

If a person has their vehicle registration revoked in accordance with this Act two times within any 12 month period (current law is three times), the revocation shall constitute a violation of KRS 304.39-080, and the Department of Vehicle Regulation shall notify the county attorney to begin prosecution.

The owner of the motor vehicle for which the registration has been revoked shall be subject to a reinstatement fee of \$30. The county clerk shall retain \$20 and \$10 shall be deposited into the road fund.

Section 2 amends KRS 186.180 to conform.

Section 3 amends KRS 304.39-080 to establish exceptions for the requirement to maintain continuous motor vehicle insurance.

Section 4 amends KRS 304.99.060 to modify penalties and create expungement rights for motor vehicle owners and operators that fail to have minimum motor vehicle insurance. It reduces the fine from \$1,000 to \$500 or \$100 if the owner produces proof of security and receipt showing that a premium for a minimum policy of six months has been paid. For a second offense and each subsequent offense within any 3-year period, a fine of \$1,000 if a receipt showing that a premium for a minimum policy of 12 months has been paid. Failure to comply with the above will result in having the registration revoked for a period of six months or until such time as proof is furnished that the security is and will remain in effect. The change also removes a potential jail sentence of up to 90 days in jail.

Section 5 amends KRS 431.078 to conform.

The Kentucky Department of Transportation records show that in the last two years, there have been nearly 266,000 registrations cancelled due to failure to maintain required insurance coverage on a vehicle and approximately 83,500 of these reinstated.

Description	2020	2021
Registrations Cancelled and Reactivated	50,987	32,493
Registrations Currently Cancelled	80,766	101,651
Total Registrations Initially Cancelled	131,753	134,144

The impact of SB 262 on county clerks is indeterminable but expected to be positive and moderate. Assuming 130,000 registration revocations, county clerks would receive \$2.6 million in reinstatement fees. **The estimated fiscal impact on county attorneys is also indeterminate but expected to be moderate to significant.** In each case, the expected impact is likely to correspond directly to the relationship of county population and the number of vehicles registered in a county. The Kentucky County Attorneys Association indicates this bill would pose significant financial strain on county attorneys as this legislation would cause many more cases to be prosecuted. This in turn would require additional resources including adding staff.

Part III: Differences to Local Government Mandate Statement from Prior Versions

Part II, above, pertains to the bill as introduced.

Data Source(s): Kentucky Transportation Cabinet, Kentucky County Attorneys Association; Kentucky Department of Corrections

Preparer: MJO **Reviewer:** KHC **Date:** 3/2/22