revenues credited to the general fund and the road fund
9 consistent with the provisions of KRS 48.120, as well as any restricted agency fund
10 account from which debt service is expended, minus any statutorily dedicated
11 receipts of the respective funds.
- 12 (6) "Anticipated available revenues" means official revenue estimates, as provided for
13 in KRS 48.120, projected for the general fund and the road fund, as well as any
14 restricted agency fund account from which debt service is expended, minus any
15 statutorily dedicated receipts of the respective funds.
- 16 (7) "Total assessed value of property" means state total net assessed value of property
17 for taxes due, as obtained from the Department of Revenue.
- 18 (8) "Per capita" means per unit of population, where population figures are the most
19 recent available from the University of Louisville, Kentucky State Data Center.
- 20 (9) "Appropriation-supported debt service" means the amount of an appropriation
21 identified to be expended for debt service purposes in the executive budget
22 recommendation, and the amount of an appropriation expended for debt services in
23 a completed fiscal year.
- 24 (10) "Appropriation-supported debt" means the outstanding principal of bonds issued by
25 all state agencies and all individuals, agencies, authorities, boards, cabinets,
26 commissions, corporations, or other entities of, or representing the Commonwealth
27 with the authority to issue bonds, and for which debt service is appropriated by the

1 General Assembly.

2 (11) "Nonappropriation-supported debt" means the outstanding principal of bonds issued
3 by all state agencies and all individuals, agencies, authorities, boards, cabinets,
4 commissions, corporations, or other entities of, or representing the Commonwealth
5 with the authority to issue bonds, and for which debt service is not appropriated by
6 the General Assembly.

7 (12) "Statutorily dedicated receipts" means revenues credited to the general fund and
8 road fund consistent with the provisions of KRS 48.120, as well as any restricted
9 agency fund account, which are required by an enacted statute to be used for a
10 specific purpose. Statutorily dedicated receipts include, but are not limited to, the
11 following:

12 (a) Receipts credited to the general fund which are subject to KRS 42.450 to
13 42.495, KRS 278.130 to 278.150, or KRS 350.139;

14 (b) Receipts credited to the road fund which are subject to KRS~~[175.505, KRS]~~
15 177.320, KRS 177.365 to 177.369, KRS 177.9771 to 177.979, KRS 186.531,
16 or KRS 186.535; and

17 (c) Receipts credited to a restricted agency fund account in accordance with any
18 applicable statute.

19 (13) "True interest cost" means the bond yield according to issue price without a
20 reduction for related administrative costs, and is the same figure as the arbitrage
21 yield calculation described in the United States Tax Reform Act of 1986.

22 ➔Section 13. KRS 177.320 is amended to read as follows:

23 (1) Twenty-two and two-tenths percent (22.2%) of all funds arising from the imposition
24 of taxes provided by KRS 138.220~~[(1) and (2)]~~, 138.660(1) and (2) and 234.320
25 shall be set aside for the construction, reconstruction and maintenance of secondary
26 and rural roads and for no other purpose, and shall be expended for said purposes by
27 the Transportation Cabinet of the Commonwealth of Kentucky according to the

1 terms and conditions prescribed in KRS 177.330 to 177.360.

2 (2) On or after July 1, 1980, eighteen and three-tenths percent (18.3%) of all funds
3 arising from the imposition of taxes provided by KRS 138.220~~[(1) and (2)]~~,
4 138.660(1) and (2), and 234.320 shall be set aside for the construction,
5 reconstruction and maintenance of county roads and bridges provided by KRS
6 179.410 and 179.415.

7 (3) All funds set aside in subsection (2) of this section for the construction,
8 reconstruction and maintenance of county roads and bridges shall be allocated to the
9 county in accordance with the formula established in KRS 177.360(1) pursuant to
10 KRS 179.410.

11 (4) On or after July 1, 1986, one-tenth of one percent (0.1%) of all funds arising from
12 the imposition of taxes provided by KRS 138.220~~[(1) and (2)]~~, 138.660 and
13 234.320 shall be set aside for the purposes and functions of the Kentucky
14 Transportation Center as established by KRS 177.375 to 177.380, except that the
15 receipts provided to the center by this subsection shall not exceed one hundred
16 ninety thousand dollars (\$190,000) for any fiscal year.

17 ➔Section 14. KRS 177.365 is amended to read as follows:

18 (1) On and after July 1, 1980, seven and seven-tenths percent (7.7%) of all amounts
19 received from the imposition of the taxes provided for in KRS 138.220~~[(1) and (2)]~~,
20 138.660(1) and (2) and 234.320 shall be set aside by the Finance and
21 Administration Cabinet for the construction, reconstruction and maintenance of
22 urban roads and streets and for no other purpose.

23 (2) As used in this section unless the context requires otherwise "construction,"
24 "reconstruction," and "maintenance" mean the supervising, inspecting, actual
25 building, and all expenses incidental to the construction, reconstruction, or
26 maintenance of a road or street, including planning, locating, surveying, and
27 mapping or preparing roadway plans, acquisition of rights-of-way, relocation of

1 utilities, lighting and the elimination of other hazards such as roadway grade
2 crossings, and all other items defined in the Department of Highways, design,
3 operations, and construction manuals.

4 (3) "Urban roads" mean all public ways lying within the limits of the unincorporated
5 urban place as defined in KRS 81.015, and as described by the Bureau of Census
6 tracts.

7 (4) "Streets" mean all public ways which have been designated by the incorporated city
8 as being city streets and said streets lying within the boundaries of an incorporated
9 city.

10 ➔Section 15. The following KRS sections are repealed:

11 138.228 Calculation of average wholesale price of gasoline.

12 138.4602 Determination of motor vehicle retail price for sales on or after September 1,
13 2009, and before July 1, 2014.

14 175.505 Debt payment acceleration fund -- Revenue source -- Use to accelerate payment
15 of turnpike authority debt.

16 ➔Section 16. Sections 1 to 3 of this Act take effect July 1, 2021.

17 ➔Section 17. Sections 4 and 6 of this Act take effect January 1, 2022.