

**Local Mandate Fiscal Impact Estimate
Kentucky Legislative Research Commission
2017 Regular Session**

Part I: Measure Information

Bill Request #: 1206

Bill #: HB 198

Bill Subject/Title: AN ACT relating to military surplus vehicles

Sponsor: Representative Sannie Overly

Unit of Government:	<u> </u> City	<u> x </u> County	<u> x </u> Urban-County
		<u> x </u>	<u> x </u> Unified Local
	<u> x </u> Charter County	<u> </u> Consolidated Local	<u> </u> Government

Office(s) Impacted: County clerks; sheriffs

Requirement: **x** Mandatory Optional

Effect on

Powers & Duties: **x** Modifies Existing Adds New Eliminates Existing

Part II: Purpose and Mechanics

The purpose of HB 198 is to allow owners of military surplus vehicles to operate them on Kentucky highways. A "military surplus vehicle" is defined at Section 3 of the bill as:

- [A] multi-purpose four (4) wheeled surplus military vehicle that:
- (a) Is not operated using continuous tracks;
 - (b) Was originally manufactured for and sold directly to the Armed Forces of the United States; and
 - (c) Was originally manufactured under the federally mandated requirements set forth in 49 C.F.R. Part 571.7.

KRS 186.020 requires that, before an owner may operate a motor vehicle on the highway the owner shall register the vehicle; current law does not allow registration of military surplus vehicles. Section 1 of HB 198 would create a new section of KRS 186A to provide that a person who buys a military surplus vehicle shall be issued a certificate of title after complying with the requirement of that Section to first apply for a vehicle identification number (VIN). At that time the owner must provide the clerk with proof of insurance and proof that the vehicle has passed an inspection. Section 2 of the bill would amend KRS 186A.115 to require the owner to first have the vehicle and title documents inspected by a

certified inspector designated by the sheriff in the county where the application for title is to be submitted. The bill would require the Transportation Cabinet to promulgate regulations to implement the bill, which may include a requirement that modifications be made to a military surplus vehicle before it is inspected; however, the Cabinet may only require the vehicles meet applicable federal motor vehicle safety standards in 49 C.F.R. Part 571.7.¹

Part III: Fiscal Explanation, Bill Provisions, and Estimated Cost

HB 198 would have a minimum positive fiscal impact on the offices of county clerk and sheriff.

It is unknown how many purchasers of military surplus vehicles would seek to have them registered and licensed for highway use. County clerks are entitled to collect a fee of six dollars (\$6) for services rendered for each vehicle they register. The county sheriff is responsible for designating a certified inspector to conduct vehicle inspections only to determine that the application documents are legible and complete and to record the reading on the primary odometer of the vehicle. The county sheriff's office is entitled to a certification fee of five dollars (\$5) for each vehicle inspected and certified, or \$15 if the certified inspector must travel to the site of the vehicle instead of the vehicle being brought to the inspector. So long as the county clerk and the county sheriff could fulfill their duties without adding staff, HB 198 could increase revenue to those offices.

Data Source(s): Kentucky Revised Statutes Chapters 186 and 186A; LRC staff; internet article search regarding licensing of High Mobility Multi-purpose Wheeled Vehicles (HMMWVs, or "Humvees"); LRC publication: *Final Reports of the Interim Joint, Special and Statutory Committees 2016*, at pp. 140-141

Preparer: Mary Stephens **Reviewer:** KHC **Date:** 2/8/17

¹ 49 C.F.R. Part 571.7 (c) Military vehicles. No standard applies to a vehicle or item of equipment manufactured for, and sold directly to, the Armed Forces of the United States in conformity with contractual specifications.