

1 AN ACT relating to transportation and declaring an emergency.

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

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

4 (1) (a) An excise tax with an initial base~~at the~~ rate of twenty-nine and sixtieths of a cent (\$0.296) per gallon for fiscal year 2026-2027 and thirty-four and six-tenths of a cent (\$0.346) per gallon for fiscal year 2027-2028~~nine~~ percent (9%) of the average wholesale price rounded to the nearest one-tenth of one cent (\$0.001) shall be paid on all gasoline and special fuel received in this state.~~The tax shall be paid on a per gallon basis.~~

10 (b) The excise tax under this section shall be~~average wholesale price shall be determined and~~ adjusted annually as provided in Section 3 of this Act~~KRS 138.228~~.

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

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

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

25 (f) Except as provided in subsection (4) of this section, nothing in this section~~herein contained~~ shall authorize or require the collection of the tax upon any gasoline or special fuel after it has been once taxed under the

provisions of this section, unless such tax was refunded or credited.

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

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

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

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

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

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

(4) At least twenty (20) days in advance of the first day of each fiscal year, notification of the adjusted motor fuel tax rate for the upcoming fiscal year~~average wholesale price~~ shall be given to all licensed dealers~~at least twenty (20) days in advance of July 1 of each calendar year~~.

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

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

(1) Every motor carrier, excluding charter bus operators registered pursuant to KRS Chapter 281, shall pay a tax at the rate levied in KRS 138.220~~(1) and (2)~~ on the

1 amount of gasoline and special fuels used in operations on the public highways of
2 this state.

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

7 **1. Two and two-tenths cents (\$0.022) per gallon for fiscal year 2026-2027**
8 **and four and three-tenths cents (\$0.043) per gallon for fiscal year**
9 **2027-2028 on**~~[two percent (2%) of the average wholesale price as~~
10 ~~provided in subsection (1) of this section, on the amount of]~~ gasoline;
11 and

12 **2. Three and six-tenths cents (\$0.036) per gallon for fiscal year 2026-**
13 **2027 and seven and two-tenths cents (\$0.072) per gallon for fiscal year**
14 **2026-2027 on**~~[at the rate of four and seven tenths percent (4.7%) on the~~
15 ~~amount of]~~ special fuels~~[used in operations on public highways of this~~
16 ~~state].~~

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

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

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

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

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

1 (a) *The excise tax on gasoline and special fuels established in Section 1 of this*
2 *Act; and*
3 (b) *The heavy equipment motor carrier surtax established in subsection (2) of*
4 *Section 2 of this Act.*

5 (2) *For fiscal year 2026-2027 and fiscal year 2027-2028:*

6 (a) *The excise tax on gasoline and special fuels established in Section 1 of this*
7 *Act shall be the initial base rates identified in subsection (1) of Section 1 of*
8 *this Act; and*
9 (b) *The heavy equipment motor carrier surtax established in subsection (2) of*
10 *Section 2 of this Act shall be the initial base rates identified in that*
11 *subsection.*

12 (3) (a) *For fiscal years beginning on or after July 1, 2028, the taxes shall be*
13 *adjusted annually to the nearest one-tenth of one cent (\$0.001), as provided*
14 *in this subsection, and shall be effective on the first day of the fiscal year.*
15 (b) *On or before June 1, 2028, and on or before each June 1 thereafter, the*
16 *department shall compare the most current quarterly National Highway*
17 *Construction Cost Index 2.0 (NHCCI 2.0) value and determine the*
18 *percentage change in relation to the NHCCI 2.0 value from the same*
19 *quarter for the previous year.*
20 (c) 1. *The taxes on July 1, 2028, and on July 1 of each fiscal year thereafter,*
21 *shall be adjusted by the change in the NHCCI 2.0 determined by*
22 *paragraph (b) of this subsection, unless the change is:*
23 a. *Greater than a five percent (5%) increase, in which case the*
24 *taxes shall be one hundred five percent (105%) of the tax rates in*
25 *effect at the close of the previous fiscal year; or*
26 b. *Greater than a five percent (5%) decrease, in which case the*
27 *taxes shall be ninety percent (95%) of the tax rates in effect at*

the close of the previous fiscal year.

2. Notwithstanding subparagraph 1. of this paragraph, the tax rates shall not be less than the initial base rates for fiscal year 2027-2028 identified in subsection (1) of Section 1 and subsection (2)(a) of Section 2 of this Act.

➔ Section 4. KRS 186.018 is amended to read as follows:

7 (1) For purposes of maintaining driving history records of operators of motor vehicles
8 of the Commonwealth, the files of the Transportation Cabinet shall be used to
9 ascertain the driving history record of each person who is licensed to operate a
10 motor vehicle within the Commonwealth.

11 (2) Except as provided in subsections (3) and (4) of this section, the Transportation
12 Cabinet shall destroy, and shall not maintain, records of moving traffic convictions
13 that are more than five (5) years old.

14 (3) For any licensee who now holds, who has applied for, or has ever held a
15 commercial driver's license or commercial learner's permit issued pursuant to KRS
16 281A.120 or 281A.170, the cabinet shall keep conviction records indefinitely.

17 (4) The Transportation Cabinet shall not release information on the driving history
18 record of a person under the age of twenty-one (21) whose operator license has
19 been suspended pursuant to KRS 189A.010(6). The cabinet shall destroy, and shall
20 not maintain, the record of the suspension of a person's operator's license if the
21 license was suspended pursuant to KRS 189A.010(6), within five (5) working days
22 of the person's operator's license being reinstated. This subsection shall not apply to
23 a person who holds, or is required to hold, a commercial driver's license or
24 commercial learner's permit.

25 (5) The cabinet shall charge a fee of six dollars (\$6)~~three dollars (\$3)~~ for any driving
26 history record, ten cents (\$0.10) of which shall be deposited in a special account
27 within the road fund to be used exclusively by the Transportation Cabinet for the

1 state driver education program as designated in KRS 186.535.

2 ➔Section 5. KRS 186.020 is amended to read as follows:

3 (1) Before the owner of a motor vehicle, or street-legal special purpose vehicle as
4 defined in KRS 186.077, may operate it or permit its operation upon a highway, the
5 owner shall apply for registration in accordance with administrative regulations
6 promulgated by the cabinet, except that a person who purchases a motor vehicle, or
7 brings a motor vehicle into the Commonwealth from another state shall make
8 application for registration within fifteen (15) days. The bill of sale or assigned title
9 must be in the motor vehicle during this fifteen (15) day period. If the owner of a
10 motor vehicle is an individual and resides in the Commonwealth, the motor vehicle
11 shall be registered with the county clerk of the county in which he or she resides. If
12 the owner of a motor vehicle does not reside in the Commonwealth, the motor
13 vehicle shall be registered with the county clerk of the county in which the motor
14 vehicle is principally operated. If the owner of a motor vehicle is other than an
15 individual and resides in the Commonwealth, the motor vehicle shall be registered
16 with the county clerk of either county. The application when presented to the
17 county clerk for registration shall be accompanied by:

18 (a) A bill of sale and a manufacturer's certificate of origin if the application is for
19 the registration of a new motor vehicle;

20 (b) [The owner's registration receipt, if the motor vehicle was last registered in this
21 state;]

22 (e) A bill of sale and the previous registration receipt, if last registered in another
23 state where the law of that state does not require the owner of a motor vehicle
24 to obtain a certificate of title or ownership;

25 (c) [d] A certificate of title, if last registered in another state where the law of
26 that state requires the owner of a motor vehicle to obtain a certificate of title
27 or ownership;

1 **(d)** An affidavit from an officer of a local government saying that the motor
2 vehicle has been abandoned and that the provisions of KRS 82.630 have been
3 complied with, for local governments which elect to use the provisions of
4 KRS 82.600 to 82.640;

5 **(e)** The application from a person who has brought a motor vehicle into the
6 Commonwealth from another state shall be accompanied by proof that the
7 motor vehicle is insured in compliance with KRS 304.39-080; and

8 **(f)** Proof of insurance in compliance with KRS 186.077 if the application is
9 for the registration of a street-legal special purpose vehicle.

10 (2) After that, except as provided in subsection (6) of this section, the owner of any
11 motor vehicle registered under KRS 186.050(1) or (2) shall register his or her motor
12 vehicle on or before the date on which his or her certificate of registration expires.
13 If, before operating the motor vehicle in this state, the owner registers it at some
14 later date and pays the fee for the full year, he or she will be deemed to have
15 complied with the law. Insofar as the owner is concerned, registration with the clerk
16 shall be deemed to be registration with the cabinet.

17 (3) After that, the owner of any commercial vehicle registered under KRS 186.050(3)
18 to (14) shall register the commercial vehicle on or before April 1 of each year. If,
19 before operating a commercial vehicle in this state, the owner registers it at some
20 later date and pays the required fee, he or she will be deemed to have complied with
21 the law. Insofar as the owner is concerned, registration with the clerk shall be
22 deemed to be registration with the cabinet, except the owner of any commercial
23 motor vehicle to be registered pursuant to the International Registration Plan under
24 KRS 186.050(13) shall register the commercial motor vehicles on or before the last
25 day of the month of registration established pursuant to KRS 186.051(3).

26 (4) The application and documents presented therewith, including the sheriff's
27 certificate of inspection, shall be affixed to the Transportation Cabinet copy of the

1 certificate of title or registration and sent to the Transportation Cabinet by the clerk.

2 (5) **(a)** At least forty-five (45) days prior to the expiration of registration of any
3 motor vehicle previously registered in the Commonwealth as provided by
4 KRS 186A.035, the owner of the vehicle shall be notified by mail on the same
5 notice required by KRS 134.805(5) of the date of expiration.

6 **(b)** In addition, the department shall provide appropriate forms and information to
7 permit renewal of motor vehicle registration to be completed by mail **or**
8 **online**. Any registration renewal by mail **or online** shall **not** require payment
9 of an additional~~two dollar (\$2)~~ fee ~~which shall be received by the county
10 clerk~~.

11 **(c)** Nonreceipt of the notice **under this subsection**~~herein~~ shall not constitute a
12 defense to any registration related offense.

13 (6) (a) If an individual has been serving in the United States military stationed or
14 assigned to a base or other location outside the boundaries of the United
15 States, he or she shall renew the registration on the vehicle within thirty (30)
16 days of his or her return if:

17 1. The motor vehicle has been stored on a military base during the time of
18 deployment and has not been operated on the public highways during
19 that time; and

20 2. The vehicle's registration expired during the individual's absence.

21 (b) An individual who meets the criteria in paragraph (a) of this subsection shall
22 not be convicted or cited for driving a vehicle with expired registration within
23 thirty (30) days after the individual's return to the Commonwealth if the
24 individual can provide proof of meeting the eligibility criteria under paragraph
25 (a) of this subsection.

26 (c) When an individual presents evidence of meeting the criteria under paragraph
27 (a) of this subsection when applying to renew the registration on the motor

1 vehicle, the county clerk shall, when applicable, treat the registration as a
2 prorated renewal under KRS 186.051, and charge the individual a registration
3 fee only for the number of months of the registration year the vehicle will be
4 used on the public highways.

5 (7) The provisions of this section shall not apply to vehicles for which permanent
6 registration has been obtained pursuant to KRS 186A.127.

7 ➔Section 6. KRS 186.040 is amended to read as follows:

8 (1) (a) Except for apportioned vehicles registered under subsection (13) of Section
9 7 of this Act, upon receiving the application and fee, the county clerk shall
10 issue to the owner a certificate of registration containing the information
11 required by subsection (2) of this section and a registration plate.

12 (b) If the cabinet finds that there is a shortage of materials suitable for making
13 plates, or that a substantial saving will result, it may require by an
14 administrative regulation promulgated in accordance with KRS Chapter 13A
15 and with the approval of the Governor that the previously issued plates
16 continue to be used for a designated period.

17 (c) Except as provided insubsection (3) of this section and in KRS 186.162, for
18 services performed, the owner shall pay the county clerk the sum of eight
19 dollars (\$8)six dollars (\$6) for each registration, or if the registration
20 exceeds a twelve (12) month period, the clerk shall receive a fee of ten dollars
21 (\$10)nine dollars (\$9).

22 (2) The certificate of registration shall contain the registration number, the name and
23 post office address of the owner, and such other information as the cabinet may
24 require.

25 (3) ~~Thirty dollars (\$30) of the registration fee under KRS 186.050 for a motor vehicle~~
26 ~~that has a declared gross vehicle weight with any towed unit of forty four thousand~~
27 ~~and one (44,001) pounds or greater shall be distributed to the county clerk of the~~

1 county where the vehicle is registered.

1 AVIS system. The operation and maintenance of AVIS shall remain as
2 currently provided for from the operational budget of the Transportation
3 Cabinet and shall not be reduced below the 2005-2006 funding level;

4 2. One dollar (\$1) shall be placed in an agency trust fund to provide funds
5 exclusively for technological improvements to the hardware and
6 software in county clerk offices related to the collection and
7 administration of road fund taxes. The cabinet, in consultation with
8 county clerks, shall allocate funds as necessary from this fund to be used
9 for this exclusive purpose; and

10 3. One dollar (\$1) shall be placed in a trust fund to be maintained by the
11 cabinet to provide an unrestricted revenue supplement, for operations of
12 the office related to the collection and administration of road fund taxes,
13 to county clerk offices in counties containing a population of less than
14 twenty thousand (20,000), as determined by the decennial census, and
15 for no other purpose. Annually, by March 1, the cabinet shall calculate
16 the amount collected in the previous calendar year and distribute the
17 entire fund proportionate to each county that qualifies under this
18 paragraph based on population. This revenue shall be considered current
19 year revenue when paid to the clerk and shall not be identified as excess
20 fees from the previous year.

21 (6)~~(7)~~ Any motor vehicle registration cancelled for nonrenewal shall be subject to
22 the provisions of KRS 186.181.

23 (7)~~(8)~~ (a) The owner of a motor vehicle for which the registration has been
24 cancelled under this section, or revoked under KRS 186A.040(5)(b), shall be
25 subject to a reinstatement fee of forty dollars (\$40), payable to the county
26 clerk.

27 (b) The county clerk shall retain twenty dollars (\$20) of the reinstatement fee and

1 forward the remaining twenty dollars (\$20) to the cabinet.

2 (c) The portion of the reinstatement fee received by the cabinet under this

3 subsection as a result of a revocation under KRS 186A.040(5)(b) shall be

4 placed in an agency fund to provide additional funds exclusively for the

5 establishment, implementation, operation, maintenance, and any necessary

6 improvements or replacement of the accessible online insurance verification

7 system established under KRS 186A.040.

8 ➔Section 7. KRS 186.050 is amended to read as follows:

9 (1) The annual registration fee shall be twenty-two dollars (\$22)~~eleven dollars and~~

10 ~~fifty cents (\$11.50)~~ for:

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

12 (b) Motor carrier vehicles, as defined in KRS 281.010, primarily designed for

13 carrying passengers or passengers for hire and having been designed or

14 constructed to transport not more than fifteen (15) passengers, including the

15 operator.

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

17 for each motorcycle shall be fifteen dollars (\$15)~~nine dollars (\$9)~~.

18 (b) The annual registration fee for a street-legal special purpose vehicle shall be

19 ten dollars (\$10).

20 (3) (a) All motor vehicles having a declared gross weight of vehicle and any towed

21 unit of more than ten thousand (10,000) pounds are classified as commercial

22 vehicles and the annual registration fee shall be as set forth in paragraph (b) of

23 this subsection.

24 (b) The registration fee for all motor vehicles engaged in hauling passengers for

25 hire which are designed or constructed to transport more than fifteen (15)

26 passengers including the operator shall be one hundred dollars (\$100). The

27 registration fee for all other commercial vehicles, except as provided in

1 subsections (4) to (10) and (13) of this section, shall be as follows:

2	Declared Gross Weight of Vehicle	Registration
3	and Any Towed Unit	Fee
4	10,001-14,000	30.00
5	14,001-18,000	50.00
6	18,001-22,000	132.00
7	22,001-26,000	160.00
8	26,001-32,000	216.00
9	32,001-38,000	300.00
10	38,001-44,000	474.00
11	44,001-55,000	699.00
12	55,001-62,000	1,037.00
13	62,001-73,280	1,280.00
14	73,281-80,000	1,440.00

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

27 2. Any farmer owning a truck having a gross weight of twenty-six

1 thousand one (26,001) pounds to thirty-eight thousand (38,000) pounds
2 may have it registered as a farmer's truck and obtain a license for
3 **twenty-two dollars (\$22)**~~eleven dollars and fifty cents (\$11.50)~~. The
4 applicant's signature upon the certificate of registration and ownership
5 shall constitute a certificate that the applicant is a farmer engaged in the
6 production of crops, livestock, or dairy products, that the applicant owns
7 a truck of the gross weight between twenty-six thousand one (26,001)
8 pounds and thirty-eight thousand (38,000) pounds, and that during the
9 next twelve (12) months the truck shall not be used in for-hire
10 transportation and may be used in transporting persons, food, provender,
11 feed, machinery, livestock, material, and supplies necessary for the
12 applicant's farming operation and the products grown on the applicant's
13 farm.

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

25 (c) An initial applicant for, or an applicant renewing, his or her registration
26 pursuant to this subsection, may at the time of application make a voluntary
27 contribution to be deposited into the agricultural program trust fund

1 established in KRS 246.247. The recommended voluntary contribution shall
2 be set at ten dollars (\$10) and automatically added to the cost of registration
3 or renewal unless the individual registering or renewing the vehicle opts out
4 of contributing the recommended amount. The county clerk shall collect and
5 forward the voluntary contribution to the cabinet for distribution to the
6 Department of Agriculture.

7 (5) Any person owning a bus used solely in transporting school children and school
8 employees may have the bus registered as a school bus and obtain a license for
9 twenty-two dollars (\$22)~~eleven dollars and fifty cents (\$11.50)~~ by filing with the
10 county clerk, in addition to other information required, an affidavit stating that the
11 bus is used solely in the transportation of school children and persons employed in
12 the schools of the district, that the words "School Bus" are printed on each side of
13 the bus and on the rear door in letters at least six (6) inches high, and of a
14 conspicuous color, and the bus will be used during the next twelve (12) months
15 only for the purpose stated.

16 (6) Any church or religious organization owning a bus used solely in transporting
17 persons to and from a place of worship or for other religious work may have the bus
18 registered as a church bus and obtain a license for twenty-two dollars (\$22)~~eleven~~
19 ~~dollars and fifty cents (\$11.50)~~ by filing with the county clerk, in addition to other
20 information required, an affidavit stating that the bus will be used only for the
21 transporting of persons to and from a place of worship, or for other religious work,
22 and that there has been printed on the bus in large letters the words "Church Bus,"
23 with the name of the church or religious organization owning and using the bus,
24 and that during the next twelve (12) months the bus will be used only for the
25 purpose stated.

26 (7) Any person owning a motor vehicle with a gross weight of fourteen thousand
27 (14,000) pounds or less on which a wrecker crane or other equipment suitable for

1 wrecker service has been permanently mounted may register the vehicle and obtain
2 a license for twenty-two dollars (\$22)~~eleven dollars and fifty cents (\$11.50)~~ by
3 filing with the county clerk, in addition to other information required, an affidavit
4 that a wrecker crane or other equipment suitable for wrecker service has been
5 permanently mounted on the vehicle and that during the next twelve (12) months
6 the vehicle will be used only in wrecker service. If the gross weight of the vehicle
7 exceeds fourteen thousand (14,000) pounds, the vehicle shall be registered in
8 accordance with subsection (3) of this section. The gross weight of a vehicle used in
9 wrecker service shall not include the weight of the vehicle being towed by the
10 wrecker.

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

1 ownership shall constitute a certification or affidavit stating that the motor vehicle
2 when used within this state is used only for the transportation of property within the
3 city to be named in the affidavit and the area above set out and that the vehicle will
4 not be used outside of a city and the area above set out during the current
5 registration period.

6 (9) Motor vehicles having a declared gross weight in excess of eighteen thousand
7 (18,000) pounds, which are used exclusively for the transportation of primary forest
8 products from the harvest area to a mill or other processing facility, where the mill
9 or processing facility is located at a point not more than fifty (50) air miles from the
10 harvest area or which are used exclusively for the transportation of concrete blocks
11 or ready-mixed concrete from the point at which the concrete blocks or ready-
12 mixed concrete is produced to a construction site where the concrete blocks or
13 ready-mixed concrete is to be used, where the construction site is located at a point
14 not more than thirty (30) air miles from the point at which the concrete blocks or
15 ready-mixed concrete is produced shall not be required to pay the fee as set out in
16 subsection (3) of this section, and in lieu thereof, shall pay seventy-five percent
17 (75%) of the fee set out in subsection (3) of this section and shall be exempt from
18 any fee charged under the provisions of KRS 281.752. The applicant's signature
19 upon the certificate of registration and ownership shall constitute a certification that
20 the motor vehicle will not be used during the current registration period in any
21 manner other than that for which the reduced fee is provided in this section.

22 (10) Any owner of a commercial vehicle registered for a declared gross weight in excess
23 of eighteen thousand (18,000) pounds, intending to transfer same and desiring to
24 take advantage of the refund provisions of KRS 186.056(2), may reregister the
25 vehicle and obtain a "For Sale" certificate of registration and ownership for one
26 dollar (\$1). Title to a vehicle so registered may be transferred, but the registration
27 shall not authorize the operation or use of the vehicle on any public highway. No

1 refund may be made under the provisions of KRS 186.056(2) until the title to the
2 vehicle has been transferred to the purchaser thereof. Provided, however, that
3 nothing herein shall be so construed as to prevent the seller of a commercial vehicle
4 from transferring the registration of the vehicle to any purchaser thereof.

5 (11) The annual registration fee for self-propelled vehicles containing sleeping or eating
6 facilities shall be thirty dollars (\$30)~~twenty dollars (\$20)~~ and the multiyear
7 license plate issued shall be designated "Recreational vehicle." The foregoing shall
8 not include any motor vehicle primarily designed for commercial or farm use
9 having temporarily attached thereto any sleeping or eating facilities, or any
10 commercial vehicle having sleeping facilities.

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

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

1 shall be in accordance with the taxes established in this section.

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

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

16 (14) Any person seeking to obtain a special license plate for an automobile that has been
17 provided to the applicant pursuant to an occupation shall meet both of the following
18 requirements:

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

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

24 (15) An applicant for any motor vehicle registration issued pursuant to this section shall
25 have the opportunity to make a donation of two dollars (\$2) to promote a hunger
26 relief program through specific wildlife management and conservation efforts by
27 the Department of Fish and Wildlife Resources in accordance with KRS 150.015. If

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

12 (16) In addition to the fees outlined in this section, the county clerk shall collect from the
13 registrants of electric vehicles and electric motorcycles the electric vehicle
14 ownership fees imposed in KRS 138.475. The county clerk may retain one dollar
15 (\$1) of the fee collected under this subsection.

16 (17) An additional fee of ten dollars (\$10) shall be added to the registration fee of any
17 motor vehicle for which the registration is not renewed within thirty (30) days of
18 its expiration.

19 ➔Section 8. KRS 186.162 is amended to read as follows:

20 (1) As used in this section and in KRS 186.043, 186.164, 186.166, 186.1722, and
21 186.174:

22 (a) "Special license plate" means a unique license plate issued under this chapter
23 to a group or organization that readily identifies the operator of the motor
24 vehicle or motorcycle bearing the plate as a member of a group or
25 organization, or a supporter of the work, goals, or mission of a group or
26 organization. The term shall not include regular license plates issued under
27 KRS 186.240;

(b) "Street rod" means a modernized private passenger motor vehicle manufactured prior to the year 1949, or designed or manufactured to resemble a vehicle manufactured prior to 1949;

(c) "SF" means the portion of an initial or renewal fee to obtain a special license plate that is dedicated for use by the Transportation Cabinet;

(d) "CF" means the county clerk's fee for issuing a motor vehicle registration as established under KRS 186.040(1). If a CF amount is charged for a license plate listed in this section, the applicant for that plate shall also pay the fees identified in KRS 186.040~~(5)~~~~(6)~~. If a CF amount is not charged, the applicant shall not be required to pay those fees; and

(e) "EF" means the portion of an initial or renewal fee to obtain a special license plate that is mandated by this chapter to be dedicated for use by a particular group or organization.

(2) The initial purchase fee and renewal fee for a special license plate created under this chapter shall be as established in this subsection and includes the name of group or organization and the total initial and renewal fee required for the plate. The amount in parentheses indicates how the total fee is required to be divided:

(a) Disabled veterans who receive assistance to purchase a vehicle from the United States Department of Veterans' Affairs, veterans declared by the United States Department of Veterans' Affairs to be one hundred percent (100%) service-connected disabled, and recipients of the Congressional Medal of Honor:

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

(b) Former prisoners of war and survivors of Pearl Harbor:

1. Initial Fee: \$35~~\$23~~ (\$22~~\$12~~ SF/\$8~~\$6~~ CF/\$5 EF to the veterans' program trust fund established under KRS 40.460).

- 1 1. Initial Fee: ~~\$8[\$6]~~ (\$0 SF/~~\$8[\$6]~~ CF/\$0 EF).
- 2 2. Renewal Fee: ~~\$8[\$6]~~ (\$0 SF/~~\$8[\$6]~~ CF/\$0 EF).
- 3 (f) Disabled license plates:
 - 4 1. Initial Fee: ~~\$30[\$18]~~ (~~\$22[\$12]~~ SF/~~\$8[\$6]~~ CF/\$0 EF).
 - 5 2. Renewal Fee: ~~\$30[\$18]~~ (~~\$22[\$12]~~ SF/~~\$8[\$6]~~ CF/\$0 EF).
- 6 (g) Historic vehicles:
 - 7 1. Initial Fee for two plates: ~~\$58[\$56]~~ (\$50 SF/~~\$8[\$6]~~ CF/\$0 EF).
 - 8 2. Renewal Fee: Do not renew annually.
- 9 (h) Members of Congress:
 - 10 1. Initial Fee: ~~\$45[\$43]~~ (\$37 SF/~~\$8[\$6]~~ CF/\$0 EF).
 - 11 2. Renewal Fee: ~~\$35[\$23]~~ (~~\$22[\$12]~~ SF/~~\$8[\$6]~~ CF/\$5 EF to the veterans' program trust fund established under KRS 40.460).
- 13 (i) Firefighters:
 - 14 1. Initial Fee: ~~\$40[\$28]~~ (~~\$22[\$12]~~ SF/~~\$8[\$6]~~ CF/\$10 EF to the Kentucky Firefighters Association).
 - 16 2. Renewal Fee: ~~\$40[\$28]~~ (~~\$22[\$12]~~ SF/~~\$8[\$6]~~ CF/\$10 EF to the Kentucky Firefighters Association).
- 18 (j) Emergency management:
 - 19 1. Initial Fee: ~~\$30[\$31]~~ (~~\$22[\$25]~~ SF/~~\$8[\$6]~~ CF/\$0 EF).
 - 20 2. Renewal Fee: ~~\$30[\$18]~~ (~~\$22[\$12]~~ SF/~~\$8[\$6]~~ CF/\$0 EF).
- 21 (k) Fraternal Order of Police:
 - 22 1. Initial Fee: ~~\$40[\$41]~~ (~~\$22[\$25]~~ SF/~~\$8[\$6]~~ CF/\$10 EF to the Kentucky †
24 _____]FOP Death Benefit Fund).
 - 25 2. Renewal Fee: ~~\$40[\$28]~~ (~~\$22[\$12]~~ SF/~~\$8[\$6]~~ CF/\$10 EF to the Kentucky †
26 _____]FOP Death Benefit Fund).

1 (l) Law Enforcement Memorial:

2 1. Initial Fee: \$40~~\$41~~ (\$22~~\$25~~ SF/\$8~~\$6~~ CF/\$10 EF to the
3 Kentucky Law Enforcement Memorial Foundation, Inc.).

4 2. Renewal Fee: \$40~~\$28~~ (\$22~~\$12~~ SF/\$8~~\$6~~ CF/\$10 EF to the
5 Kentucky Law Enforcement Memorial Foundation, Inc.).

6 (m) Personalized plates for a motor vehicle that is required to be registered under
7 the provisions of KRS 186.050(1), (3)(a), or (4)(a), or a motorcycle required
8 to be registered under the provisions of KRS 186.050(2):

9 1. Initial Fee: \$55~~\$43~~ (\$47~~\$37~~ SF/\$8~~\$6~~ CF/\$0 EF).

10 2. Renewal Fee: \$55~~\$43~~ (\$47~~\$37~~ SF/\$8~~\$6~~ CF/\$0 EF).

11 (n) Street rods:

12 1. Initial Fee: \$30~~\$43~~ (\$22~~\$37~~ SF/\$8~~\$6~~ CF/\$0 EF).

13 2. Renewal Fee: \$30~~\$18~~ (\$22~~\$12~~ SF/\$8~~\$6~~ CF/\$0 EF).

14 (o) Nature plates:

15 1. Initial Fee: \$40~~\$28~~ (\$22~~\$12~~ SF/\$8~~\$6~~ CF/\$10 EF to
16 Kentucky Heritage Land Conservation Fund established under KRS
17 146.570).

18 2. Renewal Fee: \$40~~\$28~~ (\$22~~\$12~~ SF/\$8~~\$6~~ CF/\$10 EF to
19 Kentucky Heritage Land Conservation Fund established under KRS
20 146.570).

21 (p) Amateur radio:

22 1. Initial Fee: \$30~~\$43~~ (\$22~~\$37~~ SF/\$8~~\$6~~ CF/\$0 EF).

23 2. Renewal Fee: \$30~~\$18~~ (\$22~~\$12~~ SF/\$8~~\$6~~ CF/\$0 EF).

24 (q) Kentucky General Assembly:

25 1. Initial Fee: \$45~~\$43~~ (\$37 SF/\$8~~\$6~~ CF/\$0 EF).

26 2. Renewal Fee: \$35~~\$23~~ (\$22~~\$12~~ SF/\$8~~\$6~~ CF/\$5 EF to the
27 veterans' program trust fund established under KRS 40.460).

1 (r) Kentucky Court of Justice:

2 1. Initial Fee: ~~\$45[\$43]~~ (\$37 SF/~~\$8[\$6]~~ CF/\$0 EF).

3 2. Renewal Fee: ~~\$13[\$11]~~ (\$0 SF/~~\$8[\$6]~~ CF/\$5 EF to the

4 veterans' program trust fund established under KRS 40.460).

5 (s) Masons:

6 1. Initial Fee: ~~\$40[\$41]~~ (~~\$22[\$25]~~ SF/~~(\$8)~~\$6 CF/\$10 EF to the

7 Masonic Homes of Kentucky).

8 2. Renewal Fee: ~~\$40[\$28]~~ (~~\$22[\$12]~~ SF/~~\$8[\$6]~~ CF/\$10 EF to the

9 Masonic Homes of Kentucky).

10 (t) Collegiate plates:

11 1. Initial Fee: ~~\$40[\$53]~~ (~~\$22[\$37]~~ SF/~~\$8[\$6]~~ CF/\$10 EF to the

12 general scholarship fund of the university whose name will be borne on

13 the plate).

14 2. Renewal Fee: ~~\$40[\$28]~~ (~~\$22[\$12]~~ SF/~~\$8[\$6]~~ CF/\$10 EF to the

15 general scholarship fund of the university whose name will be borne on

16 the plate).

17 (u) Independent Colleges:

18 1. Initial Fee: ~~\$40[\$41]~~ (~~\$22[\$25]~~ SF/~~\$8[\$6]~~ CF/\$10 EF to the

19 Association of Independent Kentucky Colleges and Universities for

20 distribution to the general scholarship funds of the Association's

21 members).

22 2. Renewal Fee: ~~\$40[\$28]~~ (~~\$22[\$12]~~ SF/~~\$8[\$6]~~ CF/\$10 EF to the

23 Association of Independent Kentucky Colleges and Universities for

24 distribution to the general scholarship funds of the Association's

25 members).

26 (v) Child Victims:

27 1. Initial Fee: ~~\$40[\$41]~~ (~~\$22[\$25]~~ SF/~~\$8[\$6]~~ CF/\$10 EF to the

1 child victims' trust fund established under KRS 41.400).

4 (w) Kentucky Horse Council:

9 (x) Ducks Unlimited:

14 (y) Spay neuter:

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

20 1. Initial Fee: \$0 (\$0 SF/\$0 CF/ \$0 EF).

21 2. Renewal Fee: \$0 (\$0 SF/\$0 CF/ \$0 EF).

22 3. A person may receive a maximum of two (2) plates under this paragraph
23 free of charge and may purchase additional plates for fees as established
24 in subsection (2)(d) of this section.

25 (aa) I Support Veterans:

1 five dollar (\$25) fee required under this subsection shall be divided between the
2 cabinet and the county clerk of the county where the applicant is applying for the
3 license plate with the cabinet receiving twenty dollars (\$20) and the county clerk
4 receiving five dollars (\$5). **This subsection shall not apply to persons registering a**
5 **recreational vehicle who pay the fees under subsection (2)(ad) of this section.**

6 (4) (a) A sponsoring organization of any special license plate issued under this
7 section or any special license plate established under the provisions of KRS
8 186.164 may petition the cabinet for the production of that special license
9 plate for motorcycles.

10 (b) The cabinet shall make all of the special military license plates in this section
11 available for motorcycles owned or leased by eligible individuals.

12 (c) Owners and lessees of motorcycles registered under KRS 186.050(2) may be
13 eligible to receive special license plates approved by the cabinet under
14 paragraphs (a) and (b) of this subsection. Applicants for a special license plate
15 for a motorcycle shall be required to pay the fee for a special plate as
16 prescribed in this section or in KRS 186.164. The fee paid for the special plate
17 for a motorcycle shall be in lieu of the registration fee required under KRS
18 186.050(2).

19 (5) The Transportation Cabinet shall:

20 (a) Identify the cost of issuing a child victims' trust fund special license plate
21 under subsection (2)(v) of this section; and

22 (b) Transfer any revenue received from the initial or renewal SF fee that is in
23 excess of the cost identified in paragraph (a) of this subsection to the child
24 victims' trust fund established under KRS 41.400.

25 ➔Section 9. KRS 186.180 is amended to read as follows:

26 (1) (a) If an owner loses his or her copy of a registration or transfer receipt, the
27 owner may obtain a duplicate from the county clerk who issued the present

1 owner's copy of the receipt if:

1. Proof of insurance on the motor vehicle in compliance with KRS
2 304.39-080 is provided to the county clerk, except that proof of
4 insurance shall not be required for duplicates applied for by motor
5 vehicle dealers as defined in KRS 190.010;
- 6 2. The owner files an affidavit, upon a form furnished by the cabinet; and
7 3. The owner pays to the county clerk a fee of three dollars (\$3).
- 8 (b) When an owner's copy of any registration or transfer receipt shows that the
9 spaces provided thereon for noting and discharging security interests have
10 been exhausted, the owner may obtain a duplicate from the county clerk who
11 issued the receipt if:
 - 12 1. The owner surrenders his or her copy of the current receipt to the county
13 clerk;
 - 14 2. Proof of insurance on the motor vehicle in compliance with KRS
15 304.39-080 is provided to the county clerk, except that proof of
16 insurance shall not be required for duplicates applied for by motor
17 vehicle dealers as defined in KRS 190.010; and
18 3. The owner pays to the county clerk a fee of three dollars (\$3).
- 19 (c) Any security interest which has been discharged as shown by the records of
20 the clerk or upon the owner's copy of the current receipt shall be omitted from
21 the duplicate receipt to be issued by the county clerk.

22 (2) (a) If an owner loses a registration plate, the owner shall:

- 23 1. Surrender his or her registration receipt to the county clerk from whom
24 it was obtained; and
- 25 2. File a written statement as to the loss of the plate.

26 (b) The owner shall be issued another registration receipt and a plate or plates,
27 which shall bear a different number from that of the lost plate, if:

1 the county clerk shall be entitled to retain three dollars (\$3) and the
2 cabinet shall be entitled to two dollars (\$2).

3 (b) The surrendered receipt and plate shall be forwarded to the cabinet.

4 (4) If an owner's registration is revoked under KRS 186A.040(5)(b), the owner may
5 have his or her registration reinstated by the county clerk who issued the present
6 owner's copy of the receipt if:

11 (5) The owner of a motor vehicle that has the vehicle's registration revoked [under KRS
12 186.290] shall pay to the clerk a fee of twenty dollars (\$20), which shall be equally
13 divided between the county clerk and the cabinet.

14 (6) Proof of insurance for a personal motor vehicle shall be determined by the county
15 clerk as provided in KRS 186A.042.

16 ➔Section 10. KRS 186.240 is amended to read as follows:

17 (1) It shall be the duty of the cabinet to carry out the provisions of KRS 186.005 to
18 186.260, and:

19 (a) Provide to the clerk in each county access to all forms provided for in KRS
20 186.005 to 186.260:

21 (b) Keep a numerical record of all registration numbers issued in the state and
22 also keep a record of motor or vehicle identification numbers required by
23 KRS 186.160;

24 (c) Furnish to each clerk, originally each year upon estimate, and thereafter upon
25 requisition at all times, a sufficient supply of standard, noncommercial plates
26 and the supplies necessary to provide evidence of registration for all classes of
27 vehicles required to be registered; and

1 (d) Prescribe a standard plate of practical form and size for police identification
2 purposes that shall contain:
3 1. The registration identifier;
4 2. An indication that Kentucky is the issuing jurisdiction;
5 3. At the discretion of the cabinet, any combination of the following
6 phrases:
7 a. "Bluegrass State"; or
8 b. "United We Stand, Divided We Fall";
9 4. For standard plates for noncommercial vehicles:
10 a. The county in which the plate is issued; and
11 b. At the discretion of the person to whom the vehicle is registered,
12 the phrase "In God We Trust"; and
13 5. For plates for commercial vehicles, the year the license expires and
14 words or information the Department of Vehicle Regulation may
15 prescribe by administrative regulation, pursuant to KRS Chapter 13A.

16 (2) Except as provided in KRS 186A.127, license plates issued pursuant to this chapter
17 shall conform to the provisions of subsection (1)(c) and (d) of this section. The
18 Transportation Cabinet shall provide for the issuance of reflectorized plates for all
19 motor vehicles, and shall collect a fee, in addition to the fee set out in KRS
20 Chapter 186 and KRS 281.631, of] Fifty cents (\$0.50) of the state registration fee
21 charged under Sections 7 and 8 of this Act or the license fee charged under KRS
22 281.631[. The fifty cents (\$0.50) fee to reflectorize license plates] shall be used by
23 the cabinet as provided in subsection (3) of this section.

24 (3) (a) The reflectorized license plate program fund is established as a trust and
25 agency account in the state road fund. The fund shall consist of the portion
26 of state registration and licensing fees identified in subsection (2) of this
27 section, state appropriations, gifts, grants, and federal funds.

1 **(b) The fund shall be administered**~~and appropriated on a continual basis to the~~
2 cabinet to administer the moneys as provided in this subsection. The Fifty
3 cents (\$0.50) fee collected} by the cabinet.

4 **(c) Amounts deposited in the fund**~~to reflectorize license plates} shall be~~
5 deposited into the program fund and} used to issue reflectorized license plates.

6 **(d) Notwithstanding KRS 45.229, fund amounts not expended**~~Hf at the~~
7 close~~endshall not lapse but shall be carried forward into
8 **the next fiscal year**~~, money remains in the program fund, it shall be retained~~
9 in the fund and shall not revert to the state road fund. The interest and income
10 earned on money in the program fund shall also be retained in the program
11 fund to carry out the provisions of this subsection}.~~

12 **(e)** The Transportation Cabinet shall issue reflectorized license plates under the
13 provisions of this subsection on a schedule to be determined at the discretion
14 of the cabinet.

15 (4) Except as directed under subsection (3) of this section, the Transportation Cabinet
16 shall receive all moneys forwarded by the clerk in each county and turn it over to
17 the State Treasurer for the benefit of the state road fund.

18 (5) The Transportation Cabinet shall require an accounting by the clerk in each county
19 for any moneys received by him or her under the provisions of this chapter, after the
20 deduction of his or her fees under this chapter, and for all receipts, forms, plates,
21 and insignia consigned to him or her. The Auditor of Public Accounts, pursuant to
22 KRS 43.071, shall annually audit each county clerk concerning his or her
23 responsibilities for the collection of various fees and taxes associated with motor
24 vehicles. The secretary of the Transportation Cabinet, with the advice, consultation,
25 and approval of the Auditor, shall develop and implement an inventory and
26 accounting system which shall insure that the audits mandated in KRS 43.071 are
27 performed in accordance with generally accepted auditing standards. The

4 ➔Section 11. KRS 186.531 is amended to read as follows:

5 (1) As used in this section:

6 (a) "GF" means the general fund;

7 (b) "IP" means instruction permit;

8 (c) "License Fund" or "LF" means the KYTC photo license account created in
9 KRS 174.056;

10 (d) "MC" means motorcycle;

11 (e) "MC Fund" or "MCF" means the motorcycle safety education program fund
12 established in KRS 176.5065;

13 (f) "OL" means operator's license; and

14 (g) "PIDC" means personal identification card.

15 (2) The fees imposed for voluntary travel ID operator's licenses, instruction permits,
16 and personal identification cards shall be as follows. The fees received shall be
17 distributed as shown in the table. The fees shown, unless otherwise noted, are for an
18 eight (8) year period:

Card Type	Fee	LF	GF	MCF
OL (initial/renewal)	\$48	\$48	\$0	\$0
OL (Under 21) (Up to 4 years)	\$18	\$18	\$0	\$0
Any OL, MC, or combination				
(duplicate/corrected)	\$15	\$13.25	\$1.75	\$0
Motor vehicle IP (3 years)	\$18	\$16	\$2	\$0
Motorcycle IP (1 year)	\$18	\$13	\$1	\$4
Motorcycle OL (initial/renewal)	\$48	\$38	\$0	\$10
Combination vehicle/MC OL				

1	(initial/renewal)	\$58	\$48	\$0	\$10
2	PIDC (initial/renewal)	\$28	\$25	\$3	\$0
3	PIDC (duplicate/corrected)	\$15	\$13.50	\$1.50	\$0
4	(3) Except as provided in subsection (10) of this section, the fees imposed for standard				
5	operator's licenses, instruction permits, and personal identification cards shall be as				
6	follows and, unless otherwise noted, are for an eight (8) year period:				
7	Card Type	Fee	LF	GF	MCF
8	OL (initial/renewal)	\$43	\$43	\$0	\$0
9	OL (Under 21) (Up to 4 years)	\$15	\$15	\$0	\$0
10	Any OL, MC, or combination				
11	(duplicate/corrected)	\$15	\$13.25	\$1.75	\$0
12	Motor vehicle IP (3 years)	\$15	\$13	\$2	\$0
13	Motorcycle IP (1 year)	\$15	\$10	\$1	\$4
14	Motorcycle OL (initial/renewal)	\$43	\$33	\$0	\$10
15	Combination vehicle/MC OL				
16	(initial/renewal)	\$53	\$43	\$0	\$10
17	PIDC (initial/renewal)	\$23	\$20	\$3	\$0
18	PIDC (duplicate/corrected)	\$15	\$13.50	\$1.50	\$0
19	PIDC (no fixed address) under				
20	KRS 186.4122(5)/186.4123(5)				
21	(initial, duplicate, or corrected)	\$0	\$0	\$0	\$0
22	(4) The fee for a four (4) year original or renewal license issued pursuant to KRS				
23	186.4101 shall be fifty percent (50%) of the amount shown in subsections (2) and				
24	(3) of this section. The distribution of fees shown in subsections (2) and (3) of this				
25	section shall also be reduced by fifty percent (50%) for licenses that are issued for				
26	four (4) years.				
27	(5) Any fee for any identity document applied for using alternative technology under				

1 KRS 186.410 and 186.4122 shall be distributed in the same manner as a document
2 applied for in person with the cabinet.

3 (6) (a) An applicant for an original or renewal operator's license, permit, commercial
4 driver's license, motorcycle operator's license, or personal identification card
5 shall be requested by the cabinet to make a donation to promote an organ
6 donor program.

7 (b) The donation under this subsection shall be added to the regular fee for an
8 original or renewal motor vehicle operator's license, permit, commercial
9 driver's license, motorcycle operator's license, or personal identification card.
10 One (1) donation may be made per issuance or renewal of a license or any
11 combination thereof.

12 (c) The fee shall be paid to the cabinet and shall be forwarded by the cabinet on a
13 monthly basis to the Kentucky Circuit Court Clerks' Trust for Life, and such
14 moneys are hereby appropriated to be used exclusively for the purpose of
15 promoting an organ donor program. A donation under this subsection shall be
16 voluntary and may be refused by the applicant at the time of issuance or
17 renewal.

18 (7) In addition to the fees outlined in this section, the following individuals, upon
19 application for an initial or renewal operator's license, instruction permit, or
20 personal identification card, shall pay an additional application fee of thirty dollars
21 (\$30), which shall be deposited in the photo license account:

22 (a) An applicant who is not a United States citizen or permanent resident and who
23 applies under KRS 186.4121 or 186.4123; or

24 (b) An applicant who is applying for a instruction permit, operator's license, or
25 personal identification card without a photo under KRS 186.4102(9).

26 (8) (a) Except for individuals exempted under paragraph (c) of this subsection, an
27 applicant for relicensing after revocation or suspension shall pay a

1 reinstatement fee of one hundred dollars (\$100)~~forty dollars (\$40)~~.

6 2. Five dollars (\$5) shall be deposited into a trust and agency fund to be
7 used in defraying the costs and expenses of administering a driver
8 improvement program for problem drivers; **and**

9 3. Eighty-five dollars (\$85) shall be deposited into the road fund.

10 (c) This subsection shall not apply to:

11 1. Any person whose license was suspended for failure to meet the
12 conditions set out in KRS 186.411 when, within one (1) year of
13 suspension, the driving privileges of the individual are reinstated; or
14 2. A student who has had his or her license revoked pursuant to KRS
15 159.051.

16 (9) As payment for any fee identified in this section, the cabinet:

17 (a) Shall accept cash and personal checks;

18 (b) May accept other methods of payment in accordance with KRS 45.345; and

19 (c) May enter into billing agreements with homeless shelters, health care
20 facilities, or social service agencies that serve individuals without an
21 established and fixed nighttime residence of regular return.

22 (10) There shall be no fee assessed for the initial, renewal, or duplicate standard personal
23 identification card to an individual, if the individual:

24 (a) Does not possess a valid operator's license or a commercial driver's license;
25 and

26 (b) Is at least eighteen (18) years of age on or before the next regular election.

27 ➔Section 12. KRS 281A.150 is amended to read as follows:

- 1 (1) Every person seeking a commercial driver's license or a commercial learner's permit
2 shall first apply in person to the cabinet. The application shall be in the form
3 prescribed by KRS 281A.140 as provided by the cabinet. Except as provided in
4 KRS 281A.160(6), each time a person applies for a commercial driver's license, a
5 commercial learner's permit, or seeks to upgrade or change his or her commercial
6 driver's license, the person shall be required to:
 - 7 (a) Update the application; and
 - 8 (b) Submit the appropriate fee to the cabinet.
- 9 (2) In addition to the fees for an operator's license under KRS 186.531, the cabinet
10 shall set fees by administrative regulation, in accordance with KRS Chapter 13A,
11 for the following applications that shall not exceed:
 - 12 (a) Forty dollars (\$40) for each application for a commercial driver's license. The
13 fee shall be based on the class, type of license, endorsement, restriction, or
14 tests to be taken;
 - 15 (b) Thirty-five dollars (\$35) for each application for a commercial learner's
16 permit;
 - 17 (c) Fifteen dollars (\$15) for each application for a change or addition in class or
18 type of license, endorsement, or restriction; and
 - 19 (d) Forty dollars (\$40) for each application for a duplicate if it is the first
20 duplicate applied for within the time period for which the original license was
21 issued. Sixty dollars (\$60) for a second or subsequent duplicate applied for
22 within the time period for which the original license was issued. The fees
23 required for a duplicate shall be in addition to fees charged under subsection
24 (2)(c) of this section.
- 25 (3) In addition to the fees for an operator's license KRS 186.531, the cabinet shall set
26 fees by administrative regulation in accordance with KRS Chapter 13A, for the
27 following commercial driver's licenses that shall not exceed:

- (a) Forty-five dollars (\$45) for each initial or renewal of a commercial driver's license;
- (b) Sixty dollars (\$60) for each transfer of a commercial driver's license; and
- (c) Thirty dollars (\$30) for each initial or renewal of a commercial driver's license with an "S" endorsement.

(4) All fees remitted to the cabinet shall be nonrefundable regardless of whether the applicant completes the requirements for a commercial driver's license or is tested.

(5) All fees collected for the issuance of a commercial driver's license or a commercial learner's permit shall be deposited into trust and agency accounts to be used exclusively for the administration and implementation of this chapter, except as prescribed in subsection (6) of this section. The accounts shall not lapse but shall be continuing from year to year.

(6) All fees collected pursuant to this section shall be allocated between the Transportation Cabinet and Department of Kentucky State Police, except a fifty cent (\$0.50) issuance fee shall be allocated to the general fund from issuance of a commercial driver's license permit and a three dollar (\$3) issuance fee shall be allocated to the general fund from issuance of a commercial driver's license.

(7) Any applicant who seeks reinstatement of his or her commercial driving privilege after a suspension, withdrawal, revocation, or disqualification shall pay a reinstatement fee of one hundred dollars (\$100)~~fifty dollars (\$50)~~ in addition to those fees required by subsection (2) of this section and shall satisfy the requirements of KRS 281A.160. This fee shall not be required if his or her commercial driving privilege was withdrawn only as a result of the withdrawal of his or her privilege to drive a noncommercial motor vehicle.

(8) As payment for any fee identified in this section, the cabinet:

- (a) Shall accept cash and personal checks; and
- (b) May accept other methods of payment in accordance with KRS 45.345.

1 ➔Section 13. KRS 186A.130 is amended to read as follows:

2 There shall be paid for issuing and processing documents required by this chapter fees
3 according to the following schedule:

4 (1) Each application for a certificate of title shall be twenty-five dollars (\$25)~~nine~~
5 ~~dollars (\$9)~~, of which the county clerk shall retain eight dollars (\$8)~~six dollars~~
6 ~~(\$6)~~ and the Transportation Cabinet shall receive seventeen dollars (\$17)~~three~~
7 ~~dollars (\$3)~~.

8 (2) Each application for a replacement or corrected certificate of title shall be ten
9 dollars (\$10)~~six dollars (\$6)~~, of which the county clerk shall retain four dollars
10 ~~(\$4)~~ and the Transportation Cabinet shall receive six dollars (\$6)~~two dollars (\$2)~~.
11 If a corrected certificate must be issued because of an error of the county clerk or
12 the Department of Vehicle Regulation, there shall be no charge.

13 (3) Each application for a speed title shall be forty dollars (\$40)~~twenty five dollars~~
14 ~~(\$25)~~, of which the county clerk shall retain eight dollars (\$8)~~five dollars (\$5)~~
15 and the Transportation Cabinet shall receive thirty-two dollars (\$32)~~twenty dollars~~
16 ~~(\$20)~~.

17 (4) (a) Each application for a certificate of title for an all-terrain vehicle shall be
18 fifteen dollars (\$15), of which the county clerk shall retain six dollars (\$6) and
19 the Transportation Cabinet shall receive nine dollars (\$9).
20 (b) Each application for a replacement or corrected certificate of title for an all-
21 terrain vehicle shall be ten dollars (\$10), of which the county clerk shall retain
22 four dollars (\$4) and the Transportation Cabinet shall receive six dollars (\$6).
23 If a corrected certificate must be issued because of an error of the county clerk
24 or the Department of Vehicle Regulation, there shall be no charge.

25 ➔Section 14. KRS 186A.245 is amended to read as follows:

26 (1) If a certificate of title is lost, stolen, mutilated, or destroyed or becomes illegible,
27 the owner or legal representative of the owner named in the certificate shall

1 promptly make application to the county clerk for and may obtain a duplicate, upon
2 furnishing information satisfactory to the Department of Vehicle Regulation. The
3 duplicate certificate of title shall contain appropriate words or symbols to indicate
4 that it is a duplicate. Each application for a duplicate certificate of title shall be ten
5 dollars (\$10)~~six dollars (\$6)~~, of which the county clerk shall retain four dollars
6 (\$4), and the Transportation Cabinet six dollars (\$6)~~two dollars (\$2)~~. Each
7 application for a duplicate certificate of title for an all-terrain vehicle shall be ten
8 dollars (\$10), of which the county clerk shall retain four dollars (\$4) and the
9 Transportation Cabinet shall receive six dollars (\$6). It shall be mailed to the
10 owner.

11 (2) The Department of Vehicle Regulation shall make provisions for production and
12 issuance of a duplicate title if update of information is requested. The provisions
13 shall be generally consistent with the procedures for production and issuance of a
14 certificate of title in the first instance as provided in this chapter.

15 (3) A person recovering an original certificate of title for which a duplicate has been
16 issued shall promptly surrender the original certificate to the Department of Vehicle
17 Regulation.

18 (4) Application for documents provided for by this section shall be made to the county
19 clerk upon forms provided to him by the Department of Vehicle Regulation.

20 ➔Section 15. KRS 186.574 is amended to read as follows:

21 (1) The Transportation Cabinet shall establish a state traffic school for new drivers and
22 for traffic offenders. The school shall be composed of uniform education and
23 training elements designed to create a lasting influence on new drivers and a
24 corrective influence on traffic offenders. District Courts may in lieu of assessing
25 penalties for traffic offenses, other than for KRS 189A.010, sentence offenders to
26 state traffic school and no other.

27 (2) If a District Court stipulates in its judgment of conviction that a person attend state

1 traffic school, the court shall indicate this in the space provided on the abstract of
2 conviction filed with the Transportation Cabinet. Upon receipt of an abstract, the
3 Transportation Cabinet, or its representative, shall schedule the person to attend
4 state traffic school. Failure of the person to attend and satisfactorily complete state
5 traffic school in compliance with the court order, may be punished as contempt of
6 the sentencing court. The Transportation Cabinet shall not assess points against a
7 person who satisfactorily completes state traffic school. However, if the person
8 referred to state traffic school holds or is required to hold a commercial driver's
9 license, the underlying offense shall appear on the person's driving history record.

10 (3) The Transportation Cabinet shall supervise, operate, and administer state traffic
11 school, and shall promulgate administrative regulations pursuant to KRS Chapter
12 13A governing facilities, equipment, courses of instruction, instructors, and records
13 of the program. In the event a person sentenced under subsection (1) of this section
14 does not attend or satisfactorily complete state traffic school, the Transportation
15 Cabinet may deny that person a license or suspend the license of that person until
16 he reschedules attendance or completes state traffic school, at which time a denial
17 or suspension shall be rescinded.

18 (4) Persons participating in the state traffic school as provided in this section shall pay
19 a fee of fifty dollars (\$50)~~fifteen dollars (\$15)~~ to defray the cost of operating the
20 school, except that if enrollment in state traffic school is to satisfy the requirement
21 of KRS 186.410(4)(c), a fee shall not be assessed. Any funds collected pursuant to
22 KRS 186.535(1) that are dedicated to the photo license account for use in the state
23 driver education program may be used for the purposes of state traffic school.

24 (5) The following procedures shall govern persons attending state traffic school
25 pursuant to this section:

26 (a) A person convicted of any violation of traffic codes set forth in KRS Chapters
27 177, 186, or 189, and who is otherwise eligible, may in the sole discretion of

1 the trial judge, be sentenced to attend state traffic school. Upon payment of
2 the fee required by subsection (4) of this section, and upon successful
3 completion of state traffic school, the sentence to state traffic school shall be
4 the person's penalty in lieu of any other penalty, except for the payment of
5 court costs;

6 (b) Except as provided in KRS 189.990(28), a person shall not be eligible to
7 attend state traffic school who has been cited for a violation of KRS Chapters
8 177, 186, or 189 that has a penalty of mandatory revocation or suspension of
9 an offender's driver's license;

10 (c) Except as provided in KRS 189.990(28), a person shall not be eligible to
11 attend state traffic school for any violation if, at the time of the violation, the
12 person did not have a valid driver's license or the person's driver's license was
13 suspended or revoked by the cabinet;

14 (d) Except as provided in KRS 189.990(28), a person shall not be eligible to
15 attend state traffic school more than once in any one (1) year period, unless
16 the person wants to attend state traffic school to comply with the driver
17 education requirements of KRS 186.410; and

18 (e) The cabinet shall notify the sentencing court regarding any person who was
19 sentenced to attend state traffic school who was ineligible to attend state
20 traffic school. A court notified by the cabinet pursuant to this paragraph shall
21 return the person's case to an active calendar for a hearing on the matter. The
22 court shall issue a summons for the person to appear and the person shall
23 demonstrate to the court why an alternative sentence should not be imposed.

24 (6) (a) Except as provided in paragraph (b) of this subsection, a county attorney may
25 operate a traffic safety program for traffic offenders prior to the adjudication
26 of the offense.

27 (b) Offenders alleged to have violated KRS 189A.010 or 304.39-080, offenders

1 holding a commercial driver's license under KRS Chapter 281A, or offenders
2 coming within the provisions of subsection (5)(b) or (c) of this section shall
3 be excluded from participation in a county attorney-operated program.

4 (c) A county attorney that operates a traffic safety program:

5 1. May charge a reasonable fee to program participants, which shall only
6 be used for payment of county attorney office operating expenses; and

7 2. Shall, by October 1 of each year, report to the Prosecutors Advisory
8 Council the fee charged for the county attorney-operated traffic safety
9 program and the total number of traffic offenders diverted into the
10 county attorney-operated traffic safety program for the preceding fiscal
11 year categorized by traffic offense.

12 (d) Each participant in a county attorney-operated traffic safety program shall, in
13 addition to the fee payable to the county attorney, pay a twenty-five dollar
14 (\$25) fee to the court clerk, which shall be paid into a trust and agency
15 account with the Administrative Office of the Courts and is to be used by the
16 circuit clerks to hire additional deputy clerks and to enhance deputy clerk
17 salaries.

18 (e) Each participant in a county attorney-operated traffic safety program shall, in
19 addition to the fee payable to the county attorney and the fee required by
20 paragraph (d) of this subsection, pay a thirty dollar (\$30) fee to the county
21 attorney in lieu of court costs. On a monthly basis, the county attorney shall
22 forward the fees collected pursuant to this paragraph to the Finance and
23 Administration Cabinet to be distributed as follows:

24 1. Ten and eight-tenths percent (10.8%) to the spinal cord and head injury
25 research trust fund created in KRS 211.504;

26 2. Nine and one-tenth percent (9.1%) to the traumatic brain injury trust
27 fund created in KRS 211.476;

- 1 3. Five and eight-tenths percent (5.8%) to the special trust and agency
- 2 account set forth in KRS 42.320(2)(f) for the Department of Public
- 3 Advocacy;
- 4 4. Five and seven-tenths percent (5.7%) to the crime victims compensation
- 5 fund created in KRS 49.480;
- 6 5. One and two-tenths percent (1.2%) to the Justice and Public Safety
- 7 Cabinet to defray the costs of conducting record checks on prospective
- 8 firearms purchasers pursuant to the Brady Handgun Violence Prevention
- 9 Act and for the collection, testing, and storing of DNA samples;
- 10 6. Sixteen and eight-tenths percent (16.8%) to the county sheriff in the
- 11 county from which the fee was received;
- 12 7. Nine and one-tenth percent (9.1%) to the county treasurer in the county
- 13 from which the fee was received to be used by the fiscal court for the
- 14 purposes of defraying the costs of operation of the county jail and the
- 15 transportation of prisoners;
- 16 8. Thirty-three and two-tenths percent (33.2%) to local governments in
- 17 accordance with the formula set forth in KRS 24A.176(5); and
- 18 9. Eight and three-tenths percent (8.3%) to the Cabinet for Health and
- 19 Family Services for the implementation and operation of a telephonic
- 20 behavioral health jail triage system as provided in KRS 210.365 and
- 21 441.048.

22 ➔ SECTION 16. A NEW SECTION OF KRS CHAPTER 174 IS CREATED TO
23 READ AS FOLLOWS:

- 24 (1) *There is hereby established in the State Treasury a trust and agency account to be*
25 *known as the multimodal transportation fund. The fund shall consist of moneys*
26 *received from state appropriations, gifts, grants, and federal funds.*
- 27 (2) *The fund shall be administered by the Transportation Cabinet.*

1 (3) Amounts deposited in the fund shall be used for the following purposes and for
2 no other purposes:

3 (a) To provide assistance to transit programs in the state by helping to offset the
4 loss of toll credits;
5 (b) To make improvements and correct issues at rail crossings that impact the
6 safe movement of people and goods;
7 (c) To maintain and improve Kentucky's riverports; and
8 (d) To maintain and improve Kentucky's general aviation airports.

9 (4) Notwithstanding KRS 45.229, fund amounts not expended at the close of a fiscal
10 year shall not lapse but shall be carried forward into the next fiscal year.

11 ➔Section 17. KRS 177.320 is amended to read as follows:

12 (1) Twenty-two and two-tenths percent (22.2%) of all funds arising from the imposition
13 of taxes provided by KRS 138.220[(1) and (2)], 138.660(1) and (2) and 234.320
14 shall be set aside for the construction, reconstruction and maintenance of secondary
15 and rural roads and for no other purpose, and shall be expended for said purposes
16 by the Transportation Cabinet of the Commonwealth of Kentucky according to the
17 terms and conditions prescribed in KRS 177.330 to 177.360.

18 (2) (a) In any fiscal year in which the amount of funds available for revenue
19 sharing arising from the implementation of taxes provided by Section 1 of
20 this Act, subsections (1) and (2) of Section 2 of this Act, and Section 24 of
21 this Act is less than or equal to eight hundred twenty-five million dollars
22 (\$825,000,000)[On or after July 1, 1980], eighteen and three-tenths percent
23 (18.3%) of those[all] funds[arising from the imposition of taxes provided by
24 KRS 138.220(1) and (2), 138.660(1) and (2), and 234.320] shall be set aside
25 for the construction, reconstruction and maintenance of county roads and
26 bridges provided by KRS 179.410 and 179.415.

27 (b) In any fiscal year in which the amount of funds available for revenue

1 sharing arising from the implementation of taxes provided by Section 1 of
2 this Act, subsections (1) and (2) of Section 2 of this Act, and Section 24 of
3 this Act is greater than eight hundred twenty-five million dollars
4 (\$825,000,000), the following amounts shall be set aside for the
5 construction, reconstruction, and maintenance of county roads and bridges
6 provided by KRS 179.410 and 179.415:

7 1. One hundred fifty million nine hundred seventy-five thousand dollars
8 (\$150,975,000); and
9 2. Thirteen percent (13%) of those funds in excess of eight hundred
10 twenty-five million dollars (\$825,000,000).

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

15 (4) [On or after July 1, 1986,] One-tenth of one percent (0.1%) of all funds arising from
16 the imposition of taxes provided by KRS 138.220[(1) and (2)], 138.660 and
17 234.320 shall be set aside for the purposes and functions of the Kentucky
18 Transportation Center as established by KRS 177.375 to 177.380, except that the
19 receipts provided to the center by this subsection shall not exceed one hundred
20 ninety thousand dollars (\$190,000) for any fiscal year.

21 ➔ Section 18. KRS 177.365 is amended to read as follows:

22 (1) (a) In any fiscal year in which the amount of funds available for revenue
23 sharing arising from the implementation of taxes provided by Section 1 of
24 this Act, subsections (1) and (2) of Section 2 of this Act, and Section 24 of
25 this Act is less than or equal to eight hundred twenty-five million dollars
26 (\$825,000,000)][On and after July 1, 1980], seven and seven-tenths percent
27 (7.7%) of those funds[all amounts received from the imposition of the taxes

1 provided for in KRS 138.220(1) and (2), 138.660(1) and (2) and 234.3201
2 shall be set aside by the Finance and Administration Cabinet for the
3 construction, reconstruction and maintenance of urban roads and streets and
4 for no other purpose.

5 **(b) In any fiscal year in which the amount of funds available for revenue**
6 **sharing arising from the implementation of taxes provided by Section 1 of**
7 **this Act, subsections (1) and (2) of Section 2 of this Act, and Section 24 of**
8 **this Act is greater than eight hundred twenty-five million dollars**
9 **(\$825,000,000), the following amounts shall be set aside by the Finance and**
10 **Administration Cabinet for the construction, reconstruction, and**
11 **maintenance of urban roads and streets and for no other purpose:**

12 **1. Sixty-three million five hundred twenty-five thousand dollars**
13 **(\$63,525,000); and**
14 **2. Thirteen percent (13%) of those funds in excess of eight hundred**
15 **twenty-five million dollars (\$825,000,000).**

16 (2) As used in this section unless the context requires otherwise "construction,"
17 "reconstruction," and "maintenance" mean the supervising, inspecting, actual
18 building, and all expenses incidental to the construction, reconstruction, or
19 maintenance of a road or street, including planning, locating, surveying, and
20 mapping or preparing roadway plans, acquisition of rights-of-way, relocation of
21 utilities, lighting and the elimination of other hazards such as roadway grade
22 crossings, and all other items defined in the Department of Highways, design,
23 operations, and construction manuals.

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

27 (4) "Streets" mean all public ways which have been designated by the incorporated city

1 as being city streets and said streets lying within the boundaries of an incorporated
2 city.

3 ➔Section 19. KRS 176.080 is amended to read as follows:

4 (1) Each bidder shall accompany his bid with a bond or certified check payable to the
5 State Treasurer for a reasonable sum, fixed by the department, guaranteeing that he
6 will enter into a contract with the department for doing the work if the work is
7 awarded to him.

8 (2) Bids shall be opened publicly at the time and place designated in the invitation for
9 bids. At the time the bids are opened, the department shall announce the
10 department's engineer's estimate and make it a part of the department's records
11 pertaining to the letting of any highway construction project contract for which bids
12 were received. Each bid, together with the name of the bidder and the department's
13 engineer's estimate, shall be recorded and open to public inspection.

14 (3) **Subject to the limitations of subsection (4) of this section,** the contract shall be
15 awarded to the lowest and best bidder. The department may require bonds from any
16 contractor to secure the performance of any contract or may require security by any
17 other means it deems advisable.

18 (4) (a) **Except as provided in paragraph (b) of this subsection, if there is a single**
19 **bid for a contract and that bid exceeds the department's engineer's estimate,**
20 **the department shall reject the bid and advertise for new bids.**

21 (b) **If the secretary of the cabinet certifies that a contract is for a project that is**
22 **of an urgent or emergency nature, the department may award the contract**
23 **to a bidder whose bid that meets the description in paragraph (a) of this**
24 **subsection.**

25 (c) **The Transportation Cabinet shall, on a quarterly basis, electronically**
26 **transmit a report on all contracts awarded under paragraph (b) of this**
27 **subsection to the Legislative Research Commission for referral to the**

1 *Interim Joint Committees on Appropriations and Revenue and*
2 *Transportation.*

3 (5) The department may reject any bid when it finds it for the best interest of the state
4 to do so. When all bids are rejected, the department shall advertise for new bids as
5 in the first place.

6 ➔ Section 20. KRS 176.210 is amended to read as follows:

7 (1) *Subject to the limitations in subsection (2) of this section,* the department may
8 make public from time to time lists of qualified bidders. Such lists shall be general
9 in character and shall not indicate the size of the contracts with respect to which the
10 bidders have qualified.

11 (2) *The department shall not make public the identity of an eligible bidder for a*
12 *particular project prior to the bid letting on that project.*

13 ➔ Section 21. KRS 138.695 is amended to read as follows:

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

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

27 (3) If the credit or credits referred to in subsections (1) and (2) of this section would

1 expire solely by reason of the lapse of time allowed in subsection (2) of this section,
2 then the balance of any credit shall be refunded to the licensee, provided application
3 therefor and all necessary information shall be filed with the cabinet within sixty
4 (60) days after the time the credit would otherwise expire as provided in subsection
5 (2) of this section, except a credit shall not be refunded to the licensee, where, as
6 estimated by the cabinet, the cost to the cabinet of making the refund would exceed
7 the amount of the refund.

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

12 ➔Section 22. KRS 138.210 is amended to read as follows:

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

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

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

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

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

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

8 ~~(4)(6)~~ "Dealer" means any person who is:

9 (a) Regularly engaged in the business of refining, producing, distilling,
10 manufacturing, blending, or compounding gasoline or special fuels in this
11 state;

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

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

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

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

24 (f) Regularly exporting gasoline or special fuels;

25 ~~(5)(7)~~ "Department" means the Department of Revenue;

26 ~~(6)(8)~~ "Diesel fuel" means any liquid other than gasoline that, without further
27 processing or blending, is suitable for use as a fuel in a diesel powered highway

1 vehicle. Diesel fuel does not include unblended kerosene, No. 5, and No. 6 fuel oil
2 as described in ASTM specification D 396 or F-76 Fuel Naval Distillate MILL-F-
3 166884;

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

9 (8)(10) "Financial instrument" means a bond issued by a corporation authorized to do
10 business in Kentucky, a line of credit, or an account with a financial institution
11 maintaining a compensating balance;

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

1 hexane, heptane, octane, benzene, benzine, xylol, toluol, aromatic petroleum
2 solvents, alcohol, and liquefied gases which would not exist as liquids at a
3 temperature of sixty (60) degrees Fahrenheit and a pressure of 14.7 pounds per
4 square inch absolute, unless the products are used wholly or in combination with
5 gasoline as a motor fuel;

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

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

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

23 (b) ~~"Quarterly survey value" shall be determined exclusive of any federal~~
24 ~~gasoline tax and any fee on imported oil imposed by the Congress of the~~
25 ~~United States;}~~

26 ~~(12)~~⁽¹⁵⁾ "Received" or "received gasoline" or "received special fuels" shall have the
27 following meanings:

1 (a) Gasoline and special fuels produced, manufactured, or compounded at any
2 refinery in this state or acquired by any dealer and delivered into or stored in
3 refinery, marine, or pipeline terminal storage facilities in this state shall be
4 deemed to be received when it has been loaded for bulk delivery into tank cars
5 or tank trucks consigned to destinations within this state. For the purpose of
6 the proper administration of this chapter and to prevent the evasion of the tax
7 and to enforce the duty of the dealer to collect the tax, it shall be presumed
8 that all gasoline and special fuel loaded by any licensed dealer within this
9 state into tank cars or tank trucks is consigned to destinations within this state,
10 unless the contrary is established by the dealer, pursuant to administrative
11 regulations prescribed by the department; and

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

23 (13)~~(16)~~ "Refinery" means any place where gasoline or special fuel is refined,
24 manufactured, compounded, or otherwise prepared for use;

25 (14)~~(17)~~ "Retail filling station" means any place accessible to general public vehicular
26 traffic where gasoline or special fuel is or may be placed into the fuel supply tank of
27 a licensed motor vehicle;

1 (15){(18)} "Special fuels" means and includes all combustible gases and liquids capable
2 of being used for the generation of power in an internal combustion engine to
3 propel vehicles of any kind upon the public highways, including diesel fuel, and
4 dyed diesel fuel used exclusively for nonhighway purposes in off-highway
5 equipment and in nonlicensed motor vehicles, except that it does not include
6 gasoline, aviation jet fuel, kerosene unless used wholly or in combination with
7 special fuel as a motor fuel, or liquefied petroleum gas as defined in KRS 234.100;

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

12 (17){(20)} "Transporter" means any person who transports gasoline or special fuels on
13 which the tax has not been paid or assumed; **and**

14 (21) **"Wholesale floor price"** means:

15 (a) ~~Prior to April 1, 2015, one dollar and seventy eight and six tenths cents~~
16 (~~\$1.786~~ per gallon; and

17 (b) ~~On and after April 1, 2015, two dollars and seventeen and seven tenths cents~~
18 (~~\$2.177~~ per gallon).

19 ➔Section 23. KRS 138.270 is amended to read as follows:

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

25 (b) To cover evaporation, shrinkage, unaccountable losses, collection costs, bad
26 debts, and handling and reporting the tax, each dealer shall be allowed
27 compensation equal to two and one-fourth percent (2.25%) of the net tax due

1 the Commonwealth pursuant to KRS 138.210 to 138.448 before all allowable
2 tax credits, except the credit authorized pursuant to KRS 138.358. No
3 compensation shall be allowed if the completed tax return and payment are
4 not submitted to the department within the time prescribed by KRS 138.210 to
5 138.448.

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

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

17 ➔ Section 24. KRS 234.320 is amended to read as follows:

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

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

1 234.120.

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

4 ➔Section 25. KRS 234.380 is amended to read as follows:

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

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

23 ➔Section 26. KRS 42.409 is amended to read as follows:

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

25 (1) "State total personal income" means the measure of all income received by or on
26 behalf of persons in the Commonwealth, as most recently published in the Survey
27 of Current Business by the United States Department of Commerce, Bureau of

1 Economic Analysis.

2 (2) "Estimated state total personal income" means the personal income figure used by
3 the Governor's Office for Economic Analysis to generate final detailed revenue
4 estimates.

5 (3) "Total revenues" means revenues credited to the general fund and the road fund
6 consistent with the provisions of KRS 48.120, as well as any restricted agency fund
7 account from which debt service is expended.

8 (4) "Anticipated total revenues" means the official revenue estimates, as provided for in
9 KRS 48.120, projected for the general fund and the road fund, as well as any
10 restricted agency fund account from which debt service is expended.

11 (5) "Available revenues" means revenues credited to the general fund and the road fund
12 consistent with the provisions of KRS 48.120, as well as any restricted agency fund
13 account from which debt service is expended, minus any statutorily dedicated
14 receipts of the respective funds.

15 (6) "Anticipated available revenues" means official revenue estimates, as provided for
16 in KRS 48.120, projected for the general fund and the road fund, as well as any
17 restricted agency fund account from which debt service is expended, minus any
18 statutorily dedicated receipts of the respective funds.

19 (7) "Total assessed value of property" means state total net assessed value of property
20 for taxes due, as obtained from the Department of Revenue.

21 (8) "Per capita" means per unit of population, where population figures are the most
22 recent available from the University of Louisville, Kentucky State Data Center.

23 (9) "Appropriation-supported debt service" means the amount of an appropriation
24 identified to be expended for debt service purposes in the executive budget
25 recommendation, and the amount of an appropriation expended for debt services in
26 a completed fiscal year.

27 (10) "Appropriation-supported debt" means the outstanding principal of bonds issued by

1 all state agencies and all individuals, agencies, authorities, boards, cabinets,
2 commissions, corporations, or other entities of, or representing the Commonwealth
3 with the authority to issue bonds, and for which debt service is appropriated by the
4 General Assembly.

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

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

15 (a) Receipts credited to the general fund which are subject to KRS 42.450 to
16 42.495, KRS 278.130 to 278.150, or KRS 350.139;

17 (b) Receipts credited to the road fund which are subject to ~~KRS 175.505,~~ KRS
18 177.320, KRS 177.365 to 177.369, KRS 177.9771 to 177.979, KRS 186.531,
19 or KRS 186.535; and

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

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

25 ➔Section 27. KRS 186A.035 is amended to read as follows:

26 (1) (a) Except for vehicles described in paragraph (b) of this subsection, all motor
27 vehicles, including motorcycles, with a gross vehicular weight of ten thousand

(10,000) pounds or less, first registered, or for which the registration is renewed, shall be placed in a system of year-round registration based upon the birth date of the owner, in order to distribute the work of registering motor vehicles as uniformly as practicable throughout the twelve (12) months of the year.

6 (b) Owners of the following motor vehicles may elect to register these vehicles on
7 an annual registration schedule of April 1 to March 31:

8 1. Farm vehicles registered under KRS 186.050(4); or

9 2. Motor vehicles with a gross vehicular weight of ten thousand (10,000)
10 pounds or less that are owned by a business.

11 (2) (a) If the owner of a motor vehicle is other than an individual, the month in which
12 the owning entity came into being shall be used for purposes of this section.

13 (b) Except for motor vehicles jointly owned by spouses under paragraph (c) of
14 this subsection, if a motor vehicle is jointly owned:

15 1. One (1) of the owners, who is a resident of Kentucky, shall be identified
16 as the designated owner;

17 2. The designated owner shall indicate to the county clerk his or her birth
18 date to be used for purposes of this section; and

19 3. If the circumstances of ownership change and the designated owner is
20 no longer an owner of the motor vehicle or no longer a resident of
21 Kentucky, another owner may title the motor vehicle in his or her name
22 if that owner is a resident of Kentucky. If none of the remaining owners
23 are a resident of Kentucky, one (1) of the owners shall title the vehicle
24 in that owner's state of residence.

25 (c) If a motor vehicle is jointly owned by a married couple, the ownership shall
26 exist as a joint tenancy with right of survivorship, unless the registration
27 expressly states to the contrary and gives an alternative specific status. One

1 (1) of the owners shall indicate to the county clerk his or her birth date to be
2 used for purposes of this section. Upon the death of one (1) of the spouses, the
3 jointly-owned vehicle shall transfer to the surviving spouse free from payment
4 of any state-required transfer fees. The surviving spouse shall include a copy
5 of the death certificate with the application for a new title.

6 (d) A certificate of title:

7 1. May bear the connector "AND" to designate joint ownership. If the
8 "AND" connector is used, the signatures of all owners shall be required
9 to transfer the certificate of title:

10 2. May bear the connector "OR" to designate joint ownership. If the "OR"
11 connector is used, the signature of only one (1) owner shall be required
12 to transfer the certificate of title; and

13 3. Shall not bear the connector "AND/OR" to designate joint ownership. If
14 a title produced prior to June 27, 2025, bears the connector "AND/OR,"
15 the cabinet and the county clerk shall follow the procedures in
16 subparagraph 1. of this paragraph in transferring the certificate of title,
17 unless directed otherwise by a court.

18 (3) The certificate of registration and license plate issued for a motor vehicle first
19 registered, renewed, or titled in this state shall be valid until the expiration date on
20 the registration receipt, unless revoked in accordance with KRS 186A.040 or
21 canceled by the cabinet in accordance with KRS Chapter 186 or this chapter. Any
22 transaction relating to registration or registration renewal which would cause an
23 unexpired Kentucky motor vehicle license plate to be surrendered shall have that
24 unexpired fee prorated or credited against any additional fee required by a
25 subsequent registration.

26 (4) Except for vehicles registered under subsection (1)(b) of this section, KRS 186.041,
27 186.042, and 186.162 that have a specified, universal expiration date, after a motor

1 vehicle has been initially placed in the system of year-round registration, the owner
2 shall renew the registration annually during the owner's birth month, either by
3 making application to the county clerk or on the cabinet's website, and paying the
4 fee required for twelve (12) consecutive months of registration, which shall take
5 effect on the first day of the month succeeding the owner's birth month and shall
6 expire on the last day of the owner's next birth month. The county clerk shall collect
7 the fees set forth in KRS 186.040(1) and (5)-(6) for each renewal.

8 (5) At least forty-five (45) days prior to the expiration of the registration of any motor
9 vehicle previously registered in the Commonwealth as provided by subsection (1)
10 of this section, the owner of the vehicle shall be notified by mail or email on the
11 same notice required by KRS 134.805(5) of the date of expiration. Nonreceipt of
12 the notice required by this subsection shall not constitute a defense to any
13 registration-related offense.

14 (6) Any owner who fails to renew the registration of a motor vehicle during the month
15 in which the previous registration expired shall, if he or she applies for renewal of
16 the registration in some later month, pay the same fees that would have been
17 required if the registration had been renewed in the month which the previous
18 registration expired, and, if applicable, the reinstatement fee for a cancelled
19 registration required under KRS 186.040.

20 (7) Fees which must be prorated in carrying out the intent of this section shall be
21 prorated on the basis of twelfths of the annual registration fee. Any vehicle which is
22 registered at any time during a month shall pay the fee required for that whole
23 month plus any additional months of registration purchased consistent with the
24 intent of the section.

25 (8) The county clerk shall ensure that the certificate of registration issued to an owner
26 displays the month and year in which the registration period begins and the month
27 and year of its expiration, and shall issue to the owner a decal or decals

1 corresponding to the month and year of expiration shown in the certificate of
2 registration which shall be placed upon the corresponding license plate by the
3 owner in the manner required by administrative regulations of the Department of
4 Vehicle Regulation.

5 ➔Section 28. The following KRS sections are repealed:

6 138.228 Calculation of average wholesale price of gasoline.

7 138.4602 Determination of motor vehicle retail price for sales on or after September 1,
8 2009, and before July 1, 2014.

9 175.505 Debt payment acceleration fund -- Revenue source -- Use to accelerate
10 payment of turnpike authority debt.

11 ➔Section 29. Sections 5 to 10 of this Act take effect January 1, 2027.

12 ➔Section 30. Whereas, changes in tax rates and the budgeting of tax revenues are
13 most efficiently and effectively administered at the start of the fiscal year, an emergency
14 is declared to exist, and Sections 1 to 3, 17, and 18 of this Act take effect July 1, 2026.