

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:

1 **Beginning January 1, 2027:**

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

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

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

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

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

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

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

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

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

1    ~~(2)~~<sup>(3)</sup> 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)~~<sup>(4)</sup> (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

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

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

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

15 (d) The[These] notices required under this subsection shall be calculated,  
16 prepared, and distributed[mailed first class] on behalf of county clerks by[  
17 the] AVIS. The notices required under this subsection shall be sent by:  
18 1. Email, if the owner has provided an email address to the  
19 Transportation Cabinet in AVIS;  
20 2. Text message, if the owner has provided a mobile phone number to the  
21 Transportation Cabinet in AVIS; or  
22 3. First-class mail.

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

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

27 (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 vehicle  
10 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        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 for Commonwealth's attorney.....	\$200.00
3		
4	(t) Filing notification and declaration and petition of candidates for county and independent boards of education .....	\$20.00
5		
6	(u) Filing notification and declaration and petition of candidates for boards of soil and water conservation districts .....	\$20.00
7		
8	(v) Filing notification and declaration and petition of candidates for other office .....	\$50.00
9		
10	(w) Filing declaration of intent to be a write-in candidate for office .....	\$50.00
11		
12	(x) Filing petitions for elections, other than nominating petitions .....	\$50.00
13		
14	(y) Notarizing any signature, per signature .....	\$2.00
15		
16	(z) Filing bond for receiving bodies under KRS 311.310 .....	\$10.00
17		
18	(aa) Noting the assignment of a certificate of delinquency and recording and indexing the encumbrance under KRS 134.126 or 134.127 .....	\$27.00
19		
20	(ab) Filing a going-out-of-business permit under KRS 365.445 .....	\$50.00
21		
22	(ac) Filing a renewal of a going-out-of-business permit under KRS 365.445	\$50.00
23		
24	(ad) Filing and processing a transient merchant permit under KRS 365.680	\$25.00
25		
26	(ae) Recording and indexing a real estate mortgage: 1. For a mortgage that does not exceed thirty (30) pages.....	\$63.00
27		
28	2. And, for a mortgage that exceeds thirty (30) pages, for each additional page .....	\$3.00
29		
30	(af) Filing or recording a lien or release of lien by a consolidated local government, urban-county government, unified local government, or city of any class .....	\$20.00
31		
32	(2) The sixty-three dollar (\$63) fee imposed by subsection (1)(ae) of this section shall 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.

1 (2) ~~For failure to present the title lien statement within the time prescribed by~~  
2 ~~subsection (1) of this section, the secured party shall pay a penalty of two dollars~~  
3 ~~(\$2) to the county clerk as a prerequisite for noting the security interest on the title.~~  
4 (3) ~~]The county clerk shall enter the information required by KRS 186A.190(9) into the~~  
5 ~~system of record established under KRS 186A.195, enabling the cabinet to record~~  
6 ~~the lien in the system of record and produce a title.~~

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

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

13 (a) *Credit card;*

14 (b) *Debit card;*

15 (c) *Electronic check;*

16 (d) *Automated clearinghouse (ACH) debit; or*

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

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

24 (3) *In addition to any payment method authorized by law and notwithstanding any*  
25 *statute to the contrary, a county clerk may pay internal clerk's office accounts,*  
26 *the Transportation Cabinet, other state agencies, and taxing districts using*  
27 *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) 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) 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)~~<sup>(7)</sup> 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

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

5       Declared Gross Weight of Vehicle 6       and Any Towed Unit	7       Registration 8       Fee
9               10,001-14,000	30.00
10              14,001-18,000	50.00
11              18,001-22,000	132.00
12              22,001-26,000	160.00
13              26,001-32,000	216.00
14              32,001-38,000	300.00
15              38,001-44,000	474.00
16              44,001-55,000	699.00
17              55,001-62,000	1,037.00
18              62,001-73,280	1,280.00
19              73,281-80,000	1,440.00

20       (4) (a) 1. Any farmer owning a truck having a gross weight of twenty-six  
21       thousand (26,000) pounds or less may have it registered as a farmer's  
22       truck and obtain a license for eleven dollars and fifty cents (\$11.50).  
23       ~~[The applicant's signature upon the certificate of ]~~Registration of a  
24       vehicle under this subparagraph~~[and ownership]~~ shall constitute a  
25       certificate that the applicant is a farmer engaged in the production of  
26       crops, livestock, or dairy products, that the applicant owns a truck of the  
27       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 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:

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

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

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.