

1 AN ACT relating to motor vehicles.

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

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

5 (1) Beginning July 1, 2027:

6 (a) 1. Except as provided in subparagraph 2. of this paragraph, a lienholder
7 shall use the electronic title application and registration system to
8 submit liens and lien documents.

9 2. This paragraph shall not apply to lienholders who are not normally
10 engaged in the business of financing motor vehicles who are exempted
11 by the department; and

12 (b) 1. Except as provided in subparagraph 2. of this paragraph, a motor
13 vehicle dealer licensed under KRS Chapter 190 shall use the
14 electronic title application and registration system and the centralized
15 lien management system to submit title, registration, and lien
16 documents.

17 2. This paragraph shall not apply to any motor vehicle dealer who
18 submits less than twenty-five (25) title applications annually.

19 (2) The Transportation Cabinet shall:

20 (a) Work with county clerks, motor vehicle dealers, lenders, and other entities
21 to construct and test systems to enable full implementation of the electronic
22 title application and registration system and the centralized lien
23 management system; and

24 (b) Ensure that the electronic title application and registration system and the
25 centralized lien management system are operational by January 1, 2027.

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

Beginning January 1, 2027:

(1) Upon application for title under this chapter, the title shall not be mailed to the vehicle owner, but shall instead be held in AVIS;

(2) The certificate of title shall be considered to be physically held by the lienholder for the purposes of compliance with state and federal odometer disclosure requirements, and a paper title shall not be required. The title may be in digital or electronic format;

(3) Lienholders may request a printed title by submitting a request electronically through the electronic title application and registration system and paying the title print fees under Section 3 of this Act; and

(4) Upon lien satisfaction in the system of record in AVIS, the owner may request a printed copy of the title by submitting an application to the county clerk and paying the title print fees under Section 3 of this Act.

➔Section 3. KRS 186A.130 is amended to read as follows:

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

(1) (a) Each application for a certificate of title shall be nine dollars (\$9), of which the county clerk shall retain six dollars (\$6) and the Transportation Cabinet shall receive three dollars (\$3).

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

(c) Each application for a printed title shall be six dollars (\$6), of which the county clerk shall retain four dollars (\$4) and the Transportation Cabinet shall receive two dollars (\$2).

1 ~~(2)~~~~(3)~~ Each application for a speed title shall be twenty-five dollars (\$25), of which
2 the county clerk shall retain five dollars (\$5) and the Transportation Cabinet shall
3 receive twenty dollars (\$20).

4 ~~(3)~~~~(4)~~ (a) Each application for a certificate of title for an all-terrain vehicle shall
5 be fifteen dollars (\$15), of which the county clerk shall retain six dollars (\$6)
6 and the Transportation Cabinet shall receive nine dollars (\$9).

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

12 (c) Each application for a printed title for an all-terrain vehicle shall be six
13 dollars (\$6), of which the county clerk shall retain four dollars (\$4) and the
14 Transportation Cabinet shall receive two dollars (\$2).

15 ➔Section 4. KRS 134.805 is amended to read as follows:

16 (1) The county clerk shall be allowed by the Department of Revenue, for collecting
17 state ad valorem taxes on motor vehicles, a commission of four percent (4%) on
18 state taxes collected.

19 (2) The county clerk shall be allowed by the county treasurer, for collecting county and
20 special district ad valorem taxes on motor vehicles, a commission of four percent
21 (4%) on county and special taxes collected.

22 (3) The county clerk shall be allowed a commission of four percent (4%) of the school
23 district taxes collected.

24 (4) ~~[Effective January 1, 1985,]~~The county clerk shall be allowed a commission of
25 four percent (4%) of the city or urban-county government taxes collected.

26 (5) (a) For the convenience and benefit of the Commonwealth's citizens and to
27 maximize ad valorem tax collections, county clerks shall be responsible for

causing the preparation and distribution~~[mailing]~~ of a notice of ad valorem taxes due to the January 1 owner, as defined in KRS 186.010(7)(a) and (c), of each motor vehicle no later than forty-five (45) days prior to the ad valorem tax and registration renewal due date in each calendar year.

(b) When a vehicle is transferred in any year before the ad valorem taxes on that vehicle have been paid, a notice of taxes due shall be sent within ten (10) working days after the date of transfer or notice of transfer to the owner as of January 1 of that year.

(c) When ad valorem taxes on a vehicle become delinquent for sixty (60) days, as defined by KRS 134.810, a second notice shall be sent within ten (10) working days to the January 1 owner of record. The notice shall inform the delinquent owner of the lien provisions provided by KRS 134.810 on all vehicles owned or acquired by the owner of the vehicle at the time the tax liability arose.

(d) ~~The~~~~[These]~~ notices required under this subsection shall be calculated, prepared, and distributed~~[mailed first class]~~ on behalf of county clerks by ~~the~~ AVIS. The notices required under this subsection shall be sent by:

1. Email, if the owner has provided an email address to the Transportation Cabinet in AVIS;

2. Text message, if the owner has provided a mobile phone number to the Transportation Cabinet in AVIS; or

3. First-class mail.

(e) Nonreceipt of the notices required under this subsection~~[herein]~~ shall not constitute any defense against applicable penalty, interest, lien fees, or costs recovery.

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

(1) Before the owner of a motor vehicle, or street-legal special purpose vehicle as

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

- 15 (a) A bill of sale and a manufacturer's certificate of origin if the application is for
16 the registration of a new motor vehicle;
- 17 (b) The owner's registration receipt, if the motor vehicle was last registered in this
18 state;
- 19 (c) A bill of sale and the previous registration receipt, if last registered in another
20 state where the law of that state does not require the owner of a motor vehicle
21 to obtain a certificate of title or ownership;
- 22 (d) A certificate of title, if last registered in another state where the law of that
23 state requires the owner of a motor vehicle to obtain a certificate of title or
24 ownership;
- 25 (e) An affidavit from an officer of a local government saying that the motor
26 vehicle has been abandoned and that the provisions of KRS 82.630 have been
27 complied with, for local governments which elect to use the provisions of

1 KRS 82.600 to 82.640;

2 (f) The application from a person who has brought a motor vehicle into the
3 Commonwealth from another state shall be accompanied by proof that the
4 motor vehicle is insured in compliance with KRS 304.39-080; and

5 (g) Proof of insurance in compliance with KRS 186.077 if the application is for
6 the registration of a street-legal special purpose vehicle.

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

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

23 (4) The application and documents presented for registration~~[therewith]~~, including the
24 sheriff's certificate of inspection, shall, along with~~[be affixed to]~~ the Transportation
25 Cabinet copy of the certificate of title or registration, be~~[and]~~ sent to the
26 Transportation Cabinet by the clerk.

27 (5) At least forty-five (45) days prior to the expiration of registration of any motor

1 vehicle previously registered in the Commonwealth as provided by KRS 186A.035,
2 the owner of the vehicle shall be notified~~[by mail]~~ on the same notice required by
3 KRS 134.805(5) of the date of expiration. In addition, the department shall provide
4 appropriate forms and information to permit renewal of motor vehicle registration
5 to be completed by mail. Any registration renewal by mail shall require payment of
6 an additional two dollar (\$2) fee which shall be received by the county clerk.
7 Nonreceipt of the notice under this subsection~~[herein]~~ shall not constitute a defense
8 to any registration related offense.

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

- 13 1. The motor vehicle has been stored on a military base during the time of
14 deployment and has not been operated on the public highways during
15 that time; and
- 16 2. The vehicle's registration expired during the individual's absence.

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

22 (c) When an individual presents evidence of meeting the criteria under paragraph
23 (a) of this subsection when applying to renew the registration on the motor
24 vehicle, the county clerk shall, when applicable, treat the registration as a
25 prorated renewal under KRS 186.051, and charge the individual a registration
26 fee only for the number of months of the registration year the vehicle will be
27 used on the public highways.

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

3 ➔Section 6. KRS 64.012 is amended to read as follows:

4 (1) The county clerk shall receive for the following services the following fees:

5 (a) 1. Recording and indexing of a:

- 6 a. Deed of trust or assignment for the benefit of creditors;
- 7 b. Deed;
- 8 c. Deed of assignment;
- 9 d. File-stamped copy of documents set forth in KRS 14A.2-040(1) or
10 (2) that have been filed first with the Secretary of State;
- 11 e. Real estate option;
- 12 f. Power of attorney;
- 13 g. Revocation of power of attorney;
- 14 h. Lease which is recordable by law;
- 15 i. Deed of release of a mortgage or lien under KRS 382.360;
- 16 j. United States lien;
- 17 k. Release of a United States lien;
- 18 l. Release of any recorded encumbrance other than state liens;
- 19 m. Lis pendens notice concerning proceedings in bankruptcy;
- 20 n. Lis pendens notice;
- 21 o. Mechanic's and artisan's lien under KRS Chapter 376;
- 22 p. Assumed name;
- 23 q. Notice of lien issued by the Internal Revenue Service;
- 24 r. Notice of lien discharge issued by the Internal Revenue Service;
- 25 s. Original, assignment, amendment, or continuation financing
26 statement;
- 27 t. Making a record for the establishment of a city, recording the plan

- 1 or plat thereof, and all other service incident;
- 2 u. Survey of a city, or any part thereof, or any addition to or
- 3 extensions of the boundary of a city;
- 4 v. Recording with statutory authority for which no specific fee is set,
- 5 except a military discharge;
- 6 w. Will or other probate document pursuant to KRS Chapter 392 or
- 7 394;
- 8 x. Court ordered name change pursuant to KRS Chapter 401;
- 9 y. Land use restriction according to KRS 100.3681; and
- 10 z. Filing with statutory authority for which no specific fee is set.

11 For all items in this subsection if the entire thereof does not exceed

12 five (5) pages\$33.00

13 And, for all items in this subsection exceeding five (5) pages,

14 for each additional page\$3.00

15 And, for all items in this subsection for each additional reference

16 relating to same instrument\$4.00

17 2. The thirty-three dollar (\$33) fee imposed by this subsection shall be

18 divided as follows:

19 a. Twenty-seven dollars (\$27) shall be retained by the county clerk;

20 and

21 b. Six dollars (\$6) shall be paid to the affordable housing trust fund

22 established in KRS 198A.710 and shall be remitted by the county

23 clerk within ten (10) days following the end of the quarter in

24 which the fee was received. Each remittance to the affordable

25 housing trust fund shall be accompanied by a summary report on a

26 form prescribed by the Kentucky Housing Corporation.

27 (b) For noting an initial or continuation~~[a]~~ security interest on a certificate of

1	title pursuant to	
2	KRS Chapter 186A	\$12.00
3	(c) For filing the release of collateral under a financing statement	
4	and noting same upon the face of the title pursuant to KRS Chapter	
5	186 or 186A	\$5.00
6	(d) Filing or recording state tax or other state liens	\$5.00
7	(e) Filing release of a state tax or other state lien	\$5.00
8	(f) Acknowledging or notarizing any deed, mortgage, power of attorney,	
9	or other written instrument required by law for recording and certifying	
10	same	\$5.00
11	(g) Recording plats, maps, and surveys, not exceeding 24 inches by	
12	36 inches, per page	\$40.00
13	(h) Recording a bond, for each bond	\$10.00
14	(i) Each bond required to be taken or prepared by the clerk	\$4.00
15	(j) Copy of any bond when ordered	\$3.00
16	(k) Administering an oath and certificate thereof	\$5.00
17	(l) Issuing a license for which no other fee is fixed by law	\$8.00
18	(m) Issuing a solicitor's license	\$15.00
19	(n) Marriage license, indexing, recording, and issuing certificate thereof	\$26.50
20	(o) Every order concerning the establishment, changing, closing, or	
21	discontinuing of roads, to be paid out of the county levy when	
22	the road is established, changed, closed, or discontinued, and by	
23	the applicant when it is not	\$3.00
24	(p) Registration of licenses for professional persons required to register	
25	with the county clerk	\$10.00
26	(q) Certified copy of any record	\$5.00
27	Plus fifty cents (\$.50) per page after three (3) pages	

- 1 (r) Filing certification required by KRS 65.070(2)(a)\$5.00
- 2 (s) Filing notification and declaration and petition of candidates
- 3 for Commonwealth's attorney.....\$200.00
- 4 (t) Filing notification and declaration and petition of candidates for county
- 5 and independent boards of education\$20.00
- 6 (u) Filing notification and declaration and petition of candidates for
- 7 boards of soil and water conservation districts\$20.00
- 8 (v) Filing notification and declaration and petition of candidates for
- 9 other office\$50.00
- 10 (w) Filing declaration of intent to be a write-in candidate for office\$50.00
- 11 (x) Filing petitions for elections, other than nominating petitions\$50.00
- 12 (y) Notarizing any signature, per signature\$2.00
- 13 (z) Filing bond for receiving bodies under KRS 311.310\$10.00
- 14 (aa) Noting the assignment of a certificate of delinquency and recording
- 15 and indexing the encumbrance under KRS 134.126 or 134.127\$27.00
- 16 (ab) Filing a going-out-of-business permit under KRS 365.445\$50.00
- 17 (ac) Filing a renewal of a going-out-of-business permit under KRS 365.445 \$50.00
- 18 (ad) Filing and processing a transient merchant permit under KRS 365.680 ..\$25.00
- 19 (ae) Recording and indexing a real estate mortgage:
- 20 1. For a mortgage that does not exceed thirty (30) pages.....\$63.00
- 21 2. And, for a mortgage that exceeds thirty (30) pages, for each additional
- 22 page\$3.00
- 23 (af) Filing or recording a lien or release of lien by a consolidated local
- 24 government, urban-county government, unified local government, or city of
- 25 any class\$20.00
- 26 (2) The sixty-three dollar (\$63) fee imposed by subsection (1)(ae) of this section shall
- 27 be divided as follows:

- 1 (a) Fifty-seven dollars (\$57) shall be retained by the county clerk; and
- 2 (b) Six dollars (\$6) shall be paid to the affordable housing trust fund established
- 3 in KRS 198A.710 and shall be remitted by the county clerk within ten (10)
- 4 days following the end of the quarter in which the fee was received. Each
- 5 remittance to the affordable housing trust fund shall be accompanied by a
- 6 summary report on a form prescribed by the Kentucky Housing Corporation.
- 7 (3) (a) For services related to the permanent storage of records listed in paragraphs
- 8 (a), (g), (n), and (ae) of subsection (1) of this section, the clerk shall be
- 9 entitled to receive a reimbursement of ten dollars (\$10).
- 10 (b) In counties or a county containing an urban-county government, charter
- 11 county government, or unified local government:
- 12 1. This fee shall:
- 13 a. Not be paid annually to the fiscal court under KRS 64.152;
- 14 b. Not be paid to the Finance and Administration Cabinet under KRS
- 15 64.345;
- 16 c. Be accumulated and transferred to the fiscal court or the legislative
- 17 body of an urban-county government on a monthly basis within
- 18 ten (10) days following the end of the month;
- 19 d. Be maintained by the fiscal court or the legislative body of an
- 20 urban-county government in a separate bank account and
- 21 accounted for in a separate fund; and
- 22 e. Not lapse to the general fund of the county or urban-county
- 23 government.
- 24 2. The moneys accumulated from this fee shall be held in perpetuity by the
- 25 fiscal court or the legislative body of an urban-county government for
- 26 the county clerk's exclusive use for:
- 27 a. Equipment related to the permanent storage of and access to

- 1 records, including deed books, binders, shelves, microfilm
2 equipment, and fireproof equipment;
- 3 b. Hardware for the permanent storage of and access to records,
4 including computers, servers, and scanners;
- 5 c. Software for the permanent storage of and access to records,
6 including vendor services and consumer subscription fees;
- 7 d. Personnel costs for the permanent storage of and access to records,
8 including overtime costs for personnel involved in the digitization
9 of records; and
- 10 e. Cloud storage and cybersecurity services for the permanent storage
11 of and access to records.
- 12 3. Notwithstanding KRS 68.275, claims by a county clerk that are for the
13 approved expenditures in subparagraph 2. of this paragraph shall be paid
14 by the county judge/executive or the chief executive officer of an urban-
15 county government by a warrant drawn on the fund and co-signed by the
16 treasurer of the county or urban-county government.
- 17 4. No later than July 1 of each year, each county fiscal court or legislative
18 body of an urban-county government shall submit a report to the
19 Legislative Research Commission detailing the receipts, expenditures,
20 and any amounts remaining in the fund.
- 21 (c) In a county containing a consolidated local government:
- 22 1. The fee shall not:
- 23 a. Be paid to the Finance and Administration Cabinet under KRS
24 64.345; or
- 25 b. Lapse to the general fund of the consolidated local government.
- 26 2. The moneys accumulated from this fee shall be held in perpetuity by the
27 county clerk in a separate fund to be used exclusively for:

- 1 a. Equipment related to the permanent storage of and access to
2 records, including deed books, binders, shelves, microfilm
3 equipment, and fireproof equipment;
- 4 b. Hardware for the permanent storage of and access to records,
5 including computers, servers, and scanners;
- 6 c. Software for the permanent storage of and access to records,
7 including vendor services and consumer subscription fees;
- 8 d. Personnel costs for the permanent storage of and access to records,
9 including overtime costs for personnel involved in the digitization
10 of records; and
- 11 e. Cloud storage and cybersecurity services for the permanent storage
12 of and access to records.
- 13 3. No later than July 1 of each year, the county clerk shall submit a report
14 to the consolidated local government and the Legislative Research
15 Commission detailing the receipts, expenditures, and any amounts
16 remaining in the fund.

17 ➔Section 7. KRS 186A.005 is amended to read as follows:

18 As used in this chapter:

19 (1) "Approved entity" means:

- 20 (a) A motor vehicle dealer licensed under KRS Chapter 190 that applies to and is
21 approved by the Transportation Cabinet to facilitate the title application or
22 salvage title application process through the electronic title application and
23 registration system;
- 24 (b) A state or federal financial institution chartered under the laws of this state,
25 any other state, or the United States as a bank insured by the Federal Deposit
26 Insurance Corporation (FDIC), bank holding company, trust company, credit
27 union, savings and loan association, or a holding company or service

1 corporation subsidiary thereof, or any agent of any of the entities listed in this
2 paragraph;

3 (c) An owner of a fleet as defined in this section that applies to and is approved
4 by the Transportation Cabinet to facilitate renewal of registration or
5 maintenance of permanent registration under KRS 186A.127 through the
6 electronic title application and registration system; and

7 (d) A retailer of manufactured homes, mobile homes, or recreational vehicles, as
8 defined in KRS 227.550, that applies to and is approved by the Transportation
9 Cabinet to facilitate the title application process through the electronic title
10 application and registration system;

11 (2) "Cabinet" means the Transportation Cabinet;

12 (3) "Electronic title application and registration system" means a system established
13 under KRS 186A.017 by which title applications, salvage title applications, title lien
14 statements, other supporting documents, signatures, and fees are input and
15 transmitted through the title application and registration process in an electronic
16 format;

17 (4) "Fleet" means:

18 (a) A group of at least one hundred fifty (150) U-Drive-It vehicles owned by the
19 holder of a U-Drive-It certificate; or

20 (b) A group of at least ten (10) nonapportioned commercial motor vehicles owned
21 by a company and used for business purposes;~~and~~

22 (5) **"Termination statement" means a statement allowing a lien to be released that is**
23 **transmitted by:**

24 **(a) A form promulgated by the cabinet through administrative regulations in**
25 **accordance with KRS Chapter 13A; or**

26 **(b) A letter from a lender that is dated, signed, and notarized, on letterhead with**
27 **the name and logo of the lender, that includes the:**

1 1. Name of the vehicle's owner;

2 2. Vehicle identification number;

3 3. Filing date of the lien; and

4 4. Lien file number assigned at the time of the filing of the lien; and

5 **(6)** "Title lien statement" means a document or electronic submission, submitted by a
6 secured party or authorized agent, to the cabinet through any county clerk's office in
7 the Commonwealth, to note the security interest on the certificate of title, or to
8 amend or terminate a security interest on the certificate of title.

9 ➔Section 8. KRS 186.045 is amended to read as follows:

10 (1) A perfected security interest in a motor vehicle that has been satisfied by payment
11 in full shall be deemed to have been discharged if one (1) or both of the following
12 events has occurred:

13 (a) The funds to pay in full and discharge the security interest have been provided
14 to the secured party in the form of a cashier's check, certified check, or wire
15 transfer; or

16 (b) The debt has been paid to a secured party who is no longer in existence or has
17 failed to file the necessary documents to discharge the lien.

18 (2) If payment in full has been made under subsection (1)(a) of this section, the
19 discharge of the lien shall be made not later than ten (10) days from the receipt of
20 the payment.

21 (3) When a security interest has been paid in full and a termination statement, as
22 defined in Section 7 of this Act, or discharge has not been filed, the debtor may
23 petition the Circuit Court in the county of the debtor's residence to order the
24 discharge of the security interest. The debtor shall present written evidence to the
25 Circuit Court that the security interest has been paid in full. If the evidence
26 presented to the Circuit Court proves to the court's satisfaction that the security
27 interest has been paid in full, the court shall order the county clerk to note the

1 termination on the title and to remove the lien from the Automated Vehicle
2 Information System (AVIS). A copy of the court's order shall immediately be sent
3 to the county clerk in the county where the security interest was originally filed and
4 the county clerk shall discharge the security interest and remove the lien
5 information from AVIS in accordance with the provisions of this section.

6 (4) Whenever a security interest has been discharged, other than by proceedings under
7 Part 6 of Article 9 of KRS Chapter 355 or similar proceedings, the secured party
8 shall:

9 (a) 1. For a security interest perfected prior to January 1, 2025:

10 a. Deliver an authenticated termination statement in the manner
11 required by KRS 355.9-513 to the county clerk of the county in
12 which the title lien statement was submitted; or

13 b. Have a county clerk from another county submit by fax or other
14 form of electronic communication available and acceptable to both
15 sender and recipient, and verified verbally or by electronically
16 assigned identification as being from the sending clerk, and which
17 is able to be copied to an electronic or paper file, on that county
18 clerk's letterhead, an authenticated termination statement in the
19 manner required by KRS 355.9-513 to the county clerk of the
20 county in which the title lien statement was submitted. The county
21 clerk, upon receipt of the authenticated termination statement in
22 the manner prescribed under this paragraph, shall verify the
23 legitimacy of the document; or

24 2. For a security interest perfected on or after January 1, 2025, submit an
25 authenticated termination statement to a county clerk in the same
26 manner as a title lien statement under KRS 186A.195; and

27 (b) Deliver a copy of the termination statement to the debtor or the debtor's

1 transferee.

2 For failure to file the termination statement within the allowable time, the secured
3 party shall be subject to the penalty provided in KRS 186.990(1). Except as
4 provided in subsection (3) of this section, within five (5) days after the receipt of
5 these documents, the county clerk shall enter the filing into the system of record.
6 The county clerk shall then file the termination statement in the place from which
7 the title lien statement was removed. Termination statements shall be retained in the
8 clerk's files for a period of two (2) years subsequent to the date of filing a statement,
9 at which time they may be destroyed. The fee for these services are included in the
10 provisions of KRS 186A.190.

11 (5) Upon presentation of an owner's title showing a security interest to the county clerk
12 of a county where the termination statement was not delivered, the county clerk
13 shall access AVIS~~[the automated system]~~ to determine whether a record of
14 termination of the security interest has been entered into AVIS~~[the automated~~
15 ~~system]~~ by the county clerk where the termination statement was delivered by the
16 secured party as provided in KRS 186A.210. If a record of termination has been
17 entered into AVIS~~[the automated system]~~, the county clerk of the county where the
18 termination statement was not delivered shall note the discharge of the security
19 interest on the certificate of title by noting that the termination statement has been
20 delivered, the county where it was delivered, and placing the seal of the county
21 clerk thereon and may rely on AVIS~~[the automated system]~~ to do so. If a record of
22 termination has not been entered into AVIS~~[the automated system]~~, the county clerk
23 of the county other than where the termination statement was delivered shall not
24 make any notation upon the certificate of title that the security interest has been
25 discharged or that a termination statement has been delivered to the county where
26 the title lien statement was submitted.

27 (6) Whenever any secured party repossesses a vehicle titled in Kentucky, for which a

1 security interest is in existence at the time of repossession, and disposes of the
2 vehicle pursuant to the provisions of KRS Chapter 355, the secured party shall
3 present, within fifteen (15) days after the disposition, the vehicle's license plate if
4 the plate has not been retained by the previous owner, an affidavit in a form
5 prescribed by the department, proof of notification of all interested parties pursuant
6 to KRS 186A.190 and 355.9-611, and a termination statement or proof that a
7 termination statement has been filed. The new owner shall pay to the county clerk
8 all applicable fees for titling and transferring the vehicle into his or her name. Upon
9 receipt of the documents, the county clerk who issued the lien shall then omit from
10 the new title application any information relating to the security interest under
11 which the vehicle was repossessed or any security interest subordinate thereto.
12 However, any security interest, as shown by the title which is superior to the one
13 under which the vehicle was repossessed, shall be shown on the title issued by the
14 clerk unless the prior secured party has discharged the security interest in the clerk's
15 office or proof of termination is submitted, if the prior security interest was
16 discharged in another clerk's office.

17 (7) Whenever any vehicle brought into Kentucky is required to be titled and the vehicle
18 is then subject to a security interest in another state as shown by the out-of-state
19 documents presented to the clerk, the county clerk is prohibited from processing the
20 application for title on the vehicle unless the owner obtains from the secured party a
21 financing statement or title lien statement and presents same to the clerk along with
22 the fees required in KRS 186A.190. The clerk shall note the out-of-state security
23 interest on the certificate of title. This provision does not apply to vehicles required
24 to be registered in Kentucky under forced registration provisions under KRS
25 186.145.

26 (8) The fees provided for in this section are in addition to any state fee provided for by
27 law.

- 1 (9) Any person violating any provision of this section or any person refusing to
2 surrender a certificate of title registration and ownership or transfer certificate upon
3 request of any person entitled thereto, is subject to the penalties provided in
4 subsection (1) of KRS 186.990.
- 5 (10) The county clerk is prohibited from noting any security interest on a certificate of
6 title on any vehicle subject to the provisions of KRS Chapter 186A if a certificate of
7 title therefor is presented to the clerk which has all the spaces provided thereon for
8 noting security interests fully exhausted. The owner is responsible for ensuring that
9 a discharge is noted on the certificate of title for each security interest and then a
10 duplicate title as provided for in KRS 186A.180 shall be obtained from the clerk by
11 the owner of the vehicle.
- 12 (11) Security interests in vehicles sold to or owned by residents of other states shall be
13 perfected in the state of the nonresident and repossession of the vehicle shall be
14 taken pursuant to the laws of that state, unless:
- 15 (a) The vehicle is principally operated in Kentucky;
- 16 (b) The vehicle is properly titled in Kentucky under KRS Chapter 186A; and
- 17 (c) The security interest is authorized to be noted on the certificate of title by the
18 county clerk under KRS Chapter 186A.
- 19 (12) A county clerk who accepts an authenticated termination statement and complies
20 with the verification requirements of subsection (4)(a)1.b. of this section shall be
21 held harmless from any liability arising from fraudulent termination statements.
- 22 **(13) Any active lien that is recorded in AVIS on the effective date of this Act shall not**
23 **be considered to be stripped because of the county status.**
- 24 ➔Section 9. KRS 186A.200 is amended to read as follows:
- 25 (1) With respect to a vehicle previously titled in the name of its debtor, the secured
26 party shall, within thirty (30) days after execution of the security agreement, submit
27 a title lien statement in accordance with KRS 186A.195.

(2) ~~{For failure to present the title lien statement within the time prescribed by subsection (1) of this section, the secured party shall pay a penalty of two dollars (\$2) to the county clerk as a prerequisite for noting the security interest on the title.~~

~~(3)—~~The county clerk shall enter the information required by KRS 186A.190(9) into the system of record established under KRS 186A.195, enabling the cabinet to record the lien in the system of record and produce a title.

➔SECTION 10. A NEW SECTION OF KRS CHAPTER 186 IS CREATED TO READ AS FOLLOWS:

(1) In addition to any payment method authorized by law and notwithstanding any statute to the contrary, a county clerk may accept the following methods of payment to collect taxes, state fees, and county clerk fees under this chapter and KRS Chapters 138 and 186A:

(a) Credit card;

(b) Debit card;

(c) Electronic check;

(d) Automated clearinghouse (ACH) debit; or

(e) Any other electronic payment method upon the prior written approval of both the Finance and Administration Cabinet and the State Treasurer.

(2) Any fees charged to a county clerk by the provider of the payment services listed in subsection (1) of this section shall be deemed to represent collection expenses and may be considered normal operating expenses of the county clerk, or the county clerk may collect convenience fees from users to recover their costs of delivering services.

(3) In addition to any payment method authorized by law and notwithstanding any statute to the contrary, a county clerk may pay internal clerk's office accounts, the Transportation Cabinet, other state agencies, and taxing districts using automated clearing house (ACH) debit.

1 ➔Section 11. KRS 186.230 is amended to read as follows:

2 The county clerk shall see that KRS 186.005 to 186.260~~[in his county]~~ are enforced. In
3 so doing, the clerk~~[he]~~ shall:

4 (1) Take all applications as provided in KRS 186.005 to 186.260;

5 (2) Issue the receipts on blanks furnished by the cabinet;

6 (3) Collect the fees due the state;

7 (4) Distribute the registration plates furnished by the Transportation Cabinet and
8 Department of Vehicle Regulation and keep a complete public record of all
9 registrations for the~~[his]~~ county~~[,]~~ in the clerk's~~[his]~~ office;

10 (5) (a) Report and remit each Monday to the Transportation Cabinet all moneys
11 collected during the previous week, together with an electronic copy~~[a~~
12 ~~duplicate]~~ of all receipts issued by the clerk~~[him]~~ during the same period. The
13 clerk~~[He]~~ shall make all forms of payment~~[checks]~~ payable to the State
14 Treasurer.

15 (b) If~~[Unless]~~ the clerk fails to file the report and remit the moneys required
16 under this subsection~~[forwards duplicates of all receipts issued by him during~~
17 ~~the reporting period with his report and remits the amount shown due by the~~
18 ~~report]~~ within seven (7) days after the report and remittance are due, the
19 clerk~~[he]~~ shall pay a penalty of one percent (1%) per month or fraction
20 thereof on the amount of money shown to be due on the report.

21 (c) The cabinet may~~[in its discretion]~~ grant a county clerk an~~[a reasonable]~~
22 extension of up to ten (10) days~~[time]~~ to file the~~[his]~~ report and remit all
23 moneys~~[not to exceed ten (10) days for any one (1) report]~~. The extension~~[~~
24 ~~however]~~ must be requested prior to the end of the seven (7) day period and
25 shall begin to run at the end of that~~[said]~~ period.

26 (d) All penalties collected under this subsection~~[provision]~~ shall be paid into the
27 State Treasury as a part of the revenue collected under KRS 186.005 to

1 186.260;

2 (6)~~[(1)]~~ The clerk shall mail to the Transportation Cabinet one (1) duplicate of all receipts
3 issued by him within two (2) weeks of the date of issuance. The Transportation
4 Cabinet shall make the receipts pertaining to commercial vehicles available to the
5 Department of Vehicle Regulation for use in assimilating data therefrom;

6 (7)~~[(7)]~~ Account to the Transportation Cabinet for all registration plates and receipt forms
7 consigned to the clerk~~[(him)]~~, at such time or times as the Transportation Cabinet
8 may direct, and give the appropriate cabinet timely notice of a probable deficiency
9 of plates or other supplies;

10 (7)~~[(8)]~~ Place a lien on any vehicle for which the~~[(Any)]~~ county clerk,~~[(who)]~~ in
11 collecting the taxes and fees due the state or county clerk, accepts in payment~~[(~~
12 ~~thereof)]~~ a check which is not honored upon presentment, The~~[(, shall have a)]~~ lien on
13 the vehicle under this subsection shall be for the amount of the~~[(such)]~~ check.
14 A~~[(This)]~~ lien under this subsection shall be subordinate to any prior perfected lien,
15 either contractual or statutory;

16 (8)~~[(9)]~~ Not permit a~~[(No)]~~ person~~[(shall be permitted)]~~ to sell, trade, or transfer
17 ownership of a motor vehicle if evidence is presented to the county clerk that any
18 lien exists on the motor vehicle; and

19 (9)~~[(10)]~~ ~~[(The county clerk shall)]~~ Not issue to any manufacturer or dealer any
20 registration plate other than a manufacturer's or dealer's plate, or registration plate
21 which is under a dealer assignment pursuant to KRS 186A.230, except when the
22 dealer registers a motor vehicle under a U-Drive-It permit, without collecting
23 designated registration fees and applicable taxes.

24 ➔Section 12. KRS 138.464 is amended to read as follows:

25 (1) The county clerk shall report each Monday to the department all moneys collected
26 during the previous week~~[(, together with a duplicate of all receipts issued by him~~
27 ~~during the same period)]~~.

- 1 (2) ~~{(a) For collections prior to August 1, 2010, }~~The clerk shall deposit motor vehicle
2 usage tax and sales and use tax collections in accordance with~~[not later than the~~
3 ~~next business day following receipt in a Commonwealth of Kentucky, department~~
4 ~~account in a bank designated as a depository for state funds. The clerk may be~~
5 ~~required to then cause the funds to be transferred from the local depository bank to~~
6 ~~the State Treasury in whatever manner and at times prescribed by the commissioner~~
7 ~~of the department or his designee.~~
- 8 ~~(b) For collections on or after August 1, 2010, the provisions of~~ KRS 131.155~~[shall~~
9 ~~apply].~~
- 10 (3)~~[Failure to forward duplicates of all receipts issued during the reporting period or~~
11 ~~failure to file the weekly report of moneys collected within seven (7) working days~~
12 ~~after the report is due shall subject the clerk to a penalty of two and one half percent~~
13 ~~(2.5%) of the amount of moneys collected during the reporting period for each~~
14 ~~month or fraction thereof until the documents are filed.~~
- 15 ~~(4)~~ Failure to deposit or, if required, transfer collections as required in subsection (2)
16 of this section~~[above]~~ shall subject the clerk to a penalty of two and one-half
17 percent (2.5%) of the amount not deposited or, if required, not transferred for each
18 day until the collections are deposited or transferred as required above. The penalty
19 for failure to deposit or transfer money collected shall not be less than fifty dollars
20 (\$50) nor more than five hundred dollars (\$500) per day.
- 21 ~~(4)~~~~(5)~~ The penalties provided in this section shall not apply if the failure of the clerk
22 is due to reasonable cause.
- 23 ~~(5)~~~~(6)~~ The department may in its discretion grant a county clerk a reasonable
24 extension of time to file the~~[his]~~ report or make any transfer of deposits as required
25 in subsection (2) of this section~~[above]~~. The extension, however, must be requested
26 prior to the end of the seven (7) day period and shall begin to run at the end of said
27 period.

1 ~~(6)~~~~(7)~~ All penalties collected under this section~~[provision]~~ shall be paid into the
2 State Treasury as a part of the revenue collected under KRS 138.450 to 138.729 and
3 139.778.

4 ➔Section 13. KRS 186A.035 is amended to read as follows:

5 (1) (a) Except for vehicles described in paragraph (b) of this subsection, all motor
6 vehicles, including motorcycles, with a gross vehicular weight of ten thousand
7 (10,000) pounds or less, first registered, or for which the registration is
8 renewed, shall be placed in a system of year-round registration based upon the
9 birth date of the owner, in order to distribute the work of registering motor
10 vehicles as uniformly as practicable throughout the twelve (12) months of the
11 year.

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

- 14 1. Farm vehicles registered under KRS 186.050(4); or
- 15 2. Motor vehicles with a gross vehicular weight of ten thousand (10,000)
16 pounds or less that are owned by a business.

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

19 (b) Except for motor vehicles jointly owned~~[by spouses]~~ under paragraph (c) of
20 this subsection, if a motor vehicle is jointly owned:

- 21 1. One (1) of the owners, who is a resident of Kentucky, shall be identified
22 as the designated owner;
- 23 2. The designated owner shall indicate to the county clerk his or her birth
24 date to be used for purposes of this section;~~[and]~~
- 25 3. If the circumstances of ownership change and the designated owner is
26 no longer an owner of the motor vehicle or no longer a resident of
27 Kentucky, another owner may title the motor vehicle in his or her name

1 if that owner is a resident of Kentucky. If none of the remaining owners
2 are a resident of Kentucky, one (1) of the owners shall title the vehicle
3 in that owner's state of residence; and

4 4. Joint owners under this paragraph may designate that the title will
5 transfer upon death of another owner. Upon the death of one (1) of
6 the owners, the jointly-owned vehicle shall transfer to the surviving
7 owner free from payment of a title application fee. The surviving
8 owner shall include a copy of the death certificate with the application
9 for a new title. If the surviving owner wishes to obtain a printed copy
10 of the title, the owner shall apply to the county clerk and pay the fee
11 for a printed title in Section 3 of this Act.

12 (c) If a motor vehicle is jointly owned by a married couple, the ownership shall
13 exist as a joint tenancy with right of survivorship, unless the registration
14 expressly states to the contrary and gives an alternative specific status. One
15 (1) of the owners shall indicate to the county clerk his or her birth date to be
16 used for purposes of this section. Upon the death of one (1) of the spouses, the
17 jointly-owned vehicle shall transfer to the surviving spouse free from payment
18 of a title application fee~~[any state required transfer fees]~~. The surviving
19 spouse shall include a copy of the death certificate with the application for a
20 new title. If the surviving spouse wishes to obtain a printed copy of the title,
21 the owner shall apply to the county clerk and pay the fee for a printed title
22 in Section 3 of this Act.

23 (d) A certificate of title:

- 24 1. May bear the connector "AND" to designate joint ownership. If the
25 "AND" connector is used, the signatures of all owners shall be required
26 to transfer the certificate of title;
- 27 2. May bear the connector "OR" to designate joint ownership. If the "OR"

1 connector is used, the signature of only one (1) owner shall be required
2 to transfer the certificate of title; and

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

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

16 (4) Except for vehicles registered under subsection (1)(b) of this section, KRS 186.041,
17 186.042, and 186.162 that have a specified, universal expiration date, after a motor
18 vehicle has been initially placed in the system of year-round registration, the owner
19 shall renew the registration annually during the owner's birth month, either by
20 making application to the county clerk or on the cabinet's website, and paying the
21 fee required for twelve (12) consecutive months of registration, which shall take
22 effect on the first day of the month succeeding the owner's birth month and shall
23 expire on the last day of the owner's next birth month. The county clerk shall collect
24 the fees set forth in KRS 186.040(1) and (6) for each renewal.

25 (5) At least forty-five (45) days prior to the expiration of the registration of any motor
26 vehicle previously registered in the Commonwealth as provided by subsection (1)
27 of this section, the owner of the vehicle shall be notified ~~[by mail or email]~~ on the

1 same notice required by KRS 134.805(5) of the date of expiration. Nonreceipt of
2 the notice required by this subsection shall not constitute a defense to any
3 registration-related offense.

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

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

15 (8) The county clerk shall ensure that the certificate of registration issued to an owner
16 displays the month and year in which the registration period begins and the month
17 and year of its expiration, and shall issue to the owner a decal or decals
18 corresponding to the month and year of expiration shown in the certificate of
19 registration which shall be placed upon the corresponding license plate by the
20 owner in the manner required by administrative regulations of the Department of
21 Vehicle Regulation.

22 ➔Section 14. KRS 186A.060 is amended to read as follows:

23 (1) The Department of Vehicle Regulation is directed to develop, in cooperation with
24 county clerks, auto dealers, and the Department of Revenue, Department of
25 Insurance, and Department of Kentucky State Police, the forms required to record
26 all information pertinent to the registration, titling, and taxation of a vehicle.

27 (2) The Department of Vehicle Regulation shall make every effort to minimize and

1 reduce the amount of paperwork required to apply for, or transfer, a vehicle title.
2 When possible, the title document itself shall be used as the primary form used to
3 effect a transfer of vehicle ownership. The title document shall contain space
4 exclusively reserved for a minimum of two (2) dealer assignments.

5 (3) When no in-state title exists, forms shall be designed by the department that require
6 only the appropriate and essential information to effect the application for title.

7 (4) (a) The department shall constantly review the information needs of government
8 agencies and other organizations with the goal of reducing or eliminating
9 unnecessary documentation. Information being sought for application for title
10 relevant to, but not limited to, vehicle identification, owner, buyer, usage tax,
11 county clerk, or inspector shall be set forth by the cabinet in such a way as to
12 promote flexibility in reaching this goal.

13 (b) Subject to the limitations of paragraph (c) of this subsection, an applicant for a
14 motor vehicle title shall be required to provide his or her Kentucky operator's
15 license number, Kentucky personal identification card number, or Social
16 Security number as part of the application process.

17 (c) If a motor vehicle is jointly owned, one (1) of the owners, who is a resident of
18 Kentucky, shall be identified as the designated owner, and only the designated
19 owner shall be required to provide his or her Kentucky operator's license
20 number, Kentucky personal identification card number, or Social Security
21 number as part of the application process.

22 (d) Any vehicle owned by a business that is licensed by the Secretary of State
23 shall be titled and registered using a Federal Employer Identification Number.

24 (e) An applicant for a motor vehicle registration shall be required to provide his
25 or her Kentucky operator's license, **Kentucky personal identification card**, or
26 Social Security number as part of the application process.

27 (f) If a motor vehicle has situs and is principally operated in Kentucky, and the

1 owner does not reside in the Commonwealth, the motor vehicle shall be
2 registered with the owner's Social Security number and out-of-state operator's
3 license number.

4 (5) The use of an electronic medium shall be employed so that forms can be printed by
5 the automated system. Existing statutory language in this chapter and KRS Chapter
6 186 pertaining to application, signature, forms, or application transfer record may
7 be construed to be electronic in nature at the discretion of the cabinet as provided
8 for by administrative regulation.

9 (6) Any person who knowingly enters, or attests to the entry of, false or erroneous
10 information in pursuit of a certificate of title shall be guilty of forgery in the second
11 degree.

12 ➔Section 15. KRS 186.050 is amended to read as follows:

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

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

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

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

21 (b) The annual registration fee for a street-legal special purpose vehicle shall be
22 ten dollars (\$10).

23 (3) (a) All motor vehicles having a declared gross weight of vehicle and any towed
24 unit of more than ten thousand (10,000) pounds are classified as commercial
25 vehicles and the annual registration fee shall be as set forth in paragraph (b) of
26 this subsection.

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

hire which are designed or constructed to transport more than fifteen (15) passengers including the operator shall be one hundred dollars (\$100). The registration fee for all other commercial vehicles, except as provided in subsections (4) to (10) and (13) of this section, shall be as follows:

Declared Gross Weight of Vehicle and Any Towed Unit	Registration Fee
10,001-14,000	30.00
14,001-18,000	50.00
18,001-22,000	132.00
22,001-26,000	160.00
26,001-32,000	216.00
32,001-38,000	300.00
38,001-44,000	474.00
44,001-55,000	699.00
55,001-62,000	1,037.00
62,001-73,280	1,280.00
73,281-80,000	1,440.00

(4) (a) 1. Any farmer owning a truck having a gross weight of twenty-six thousand (26,000) pounds or less may have it registered as a farmer's truck and obtain a license for eleven dollars and fifty cents (\$11.50). ~~[The applicant's signature upon the certificate of]~~Registration of a vehicle under this subparagraph ~~[and ownership]~~ shall constitute a certificate that the applicant is a farmer engaged in the production of crops, livestock, or dairy products, that the applicant owns a truck of the gross weight of twenty-six thousand (26,000) pounds or less, and that during the next twelve (12) months the truck shall not be used in for-hire transportation and may be used in transporting persons, food, provender,

1 feed, machinery, livestock, material, and supplies necessary for the
2 applicant's farming operation, and the products grown on the applicant's
3 farm.

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

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

1 applicant's farm and the products grown on the applicant's farm.

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

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

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

- 1 (7) Any person owning a motor vehicle with a gross weight of fourteen thousand
2 (14,000) pounds or less on which a wrecker crane or other equipment suitable for
3 wrecker service has been permanently mounted may register the vehicle and obtain
4 a license for eleven dollars and fifty cents (\$11.50) by filing with the county clerk,
5 in addition to other information required, an affidavit that a wrecker crane or other
6 equipment suitable for wrecker service has been permanently mounted on the
7 vehicle and that during the next twelve (12) months the vehicle will be used only in
8 wrecker service. If the gross weight of the vehicle exceeds fourteen thousand
9 (14,000) pounds, the vehicle shall be registered in accordance with subsection (3) of
10 this section. The gross weight of a vehicle used in wrecker service shall not include
11 the weight of the vehicle being towed by the wrecker.
- 12 (8) Motor vehicles having a declared gross weight in excess of eighteen thousand
13 (18,000) pounds, which when operated in this state are used exclusively for the
14 transportation of property within the limits of the city named in the affidavit
15 hereinafter required to be filed, or within ten (10) miles of the city limits of the city
16 if it is a city with a population equal to or greater than three thousand (3,000) based
17 upon the most recent federal decennial census, or within five (5) miles of its limits
18 if it is a city with a population of less than three thousand (3,000) based upon the
19 most recent federal decennial census, or anywhere within a county containing an
20 urban-county government, shall not be required to pay the fee as set out in
21 subsection (3) of this section, and in lieu thereof shall pay seventy-five percent
22 (75%) of the fee set forth in subsection (3) of this section and shall be exempt from
23 any fee charged under the provisions of KRS 281.752. Nothing in this section shall
24 be construed to limit any right of nonresidents to exemption from registration under
25 any other provisions of the laws granting reciprocity to nonresidents. Operations
26 outside of this state shall not be considered in determining whether or not the
27 foregoing mileage limitations have been observed. When claiming the right to the

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

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

23 (10) Any owner of a commercial vehicle registered for a declared gross weight in excess
24 of eighteen thousand (18,000) pounds, intending to transfer same and desiring to
25 take advantage of the refund provisions of KRS 186.056(2), may reregister the
26 vehicle and obtain a "For Sale" certificate of registration and ownership for one
27 dollar (\$1). Title to a vehicle so registered may be transferred, but the registration

1 shall not authorize the operation or use of the vehicle on any public highway. No
2 refund may be made under the provisions of KRS 186.056(2) until the title to the
3 vehicle has been transferred to the purchaser thereof. Provided, however, that
4 nothing herein shall be so construed as to prevent the seller of a commercial vehicle
5 from transferring the registration of the vehicle to any purchaser thereof.

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

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

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

1 to be collected under any proportional registration agreement or agreements
2 shall be in accordance with the taxes established in this section.

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

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

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

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

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

25 (15) An applicant for any motor vehicle registration issued pursuant to this section shall
26 have the opportunity to make a donation of two dollars (\$2) to promote a hunger
27 relief program through specific wildlife management and conservation efforts by

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

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

17 ➔Section 16. KRS 186.077 is amended to read as follows:

18 (1) As used in this section:

19 (a) "Local government" means a city, county, charter county government, urban-
20 county government, consolidated local government, or unified local
21 government;

22 (b) 1. "Special purpose vehicle" means an all-terrain vehicle, utility terrain
23 vehicle, minitruck, pneumatic-tired military vehicle, or full-size special
24 purpose-built vehicle, including a vehicle that is self-constructed or built
25 by the original equipment manufacturer and a vehicle that has been
26 modified.

27 2. "Special purpose vehicle" does not include a low-speed vehicle as

1 defined in KRS 186.010; and

2 (c) 1. "Street-legal special purpose vehicle" means a special purpose vehicle
3 that meets the requirements of this section and is equipped with all of
4 the following:

- 5 a. One (1) or more headlamps;
- 6 b. One (1) or more tail lamps;
- 7 c. One (1) or more brake lamps;
- 8 d. A trail lamp or other lamp constructed and placed to illuminate the
9 registration plate with a white light;
- 10 e. One (1) or more red reflectors on the rear of the vehicle;
- 11 f. An amber electric turn system, one (1) on each side of the front of
12 the vehicle;
- 13 g. Amber or red electric turn signals on the rear of the vehicle;
- 14 h. A braking system, other than a parking brake;
- 15 i. A horn or other warning device;
- 16 j. A working muffler;
- 17 k. Rearview mirrors on the right and left side of the driver;
- 18 l. A windshield, unless the operator of the vehicle wears eye
19 protection while operating the vehicle;
- 20 m. A speedometer, illuminated for nighttime operation;
- 21 n. A roll bar or roll cage;
- 22 o. For multi-passenger vehicles, a seatbelt assembly that conforms to
23 the federal motor vehicle safety standard provided in 49 C.F.R.
24 sec. 571.209 for each designated seating position; and
- 25 p. Tires that have at least two thirty-seconds ($2/32$) of an inch or
26 greater tire tread.

27 2. "Street-legal special purpose vehicle" does not include a low-speed

1 vehicle as defined in KRS 186.010 or a vehicle primarily used for farm
2 or agricultural activities.

3 (2) A person shall not operate a street-legal special purpose vehicle on a highway if:

4 (a) The highway is located within the jurisdictional boundaries of a local
5 government where the operation of special purpose vehicles has not been
6 allowed by local ordinance;

7 (b) The highway is a controlled-access system, including but not limited to an
8 interstate or parkway; or

9 (c) The United States Department of Agriculture prohibits special purpose
10 vehicles where the highway is located.

11 (3) Nothing in this section authorizes the operation of a street-legal special purpose
12 vehicle in an area that is not open to motor vehicle use.

13 (4) Street-legal special purpose vehicles are prohibited from traveling a distance greater
14 than twenty (20) miles on a highway displaying centerline pavement markings.

15 (5) Minitrucks shall not be operated as street-legal special purpose vehicles on a
16 highway that has been constructed pursuant to a federal highway program.

17 (6) Except as otherwise provided in this section, a street-legal special purpose vehicle
18 shall:

19 (a) Be registered in accordance with KRS 186.020;

20 (b) Be insured by the owner or operator for the payment of tort liabilities in the
21 same form and amounts as set forth in KRS 304.39-110 for motorcycles; and

22 (c) Comply with all other requirements in this chapter.

23 (7) Upon registration of any street-legal special purpose vehicle under KRS 186.020,
24 the county clerk shall issue the owner a motorcycle registration plate for the
25 vehicle.

26 (8) Street-legal special purpose vehicles shall have an inspection completed by a
27 certified inspector as required by KRS 186A.115.

1 (9) An applicant renewing his or her registration for a street-legal special purpose
2 vehicle pursuant to KRS 186.020 shall be considered to have certified~~[certify]~~ that
3 the street-legal special purpose vehicle still meets all of the equipment requirements
4 in subsection (1)(c)1. of this section.

5 (10) The Transportation Cabinet shall promulgate administrative regulations in
6 accordance with KRS Chapter 13A to implement this section.

7 ➔Section 17. KRS 186.170 is amended to read as follows:

8 (1) (a) Except as provided in this subsection and KRS 186A.127 and 186.045, the
9 owner shall have the receipt issued by the cabinet through the county clerk
10 constantly in his possession, and shall display the registration plate
11 conspicuously upon the rear of the motor vehicle, except that the registration
12 plate upon a semitrailer-tractor shall be displayed upon the front of the tractor.

13 (b) The owner's copy, or a reproduced copy thereof, of the registration receipt of
14 every motor vehicle, except motorcycles, licensed under KRS 186.050 shall
15 be kept in the vehicle at all times and shall be available for inspection.

16 (c) Plates shall be kept legible at all times and the rear plate shall be illuminated
17 when being operated during the hours designated in KRS 189.030. No rim,
18 frame, or other covering around the plate shall in any way obscure or cover
19 any lettering or decal on the plate~~]; except that, any owner who objects to the~~
20 ~~display of a trademark of a private corporation which appears on the~~
21 ~~registration plate shall be entitled to receive a set of decals from the county~~
22 ~~clerk in his or her county of residence to cover the trademark of the private~~
23 ~~corporation. The owner may apply for the decal by presenting his or her~~
24 ~~certificate of registration either at the time of registration renewal or later. The~~
25 ~~county clerk shall charge a three dollar (\$3) clerk's fee for issuing the decal~~
26 ~~set if it is applied for a time other than at registration renewal].~~

27 (d) If the cabinet has prescribed that plates shall continue in use, it shall each

1 year, in addition to the registration receipt, select and give to the owner as
2 further evidence of registration some insignia which may conveniently be
3 attached permanently and conspicuously to the motor vehicle during each
4 registration year. It shall be the duty of the owner to attach the insignia in the
5 prescribed manner and no person may operate a motor vehicle unless the
6 insignia is affixed upon it. The cabinet shall have placed on the insignia either
7 figures, letters, writing, marks, or a combination thereof, which indicate that
8 the motor vehicle has been registered and which in conjunction with the
9 records of the cabinet make identity of the registrant readily ascertainable.

10 (2) The registration year for commercial vehicles, trailers, semitrailers, mobile homes,
11 and recreational vehicles shall be from April 1 to March 31.

12 (3) At the discretion of the vehicle owner, the title to a motor vehicle may be held in
13 the system and subsequently printed and mailed to the owner at the owner's request.

14 ➔Section 18. KRS 235.066 is amended to read as follows:

15 At least thirty (30) days prior to the expiration of registration of any motorboat previously
16 registered in the Commonwealth as provided by KRS 235.070, the owner of the
17 motorboat shall be notified~~[by mail]~~ on the same notice required by KRS 134.805(5) of
18 the date of expiration. In addition, the Transportation Cabinet shall provide appropriate
19 forms and information to permit renewal of motorboat registration to be completed by
20 mail. Any registration renewal by mail shall require payment of an additional two dollars
21 (\$2) fee which shall be received by the county clerk. Nonreceipt of the notice herein shall
22 not constitute a defense to any registration related offense.

23 ➔Section 19. KRS 142.010 is amended to read as follows:

24 (1) The following taxes shall be paid:

- 25 (a) A tax of four dollars and fifty cents (\$4.50) on each marriage license;
26 (b) A tax of four dollars (\$4) on each power of attorney to convey real or personal
27 property;

- 1 (c) A tax of four dollars (\$4) on each mortgage, financing statement, or security
2 agreement and on each notation of a security interest on a certificate of title
3 under KRS 186A.190;
- 4 (d) A tax of four dollars (\$4) on each conveyance of real property; and
- 5 (e) A tax of four dollars (\$4) on each lien or conveyance of coal, oil, gas, or other
6 mineral right or privilege.
- 7 (2) The tax imposed by this section shall be collected by each county clerk as a
8 prerequisite to the issuance of a marriage license or the original filing of an
9 instrument subject to the tax. Subsequent assignment of the original instrument
10 shall not be cause for additional taxation under this section. This section shall not
11 be construed to require any tax upon a deed of release of a lien retained in a deed or
12 mortgage.
- 13 (3) (a) Except as provided in paragraph (b) of this subsection, taxes imposed under
14 this section shall be reported and paid to the Department of Revenue by each
15 county clerk within ten (10) days following the end of the calendar month in
16 which instruments subject to tax are filed or marriage licenses issued. Each
17 remittance shall be accompanied by a summary report on a form prescribed by
18 the department.
- 19 (b) The tax on the notation of a security interest on a certificate of title under
20 KRS 186A.190 shall be reported and paid through AVIS and the electronic
21 title application and registration system established under KRS 186A.017, in
22 accordance with the procedures set forth in Section 11 of this Act.
- 23 (4) Any county clerk who violates any of the provisions of this section shall be subject
24 to the uniform civil penalties imposed pursuant to KRS 131.180. In every case, any
25 tax not paid on or before the due date shall bear interest at the tax interest rate as
26 defined in KRS 131.010(6) from the date due until the date of payment.
- 27 (5) (a) One dollar (\$1) of the amount collected under each paragraph of subsection

1 (1) of this section shall be placed in an agency fund in the Department for
2 Libraries and Archives to be used exclusively for the purpose of preserving
3 and retaining public records by continuing the local records grant program
4 active in the Department for Libraries and Archives.

5 (b) Ninety percent (90%) of all funds allocated to the Department for Libraries
6 and Archives under paragraph (a) of this subsection for the local records grant
7 program shall be set aside for grants to county clerks and distributed annually,
8 except as provided in paragraph (c) of this subsection.

9 (c) If there are insufficient grant applications from county clerks for the
10 Department for Libraries and Archives to distribute ninety percent (90%) of
11 all funds allocated under paragraph (a) of this subsection, the Department for
12 Libraries and Archives may grant those funds to other agencies.