

1 AN ACT relating to motor vehicles.

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

3 ➔Section 1. KRS 281.010 is amended to read as follows:

4 As used in this chapter:

5 (1) **"Automobile club":**

6 **(a) Means a person that, for consideration, promises to assist its members or**  
7 **subscribers in matters relating to:**

8 **1. Motor travel; or**

9 **2. The operation, use, or maintenance of a motor vehicle;**

10 **by supplying services, which may include towing service, emergency road**  
11 **service, or indemnification service; and**

12 **(b) Includes:**

13 **1. A motor vehicle dealer; or**

14 **2. An insurance company, operating as an automobile club to provide**  
15 **any of the services described in paragraph (a) of this subsection;**

16 **(2)** "Automobile utility trailer" means any trailer or semitrailer designed for use with  
17 and towed behind a passenger motor vehicle;

18 ~~**(3)**~~ ~~**(2)**~~ "Automobile utility trailer certificate" means a certificate authorizing a person  
19 to engage in the business of automobile utility trailer lessor;

20 ~~**(4)**~~ ~~**(3)**~~ "Automobile utility trailer lessor" means any person operating under an  
21 automobile utility trailer certificate who is engaged in the business of leasing or  
22 renting automobile utility trailers, but shall not include the agents of such persons;

23 ~~**(5)**~~ ~~**(4)**~~ "Broker" means a person selected by the cabinet through a request for  
24 proposal process to coordinate human service transportation delivery within a  
25 specific delivery area. A broker may also provide transportation services within the  
26 specific delivery area for which the broker is under contract with the cabinet;

27 ~~**(6)**~~ ~~**(5)**~~ "Bus" means a motor vehicle operating under a bus certificate transporting

1 passengers for hire between points over regular routes;

2 ~~(7)~~ "Bus certificate" means a certificate granting authority for the operation of one  
3 (1) or more buses;

4 ~~(8)~~ "Cabinet" means the Kentucky Transportation Cabinet;

5 ~~(9)~~ "Certificate" means a certificate of compliance issued under this chapter to  
6 motor carriers;

7 ~~(10)~~ "Charter bus" means a motor vehicle operating under a charter bus certificate  
8 providing for-hire intrastate transportation of a group of persons who, pursuant to a  
9 common purpose under a single contract at a fixed charge for the motor vehicle,  
10 have acquired the exclusive use of the motor vehicle to travel together under an  
11 itinerary either specified in advance or modified after having left the place of origin;

12 ~~(11)~~ "Charter bus certificate" means a certificate granting authority for the  
13 operation of one (1) or more charter buses;

14 ~~(12)~~ "Commissioner" means the commissioner of the Department of Vehicle  
15 Regulation;

16 ~~(13)~~ "CTAC" means the Coordinated Transportation Advisory Committee created  
17 in KRS 281.870;

18 ~~(14)~~ "Department" means the Department of Vehicle Regulation;

19 ~~(15)~~ "Delivery area" means one (1) or more regions established by the cabinet in  
20 administrative regulations promulgated under KRS Chapter 13A for the purpose of  
21 providing human service transportation delivery in that region;

22 ~~(16)~~ "Disabled persons vehicle carrier" means a motor carrier for hire, transporting  
23 passengers including the general public who require transportation in disabled  
24 persons vehicles;

25 ~~(17)~~ "Disabled persons vehicle" means a motor vehicle operating under a disabled  
26 persons vehicle certificate especially equipped for the transportation of passengers  
27 with disabilities in accordance with 49 C.F.R. pt. 38, and is designed or constructed

1 with not more than fifteen (15) regular seats. It shall not mean an ambulance as  
2 defined in KRS 311A.010. It shall not mean a motor vehicle equipped with a  
3 stretcher;

4 ~~(18)~~~~(17)~~ "Disabled persons vehicle certificate" means a certificate granting authority  
5 for the operation of one (1) or more disabled persons vehicles transporting  
6 passengers for hire;

7 ~~(19)~~~~(18)~~ "Driveaway" means the transporting and delivering of motor vehicles, except  
8 semitrailers and trailers, whether destined to be used in either a private or for-hire  
9 capacity, under their own power or by means of a full mount method, saddle mount  
10 method, the tow bar method, or any combination of them over the highways of this  
11 state from any point of origin to any point of destination for hire. "Driveaway" does  
12 not include the transportation of such vehicles by the full mount method on trailers  
13 or semitrailers;

14 ~~(20)~~~~(19)~~ "Driveaway certificate" means a certificate granting authority for the operation  
15 of one (1) or more motor carrier vehicles operating as a driveaway;

16 ~~(21)~~~~(20)~~ "Driver" means the person physically operating the motor vehicle;

17 ~~(22)~~ **"Flatbed/rollback service" means a form of towing service which involves**  
18 **moving vehicles by loading them onto a flatbed platform;**

19 ~~(23)~~~~(21)~~ "Highway" means all public roads, highways, streets, and ways in this state,  
20 whether within a municipality or outside of a municipality;

21 ~~(24)~~~~(22)~~ "Household goods" has the same meaning as in 49 C.F.R. sec. 375.103;

22 ~~(25)~~~~(23)~~ "Household goods carrier" has the same meaning as "household goods motor  
23 carrier" in 49 C.F.R. sec. 375.103;

24 ~~(26)~~~~(24)~~ "Household goods certificate" means a certificate granting authority for the  
25 operation of one (1) or more household goods vehicles;

26 ~~(27)~~~~(25)~~ "Human service transportation delivery" means the provision of transportation  
27 services to any person that is an eligible recipient in one (1) of the following state

1 programs:

- 2 (a) Nonemergency medical transportation under KRS Chapter 205;
- 3 (b) Mental health, intellectual disabilities, or comprehensive care under KRS
- 4 Chapter 202A, 202B, 210, or 645;
- 5 (c) Work programs for public assistance recipients under KRS Chapter 205;
- 6 (d) Adult services under KRS Chapter 205, 209, 216, or 273;
- 7 (e) Vocational rehabilitation under KRS Chapter 151B or 157; or
- 8 (f) Blind industries or rehabilitation under KRS Chapter 151B or 163;

9 ~~(28)~~~~[(26)]~~ "Interstate commerce" has the same meaning as in 49 C.F.R. sec. 390.5;

10 ~~(29)~~~~[(27)]~~ "Intrastate commerce" has the same meaning as in 49 C.F.R. sec. 390.5;

11 ~~(30)~~~~[(28)]~~ "Limousine" means a motor vehicle operating under a limousine certificate

12 that is designed or constructed with not more than fifteen (15) regular seats;

13 ~~(31)~~~~[(29)]~~ "Limousine certificate" means a certificate granting authority for the operation

14 of one (1) or more limousines transporting passengers for hire;

15 ~~(32)~~~~[(30)]~~ "Mobile application" means an application or a computer program designed to

16 run on a smartphone, tablet computer, or other mobile device that is used by a TNC

17 to connect drivers with potential passengers;

18 ~~(33)~~~~[(31)]~~ "Motor carrier" means any person in either a private or for-hire capacity who

19 owns, controls, operates, manages, or leases, except persons leasing to authorized

20 motor carriers, any motor vehicle for the transportation of passengers or property

21 upon any highway, and any person who engages in the business of automobile

22 utility trailer lessor, ***vehicle towing***, driveaway, or U-Drive-It;

23 ~~(34)~~~~[(32)]~~ "Motor carrier vehicle" means a motor vehicle used by a motor carrier to

24 transport passengers or property;

25 ~~(35)~~~~[(33)]~~ "Motor carrier vehicle license" means a license issued by the department for a

26 motor carrier vehicle authorized to operate under a certificate;

27 ~~(36)~~~~[(34)]~~ "Motor carrier license plate" means a license plate issued by the department to

1 a motor carrier authorized to operate under a certificate other than a household  
2 goods, property, TNC, or U-Drive-It certificate;

3 (37)~~[(35)]~~ "Motor vehicle" means any motor-propelled vehicle used for the  
4 transportation of passengers or property on a public highway, including any such  
5 vehicle operated as a unit in combination with other vehicles;

6 (38)~~[(36)]~~ "Passenger" means an individual or group of people;

7 (39)~~[(37)]~~ "Permit" means a temporary permit of compliance issued under this chapter  
8 for a specified period not to exceed ten (10) days, and for a specific vehicle, to any  
9 motor carrier, including one who is a nonresident of the Commonwealth, who  
10 operates a motor vehicle and is not entitled to an exemption from the payment of  
11 fees imposed under KRS 186.050 because of the terms of a reciprocal agreement  
12 between the Commonwealth and the state in which the vehicle is licensed;

13 (40)~~[(38)]~~ "Person" means any individual, firm, partnership, corporation, company,  
14 association, or joint stock association, and includes any trustee, assignee, or  
15 personal representative thereof;

16 (41)~~[(39)]~~ "Platoon" means a group of two (2) individual commercial motor vehicles  
17 traveling in a unified manner at electronically coordinated speeds at following  
18 distances that are closer than would ordinarily be allowed under KRS  
19 189.340(8)(b);

20 (42)~~[(40)]~~ "Prearranged ride" means the period of time that begins when a transportation  
21 network company driver accepts a requested ride through a digital network or  
22 mobile application, continues while the driver transports the rider in a personal  
23 vehicle, and ends when the transportation network company services end;

24 (43)~~[(41)]~~ "Pre-trip acceptance liability policy" means the transportation network  
25 company liability insurance coverage for incidents involving the driver for a period  
26 of time when a driver is logged into a transportation network company's digital  
27 network or mobile application but is not engaged in a prearranged ride;

1 ~~(44)~~ [(42)] "Property" means general or specific commodities, including hazardous  
2 and nonhazardous materials;

3 ~~(45)~~ [(43)] "Property certificate" means a certificate granting authority for the  
4 transportation of property, other than household goods, not exempt under KRS  
5 281.605;

6 **(46) "Recovery":**

7 **(a) Means a form of towing service which involves moving vehicles by the use**  
8 **of a wheel-lift device, such as a lift, crane, hoist, winch, cradle, jack,**  
9 **automobile ambulance, tow dolly, or any other similar device as requested**  
10 **by a state or local law enforcement agency; and**

11 **(b) Includes:**

12 **1. Relocating a vehicle or cargo from a place where towing is not**  
13 **possible to a place where towing is possible; and**

14 **2. The cleanup of debris or cargo, and returning an area to pre-event**  
15 **condition;**

16 ~~(47)~~ [(44)] "Regular route" means the scheduled transportation of passengers between  
17 designated points over designated routes under time schedules that provide a  
18 regularity of services;

19 ~~(48)~~ [(45)] "Regular seat" means a seat ordinarily and customarily used by one (1)  
20 passenger and, in determining such seating capacity, the manufacturer's rating may  
21 be considered;

22 **(49) "Storage facility" means any lot, facility, or other property used to store motor**  
23 **vehicles that have been removed from another location by a tow truck;**

24 ~~(50)~~ [(46)] "Street hail" means a request for service made by a potential passenger using  
25 hand gestures or verbal statement;

26 ~~(51)~~ [(47)] "Subcontractor" means a person who has signed a contract with a broker to  
27 provide human service transportation delivery within a specific delivery area and

1 who meets human service transportation delivery requirements, including proper  
2 operating authority;

3 ~~(52)~~~~(48)~~ "Tariff" means the listing of compensation received by a motor carrier for  
4 household goods that includes the manner in which and the amount of fares an  
5 authorized motor carrier may charge;

6 ~~(53)~~~~(49)~~ "Taxicab" means a motor vehicle operating under a taxicab certificate that is  
7 designed or constructed with not more than eight (8) regular seats and may be  
8 equipped with a taximeter;

9 ~~(54)~~~~(50)~~ "Taxicab certificate" means a certificate granting authority for the operation of  
10 one (1) or more taxicabs transporting passengers for hire;

11 ~~(55)~~~~(51)~~ "Taximeter" means an instrument or device approved by the department that  
12 automatically calculates and plainly indicates the charge to a passenger for hire who  
13 is being charged on the basis of mileage;

14 **(56) "Tow truck" means a motor vehicle equipped to provide any form of towing**  
15 **service, including recovery service or flatbed/rollback service;**

16 **(57) "Tow truck operator" means an individual who operates a tow truck as an**  
17 **employee or agent of a towing company;**

18 **(58) "Towing" means:**

19 **(a) Emergency towing, which is the towing of a motor vehicle, with or without**  
20 **the owner's consent, because of:**

21 **1. A motor vehicle accident on a public highway;**

22 **2. An incident related to an emergency; or**

23 **3. An incident that necessitates the removal of the motor vehicle from a**  
24 **location for public safety reasons;**

25 **(b) Private property towing, which is the towing of a motor vehicle, without the**  
26 **owner's consent, from private property:**

27 **1. On which the motor vehicle was illegally parked; or**

1           2. Because of an exigent circumstance necessitating its removal to  
 2           another location; and

3           (c) Seizure towing, which is the towing of a motor vehicle for law enforcement  
 4           purposes involving the:

5           1. Maintenance of the chain of custody of evidence;

6           2. Forfeiture of assets; or

7           3. Delinquency of highway fuel tax, weight distance tax, or any other  
 8           taxes and fees administered by the Transportation Cabinet;

9           (59) "Towing company":

10           (a) Means a service or business operating as a motor carrier that:

11           1. Tows or otherwise moves motor vehicles by means of a tow truck; or

12           2. Owns or operates a storage lot;

13           (b) Includes a tow truck operator acting on behalf of a towing company when  
 14           appropriate in the context; and

15           (c) Does not include an automobile club, car dealership, insurance company,  
 16           repossession company, local government, or any other entity that contracts  
 17           with a towing company;

18           (60)~~(52)~~ "Transportation network company" or "TNC" means a person or entity that  
 19           connects passengers through its digital network or mobile application to its drivers  
 20           for the provision of transportation network company services;

21           (61)~~(53)~~ "Transportation network company certificate" or "TNC certificate" means a  
 22           certificate granting the authority for the operation of one (1) or more transportation  
 23           network company vehicles transporting passengers for hire;

24           (62)~~(54)~~ "Transportation network company driver" or "TNC driver" means an  
 25           individual who operates a motor vehicle that is owned or leased by the individual,  
 26           or a motor vehicle for which the driver is an insured driver and has the permission  
 27           of the owner or lessee of the motor vehicle, and used to provide transportation



1 network company services;

2 ~~(63)~~~~(55)~~ "Transportation network company service" or "TNC service" means a  
3 prearranged passenger transportation service offered or provided through the use of  
4 a transportation network company mobile application or digital network to connect  
5 potential passengers with transportation network company drivers;

6 ~~(64)~~~~(56)~~ "Transportation network company vehicle" or "TNC vehicle" means a  
7 privately owned or leased motor vehicle, designed or constructed with not more  
8 than eight (8) regular seats, operating under a transportation network company  
9 certificate;

10 ~~(65)~~~~(57)~~ "U-Drive-It" means any person operating under a U-Drive-It certificate who  
11 leases or rents a motor vehicle for consideration to be used for the transportation of  
12 persons or property, but for which no driver is furnished, and the use of which  
13 motor vehicle is not for the transportation of persons or property for hire by the  
14 lessee or rentee; and

15 ~~(66)~~~~(58)~~ "U-Drive-It certificate" means a certificate granting authority for the operation  
16 of one (1) or more U-Drive-Its.

17 ➔SECTION 2. A NEW SECTION OF KRS CHAPTER 281 IS CREATED TO  
18 READ AS FOLLOWS:

19 *As used in Sections 2 to 10 of this Act:*

20 *(1) "Lienholder" means a person having a recorded lien listed on a motor vehicle*  
21 *title issued by the Commonwealth of Kentucky; and*

22 *(2) "Owner" means:*

23 *(a) The person or entity to whom a motor vehicle is registered;*

24 *(b) The person to whom a motor vehicle is leased, if the terms of the lease*  
25 *require the lessee to maintain and repair the vehicle;*

26 *(c) A person or entity that holds a lien on the motor vehicle; or*

27 *(d) A motor vehicle rental company, if the vehicle was rented pursuant to a*

1                   rental agreement; and

2                   (3) "Motor vehicle renting company" has the same meaning as in KRS 281.687.

3                   ➔SECTION 3. A NEW SECTION OF KRS CHAPTER 281 IS CREATED TO  
4 READ AS FOLLOWS:

5                   (1) This section applies to any towing company that engages in, or offers to engage  
6                   in, emergency towing.

7                   (2) (a) Prior to the removal of a towed vehicle from a tow truck, a towing company  
8                   that engages in emergency towing shall take photographs, video, or other  
9                   visual documentation to document evidence of any vehicle damage, debris,  
10                   or damaged cargo or property.

11                   (b) A towing company operating under this section may document, at the scene,  
12                   any complications to the recovery process in writing or by using any of the  
13                   methods outlined in paragraph (a) of this subsection, if:

14                   1. Law enforcement does not object; and

15                   2. It can be performed in a safe manner.

16                   (3) Except as provided in subsection (4) of this section, a towing company, while  
17                   providing an emergency tow, shall not stop, or cause a person to stop, at the scene  
18                   of an accident or near a disabled motor vehicle, for the purpose of:

19                   (a) Soliciting an engagement for emergency towing services;

20                   (b) Moving a motor vehicle from a public street, road, or highway; or

21                   (c) Accruing charges in connection with paragraph (a) or (b) of this  
22                   subsection.

23                   (4) A towing company may stop, or cause a person to stop, at the scene of an accident  
24                   or near a disabled motor vehicle under the circumstances of subsection (3) of this  
25                   section if the:

26                   (a) Towing company is requested to stop or to perform a towing service by a law  
27                   enforcement officer;

1        (b) Towing company is summoned to the scene or requested to stop by the  
2                    owner or operator of a disabled motor vehicle;

3        (c) Owner of a disabled motor vehicle has provided consent to the towing  
4                    company to stop or perform a towing service; or

5        (d) Towing company has reasonable belief that a motorist is in need of  
6                    immediate aid. A towing company shall not offer towing services under this  
7                    paragraph unless a condition of paragraph (a), (b), or (c) of this subsection  
8                    has been met.

9        (5) (a) Except as provided in subsections (6) and (7) of this section, the owner or  
10                    operator of a disabled motor vehicle, in consultation with law enforcement  
11                    or with authorized state or local government personnel, may:

12                    1. Summon to the disabled motor vehicle's location the towing company  
13                    of the owner's or operator's choice, either directly or through an  
14                    insurance company's or an automobile club's emergency service  
15                    arrangement; and

16                    2. Designate the location to which the disabled motor vehicle is to be  
17                    towed.

18        (b) If the location designated by the owner or operator is not a storage facility  
19                    owned or operated by the towing company, the owner or operator shall  
20                    arrange for payment to the towing company at the time the towing company  
21                    is summoned.

22        (6) Subsection (5) of this section shall not apply:

23                    (a) In the event of a declared emergency; or

24                    (b) If the owner or operator of a disabled motor vehicle:

25                    1. Is incapacitated or otherwise unable to summon a towing company; or

26                    2. Defers to law enforcement or to authorized state or local government  
27                    personnel as to the towing company to be summoned or the location to

1 which the disabled motor vehicle is to be towed.

2 (7) The authority of an owner or operator of a disabled motor vehicle to summon the  
3 towing company of the owner's or operator's choice under subsection (5) of this  
4 section shall be superseded by a law enforcement officer or by authorized state or  
5 local government personnel if:

6 (a) The towing company the owner or operator chooses is unable to respond to  
7 the location of the disabled motor vehicle in a timely fashion; or

8 (b) The disabled motor vehicle is a hazard, impedes the flow of traffic, or may  
9 not legally remain in the motor vehicle's location in the opinion of the law  
10 enforcement officer or authorized state or local government official.

11 (8) If a disabled motor vehicle is causing or poses a safety hazard, the towing  
12 company may move the disabled motor vehicle to a safe location after being  
13 authorized by a law enforcement officer or by authorized state or local  
14 government personnel.

15 (9) A disabled vehicle shall not be removed from a scene that is under the control of  
16 a law enforcement agency without authorization from the law enforcement  
17 agency.

18 (10) If a towing company is summoned for emergency towing by the owner or  
19 operator of a disabled motor vehicle, the towing company shall make a record, to  
20 the extent available, consisting of:

21 (a) The first and last name and telephone number of the individual who  
22 summoned the towing company to the scene; and

23 (b) The color, make, model, year, vehicle identification number, and license  
24 plate number of the disabled motor vehicle.

25 (11) If a towing company is summoned for emergency towing by a law enforcement  
26 officer or by authorized state or local government personnel, the towing company  
27 shall make a record, to the extent available, consisting of:

1 (a) The identity of the law enforcement agency or authorized state, county, or  
2 municipal agency requesting the emergency towing; and

3 (b) The color, make, model, year, vehicle identification number, and license  
4 plate number of the disabled motor vehicle.

5 (12) A towing company shall maintain a record created under subsection (10) or (11)  
6 of this section and provide the record to a law enforcement agency upon request  
7 from the time the towing company appears at the location of the disabled motor  
8 vehicle until the time the motor vehicle is towed and released to an authorized  
9 third party. A towing company shall retain the record created under subsection  
10 (10) or (11) of this section for a period of two (2) years from the date the disabled  
11 motor vehicle was towed and, throughout the two (2) year period, make the  
12 record available for inspection and copying, not later than forty-eight (48) hours  
13 after receiving a written request from a law enforcement agency, the Attorney  
14 General, the disabled motor vehicle's owner, or an authorized agent of the  
15 disabled motor vehicle's owner. Records maintained under this subsection shall  
16 be kept in paper or electronic form.

17 (13) A towing company that performs emergency towing under this section shall,  
18 upon taking possession of the motor vehicle, secure a towed motor vehicle  
19 properly and take all reasonable efforts to prevent further damage, including  
20 weather damage, or theft of a towed motor vehicle, including the motor vehicle's  
21 cargo and contents until the motor vehicle is out of the towing company's  
22 possession. A towing company shall not be responsible for damage that occurred  
23 prior to taking possession of the motor vehicle for towing.

24 ➔SECTION 4. A NEW SECTION OF KRS CHAPTER 281 IS CREATED TO  
25 READ AS FOLLOWS:

26 (1) (a) This section shall apply to any towing company that engages in, or offers to  
27 engage in, private property towing.

1        (b) This section shall not apply to the towing of a motor vehicle from a tow-  
2                    away zone that is not located on private property.

3        (2) Prior to removing a vehicle from a tow truck under this section, a towing  
4                    company that engages in or offers to engage in private property towing shall take  
5                    photographs, video, or other visual documentation to document evidence of any  
6                    vehicle damage, debris, or damaged cargo or property, or complications to the  
7                    recovery process.

8        (3) A private property owner may establish a tow-away zone on the owner's property.  
9                    A property owner that establishes a tow-away zone under this subsection shall  
10                   post at the location of the tow-away zone a sign that is clearly visible to the  
11                   public. The sign shall include a statement that the area is a tow-away zone,  
12                   pertinent contact information, and a description of any persons authorized to  
13                   park in the area.

14       (4) A towing company that tows a motor vehicle under this section shall ensure that  
15                   the motor vehicle is towed to a storage facility located within twenty-five (25)  
16                   miles of the location of the tow-away zone from which the motor vehicle was  
17                   removed or, if no storage facility is located within twenty-five (25) miles of the  
18                   location of the tow-away zone, to the storage facility nearest to the tow-away zone.

19       (5) If the owner or operator of a motor vehicle parked in violation of a tow-away  
20                   zone arrives at the location of the tow-away zone or private property while the  
21                   motor vehicle is being towed, the towing company shall give the owner or  
22                   operator either oral or written notification that the owner or operator may pay a  
23                   fee in an amount not greater than fifty percent (50%) of the amount of the fee the  
24                   towing company normally charges for the release of a motor vehicle. Upon the  
25                   owner's or operator's payment of the amount specified, the towing company shall  
26                   release the motor vehicle to the owner or operator and give the owner or operator  
27                   a receipt showing the full amount of the fee the towing company normally

1 charges for the release of a motor vehicle and the amount of the fee paid by the  
2 owner or operator.

3 (6) A towing company shall provide notice to the law enforcement agency having  
4 jurisdiction in the location of the private property not later than two (2) hours  
5 after completing a tow of a motor vehicle from private property.

6 (7) A towing company that performs private property towing shall secure a towed  
7 motor vehicle properly and take all reasonable efforts to prevent further damage,  
8 including weather damage, or theft of a towed motor vehicle, including the motor  
9 vehicle's cargo and contents until the motor vehicle is out of the towing  
10 company's possession. A towing company shall not be responsible for damage  
11 that occurred prior to taking possession of the motor vehicle for towing.

12 ➔SECTION 5. A NEW SECTION OF KRS CHAPTER 281 IS CREATED TO  
13 READ AS FOLLOWS:

14 (1) This section shall apply to any towing company that engages in, or offers to  
15 engage in, emergency towing.

16 (2) Prior to attaching a vehicle to the tow truck, the towing company shall furnish  
17 the vehicle's owner or operator, if the owner or operator is present at the scene of  
18 the disabled vehicle and upon the owner's or operator's request, a rate sheet  
19 listing all rates for towing services, including but not limited to all rates for  
20 towing and associated fees, cleanup, labor, storage, and any other services  
21 provided by the towing company.

22 (3) (a) Any towing company or storage facility shall post a rate sheet at its place of  
23 business and shall make the rate sheet available upon a customer's request.

24 (b) Any charge in excess of the rate sheets provided under this subsection shall  
25 be deemed excessive.

26 (4) An itemized invoice of actual towing charges assessed by a towing company for a  
27 completed tow shall be made available to the owner of the motor vehicle or the

1 owner's agent no later than one (1) business day after:

2 (a) The tow is completed; or

3 (b) The towing company has obtained all necessary information to be included  
4 on the invoice, including any charges submitted by subcontractors used by  
5 the towing company to complete the tow and recovery.

6 (5) The itemized invoice required under subsection (4) of this section shall contain  
7 the following information:

8 (a) The date and time the motor vehicle was towed;

9 (b) The location to which the motor vehicle was towed;

10 (c) The name, address, and telephone number of the towing company;

11 (d) A description of the towed motor vehicle, including the color, make, model,  
12 year, and vehicle identification number of the motor vehicle;

13 (e) The license plate number and state of registration for the towed motor  
14 vehicle;

15 (f) The cost of the original towing service;

16 (g) The cost of any vehicle storage fees, expressed as a daily rate;

17 (h) Other fees, including documentation fees and motor vehicle search fees;  
18 and

19 (i) A list of the services that were performed under a warranty or that were  
20 otherwise performed at no cost to the owner of the motor vehicle.

21 (6) Any service or fee in addition to the services or fees described in subsection (5)(f),  
22 (g), or (h) of this section shall be set forth individually as a single line item on the  
23 invoice required by this section, with an explanation and the exact charge for the  
24 service or the exact amount of the fee.

25 (7) A copy of each invoice and receipt submitted by a tow truck operator in  
26 accordance with this section shall:

27 (a) Be retained by the towing company for a period of two (2) years from the



- 1           date of issuance; and
- 2           **(b) Throughout the two (2) year period described in this subsection, be made**
- 3           **available for inspection and copying not later than forty-eight (48) hours**
- 4           **after receiving a written request for inspection from:**
- 5           **1. A law enforcement agency;**
- 6           **2. The Attorney General;**
- 7           **3. A city attorney, county attorney, or the prosecuting attorney having**
- 8           **jurisdiction in the location of any of the towing company's business**
- 9           **locations;**
- 10          **4. The disabled motor vehicle's owner; or**
- 11          **5. An agent of the disabled motor vehicle's owner.**

12           ➔SECTION 6. A NEW SECTION OF KRS CHAPTER 281 IS CREATED TO

13 READ AS FOLLOWS:

- 14          **(1) A towing company shall contact the cabinet in order to ascertain the identity of**
- 15          **the owner and any lienholder of any motor vehicle registered in Kentucky which**
- 16          **it has towed and, within ten (10) days of the removal, shall, by certified mail,**
- 17          **provide notice to the owner and any lienholder at the address or addresses of**
- 18          **record, when a motor vehicle has been:**
- 19          **(a) Towed under Section 4 or 5 of this Act;**
- 20          **(b) Involuntarily towed or transported pursuant to order of police, other public**
- 21          **authority, or private person or business for any reason;**
- 22          **(c) Stolen or misappropriated and its removal from the public ways has been**
- 23          **ordered by police, other public authority, or by private person or business;**
- 24          **or**
- 25          **(d) In any other situation, involuntarily towed or transported by order of police,**
- 26          **other authority, or by private person or business.**
- 27          **(2) The cabinet shall, within two (2) business days, provide the towing company the**

1 name and address of the owner and lienholder of any motor vehicle requested  
2 pursuant to subsection (1) of this section.

3 (3) (a) If a vehicle described in subsection (1) of this section is placed in a garage  
4 or other storage facility, the owner of the facility shall provide the notice  
5 required in subsection (1) of this section, by certified mail, to the owner and  
6 any lienholder at the address or addresses of record of the motor vehicle  
7 within ten (10) days of recovery of, or taking possession of, the motor  
8 vehicle.

9 (b) Any notice sent under this subsection shall comply with the notification  
10 provisions of subsection (4) of this section and shall include an estimated  
11 itemized invoice pursuant to subsection (5) of Section 5 of this Act that  
12 specifies the amount of reasonable charges for towing, recovery, storage,  
13 transporting, and other applicable charges due on the vehicle.

14 (c) If the owner of the facility fails to provide notice as provided in this section,  
15 the motor vehicle storage facility shall forfeit all storage fees accrued after  
16 ten (10) days from the date of tow.

17 (d) This subsection shall not apply to a garage or storage facility owned or  
18 operated by a government entity.

19 (4) Any notification required under subsection (1) or (2) of this section shall include:

20 (a) The date and time the vehicle was towed;

21 (b) The location from which the vehicle was towed;

22 (c) The name, address, and telephone number where the vehicle will be located;

23 (d) The location, address, and phone number where payment and business  
24 transactions take place if different from the business address;

25 (e) The name, address, and phone number of the towing company or storage  
26 facility;

27 (f) A description of the towed vehicle which shall at a minimum include the

1           make, model, year, vehicle identification number, and color of the towed  
 2           vehicle;

3           (g) The license plate number and state of registration of the towed vehicle; and

4           (h) A copy of the rate sheet required in subsection (2) of Section 5 of this Act, if  
 5           the vehicle was towed by a towing company operating under this chapter  
 6           and vehicles are being held in a storage facility or garage.

7           (5) If a vehicle described in subsection (1) of this section is determined to be a  
 8           corporately owned motor vehicle, the notices required under subsections (1) and  
 9           (2) of this section shall be sent to the corporate address listed on the registration.  
 10          A motor vehicle under this subsection shall be held for up to forty-five (45) days  
 11          to allow the motor vehicle owner to retrieve the towed motor vehicle. The rate  
 12          charged shall be comparable to the standard daily rate of the towing company or  
 13          storage facility. If at any time more than one (1) motor vehicle owned by the same  
 14          corporation is under the control of a towing company or storage facility, each  
 15          motor vehicle shall be processed under a separate transaction.

16          (6) A towing company or storage facility that has met the provisions of this section  
 17          may sell the towed vehicle in accordance with Section 11 of this Act.

18          ➔SECTION 7. A NEW SECTION OF KRS CHAPTER 281 IS CREATED TO  
 19 READ AS FOLLOWS:

20          (1) This section applies to towing companies that tow and store motor vehicles, and  
 21          to storage facilities that store vehicles towed by a towing company, regardless of  
 22          whether the towing company and the storage facilities are affiliates.

23          (2) Upon payment of all costs incurred against a motor vehicle towed and stored  
 24          under this chapter, the towing company or storage facility shall release the motor  
 25          vehicle to:

26          (a) A properly identified owner or lienholder of the motor vehicle; or

27          (b) A representative of the insurance company or its contracted service provider

1 insuring the motor vehicle if the:

2 1. Motor vehicle is covered by an active policy of insurance and the  
3 insurance representative provides proof of coverage; or

4 2. Owner of the motor vehicle approves release of the vehicle to the  
5 insurance company representative.

6 (3) (a) Prior to payment of fees and release of the motor vehicle, a storage facility  
7 or towing company shall not refuse the right of physical inspection of the  
8 towed vehicle by:

9 1. An owner;

10 2. A lienholder;

11 3. A representative of the insurance company that insures the motor  
12 vehicle; or

13 4. A contracted service provider of the insurance company.

14 (b) The inspection of a vehicle that is being held as evidence by a law  
15 enforcement agency shall only occur if authorized by the investigating law  
16 enforcement agency. The law enforcement agency may impose any or all of  
17 the following restrictions:

18 1. Restrict the inspection to visual and touchless only; or

19 2. Require any persons or entities outlined in paragraph (a) of this  
20 subsection to be accompanied by a law enforcement officer.

21 (4) A towing company or storage facility shall accept payment made by any of the  
22 following means from an individual seeking to release a motor vehicle:

23 (a) Cash;

24 (b) Insurance check;

25 (c) Credit card;

26 (d) Debit card;

27 (e) Money order; or

1        (f) Certified check.

2        (5) Upon receiving payment of all costs incurred against a motor vehicle, a towing  
3        company or storage facility shall provide to the person making payment an  
4        itemized receipt in accordance with subsections (4) and (5) of Section 5 of this  
5        Act to the extent the information is known or available.

6        (6) A towing company or storage facility shall be open for business and accessible by  
7        telephone during posted business hours. A towing company or storage facility  
8        shall provide a telephone number available on a twenty-four (24) hour basis to  
9        receive calls and messages from callers, including calls made outside posted  
10       business hours. All calls made to a towing company or storage facility shall be  
11       returned within twenty-four (24) hours from the time received. However, if  
12       adverse weather, an emergency situation, or another act over which the towing  
13       company or storage facility has no control prevents the towing company or  
14       storage facility from returning calls within twenty-four (24) hours, the towing  
15       company or storage facility shall return all calls received as quickly as possible.

16       ➔SECTION 8. A NEW SECTION OF KRS CHAPTER 281 IS CREATED TO  
17 READ AS FOLLOWS:

18       (1) A towing company or storage facility shall not charge a fee for towing, cleanup  
19       services, storage of a vehicle, or a combination thereof that is in excess of the rate  
20       sheets required in Section 5 of this Act.

21       (2) All services rendered by a towing company or storage facility, including warranty  
22       or no-cost services, shall be recorded on an invoice. The storage facility, towing  
23       company, or the owner or operator of a tow truck, shall maintain the records for  
24       two (2) years, including rate sheets, and shall make the records available for  
25       inspection and copying upon written request from law enforcement or the  
26       cabinet. Records maintained under this section shall be kept in paper or  
27       electronic form.

1           ➔SECTION 9. A NEW SECTION OF KRS CHAPTER 281 IS CREATED TO  
2 READ AS FOLLOWS:

3 (1) A towing company shall not:

4           (a) Falsely represent that the towing company represents or is approved by any  
5           law enforcement agency, or any organization that provides emergency road  
6           service for disabled motor vehicles;

7           (b) Require an owner or operator of a disabled motor vehicle to preauthorize  
8           more than twenty-four (24) hours of storage or repair work as a condition  
9           to providing towing service for the disabled vehicle;

10           (c) Charge more than one (1) towing fee when the owner or operator of a  
11           disabled motor vehicle requests transport of the motor vehicle to a repair  
12           facility owned or operated by the towing company; or

13           (d) Tow a motor vehicle to a repair facility, unless the owner of the motor  
14           vehicle or the owner's designated representative gives consent and the  
15           consent is given prior to the removal of the motor vehicle from the location  
16           from which the motor vehicle is to be towed. This paragraph shall not apply  
17           to a storage facility that has a repair facility on the same site so long as the  
18           motor vehicle is not moved into the repair facility without consent.

19 (2) A towing company or storage facility shall not:

20           (a) Upon payment of all costs incurred against a motor vehicle towed and  
21           stored under this chapter, refuse to release the motor vehicle to a properly  
22           identified owner or lienholder of the motor vehicle or to a representative of  
23           the insurance company insuring the motor vehicle or the insurance  
24           company's contracted provider, if the motor vehicle is covered by an active  
25           policy of insurance. Motor vehicle release under this paragraph shall not  
26           apply to any case in which a law enforcement agency has ordered the motor  
27           vehicle not to be released or in any case in which a judicial order prohibits

1 its release;

2 (b) Refuse to permit a properly identified owner or lienholder of a motor  
 3 vehicle or a representative of the insurance company insuring the motor  
 4 vehicle if the motor vehicle is covered by an active policy of insurance to  
 5 inspect the motor vehicle before all costs incurred against the motor vehicle  
 6 are paid or the motor vehicle is released; or

7 (c) Charge a storage fee for a stored motor vehicle with respect to any day on  
 8 which release of the motor vehicle or inspection of the motor vehicle by the  
 9 owner, lienholder, or insurance company is not permitted during posted  
 10 business hours by the towing company or storage facility.

11 ➔SECTION 10. A NEW SECTION OF KRS CHAPTER 281 IS CREATED TO  
 12 READ AS FOLLOWS:

13 The cabinet shall be held harmless for any mistakes, errors, delays, or property damage  
 14 to any vehicle in relation to the towing or storage of a vehicle under Sections 2 to 10 of  
 15 this Act.

16 ➔Section 11. KRS 359.230 is amended to read as follows:

17 (1) (a) If the occupant is in default for a period of more than forty-five (45) days, the  
 18 operator may enforce a lien by selling the property stored in the leased space  
 19 at a public or private sale, for cash.

20 (b) Proceeds shall then be applied to satisfy the lien, with any surplus disbursed as  
 21 provided in subsection (5) of this section.

22 (2) Before conducting a sale under subsection (1) of this section, the operator shall:

23 (a) Notify the occupant of the default by regular or verified electronic mail at the  
 24 occupant's last known address;

25 (b) Send a second notice of default by verified mail or verified electronic mail to  
 26 the occupant at the occupant's last known address which includes:

27 1. A statement that the contents of the occupant's leased space are subject

- 1 to the operator's lien;
- 2 2. A statement of the operator's claim, indicating the charges due on the
- 3 date of the notice, the amount of any additional charges which shall
- 4 become due before the date of sale, and the date those additional charges
- 5 shall become due;
- 6 3. A demand for payment of the charges due within a specified time, not
- 7 less than fourteen (14) days after the date of the notice;
- 8 4. A statement that unless the claim is paid within the time stated, the
- 9 contents of the occupant's leased space shall be sold at a specified time
- 10 and place; and
- 11 5. The name, street address, and telephone number of the operator, or his
- 12 or her designated agent, whom the occupant may contact to respond to
- 13 the notice; and
- 14 (c) At least three (3) days before the sale, advertise the time, place, and terms of
- 15 the sale in a newspaper of general circulation in the jurisdiction where the sale
- 16 is to be held.
- 17 (3) At any time before a sale under this section, the occupant may pay the amount
- 18 necessary to satisfy the lien and redeem the occupant's personal property.
- 19 (4) The sale under this section shall be held at the self-service storage facility, the
- 20 location of the self-contained storage unit where the personal property is stored, or a
- 21 publicly accessible Web site.
- 22 (5) If a sale is held under this section, the operator shall:
- 23 (a) Satisfy the lien from the proceeds of the sale;
- 24 (b) Hold the balance, if any, for delivery to any other recorded lienholders who
- 25 present claims within sixty (60) days. Notwithstanding Article 9 of KRS
- 26 Chapter 355, claims shall be satisfied on a first come first served basis; and
- 27 (c) Deliver, upon expiration of sixty (60) days, the balance of any remaining



1           proceeds to the occupant.

2   (6) A purchaser in good faith of any personal property sold under KRS 359.200 to  
3       359.250 takes the property free and clear of any rights of:

4       (a) Persons against whom the lien was valid; and

5       (b) Other lienholders.

6   (7) If the operator complies with the provisions of KRS 359.200 to 359.250, the  
7       operator's liability:

8       (a) To the occupant shall be limited to the net proceeds received from the sale of  
9       the personal property;

10      (b) To other lienholders shall be limited to the net proceeds received from the sale  
11      of any personal property covered by that other lien; and

12      (c) To the occupant or valid lienholders shall be relieved upon full distribution of  
13      proceeds in accordance with the provisions of KRS 359.200 to 359.250.

14   (8) If an occupant is in default, the operator may deny the occupant access to the leased  
15      space.

16   (9) (a) Unless otherwise specifically provided, all notices required by KRS 359.200  
17      to 359.250 shall be sent by verified mail or verified electronic mail.

18      (b) 1. Notices sent to the operator shall be sent to the operator's principal  
19      office, as listed on the rental agreement.

20      2. Notices to the occupant shall be sent to the occupant at the occupant's  
21      last known address.

22      (c) Notices shall be deemed delivered when deposited with the United States  
23      Postal Service, properly addressed as provided in paragraph (b) of this  
24      subsection, with postage paid, or sent by verified electronic mail.

25   (10) Provided, however, unless the rental agreement specifically provides otherwise and  
26      until a lien sale under KRS 359.200 to 359.250, the exclusive care, custody, and  
27      control of all personal property stored in the leased space shall remain vested in the

1 occupant.

2 (11) If the rental agreement specifies a limit on the value of the personal property that  
3 may be stored in the occupant's leased space, the limit shall be deemed to be the  
4 maximum value of the stored personal property.

5 (12) If the occupant is in default for more than sixty (60) days and the personal property  
6 stored in the leased space is a motor vehicle as defined in KRS 376.268, the  
7 operator may, in lieu of a sale authorized in this chapter, have the vehicle or  
8 watercraft towed or removed from the self-service storage facility, and the towing  
9 company shall execute the notice provisions as specified in Section 6 of this  
10 Act~~[KRS 376.275]~~.

11 ➔Section 12. KRS 376.275 is amended to read as follows:

12 (1) ~~[When a motor vehicle has been involuntarily towed or transported pursuant to~~  
13 ~~order of police, other public authority, or private person or business for any reason~~  
14 ~~or when the vehicle has been stolen or misappropriated and its removal from the~~  
15 ~~public ways has been ordered by police, other public authority, or by private person~~  
16 ~~or business, or in any other situation where a motor vehicle has been involuntarily~~  
17 ~~towed or transported by order of police, other authority, or by private person or~~  
18 ~~business, the police, other authority, private person or business shall attempt to~~  
19 ~~ascertain from the Transportation Cabinet the identity of the registered owner of the~~  
20 ~~motor vehicle or lessor of a motor carrier as defined in KRS Chapter 281 and within~~  
21 ~~ten (10) business days of the removal shall, by certified mail, attempt to notify the~~  
22 ~~registered owner at the address of record of the make, model, license number and~~  
23 ~~vehicle identification number of the vehicle and of the location of the vehicle, and~~  
24 ~~the requirements for securing the release of said motor vehicle.~~

25 (2) ~~If a vehicle described in subsection (1) of this section is placed in a garage or other~~  
26 ~~storage facility, the owner of the facility shall attempt to provide the notice provided~~  
27 ~~in subsection (1) of this section, by certified mail, to the registered owner at the~~

1 address of record of the motor vehicle or lessor of a motor carrier as defined in KRS  
2 Chapter 281 within ten (10) business days of recovery of, or taking possession of  
3 the motor vehicle. The notice shall contain the information as to the make, model,  
4 license number and vehicle identification number of the vehicle, the location of the  
5 vehicle and the amount of reasonable charges for towing, recovery, storage,  
6 transporting, and other applicable charges due on the vehicle. When the owner of  
7 the facility fails to provide notice as provided herein, the motor vehicle storage  
8 facility shall forfeit all storage fees accrued after ten (10) business days from the  
9 date of tow. This subsection shall not apply to a garage or storage facility owned or  
10 operated by a government entity.

11 (3) (a) Any person engaged in the business of storing or towing motor vehicles, who  
12 has ~~substantially~~ complied with the notification ~~aforementioned~~  
13 requirements of Section 6 of this Act ~~this section~~, shall have a lien on the  
14 motor vehicle and its contents, except as set forth in subsection (2) ~~(4)~~ of this  
15 section, for the applicable charges assessed in accordance with Sections 5  
16 and 8 of this Act ~~reasonable or agreed charges for towing, recovery, storage,~~  
17 ~~transporting, and other applicable charges due on the vehicle~~, as long as it  
18 remains in his or her possession.

19 (b) ~~Prior to payment of fees and release of a vehicle, a towing or storage~~  
20 ~~company shall not refuse the right of physical inspection of the towed vehicle~~  
21 ~~by the owner or an insurance company representative. Release of the vehicle~~  
22 ~~shall occur to the owner or insurance company representative upon payment~~  
23 ~~and consent of the release from the owner or the owner's authorized~~  
24 ~~representative. Each additional service shall be set forth individually as a~~  
25 ~~single line item in the bill with an explanation and the exact charge for the~~  
26 ~~service.~~

27 (e) ~~If~~, after a period of forty-five (45) days, the charges assessed in accordance

1            with Sections 5 and 8 of this Act ~~reasonable or agreed charges for towing,~~  
 2            ~~recovery, storage, transporting, and other applicable charges due on a motor~~  
 3            ~~vehicle and its contents}~~ have not been paid, the motor vehicle and its  
 4            contents, except as set forth in subsection (2)~~(4)~~ of this section, may be sold  
 5            to pay the charges after the owner and any lienholder have ~~has~~ been  
 6            notified by certified mail ten (10) days prior to the time and place of the sale.  
 7            If the proceeds of the sale of any vehicle pursuant to this section are  
 8            insufficient to satisfy accrued charges ~~for towing, transporting, and storage~~,  
 9            the sale and collection of proceeds shall not constitute a waiver or release of  
 10          responsibility for payment of unpaid ~~towing, transporting, and storage~~  
 11          charges by the owner or responsible casualty insurer of the vehicle. ~~A lien on~~  
 12          ~~a vehicle under this subsection shall be subject to prior recorded liens.~~

13          (c)~~(d)~~     A lien holder having a prior recorded lien listed on the title issued by the  
 14          Commonwealth of Kentucky shall be notified by certified mail within the first  
 15          ten (10)~~fifteen (15)~~ days of impoundment. The letter shall include the make,  
 16          model, license number, vehicle identification number, owner's name and last  
 17          known address, and tentative date of sale for the vehicle, and state that the  
 18          towing company or storage facility intends to obtain a new title free and  
 19          clear of any liens, excluding tax liens. If the above-referenced certified letter  
 20          is not sent within the ten (10)~~fifteen (15)~~ days by the towing and storage  
 21          company, then only ten (10)~~fifteen (15)~~ days of storage may be charged. The  
 22          lien holder has the right to take possession of the motor vehicle after showing  
 23          proof of lien still enforced, and paying the reasonable or agreed towing and  
 24          storage charges on the motor vehicle. Nothing in this section shall allow the  
 25          transfer of a vehicle subject to a lien, except as provided in KRS 186A.190.

26          (2)~~(4)~~     Subsection (1)~~(3)~~ of this section shall not apply to the following contents of  
 27          a motor vehicle, which shall be released to the vehicle owner or the owner's

1 designated agent upon request, if the request is made within forty-five (45) days of  
2 the date the vehicle was towed:

- 3 (a) Prescription medication in its proper container;
- 4 (b) Personal medical supplies and equipment or records;
- 5 (c) Educational materials, including but not limited to calculators, books, papers,  
6 and school supplies;
- 7 (d) Documents, files, electronic devices, or equipment which may be able to store  
8 personal information or information relating to a person's employment or  
9 business;
- 10 (e) Firearms and ammunition. Notwithstanding the provisions of subsection  
11 ~~(3)(5)~~ of this section, firearms and ammunition which are not claimed by the  
12 owner of the vehicle within forty-five (45) days of the date the vehicle was  
13 towed shall be transferred to the Department of Kentucky State Police for  
14 disposition as provided by KRS 16.220;
- 15 (f) Cargo in the possession of persons engaged in transportation in interstate  
16 commerce as registered under KRS 186.020;
- 17 (g) Cargo in the possession of an integrated intermodal small package carrier as  
18 defined by KRS 281.605(12);
- 19 (h) Child restraint systems or child booster seats; and
- 20 (i) Checks, checkbooks, debit or credit cards, money orders, stocks, or bonds.

21 ~~(3)(5)~~ Except as provided for in subsection ~~(2)(e)(4)(e)~~ of this section, any contents  
22 exempted under subsection ~~(2)(4)~~ of this section that are not claimed by the owner  
23 of the vehicle within forty-five (45) days of the date the vehicle was towed may be  
24 sold or otherwise legally disposed of by the storage or towing company.

25 ~~(4)(6)~~ The storage or towing company shall not be responsible for contents in a  
26 vehicle's trunk or other locked compartment to which the storage or towing  
27 company is without access, unless the towing company intentionally opens the area

1 without the owner's consent.

2 ~~(5)(7)~~ ~~[The provisions of ]~~This section shall not apply when a local government  
3 causes a vehicle to be towed pursuant to KRS 82.605 to 82.640 or if state  
4 government causes a vehicle to be towed.

5 ➔Section 13. KRS 189.725 is amended to read as follows:

6 (1) Any owner or attendant of a privately owned parking lot may have a towing  
7 company remove~~[removed]~~ from the lot any unauthorized parked vehicle~~[parked]~~.  
8 A towing company~~[and any person]~~ engaged to remove such vehicle shall have a  
9 lien on the vehicle in accordance with Section 12 of this Act~~[KRS 376.275]~~.

10 (2) Every operator of a parking lot covered by~~[the provisions of]~~ subsection (1) of this  
11 section shall post signs stating thereon that the parking lot is privately owned and  
12 unauthorized vehicles will be towed away at the owner's expense.

13 ➔Section 14. KRS 186A.145 is amended to read as follows:

14 (1) Except as provided in subsections (2) and (3) of this section, a county clerk shall  
15 not process an application for Kentucky title and registration from or to any  
16 Kentucky resident who has a delinquent motor vehicle ad valorem property tax  
17 account.

18 (2) This provision shall not apply to transactions involving licensed Kentucky motor  
19 vehicle dealers.

20 (3) (a) For any vehicle obtained as the result of a claim on a motor vehicle  
21 insurance policy, an insurer and its agent shall not be responsible for the  
22 payment of any delinquent motor vehicle ad valorem property taxes owed by  
23 any previous owner, when:

24 1. Applying for a regular or salvage title; or

25 2. Transferring ownership of the vehicle to another party.

26 (b) The owner of a motor vehicle that was transferred to an insurer or its agent  
27 under paragraph (a) of this subsection shall be responsible for any

1                    delinquent motor vehicle ad valorem property taxes owed prior to the  
2                    transfer.

3                    (4) An insurer shall not be exempt from any motor vehicle ad valorem property taxes  
4                    owed on any vehicle that it owns:

5                    (a) As a part of its business operations; or

6                    (b) On January 1, that was obtained as the result of a claim on a motor vehicle  
7                    insurance policy.