

1 AN ACT relating to autonomous vehicles.

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

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

5 *As used in Sections 1 to 8 of this Act:*

6 *(1) "Automated driving system" means hardware and software that are collectively*
7 *capable of performing the entire dynamic driving task on a sustained basis,*
8 *regardless of whether it is limited to a specific operational design domain;*

9 *(2) "Dynamic driving task" or "DDT":*

10 *(a) Means all of the real-time operational and tactical functions required to*
11 *operate a vehicle in on-road traffic, including without limitation:*

12 *1. Lateral vehicle motion control via steering;*

13 *2. Longitudinal motion control via acceleration and deceleration;*

14 *3. Monitoring the driving environment via object and event detection,*
15 *recognition, classification, and response preparation;*

16 *4. Object and event response execution;*

17 *5. Maneuver planning; and*

18 *6. Enhancing conspicuity via lighting, signaling, and gesturing; and*

19 *(b) Does not include strategic functions such as trip scheduling and the*
20 *selection of destinations and waypoints;*

21 *(3) "DDT fallback" means:*

22 *(a) The response by the person or human driver to either perform the DDT or*
23 *achieve a minimal risk condition after occurrence of a DDT performance*
24 *relevant system failure, or upon operational design domain exit; or*

25 *(b) The response by an automated driving system to achieve minimal risk*
26 *condition, given the same circumstances identified in paragraph (a) of this*
27 *subsection;*

1 (4) "Fully autonomous vehicle" means a motor vehicle equipped with an automated
2 driving system designed to function without a human driver as a level 4 or 5
3 system under SAE J3016;

4 (5) "Human driver" means a natural person in the vehicle with a valid license to
5 operate a motor vehicle who controls all or part of the dynamic driving task;

6 (6) "Minimal risk condition" means a condition to which a person, human driver, or
7 an automated driving system may bring a vehicle after performing the DDT
8 fallback in order to reduce the risk of a crash when a given trip cannot or should
9 not be completed;

10 (7) "Operational design domain" or "ODD" means the operating conditions under
11 which a given automated driving system is specifically designed to function,
12 including but not limited to:

13 (a) Environmental, geographical, and time-of-day restrictions; and

14 (b) The requisite presence or absence of certain traffic and roadway
15 characteristics;

16 (8) "Public agency" has the same meaning as in KRS 61.870;

17 (9) "Request to intervene" means a notification by an automated driving system to a
18 human driver that the human driver should promptly begin or resume
19 performance of part or all of the dynamic driving task; and

20 (10) "SAE J3016" means the "Taxonomy and Definitions for Terms Related to
21 Driving Automation Systems for On-Road Motor Vehicles" published by SAE
22 International on June 15, 2018.

23 ➔SECTION 2. A NEW SECTION OF KRS CHAPTER 186 IS CREATED TO
24 READ AS FOLLOWS:

25 (1) A person may operate a fully autonomous vehicle on the highways of this state
26 without a human driver provided that the automated driving system is engaged
27 and the vehicle meets the following conditions:

- 1 (a) If a failure of the automated driving system occurs that renders that system
2 unable to perform the entire dynamic driving task relevant to its intended
3 operational design domain, the fully autonomous vehicle will achieve a
4 minimal risk condition;
- 5 (b) The fully autonomous vehicle is capable of operating in compliance with
6 the applicable traffic and motor vehicle safety laws and regulations of this
7 state when reasonable to do so, unless an exemption has been granted by
8 the Transportation Cabinet; and
- 9 (c) When required by federal law, the vehicle bears the required
10 manufacturer's certification label indicating that at the time of its
11 manufacture it has been certified to be in compliance with all applicable
12 federal motor vehicle safety standards, including any exemptions granted by
13 the National Highway Traffic Safety Administration.
- 14 (2) Prior to operating a fully autonomous vehicle on the highways of this state
15 without a human driver, a person shall submit a law enforcement interaction
16 plan to the Transportation Cabinet and the Department of Kentucky State Police
17 that describes:
- 18 (a) How to communicate with a fleet support specialist who is available during
19 the times the vehicle is in operation;
- 20 (b) How to safely remove the fully autonomous vehicle from the roadway and
21 steps to safely tow the vehicle;
- 22 (c) How to recognize whether the automated driving system is engaged on the
23 fully autonomous vehicle; and
- 24 (d) Any additional information the manufacturer or owner deems necessary
25 regarding hazardous conditions or public safety risks associated with the
26 operation of the fully autonomous vehicle.

27 ➔ SECTION 3. A NEW SECTION OF KRS CHAPTER 186 IS CREATED TO

1 READ AS FOLLOWS:

2 **(1) Before operating a fully autonomous vehicle that does not meet the definition of a**
3 **motor carrier under Section 12 of this Act on a highway in this state without a**
4 **human driver, a person shall submit proof of financial responsibility satisfactory**
5 **to the Transportation Cabinet that the fully autonomous vehicle has single limits**
6 **liability coverage, by contract of insurance or by qualifying as a self-insurer, of**
7 **not less than one million dollars (\$1,000,000) that satisfies the requirements of**
8 **KRS 304.39-080.**

9 **(2) Before operating a fully autonomous vehicle that meets the definition of a motor**
10 **carrier under Section 12 of this Act on a highway in this state without a human**
11 **driver, a person shall submit proof of financial responsibility satisfactory to the**
12 **Transportation Cabinet that the fully autonomous vehicle is covered by insurance**
13 **or proof of self-insurance that satisfies the requirements of Section 15 of this Act.**

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

16 **A fully autonomous vehicle shall be properly titled and registered in accordance with**
17 **KRS Chapters 186 and 186A. If a fully autonomous vehicle is titled and registered in**
18 **this state, the vehicle shall be identified on the title and registration as a fully**
19 **autonomous vehicle.**

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

22 **(1) A person may operate a motor vehicle equipped with an automated driving system**
23 **capable of performing the entire dynamic driving task if the automated driving**
24 **system:**

25 **(a) Will issue a request to intervene whenever the automated driving system is**
26 **not capable of performing the entire dynamic driving task with the**
27 **expectation that the person will respond appropriately to such a request;**

1 and
2 (b) Is capable of being operated in compliance with KRS 189.285 to 189.450,
3 unless an exemption has been granted by the Transportation Cabinet.

4 (2) Nothing in this chapter or KRS Chapter 189 prohibits or restricts a human driver
5 from operating a fully autonomous vehicle equipped with controls that allow for
6 the human driver to control all or part of the dynamic driving task.

7 ➔SECTION 6. A NEW SECTION OF KRS CHAPTER 186 IS CREATED TO
8 READ AS FOLLOWS:

9 A fully autonomous vehicle that meets the definition of a motor carrier under Section
10 12 of this Act shall also be subject to KRS Chapter 281.

11 ➔SECTION 7. A NEW SECTION OF KRS CHAPTER 186 IS CREATED TO
12 READ AS FOLLOWS:

13 (1) Unless otherwise provided in this chapter, KRS Chapter 189, and KRS Chapter
14 281, fully autonomous vehicles and automated driving systems are governed
15 exclusively by the provisions of Sections 1 to 8 of this Act. The Transportation
16 Cabinet is the sole and exclusive state agency that may implement Sections 1 to 8
17 of this Act.

18 (2) No state agency shall prohibit the operation of fully autonomous vehicles or
19 automated driving systems, or otherwise enact or keep in force rules or
20 ordinances that would impose taxes, fees, or other requirements, including
21 performance standards, that are specific to the operation of fully autonomous
22 vehicles or automated driving systems.

23 (3) The Transportation Cabinet may promulgate administrative regulations in
24 accordance with KRS Chapter 13A to implement procedural provision of Sections
25 1 to 8 of this Act, but shall not impose additional requirements on the operation
26 of fully autonomous vehicles or automated driving systems that are inconsistent
27 with Sections 1 to 8 of this Act.

1 ➔SECTION 8. A NEW SECTION OF KRS CHAPTER 186 IS CREATED TO
2 READ AS FOLLOWS:

3 *(1) The provisions of Sections 1 to 8 of this Act are intended to be a*
4 *comprehensive scheme of legislation governing the operational and performance*
5 *standards of fully autonomous vehicles and automated driving systems. No public*
6 *agency shall prohibit the operation of fully autonomous vehicles or automated driving*
7 *systems or impose any rule, regulation, or ordinance in conflict with Section 1 to 8 of*
8 *this Act or that otherwise differentiates the treatment of fully autonomous vehicles and*
9 *automated driving systems from non-autonomous vehicles.*

10 *(2) Nothing in subsection (1) of this section shall be interpreted or construed to*
11 *prohibit a city, county, charter county government, consolidated local government, or*
12 *urban-county government from exercising the powers and authorities provided by law*
13 *to govern the public streets and roadways within their respective jurisdictions, provided*
14 *that any action does not impose additional requirements in conflict with Sections 1 to 8*
15 *of this Act or otherwise differentiate the treatment of fully autonomous vehicles and*
16 *automated driving systems from nonautonomous vehicles.*

17 ➔Section 9. KRS 186.410 is amended to read as follows:

18 (1) *Except as provided in subsection (6) of this section,* every person ~~not~~^[except those]
19 exempted by KRS 186.420 and 186.430 shall, before operating a motor vehicle,
20 motorcycle, or moped upon a highway, secure an operator's license as provided in
21 this chapter.

22 (2) Except as provided in KRS 186.4121, all original, renewal, and duplicate personal
23 identification cards and licenses for the operation of motor vehicles, motorcycles, or
24 mopeds shall be applied for with the Transportation Cabinet, or through alternative
25 technology, and issued by the Transportation Cabinet. Subject to the provisions of
26 KRS 186.4101, applications for renewal licenses and personal identification cards
27 shall be made every eight (8) years within the birth month of the applicant. A

1 license shall not be issued until the application has been certified by the cabinet and
2 the applicant has, if required under KRS 186.635, successfully completed the
3 examinations required under KRS 186.480.

4 (3) All personal identification cards shall be issued under the provisions of KRS
5 186.4102, 186.4122, and 186.4123.

6 (4) A person under the age of eighteen (18) years who applies for an instruction permit
7 shall, at any time between the age of sixteen (16) and before the person's eighteenth
8 birthday, enroll in one (1) of the following driver training programs:

9 (a) A driver's education course administered by a school district;

10 (b) A driver training school licensed pursuant to KRS Chapter 332 which offers a
11 course meeting or exceeding the minimum standards established by the
12 Transportation Cabinet; or

13 (c) State traffic school. The person may seek to enroll in state traffic school
14 before the person's eighteenth birthday. Persons enrolling in state traffic
15 school pursuant to this paragraph shall not be required to pay a fee.

16 (5) Any applicant for any initial or renewal instruction permit, operator's license, or
17 personal identification card under KRS 186.400 to 186.640 may apply for either:

18 (a) A voluntary travel ID document; or

19 (b) A standard document that does not meet standards for federal identification
20 purposes.

21 **(6) When an automated driving system as defined in Section 1 of this Act is installed**
22 **on a motor vehicle and is engaged, and the motor vehicle is operating as a fully**
23 **autonomous vehicle as defined in Section 1 of this Act, the:**

24 **(a) Owner of the motor vehicle is considered the operator of the fully**
25 **autonomous vehicle solely for the purpose of assessing compliance with**
26 **applicable traffic or motor vehicle laws, regardless of whether the owner is**
27 **physically present in the vehicle while the vehicle is operating; and**

1 (b) Automated driving system is considered to be licensed to operate the vehicle
 2 and a licensed human operator is not required to operate the motor vehicle.

3 ➔SECTION 10. A NEW SECTION OF KRS CHAPTER 189 IS CREATED TO
 4 READ AS FOLLOWS:

5 (1) As used in this section, "fully autonomous vehicle" and "automated driving
 6 system" shall have the same meaning as in Section 1 of this Act.

7 (2) A fully autonomous vehicle that is designed to be operated exclusively by the
 8 automated driving system for all trips shall not be subject to any of the provisions
 9 of KRS 189.020 to 189.205 that:

10 (a) Relate to or support motor vehicle operation by a human driver seated in the
 11 vehicle; and

12 (b) Are not relevant to an automated driving system.

13 ➔Section 11. KRS 189.635 is amended to read as follows:

14 (1) The Justice and Public Safety Cabinet, Department of Kentucky State Police, shall
 15 be responsible for maintaining a reporting system for all vehicle accidents which
 16 occur within the Commonwealth. Such accident reports shall be utilized for such
 17 purposes as will improve the traffic safety program in the Commonwealth involving
 18 the collection, processing, storing, and dissemination of such data and the
 19 establishment of procedures by administrative regulations to ensure that uniform
 20 definitions, classifications, and other federal requirements are in compliance.

21 (2) (a) Any person operating a vehicle on the highways of this state who is involved
 22 in an accident resulting in fatal or nonfatal personal injury to any person or
 23 damage to the vehicle rendering the vehicle inoperable shall be required to
 24 immediately notify a law enforcement officer having jurisdiction.

25 (b) In the event the operator fails to notify or is incapable of notifying a law
 26 enforcement officer having jurisdiction, ~~the~~^[such] responsibility to make the
 27 notification under this subsection shall rest with the owner of the vehicle or

1 any occupant of the vehicle at the time of the accident.

2 **(c) If the accident involves a fully autonomous vehicle, as defined in Section 1**
3 **of this Act, the responsibility to make the notification under this subsection**
4 **shall rest with the owner of the fully autonomous vehicle or a person on**
5 **behalf of the vehicle owner.**

6 **(d)** A law enforcement officer having jurisdiction shall investigate the accident
7 and file a written report of the accident with his or her law enforcement
8 agency.

9 (3) Every law enforcement agency whose officers investigate a vehicle accident of
10 which a report must be made as required in this chapter shall file a report of the
11 accident with the Department of Kentucky State Police within ten (10) days after
12 investigation of the accident upon forms supplied by the department.

13 (4) **(a)** Any person operating a vehicle on the highways of this state who is involved
14 in an accident resulting in any property damage exceeding five hundred
15 dollars (\$500) in which an investigation is not conducted by a law
16 enforcement officer shall file a written report of the accident with the
17 Department of Kentucky State Police within ten (10) days of occurrence of
18 the accident upon forms provided by the department.

19 **(b) If the accident involves a fully autonomous vehicle, as defined in Section 1**
20 **of this Act, the responsibility to file the report under this subsection shall**
21 **rest with the owner of the fully autonomous vehicle or a person on behalf of**
22 **the vehicle owner.**

23 (5) (a) All accident reports filed with the Department of Kentucky State Police in
24 compliance with subsection (4) of this section shall not be considered open
25 records under KRS 61.870 to 61.884 and shall remain confidential, except that
26 the department may:

27 1. Disclose the identity of a person involved in an accident when his or her

- 1 identity is not otherwise known or when he or she denies his or her
2 presence at an accident; and
- 3 2. Make the reports available:
- 4 a. To the persons named in paragraph (c) of this subsection; and
5 b. In accordance with subsection (8) of this section.
- 6 (b) All other accident reports required by this section, and the information
7 contained in the reports, shall be confidential and exempt from public
8 disclosure under KRS 61.870 to 61.884, except when:
- 9 1. Produced pursuant to a properly executed subpoena or court order; or
10 2. Disclosed as provided in this section.
- 11 (c) Accident reports shall be made available to:
- 12 1. The parties to the accident;
13 2. The parents or guardians of a minor who is party to the accident;
14 3. Insurers or their written designee for insurance business purposes of any
15 party who is the subject of the report;
16 4. The attorneys of the parties to the accident;
17 5. Any party to litigation who files with the department a request for the
18 report and includes a copy of the first page of a District or Circuit Court
19 clerk-stamped complaint naming all parties; and
20 6. The Department of Workplace Standards in the Education and Labor
21 Cabinet if the accident report is pertinent to an occupational safety and
22 health investigation.
- 23 (6) (a) Except as provided for in paragraph (b) of this subsection, the department
24 shall not release accident reports for a commercial purpose.
- 25 (b) Notwithstanding any other provision of this section, the department may, as a
26 matter of public safety, contract with an outside entity and release unredacted
27 vehicle damage data extracted from accident reports to the entity if the data is

1 used solely for the purpose of providing the public a means of determining a
2 vehicle's accident history. The department may further contract with a third
3 party to provide electronic access to reports for persons and entities who are
4 entitled to the reports under subsection (5) of this section.

5 (7) The department shall promulgate administrative regulations in accordance with
6 KRS Chapter 13A to set out a fee schedule for accident reports made available
7 pursuant to subsections (5) and (8) of this section. These fees shall be in addition to
8 those charged to the public for records produced under KRS Chapter 61.

9 (8) (a) The report shall be made available to a news-gathering organization, solely
10 for the purpose of publishing or broadcasting the news. The news-gathering
11 organization shall not use or distribute the report, or knowingly allow its use
12 or distribution, for a commercial purpose other than the news-gathering
13 organization's publication or broadcasting of the information in the report.

14 (b) For the purposes of this subsection:

15 1. "News-gathering organization" includes:

16 a. A newspaper or periodical if it:

17 i. Is published at least fifty (50) of fifty-two (52) weeks during
18 a calendar year;

19 ii. Contains at least twenty-five percent (25%) news content in
20 each issue or no more than seventy-five percent (75%)
21 advertising content in any issue in the calendar year; and

22 iii. Contains news of general interest to its readers that can
23 include news stories, editorials, sports, weddings, births, and
24 death notices;

25 b. A television or radio station with a valid broadcast license issued
26 by the Federal Communications Commission;

27 c. A news organization that broadcasts over a multichannel video

- 1 programming service as defined in KRS 136.602;
- 2 d. A website~~[Web site]~~ published by or affiliated with any entity
- 3 described in subdivision a., b., or c. of this subparagraph;
- 4 e. An online-only newspaper or magazine that publishes news or
- 5 opinion of interest to a general audience and is not affiliated with
- 6 any entity described in subparagraph 2. of this paragraph; and
- 7 f. Any other entity that publishes news content by any means to the
- 8 general public or to members of a particular profession or
- 9 occupational group; and
- 10 2. "News-gathering organization" does not include any product or
- 11 publication with the primary purpose of distributing advertising or of
- 12 publishing names and other personal identifying information concerning
- 13 parties to motor vehicle accidents which may be used to solicit for
- 14 services covered under Subtitle 39 of KRS Chapter 304.
- 15 (c) A news-gathering organization shall not be held to have used or knowingly
- 16 allowed the use of the report for a commercial purpose merely because of its
- 17 publication or broadcast.
- 18 (d) A request under this subsection shall be completed using a form promulgated
- 19 by the department through administrative regulations in accordance with KRS
- 20 Chapter 13A. The form under this paragraph shall include:
- 21 1. The name and address of the requestor and the news-gathering
- 22 organization the requestor represents;
- 23 2. A statement that the requestor is a news-gathering organization under
- 24 this subsection and identifying the specific subdivision of paragraph
- 25 (b)1. of this subsection under which the requester qualifies;
- 26 3. A statement that the request is in compliance with the criteria contained
- 27 in this section; and

1 4. A declaration of the requestor as to the accuracy and truthfulness of the
2 information provided in the request.

3 (e) 1. The department shall redact all personal information from a report prior
4 to making it available to a news-gathering organization as defined under
5 paragraph (b)1.f. of this subsection.

6 2. Reports may be provided to news-gathering organizations as defined
7 under paragraph (b)1.a. to e. of this subsection without redaction.

8 3. For the purposes of this paragraph, "personal information" means:

9 a. The address, driver's license number, phone number, date of birth,
10 and any other contact information contained in the report for each
11 person listed on the report; and

12 b. The vehicle identification numbers (VINs) for each vehicle listed
13 on the report.

14 (9) The motor vehicle insurers of any train engineer or other train crew member
15 involved in an accident on a railroad while functioning in their professional
16 capacity shall be prohibited from obtaining a copy of any accident report filed on
17 the accident under this section without written consent from the individual the
18 company insures. Insurance companies issuing motor vehicle policies in the
19 Commonwealth shall be prohibited from raising a policyholder's rates solely
20 because the policyholder, in his or her professional capacity, is a train engineer or
21 other train crew member involved in an accident on a railroad.

22 (10) For reporting and statistical purposes, motor scooters and autocycles as defined in
23 KRS 186.010 shall be listed as a distinct category and shall not be considered to be
24 a motor vehicle or a motorcycle for reports issued under this section.

25 ➔Section 12. KRS 281.010 is amended to read as follows:

26 As used in this chapter:

27 (1) "Automobile club" means a person that, for consideration, promises to assist its

- 1 members or subscribers in matters relating to the assumption of or reimbursement
2 of the expense or a portion thereof for towing of a motor vehicle; emergency road
3 service; matters relating to the operation, use, and maintenance of a motor vehicle;
4 and the supplying of services which includes, augments, or is incidental to theft or
5 reward services, discount services, arrest bond services, lock and key services, trip
6 interruption services, and legal fee reimbursement services in defense of traffic-
7 related offenses;
- 8 (2) "Automobile utility trailer" means any trailer or semitrailer designed for use with
9 and towed behind a passenger motor vehicle;
- 10 (3) "Automobile utility trailer certificate" means a certificate authorizing a person to
11 engage in the business of automobile utility trailer lessor;
- 12 (4) "Automobile utility trailer lessor" means any person operating under an automobile
13 utility trailer certificate who is engaged in the business of leasing or renting
14 automobile utility trailers, but shall not include the agents of such persons;
- 15 (5) "Broker" means a person selected by the cabinet through a request for proposal
16 process to coordinate human service transportation delivery within a specific
17 delivery area. A broker may also provide transportation services within the specific
18 delivery area for which the broker is under contract with the cabinet;
- 19 (6) "Bus" means a motor vehicle operating under a bus certificate transporting
20 passengers for hire between points over regular routes;
- 21 (7) "Bus certificate" means a certificate granting authority for the operation of one (1)
22 or more buses;
- 23 (8) "Cabinet" means the Kentucky Transportation Cabinet;
- 24 (9) "Certificate" means a certificate of compliance issued under this chapter to motor
25 carriers;
- 26 (10) "Charter bus" means a motor vehicle operating under a charter bus certificate
27 providing for-hire intrastate transportation of a group of persons who, pursuant to a

1 common purpose under a single contract at a fixed charge for the motor vehicle,
2 have acquired the exclusive use of the motor vehicle to travel together under an
3 itinerary either specified in advance or modified after having left the place of
4 origin;

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

7 (12) "Commissioner" means the commissioner of the Department of Vehicle Regulation;

8 (13) "CTAC" means the Coordinated Transportation Advisory Committee created in
9 KRS 281.870;

10 (14) "Department" means the Department of Vehicle Regulation;

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

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

17 (17) "Disabled persons vehicle" means a motor vehicle operating under a disabled
18 persons vehicle certificate especially equipped for the transportation of passengers
19 with disabilities in accordance with 49 C.F.R. pt. 38, and is designed or constructed
20 with not more than fifteen (15) regular seats. It shall not mean an ambulance as
21 defined in KRS 311A.010. It shall not mean a motor vehicle equipped with a
22 stretcher;

23 (18) "Disabled persons vehicle certificate" means a certificate granting authority for the
24 operation of one (1) or more disabled persons vehicles transporting passengers for
25 hire;

26 (19) "Driveaway" means the transporting and delivering of motor vehicles, except
27 semitrailers and trailers, whether destined to be used in either a private or for-hire

1 capacity, under their own power or by means of a full mount method, saddle mount
2 method, the tow bar method, or any combination of them over the highways of this
3 state from any point of origin to any point of destination for hire. "Driveaway" does
4 not include the transportation of such vehicles by the full mount method on trailers
5 or semitrailers;

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

8 (21) "Driver" means the person physically operating the motor vehicle;

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

11 (23) **"Fully autonomous vehicle" has the same meaning as in Section 1 of this Act;**

12 **(24)** "Highway" means all public roads, highways, streets, and ways in this state,
13 whether within a municipality or outside of a municipality;

14 ~~(25)~~~~(24)~~ "Household goods" has the same meaning as in 49 C.F.R. sec. 375.103;

15 ~~(26)~~~~(25)~~ "Household goods carrier" has the same meaning as "household goods motor
16 carrier" in 49 C.F.R. sec. 375.103;

17 ~~(27)~~~~(26)~~ "Household goods certificate" means a certificate granting authority for the
18 operation of one (1) or more household goods vehicles;

19 ~~(28)~~~~(27)~~ "Human service transportation delivery" means the provision of transportation
20 services to any person that is an eligible recipient in one (1) of the following state
21 programs:

22 (a) Nonemergency medical transportation under KRS Chapter 205;

23 (b) Mental health, intellectual disabilities, or comprehensive care under KRS
24 Chapter 202A, 202B, 210, or 645;

25 (c) Work programs for public assistance recipients under KRS Chapter 205;

26 (d) Adult services under KRS Chapter 205, 209, 216, or 273;

27 (e) Vocational rehabilitation under KRS Chapter 151B or 157; or

- 1 (f) Blind industries or rehabilitation under KRS Chapter 151B or 163;
- 2 ~~(29)~~[(28)] "Interstate commerce" has the same meaning as in 49 C.F.R. sec. 390.5;
- 3 ~~(30)~~[(29)] "Intrastate commerce" has the same meaning as in 49 C.F.R. sec. 390.5;
- 4 ~~(31)~~[(30)] "Limousine" means a motor vehicle operating under a limousine certificate
- 5 that is designed or constructed with not more than fifteen (15) regular seats;
- 6 ~~(32)~~[(31)] "Limousine certificate" means a certificate granting authority for the
- 7 operation of one (1) or more limousines transporting passengers for hire;
- 8 ~~(33)~~[(32)] "Mobile application" means an application or a computer program designed to
- 9 run on a smartphone, tablet computer, or other mobile device that is used by a TNC
- 10 to connect drivers with potential passengers;
- 11 ~~(34)~~[(33)] "Motor carrier" means any person in either a private or for-hire capacity who
- 12 owns, controls, operates, manages, or leases, except persons leasing to authorized
- 13 motor carriers, any motor vehicle for the transportation of passengers or property
- 14 upon any highway, and any person who engages in the business of automobile
- 15 utility trailer lessor, vehicle towing, driveaway, or U-Drive-It;
- 16 ~~(35)~~[(34)] "Motor carrier vehicle" means a motor vehicle, **including a fully autonomous**
- 17 **vehicle**, used by a motor carrier to transport passengers or property;
- 18 ~~(36)~~[(35)] "Motor carrier vehicle license" means a license issued by the department for a
- 19 motor carrier vehicle authorized to operate under a certificate;
- 20 ~~(37)~~[(36)] "Motor carrier license plate" means a license plate issued by the department to
- 21 a motor carrier authorized to operate under a certificate other than a household
- 22 goods, property, TNC, peer-to-peer car sharing, or U-Drive-It certificate;
- 23 ~~(38)~~[(37)] "Motor vehicle" means any motor-propelled vehicle used for the
- 24 transportation of passengers or property on a public highway, including any such
- 25 vehicle operated as a unit in combination with other vehicles;
- 26 ~~(39)~~[(38)] "Passenger" means an individual or group of people;
- 27 ~~(40)~~[(39)] "Peer-to-peer car sharing":

1 (a) Means the authorized use of a motor vehicle by an individual other than the
2 vehicle's owner through a peer-to-peer car sharing program; and

3 (b) Does not:

4 1. Include the operation of a U-Drive-It certificate as defined in this
5 section; or

6 2. Involve the sale or provision of rental vehicle insurance as defined in
7 KRS 304.9-020;

8 ~~(41)~~~~[(40)]~~ "Peer-to-peer car sharing certificate" means a certificate granting the authority
9 for the operation of a peer-to-peer car sharing program;

10 ~~(42)~~~~[(41)]~~ "Peer-to-peer car sharing company" means a person that operates a peer-to-
11 peer car sharing program;

12 ~~(43)~~~~[(42)]~~ "Peer-to-peer car sharing program":

13 (a) Means a business platform that connects shared vehicle owners with shared
14 vehicle drivers to enable the sharing of motor vehicles for financial
15 consideration; and

16 (b) Does not include a:

17 1. U-Drive-It;

18 2. Motor vehicle renting company as defined in KRS 281.687;

19 3. Rental vehicle agent as defined in KRS 304.9-020; or

20 4. Service provider that is solely providing hardware or software as a
21 service to a person or entity that is not effectuating payment of financial
22 consideration for use of a shared vehicle;

23 ~~(44)~~~~[(43)]~~ "Permit" means a temporary permit of compliance issued under this chapter
24 for a specified period not to exceed ten (10) days, and for a specific vehicle, to any
25 motor carrier, including one who is a nonresident of the Commonwealth, who
26 operates a motor vehicle and is not entitled to an exemption from the payment of
27 fees imposed under KRS 186.050 because of the terms of a reciprocal agreement

1 between the Commonwealth and the state in which the vehicle is licensed;

2 ~~(45)~~~~((44))~~ "Person" means any individual, firm, partnership, corporation, company,
3 association, or joint stock association, and includes any trustee, assignee, or
4 personal representative thereof;

5 ~~(46)~~~~((45))~~ "Platoon" means a group of two (2) individual commercial motor vehicles
6 traveling in a unified manner at electronically coordinated speeds at following
7 distances that are closer than would ordinarily be allowed under KRS
8 189.340(9)(b);

9 ~~(47)~~~~((46))~~ "Prearranged ride" means the period of time that begins when a transportation
10 network company driver accepts a requested ride through a digital network or
11 mobile application, continues while the driver transports the rider in a personal
12 vehicle, and ends when the transportation network company services end;

13 ~~(48)~~~~((47))~~ "Pre-trip acceptance liability policy" means the transportation network
14 company liability insurance coverage for incidents involving the driver for a period
15 of time when a driver is logged into a transportation network company's digital
16 network or mobile application but is not engaged in a prearranged ride;

17 ~~(49)~~~~((48))~~ "Property" means general or specific commodities, including hazardous and
18 nonhazardous materials;

19 ~~(50)~~~~((49))~~ "Property certificate" means a certificate granting authority for the
20 transportation of property, other than household goods, not exempt under KRS
21 281.605;

22 ~~(51)~~~~((50))~~ "Recovery":

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

27 (b) Includes:

- 1 1. Relocating a vehicle or cargo from a place where towing is not possible
2 to a place where towing is possible; and
3 2. The cleanup of debris or cargo, and returning an area to pre-event
4 condition;

5 ~~(52)~~~~(51)~~ "Regular route" means the scheduled transportation of passengers between
6 designated points over designated routes under time schedules that provide a
7 regularity of services;

8 ~~(53)~~~~(52)~~ "Regular seat" means a seat ordinarily and customarily used by one (1)
9 passenger and, in determining such seating capacity, the manufacturer's rating may
10 be considered;

11 ~~(54)~~~~(53)~~ "Shared vehicle":

12 (a) Means a motor vehicle that is available for car sharing through a peer-to-peer
13 car sharing program; and

14 (b) Does not include a motor vehicle leased or rented by a person operating under
15 a U-Drive-It certificate;

16 ~~(55)~~~~(54)~~ "Shared vehicle driver" means an individual who has been authorized to drive
17 the shared vehicle by the shared vehicle owner under a car sharing program
18 agreement;

19 ~~(56)~~~~(55)~~ "Shared vehicle owner":

20 (a) Means the registered owner, or a person designated by the registered owner,
21 of a motor vehicle made available for sharing to shared vehicle drivers,
22 through a peer-to-peer car sharing program; and

23 (b) Does not include a:

- 24 1. Person operating a U-Drive-It certificate;
25 2. Motor vehicle renting company as defined in KRS 281.687; or
26 3. Rental vehicle agent as defined in KRS 304.9-020;

27 ~~(57)~~~~(56)~~ "Storage facility" means any lot, facility, or other property used to store motor

1 vehicles that have been removed from another location by a tow truck;

2 ~~(58)~~~~(57)~~ "Street hail" means a request for service made by a potential passenger using
3 hand gestures or verbal statement;

4 ~~(59)~~~~(58)~~ "Subcontractor" means a person who has signed a contract with a broker to
5 provide human service transportation delivery within a specific delivery area and
6 who meets human service transportation delivery requirements, including proper
7 operating authority;

8 ~~(60)~~~~(59)~~ "Tariff" means the listing of compensation received by a motor carrier for
9 household goods that includes the manner in which and the amount of fares an
10 authorized motor carrier may charge;

11 ~~(61)~~~~(60)~~ "Taxicab" means a motor vehicle operating under a taxicab certificate that is
12 designed or constructed with not more than eight (8) regular seats and may be
13 equipped with a taximeter;

14 ~~(62)~~~~(61)~~ "Taxicab certificate" means a certificate granting authority for the operation
15 of one (1) or more taxicabs transporting passengers for hire;

16 ~~(63)~~~~(62)~~ "Taximeter" means an instrument or device approved by the department that
17 automatically calculates and plainly indicates the charge to a passenger for hire who
18 is being charged on the basis of mileage;

19 ~~(64)~~~~(63)~~ "Tow truck" means a motor vehicle equipped to provide any form of towing
20 service, including recovery service or flatbed/rollback service;

21 ~~(65)~~~~(64)~~ "Tow truck operator" means an individual who operates a tow truck as an
22 employee or agent of a towing company;

23 ~~(66)~~~~(65)~~ "Towing" means:

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

- 26 1. A motor vehicle accident on a public highway;
- 27 2. An incident related to an emergency; or

- 1 3. An incident that necessitates the removal of the motor vehicle from a
2 location for public safety reasons;
- 3 (b) Private property towing, which is the towing of a motor vehicle, without the
4 owner's consent, from private property:
- 5 1. On which the motor vehicle was illegally parked; or
6 2. Because of an exigent circumstance necessitating its removal to another
7 location; and
- 8 (c) Seizure towing, which is the towing of a motor vehicle for law enforcement
9 purposes involving the:
- 10 1. Maintenance of the chain of custody of evidence;
11 2. Forfeiture of assets; or
12 3. Delinquency of highway fuel tax, weight distance tax, or any other taxes
13 and fees administered by the Transportation Cabinet;

14 ~~(67)~~[(66)] "Towing company":

- 15 (a) Means a service or business operating as a motor carrier that:
- 16 1. Tows or otherwise moves motor vehicles by means of a tow truck; or
17 2. Owns or operates a storage lot;
- 18 (b) Includes a tow truck operator acting on behalf of a towing company when
19 appropriate in the context; and
- 20 (c) Does not include an automobile club, car dealership, insurance company,
21 repossession company, lienholders and entities hired by lienholders for the
22 purpose of repossession, local government, or any other entity that contracts
23 with a towing company;

24 ~~(68)~~[(67)] "Transportation network company" or "TNC" means a person or entity that
25 connects passengers through its digital network or mobile application to its drivers
26 for the provision of transportation network company services;

27 ~~(69)~~[(68)] "Transportation network company certificate" or "TNC certificate" means a

1 certificate granting the authority for the operation of one (1) or more transportation
2 network company vehicles transporting passengers for hire;

3 ~~(70)~~~~(69)~~ "Transportation network company driver" or "TNC driver" means an
4 individual who operates a motor vehicle that is owned or leased by the individual,
5 or a motor vehicle for which the driver is an insured driver and has the permission
6 of the owner or lessee of the motor vehicle, and used to provide transportation
7 network company services;

8 ~~(71)~~~~(70)~~ "Transportation network company service" or "TNC service" means a
9 prearranged passenger transportation service offered or provided through the use of
10 a transportation network company mobile application or digital network to connect
11 potential passengers with transportation network company drivers;

12 ~~(72)~~~~(71)~~ "Transportation network company vehicle" or "TNC vehicle" means a
13 privately owned or leased motor vehicle, **including a fully autonomous vehicle,**
14 designed or constructed with not more than eight (8) regular seats, operating under
15 a transportation network company certificate;

16 ~~(73)~~~~(72)~~ "U-Drive-It" means any person operating under a U-Drive-It certificate who
17 leases or rents a motor vehicle for consideration to be used for the transportation of
18 persons or property, but for which no driver is furnished, and the use of which
19 motor vehicle is not for the transportation of persons or property for hire by the
20 lessee or rentee; and

21 ~~(74)~~~~(73)~~ "U-Drive-It certificate" means a certificate granting authority for the operation
22 of one (1) or more U-Drive-Its.

23 ➔Section 13. KRS 281.630 is amended to read as follows:

24 (1) A person shall not act as a motor carrier without first obtaining a certificate from
25 the department.

26 (2) A certificate for the intrastate transportation of passengers or property, including
27 household goods, shall be issued to any qualified applicant authorizing operation

1 covered by the application, if it is found that the applicant conforms to the
2 provisions of this chapter and the requirements of the administrative regulations
3 promulgated in accordance with this section.

4 (3) (a) The department shall issue the following certificates:

- 5 1. Taxicab certificate;
- 6 2. Limousine certificate;
- 7 3. Disabled persons vehicle certificate;
- 8 4. Transportation network company certificate;
- 9 5. Household goods certificate;
- 10 6. Charter bus certificate;
- 11 7. Bus certificate;
- 12 8. U-Drive-It certificate;
- 13 9. Property certificate;
- 14 10. Driveaway certificate;
- 15 11. Peer-to-peer car sharing certificate;~~and~~
- 16 12. Automobile utility trailer certificate.

17 (b) Application for a certificate shall be made in such form as the department may
18 require. The department shall receive an application fee of two hundred fifty
19 dollars (\$250) for all applications, except that the department shall receive an
20 application fee of twenty-five dollars (\$25) for a property certificate.

21 (c) Before the department may issue a certificate, an applicant shall:

- 22 1. Pay the application fee established under paragraph (b) of this
23 subsection;
- 24 2. For entities other than TNCs and peer-to-peer car sharing companies,
25 file a motor carrier vehicle license application for each motor carrier
26 vehicle as required by KRS 281.631. The applicant shall file at least one
27 (1) motor carrier vehicle license application before being eligible for a

- 1 certificate;
- 2 3. For TNCs, file a TNC authority application with the department
- 3 pursuant to administrative regulations promulgated by the department;
- 4 4. For peer-to-peer car sharing companies, file a peer-to-peer car sharing
- 5 certificate application with the department pursuant to administrative
- 6 regulations promulgated by the department;
- 7 5. File with the department one (1) or more approved indemnifying bonds
- 8 or insurance policies as required by KRS 281.655;
- 9 6. For taxicab, limousine, disabled persons vehicle, TNC, household
- 10 goods, charter bus, and bus certificates, obtain and retain for a period of
- 11 at least three (3) years, a nationwide criminal background check, in
- 12 compliance with KRS 281.6301, of each owner, official, employee,
- 13 independent contractor, or agent operating a passenger vehicle or
- 14 household goods vehicle or entering a private residence or storage
- 15 facility for the purpose of providing or facilitating the transportation of
- 16 household goods;
- 17 7. For household goods certificates, file with the department a current
- 18 tariff; and
- 19 8. For a bus certificate, file with the department authorization from a city
- 20 as required by KRS 281.635.
- 21 (4) (a) Every certificate shall be renewed annually. Application for renewal shall be
- 22 in such form as the department may require.
- 23 (b) A certificate not renewed within one (1) calendar year after the date for its
- 24 renewal shall become null and void.
- 25 (c) The department shall not renew any certificate if it has been revoked or, if
- 26 suspended, during the period of any suspension. A certificate shall not be
- 27 considered revoked or suspended when an appeal of the revocation or

1 suspension is pending in a court of competent jurisdiction.

2 (d) For the renewal of an intrastate certificate, the department shall receive a fee
3 of two hundred fifty dollars (\$250), except for an application for renewal of a
4 property certificate, for which the department shall receive a fee of twenty-
5 five dollars (\$25).

6 (e) Before the department may renew a certificate, the certificate holder shall:

- 7 1. Pay the renewal fee established under paragraph (d) of this subsection;
- 8 2. For the entities other than TNCs and peer-to-peer car sharing
9 companies, file a motor carrier vehicle license application or renewal for
10 each motor carrier vehicle as required by KRS 281.631. The certificate
11 holder shall file at least one (1) motor carrier vehicle license application
12 or renewal before being eligible for renewal;
- 13 3. For TNCs, file a TNC authority application with the department
14 pursuant to administrative regulations promulgated by the department;
- 15 4. For peer-to-peer car sharing companies, file a peer-to-peer car sharing
16 certificate application with the department pursuant to administrative
17 regulations promulgated by the department;
- 18 5. File with the department one (1) or more approved indemnifying bonds
19 or insurance policies as required by KRS 281.655;
- 20 6. Every three (3) years, for taxicab, limousine, disabled persons vehicle,
21 TNC, household goods, charter bus, and bus certificates, obtain and
22 retain for a period of at least three (3) years, a nationwide criminal
23 background check in compliance with KRS 281.6301, of each owner,
24 official, employee, independent contractor, or agent operating a
25 passenger vehicle or entering a private residence or storage facility for
26 the purpose of providing or facilitating the transportation of household
27 goods. However, within the three (3) year period:

- 1 a. If a new owner, official, employee, independent contractor, or
2 agent joins the certificate holder and performs the aforementioned
3 duties; or
- 4 b. If the certificate holder has knowledge that a current owner,
5 official, employee, independent contractor, or agent who performs
6 the aforementioned duties has been convicted of or pled guilty to
7 any of the offenses listed in KRS 281.6301(2);
8 then the certificate holder shall obtain and retain for a period of at least
9 three (3) years, a nationwide criminal background check for that owner,
10 official, employee, independent contractor, or agent; and
- 11 7. For household goods certificates, have on file with the department a
12 current tariff.
- 13 (5) (a) A motor carrier operating under a household goods certificate shall, at all
14 times the certificate is in effect, maintain on file with the department a current
15 tariff.
- 16 (b) Except for a household goods certificate holder that has had only an out-of-
17 state address on file with the department prior to January 1, 2015, all
18 certificate holders shall maintain on file with the department an address within
19 the Commonwealth. The certificate holder shall keep open for public
20 inspection at that address such information as the department may require.
- 21 (c) The certificate holder shall not charge, demand, collect, or receive a greater,
22 less, or different compensation for the transportation of household goods or
23 for any service in connection therewith, than the tariff filed with the
24 department and in effect at the time would require. A certificate holder shall
25 not make or give any unreasonable preference or advantage to any person, or
26 subject any person to any unreasonable discrimination.
- 27 (6) A certificate shall not be transferred unless the transfer involves either the change

1 of the legal name of the existing certificate holder or the incorporation of a sole
2 proprietor certificate holder.

3 (7) A certificate authorizing a person to act as an automobile utility trailer lessor shall
4 also authorize the agents of the person to act on his or her behalf during the period
5 of their agency.

6 (8) A motor carrier vehicle shall not be operated after the expiration of the certificate
7 under which it is operated.

8 (9) A person shall not knowingly employ the services of a motor carrier not authorized
9 to perform such services.

10 (10) If the department, after a hearing held upon its own motion or upon complaint, finds
11 any existing rate unjustly discriminatory, or finds the services rendered or facilities
12 employed by any motor carrier to be unsafe, inadequate, inconvenient, or in
13 violation of law or of the administrative regulations of the department, it may by
14 final order do any or all of the following:

15 (a) Require the certificate holder to follow any rate or time schedule in effect at
16 the time of service;

17 (b) Require the certificate holder to issue a refund to the complainant;

18 (c) Require the certificate holder to pay the fine set out in KRS 281.990 to the
19 department; and

20 (d) Determine the reasonable, safe, adequate, and convenient service to be
21 thereafter furnished.

22 (11) Hearings conducted under authority of this section shall be conducted in the same
23 manner as provided in KRS 281.640.

24 (12) (a) Subject to the limitation of paragraph (b) of this subsection, the department
25 shall have the power to promulgate administrative regulations as it may deem
26 necessary to carry out the provisions of this section.

27 (b) Any administrative regulation that reasonably applies only to a human

1 *driver shall not apply to the operation of a fully autonomous vehicle*
2 *licensed under this section.*

3 ➔Section 14. KRS 281.764 is amended to read as follows:

- 4 (1) A motor carrier may operate a platoon on the highways of this state if the motor
5 carrier complies with this section.
- 6 (2) Motor carriers wishing to operate a platoon shall provide notification to the
7 department and the Kentucky State Police, including a plan for general platoon
8 operations. The department shall have thirty (30) days from the date of receipt to
9 review the notification plan submitted and determine whether it will approve or
10 reject the plan. If the department rejects a submitted plan, it shall inform the motor
11 carrier of the reason for the rejection and provide guidance on how to resubmit the
12 notification and plan to meet the standards.
- 13 (3) Only commercial motor vehicles shall be eligible to operate in a platoon.
- 14 (4) An appropriately endorsed driver who holds a valid commercial driver's license
15 shall be present behind the wheel of *the lead*~~each~~ commercial motor vehicle in a
16 platoon.
- 17 (5) A commercial motor vehicle involved in a platoon shall not draw another motor
18 vehicle in the platoon.
- 19 (6) Each commercial motor vehicle involved in a platoon shall display a marking
20 warning other motorists and law enforcement that the vehicle may be part of a
21 platoon.
- 22 (7) The department shall promulgate administrative regulations in accordance with
23 KRS Chapter 13A to set forth procedures for platooning, including required
24 elements of a platooning plan.

25 ➔Section 15. KRS 281.655 is amended to read as follows:

- 26 (1) Before any certificate will be issued or renewed, the applicant or holder of the
27 certificate shall file or shall have on file with the department one (1) or more

1 approved indemnifying bonds or insurance policies issued by some surety company
 2 or insurance carrier authorized to transact business within the Commonwealth of
 3 Kentucky. The term of each bond or policy shall be continuous and shall remain in
 4 full force until canceled under proper notice. Each bond or policy shall have
 5 attached thereto the state insurance endorsement. All bonds or policies required
 6 under this section shall be issued in the name of the holder of the certificate. In lieu
 7 of the bonds or policies, the department, under appropriate regulations, may require
 8 the filing of one (1) or more approved certificates of insurance, the terms of which
 9 shall be continuous and shall remain in force and effect until canceled under proper
 10 notice.

11 (2) The bonds or policies required of a U-Drive-It or automobile utility trailer lessor
 12 shall provide public liability and property damage coverage when operated either
 13 by the lessee or lessor thereof or agents, servants, or employees of either.

14 (3) All bonds or policies shall provide blanket coverage for all equipment operated
 15 pursuant to the certificate or permit.

16 (4) The types and minimum amounts of insurance to be carried on each vehicle shall be
 17 as follows:

18 MOTOR VEHICLES FOR THE TRANSPORTATION OF PERSONS,
 19 INCLUDING U-DRIVE-ITS

20	Capacity		Death of or Injury to Any One Person	Total Liability for Death of or Injury to Persons	Property Damage
24	7 regular seats	\$100,000.00	\$300,000.00	\$50,000.00	
25	8 or more regular seats	\$100,000.00	\$600,000.00	\$50,000.00	

26 MOTOR VEHICLES FOR THE TRANSPORTATION OF PROPERTY,
 27 INCLUDING U-DRIVE-ITS AND AUTOMOBILE UTILITY

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TRAILERS

		Death of	Total Liability
		or Injury	for Death
		to Any One	of or Injury Property
Gross Weight	Person	to Persons	Damage
18,000 lbs. or less	\$100,000.00	\$300,000.00	\$50,000.00
More than 18,000 lbs.	\$100,000.00	\$600,000.00	\$50,000.00

(5) Any person, firm, or corporation operating or causing to be operated any vehicle for the transportation of petroleum or petroleum products in bulk in amounts less than ten thousand (10,000) pounds shall have the following types and minimum amount of insurance carried on each vehicle:

Death of	Total Liability
or Injury	for Death
to Any One	of or Injury to
Person	Persons
\$100,000.00	\$300,000.00
	\$50,000.00

(6) Any person, firm, or corporation operating or causing to be operated any vehicle for the transportation of hazardous material as defined in KRS 174.405, except petroleum or petroleum products in bulk in amounts less than ten thousand (10,000) pounds, shall have on each vehicle single limits liability insurance coverage of not less than one million dollars (\$1,000,000) for all damages whether arising out of bodily injury or damage to property as a result of any one (1) accident or occurrence.

(7) Before any household goods certificate shall be issued or renewed, the applicant or certificate holder shall file or have on file with the department an approved insurance policy or bond compensating shippers or consignees for loss or damage to property belonging to shippers or consignees and coming into possession of the

1 carrier in connection with its transportation service in the amounts required by 49
2 C.F.R. sec. 387.303(c) for interstate household goods motor carriers. The policy or
3 bond shall have attached thereto the Kentucky cargo policy endorsement and shall
4 be issued by some insurance or surety company authorized to transact business
5 within the Commonwealth of Kentucky. The term of the bond or policy shall be
6 continuous and shall remain in full force until canceled under proper notice. In lieu
7 of the bond or policy, the department, under appropriate regulations, may require
8 the filing of an approved certificate of insurance, the term of which shall be
9 continuous and shall remain in force and effect until canceled under proper notice.

10 (8) No insurance company or insurance carrier issuing any policy filed with the
11 department, and no surety or obligor on any bond or contract filed with the
12 department, shall be relieved from liability under the policy, bond, or contract until
13 after the expiration of thirty (30) days' notice to the department of an intention to
14 cancel the policy, bond, or contract. A prior cancellation may be allowed in cases
15 where one (1) policy, bond, or contract is substituted for another policy, bond, or
16 contract if the substituted policy, bond, or contract is of force and effect at a time
17 prior to the expiration of thirty (30) days' notice to the department of an intention to
18 cancel the policy, bond, or contract for which the additional policy, bond, or
19 contract is being substituted. The acceptance of any notice of an intention to cancel
20 any policy, bond, or contract or the cancellation of any policy, bond, or contract by
21 the department, unless under the circumstances set forth, shall not relieve the
22 insurance company, insurance carrier, surety, or obligor of any liability that accrued
23 prior to the effective date of the cancellation.

24 (9) Upon the cancellation of any bond or insurance policy required by this section, all
25 operating rights granted by the certificate for which the bond or policy was filed,
26 shall immediately cease, and the department may immediately require the cessation
27 of all operations conducted under authority of the certificate, and may require the

1 immediate surrender of all certificates, licenses, and other evidence of a right to act
2 as a motor carrier.

3 (10) The department may exempt in whole or in part from the requirements of this
4 section any person who applies for the exemption and shows to the satisfaction of
5 the department that, by reason of the financial ability of the person applying, there
6 is due assurance of the payment of all damages for which he or she may become
7 liable as a result of the operation of any vehicle owned by him or her or operated
8 under authority of his or her certificate.

9 (11) The provisions of this section notwithstanding, the Secretary of Transportation may
10 adopt, incorporate by reference, or set forth in its entirety the provisions of Title 49,
11 United States Code of Federal Regulations, Part 387, relating to the levels of
12 financial responsibility for motor carriers, in effect as of June 24, 2015, or as
13 amended after that date, with respect to any motor carrier operating in Kentucky.

14 (12) The cabinet shall promulgate administrative regulations to set standards for pre-trip
15 acceptance liability policies and prearranged ride liability insurance policies for
16 transportation network company vehicles. The minimum amount of insurance for
17 pre-trip acceptance liability policies shall be fifty thousand dollars (\$50,000) for
18 death and personal injury to one (1) person, one hundred thousand dollars
19 (\$100,000) for death and personal injury resulting from one (1) incident, and
20 twenty-five thousand dollars (\$25,000) for property damage. The minimum amount
21 of insurance for prearranged ride liability policies shall be the same as for motor
22 vehicles for the transportation of persons under subsection (4) of this section. Pre-
23 trip acceptance liability policies and prearranged ride liability policies may be
24 issued by an eligible surplus lines insurer.

25 **(13) Notwithstanding any other provision of this section, any fully autonomous vehicle**
26 **operating under a certificate issued under this chapter shall have on file with the**
27 **department indemnifying bonds or insurance policies in the minimum amounts**

- 1 of:
- 2 (a) One million dollars (\$1,000,000) of total liability for death of or injury to
- 3 persons resulting from any one (1) accident; and
- 4 (b) One million dollars (\$1,000,000) for property damage.