

**COMMONWEALTH OF KENTUCKY FISCAL NOTE STATEMENT  
LEGISLATIVE RESEARCH COMMISSION  
2025 REGULAR SESSION**

**MEASURE**

2025 BR NUMBER 972

SENATE BILL NUMBER 63/HCS 1

**TITLE** AN ACT relating to street-legal special purpose vehicles.

**SPONSOR** Representative Jason Petrie

**FISCAL SUMMARY**

STATE FISCAL IMPACT:  YES  NO  UNCERTAIN

OTHER FISCAL STATEMENT(S) THAT MAY APPLY:  ACTUARIAL ANALYSIS  
 LOCAL MANDATE  CORRECTIONS IMPACT  HEALTH BENEFIT MANDATE  STATE  
EMPLOYEE HEALTH PLAN IMPACT

APPROPRIATION UNIT(S) IMPACTED: Kentucky Transportation Cabinet (KYTC) - Vehicle  
Regulation

FUND(S) IMPACTED:  GENERAL  ROAD  FEDERAL  RESTRICTED Multiple

FISCAL ESTIMATES	2024-2025	2025-2026	ANNUAL IMPACT AT FULL IMPLEMENTATION
REVENUES		Indeterminable	Indeterminable
EXPENDITURES		\$100,000-\$492,000	<\$392,000
NET EFFECT		(Indeterminable)	(Indeterminable)

( ) indicates a decrease/negative

**PURPOSE OF MEASURE:** This measure establishes definitions for street-legal special purpose vehicles; authorizes local jurisdictions to permit their operation on highways and enable stricter safety and operational requirements; mandates inspection, registration, and insurance; establishes annual registration fees; and amends the Motor Vehicle Repairs Act to include street-legal special purpose vehicles.

**FISCAL EXPLANATION:** Senate Bill (SB) 63/HCS 1 is projected to have an indeterminate negative fiscal impact on the Kentucky Transportation Cabinet's (KYTC) Department of Vehicle Regulation. Although the legislation establishes annual registration fees at \$10 per vehicle, the total revenue impact cannot be determined due to uncertainty regarding the number of vehicles that will qualify under the new street-legal special purpose vehicle designation.

Implementation of SB 63/HCS 1 will necessitate modifications to the Kentucky Automated Vehicle Information System (KAVIS). This one-time system upgrade is estimated not to exceed \$100,000 in fiscal year (FY) 2026.

KYTC anticipates recurring operational costs of approximately \$392,000 annually, comprising \$317,000 for three additional staff positions within the Division of Motor Vehicle Licensing to manage increased workload and \$75,000 for enhanced enforcement activities within the Motor Vehicle Commission.

There is no fiscal impact to the Department of Insurance for the inclusion of street-legal special purpose vehicles in the Motor Vehicle Repairs Act.

**DATA SOURCE(S): KYTC, LRC Staff**

**PREPARER: Savannah Wiley NOTE NUMBER: 196 REVIEW: JMR DATE: 3/13/2025**