1	AN ACT relating to motor vehicles.			
2	Be it enacted by the General Assembly of the Commonwealth of Kentucky:			
3	→ Section 1. KRS 281.010 is amended to read as follows:			
4	As used in this chapter:			
5	(1) "Automobile club" means a person that, for consideration, promises to assist its			
6	members or subscribers in matters relating to the assumption of or			
7	reimbursement of the expense or a portion thereof for towing of a motor vehicle;			
8	emergency road service; matters relating to the operation, use, and maintenance			
9	of a motor vehicle; and the supplying of services which includes, augments, or is			
10	incidental to theft or reward services, discount services, arrest bond services, lock			
11	and key services, trip interruption services, and legal fee reimbursement services			
12	in defense of traffic-related offenses;			
13	(2) "Automobile utility trailer" means any trailer or semitrailer designed for use with			
14	and towed behind a passenger motor vehicle;			
15	(3)[(2)] "Automobile utility trailer certificate" means a certificate authorizing a person			
16	to engage in the business of automobile utility trailer lessor;			
17	(4)[(3)] "Automobile utility trailer lessor" means any person operating under an			
18	automobile utility trailer certificate who is engaged in the business of leasing or			
19	renting automobile utility trailers, but shall not include the agents of such persons;			
20	(5)[(4)] "Broker" means a person selected by the cabinet through a request for			
21	proposal process to coordinate human service transportation delivery within a			
22	specific delivery area. A broker may also provide transportation services within the			
23	specific delivery area for which the broker is under contract with the cabinet;			
24	(6)[(5)] "Bus" means a motor vehicle operating under a bus certificate transporting			
25	passengers for hire between points over regular routes;			
26	(7)[(6)] "Bus certificate" means a certificate granting authority for the operation of one			
27	(1) or more buses;			

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1	<u>(8)</u> [(7)]	"Cabinet" means the Kentucky Transportation Cabinet;
2	<u>(9)</u> [(8)]	"Certificate" means a certificate of compliance issued under this chapter to
3	moto	or carriers;
4	<u>(10)</u> [(9)]	"Charter bus" means a motor vehicle operating under a charter bus certificate
5	prov	iding for-hire intrastate transportation of a group of persons who, pursuant to a
6	comi	mon purpose under a single contract at a fixed charge for the motor vehicle,
7	have	acquired the exclusive use of the motor vehicle to travel together under an
8	itine	rary either specified in advance or modified after having left the place of origin;
9	<u>(11)</u> [(10)]	"Charter bus certificate" means a certificate granting authority for the
10	opera	ation of one (1) or more charter buses;
11	<u>(12)</u> [(11)]	"Commissioner" means the commissioner of the Department of Vehicle
12	Regu	ulation;
13	<u>(13)</u> [(12)]	"CTAC" means the Coordinated Transportation Advisory Committee created
14	in K	RS 281.870;
15	<u>(14)</u> [(13)]	"Department" means the Department of Vehicle Regulation;
16	<u>(15)</u> [(14)]	"Delivery area" means one (1) or more regions established by the cabinet in
17	admi	nistrative regulations promulgated under KRS Chapter 13A for the purpose of
18	prov	iding human service transportation delivery in that region;
19	<u>(16)</u> [(15)]	"Disabled persons vehicle carrier" means a motor carrier for hire, transporting
20	passe	engers including the general public who require transportation in disabled
21	perso	ons vehicles;
22	<u>(17)[(16)]</u>	"Disabled persons vehicle" means a motor vehicle operating under a disabled
23	perso	ons vehicle certificate especially equipped for the transportation of passengers
24	with	disabilities in accordance with 49 C.F.R. pt. 38, and is designed or constructed
25	with	not more than fifteen (15) regular seats. It shall not mean an ambulance as
26	defin	ned in KRS 311A.010. It shall not mean a motor vehicle equipped with a
27	streto	cher;

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1	(18)[(17)] "Disabled persons vehicle certificate" means a certificate granting authority
2	for the operation of one (1) or more disabled persons vehicles transporting
3	passengers for hire;
4	(19)[(18)] "Driveaway" means the transporting and delivering of motor vehicles, except
5	semitrailers and trailers, whether destined to be used in either a private or for-hire
6	capacity, under their own power or by means of a full mount method, saddle mount
7	method, the tow bar method, or any combination of them over the highways of this
8	state from any point of origin to any point of destination for hire. "Driveaway" does
9	not include the transportation of such vehicles by the full mount method on trailers
10	or semitrailers;
11	(20)[(19)] "Driveaway certificate" means a certificate granting authority for the operation
12	of one (1) or more motor carrier vehicles operating as a driveaway;
13	(21)[(20)] "Driver" means the person physically operating the motor vehicle;
14	(22) "Flatbed/rollback service" means a form of towing service which involves
15	moving vehicles by loading them onto a flatbed platform;
16	(23)[(21)] "Highway" means all public roads, highways, streets, and ways in this state,
17	whether within a municipality or outside of a municipality;
18	(24)[(22)] "Household goods" has the same meaning as in 49 C.F.R. sec. 375.103;
19	(25)[(23)] "Household goods carrier" has the same meaning as "household goods motor
20	carrier" in 49 C.F.R. sec. 375.103;
21	(26)[(24)] "Household goods certificate" means a certificate granting authority for the
22	operation of one (1) or more household goods vehicles;
23	(27)[(25)] "Human service transportation delivery" means the provision of transportation
24	services to any person that is an eligible recipient in one (1) of the following state
25	programs:
26	(a) Nonemergency medical transportation under KRS Chapter 205;
27	(b) Mental health, intellectual disabilities, or comprehensive care under KRS

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1	C	Chapter 202A, 202B, 210, or 645;
2	(c) V	Vork programs for public assistance recipients under KRS Chapter 205;
3	(d) A	Adult services under KRS Chapter 205, 209, 216, or 273;
4	(e) V	Vocational rehabilitation under KRS Chapter 151B or 157; or
5	(f) B	Blind industries or rehabilitation under KRS Chapter 151B or 163;
6	<u>(28)</u> [(26)] "]	Interstate commerce" has the same meaning as in 49 C.F.R. sec. 390.5;
7	<u>(29)</u> [(27)] "]	Intrastate commerce" has the same meaning as in 49 C.F.R. sec. 390.5;
8	<u>(30)</u> [(28)] "]	Limousine" means a motor vehicle operating under a limousine certificate
9	that is	designed or constructed with not more than fifteen (15) regular seats;
10	<u>(31)</u> [(29)] "]	Limousine certificate" means a certificate granting authority for the operation
11	of one	(1) or more limousines transporting passengers for hire;
12	<u>(32)</u> [(30)] "]	Mobile application" means an application or a computer program designed to
13	run on	a smartphone, tablet computer, or other mobile device that is used by a TNC
14	to conn	nect drivers with potential passengers;
15	<u>(33)</u> [(31)] "]	Motor carrier" means any person in either a private or for-hire capacity who
16	owns,	controls, operates, manages, or leases, except persons leasing to authorized
17	motor	carriers, any motor vehicle for the transportation of passengers or property
18	upon a	any highway, and any person who engages in the business of automobile
19	utility t	trailer lessor, <i>vehicle towing</i> , driveaway, or U-Drive-It;
20	<u>(34)</u> [(32)] "]	Motor carrier vehicle" means a motor vehicle used by a motor carrier to
21	transpo	ort passengers or property;
22	<u>(35)</u> [(33)] "]	Motor carrier vehicle license" means a license issued by the department for a
23	motor	carrier vehicle authorized to operate under a certificate;
24	<u>(36)</u> [(34)] "]	Motor carrier license plate" means a license plate issued by the department to
25	a moto	or carrier authorized to operate under a certificate other than a household
26	goods,	property, TNC, or U-Drive-It certificate;
27	<u>(37)[(35)]</u> "]	Motor vehicle" means any motor-propelled vehicle used for the

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1	transportation of passengers or property on a public highway, including any such
2	vehicle operated as a unit in combination with other vehicles;
3	(38)[(36)] "Passenger" means an individual or group of people;
4	(39)[(37)] "Permit" means a temporary permit of compliance issued under this chapter
5	for a specified period not to exceed ten (10) days, and for a specific vehicle, to any
6	motor carrier, including one who is a nonresident of the Commonwealth, who
7	operates a motor vehicle and is not entitled to an exemption from the payment of
8	fees imposed under KRS 186.050 because of the terms of a reciprocal agreement
9	between the Commonwealth and the state in which the vehicle is licensed;
10	(40)[(38)] "Person" means any individual, firm, partnership, corporation, company,
11	association, or joint stock association, and includes any trustee, assignee, or
12	personal representative thereof;
13	(41)[(39)] "Platoon" means a group of two (2) individual commercial motor vehicles
14	traveling in a unified manner at electronically coordinated speeds at following
15	distances that are closer than would ordinarily be allowed under KRS
16	189.340(8)(b);
17	(42)[(40)] "Prearranged ride" means the period of time that begins when a transportation
18	network company driver accepts a requested ride through a digital network or
19	mobile application, continues while the driver transports the rider in a personal
20	vehicle, and ends when the transportation network company services end;
21	(43)[(41)] "Pre-trip acceptance liability policy" means the transportation network
22	company liability insurance coverage for incidents involving the driver for a period
23	of time when a driver is logged into a transportation network company's digital
24	network or mobile application but is not engaged in a prearranged ride;
25	(44)[(42)] "Property" means general or specific commodities, including hazardous and
26	nonhazardous materials;
27	(45)[(43)] "Property certificate" means a certificate granting authority for the

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1	transportation of property, other than household goods, not exempt under KRS
2	281.605;
3	(46) "Recovery":
4	(a) Means a form of towing service which involves moving vehicles by the use
5	of a wheel-lift device, such as a lift, crane, hoist, winch, cradle, jack,
6	automobile ambulance, tow dolly, or any other similar device as requested
7	by a state or local law enforcement agency; and
8	(b) Includes:
9	1. Relocating a vehicle or cargo from a place where towing is not
10	possible to a place where towing is possible; and
11	2. The cleanup of debris or cargo, and returning an area to pre-event
12	condition;
13	(47)[(44)] "Regular route" means the scheduled transportation of passengers between
14	designated points over designated routes under time schedules that provide a
15	regularity of services;
16	(48)[(45)] "Regular seat" means a seat ordinarily and customarily used by one (1)
17	passenger and, in determining such seating capacity, the manufacturer's rating may
18	be considered;
19	(49) "Storage facility" means any lot, facility, or other property used to store motor
20	vehicles that have been removed from another location by a tow truck;
21	(50)[(46)] "Street hail" means a request for service made by a potential passenger using
22	hand gestures or verbal statement;
23	(51) [(47)] "Subcontractor" means a person who has signed a contract with a broker to
24	provide human service transportation delivery within a specific delivery area and
25	who meets human service transportation delivery requirements, including proper
26	operating authority;
27	(52)[(48)] "Tariff" means the listing of compensation received by a motor carrier for

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1	household goods that includes the manner in which and the amount of fares an
2	authorized motor carrier may charge;
3	(53)[(49)] "Taxicab" means a motor vehicle operating under a taxicab certificate that is
4	designed or constructed with not more than eight (8) regular seats and may be
5	equipped with a taximeter;
6	(54)[(50)] "Taxicab certificate" means a certificate granting authority for the operation of
7	one (1) or more taxicabs transporting passengers for hire;
8	(55)[(51)] "Taximeter" means an instrument or device approved by the department that
9	automatically calculates and plainly indicates the charge to a passenger for hire who
10	is being charged on the basis of mileage;
11	(56) "Tow truck" means a motor vehicle equipped to provide any form of towing
12	service, including recovery service or flatbed/rollback service;
13	(57) "Tow truck operator" means an individual who operates a tow truck as an
14	employee or agent of a towing company;
15	(58) "Towing" means:
16	(a) Emergency towing, which is the towing of a motor vehicle, with or without
17	the owner's consent, because of:
18	1. A motor vehicle accident on a public highway;
19	2. An incident related to an emergency; or
20	3. An incident that necessitates the removal of the motor vehicle from a
21	location for public safety reasons;
22	(b) Private property towing, which is the towing of a motor vehicle, without the
23	owner's consent, from private property:
24	1. On which the motor vehicle was illegally parked; or
25	2. Because of an exigent circumstance necessitating its removal to
26	another location; and
2.7	(c) Seizure towing, which is the towing of a motor vehicle for law enforcement

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1	purposes involving the:
2	1. Maintenance of the chain of custody of evidence;
3	2. Forfeiture of assets; or
4	3. Delinquency of highway fuel tax, weight distance tax, or any other
5	taxes and fees administered by the Transportation Cabinet;
6	(59) ''Towing company'':
7	(a) Means a service or business operating as a motor carrier that:
8	1. Tows or otherwise moves motor vehicles by means of a tow truck; or
9	2. Owns or operates a storage lot;
10	(b) Includes a tow truck operator acting on behalf of a towing company when
11	appropriate in the context; and
12	(c) Does not include an automobile club, car dealership, insurance company,
13	repossession company, lienholders and entities hired by lienholders for the
14	purpose of repossession, local government, or any other entity that contracts
15	with a towing company;
16	(60)[(52)] "Transportation network company" or "TNC" means a person or entity that
17	connects passengers through its digital network or mobile application to its drivers
18	for the provision of transportation network company services;
19	(61)[(53)] "Transportation network company certificate" or "TNC certificate" means a
20	certificate granting the authority for the operation of one (1) or more transportation
21	network company vehicles transporting passengers for hire;
22	(62)[(54)] "Transportation network company driver" or "TNC driver" means an
23	individual who operates a motor vehicle that is owned or leased by the individual,
24	or a motor vehicle for which the driver is an insured driver and has the permission
25	of the owner or lessee of the motor vehicle, and used to provide transportation
26	network company services;
27	(63)[(55)] "Transportation network company service" or "TNC service" means a

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1	prearranged passenger transportation service offered or provided through the use of
2	a transportation network company mobile application or digital network to connect
3	potential passengers with transportation network company drivers;
4	(64)[(56)] "Transportation network company vehicle" or "TNC vehicle" means a
5	privately owned or leased motor vehicle, designed or constructed with not more
6	than eight (8) regular seats, operating under a transportation network company
7	certificate;
8	(65)[(57)] "U-Drive-It" means any person operating under a U-Drive-It certificate who
9	leases or rents a motor vehicle for consideration to be used for the transportation of
10	persons or property, but for which no driver is furnished, and the use of which
11	motor vehicle is not for the transportation of persons or property for hire by the
12	lessee or rentee; and
13	(66)[(58)] "U-Drive-It certificate" means a certificate granting authority for the operation
14	of one (1) or more U-Drive-Its.
15	→SECTION 2. A NEW SECTION OF KRS CHAPTER 281 IS CREATED TO
16	READ AS FOLLOWS:
17	As used in Sections 2 to 10 of this Act:
18	(1) "Lienholder" means a person, including a secured party, with a lien indicated on
19	a certificate of title issued by any state;
20	(2) "Motor vehicle renting company" has the same meaning as in KRS 281.687; and
21	(3) "Owner" when referring to a motor vehicle, means:
22	(a) The person or entity to whom a motor vehicle is registered;
23	(b) The person to whom a motor vehicle is leased, if the terms of the lease
24	require the lessee to maintain and repair the vehicle; or
25	(c) A motor vehicle rental company, if the vehicle was rented pursuant to a
26	rental agreement.
27	→SECTION 3. A NEW SECTION OF KRS CHAPTER 281 IS CREATED TO

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1	READ AS FOLLOWS:		
2	<u>(1)</u>	This section applies to any towing company that engages in, or offers to engage	
3		in, emergency towing.	
4	<u>(2)</u>	(a) Prior to the removal of a towed motor vehicle from a tow truck, a towing	
5		company that engages in emergency towing shall take photographs, video,	
6		or other visual documentation to document evidence of any vehicle damage,	
7		debris, or damaged cargo or property.	
8		(b) A towing company operating under this section may document, at the scene,	
9		any complications to the recovery process in writing or by using any of the	
10		methods outlined in paragraph (a) of this subsection, if:	
11		1. Law enforcement does not object; and	
12		2. It can be performed in a safe manner.	
13	<u>(3)</u>	Except as provided in subsection (4) of this section, a towing company, while	
14		providing an emergency tow, shall not stop, or cause a person to stop, at the scene	
15		of an accident or near a disabled motor vehicle, for the purpose of:	
16		(a) Soliciting an engagement for emergency towing services;	
17		(b) Moving a motor vehicle from a public street, road, or highway; or	
18		(c) Accruing charges in connection with paragraph (a) or (b) of this	
19		subsection.	
20	<u>(4)</u>	A towing company may stop, or cause a person to stop, at the scene of an accident	
21		or near a disabled motor vehicle under the circumstances of subsection (3) of this	
22		section if the:	
23		(a) Towing company is requested to stop or to perform a towing service by a law	
24		enforcement officer;	
25		(b) Towing company is summoned to the scene or requested to stop by the	
26		owner or operator of a disabled motor vehicle;	
27		(c) Owner of a disabled motor vehicle has provided consent to the towing	

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1			company to stop or perform a towing service; or
2		<u>(d)</u>	Towing company has reasonable belief that a motorist is in need of
3			immediate aid. A towing company shall not offer towing services under this
4			paragraph unless a condition of paragraph (a), (b), or (c) of this subsection
5			has been met.
6	<u>(5)</u>	(a)	Except as provided in subsections (6) and (7) of this section, the owner or
7			operator of a disabled motor vehicle, in consultation with law enforcement
8			or with authorized state or local government personnel, may:
9			1. Summon to the disabled motor vehicle's location the towing company
10			of the owner's or operator's choice, either directly or through an
11			insurance company's or an automobile club's emergency service
12			arrangement; and
13			2. Designate the location to which the disabled motor vehicle is to be
14			towed.
15		<u>(b)</u>	If the location designated by the owner or operator is not a storage facility
16			owned or operated by the towing company, the owner or operator shall
17			arrange for payment to the towing company at the time the towing company
18			is summoned.
19	<u>(6)</u>	Subs	section (5) of this section shall not apply:
20		<u>(a)</u>	In the event of a declared emergency; or
21		<u>(b)</u>	If the owner or operator of a disabled motor vehicle:
22			1. Is incapacitated or otherwise unable to summon a towing company; or
23			2. Defers to law enforcement or to authorized state or local government
24			personnel as to the towing company to be summoned or the location to
25			which the disabled motor vehicle is to be towed.
26	<u>(7)</u>	The	authority of an owner or operator of a disabled motor vehicle to summon the
27		<u>towi</u>	ng company of the owner's or operator's choice under subsection (5) of this

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1	section shall be superseaea by a law enforcement officer or by authorized state or
2	local government personnel if:
3	(a) The towing company the owner or operator chooses is unable to respond to
4	the location of the disabled motor vehicle in a timely fashion; or
5	(b) The disabled motor vehicle is a hazard, impedes the flow of traffic, or may
6	not legally remain in the motor vehicle's location in the opinion of the law
7	enforcement officer or authorized state or local government official.
8	(8) If a disabled motor vehicle is causing or poses a safety hazard, the towing
9	company may move the disabled motor vehicle to a safe location after being
10	authorized by a law enforcement officer or by authorized state or local
11	government personnel. The owner of the disabled vehicle shall be responsible for
12	the costs of the tow.
13	(9) A disabled vehicle shall not be removed from a scene that is under the control of
14	a law enforcement agency without authorization from the law enforcement
15	agency.
16	(10) If a towing company is summoned for emergency towing by the owner or
17	operator of a disabled motor vehicle, the towing company shall make a record, to
18	the extent available, consisting of:
19	(a) The first and last name and telephone number of the individual who
20	summoned the towing company to the scene; and
21	(b) The color, make, model, year, vehicle identification number, and license
22	plate number of the disabled motor vehicle.
23	(11) If a towing company is summoned for emergency towing by a law enforcement
24	officer or by authorized state or local government personnel, the towing company
25	shall make a record, to the extent available, consisting of:
26	(a) The identity of the law enforcement agency or authorized state, county, or
27	municipal agency requesting the emergency towing; and

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1	(b) The color, make, model, year, vehicle identification number, and license
2	plate number of the disabled motor vehicle.
3	(12) A towing company shall maintain a record created under subsection (10) or (11)
4	of this section and provide the record to a law enforcement agency upon request
5	from the time the towing company appears at the location of the disabled motor
6	vehicle until the time the motor vehicle is towed and released to an authorized
7	third party. A towing company shall retain the record created under subsection
8	(10) or (11) of this section for a period of two (2) years from the date the disabled
9	motor vehicle was towed and, throughout the two (2) year period, make the
10	record available for inspection and copying, not later than forty-eight (48) hours
11	after receiving a written request from a law enforcement agency, the Attorney
12	General, the disabled motor vehicle's owner, or an authorized agent of the
13	disabled motor vehicle's owner. If the disabled motor vehicle was involved in a
14	collision, the records shall be available for inspection by any individual involved
15	in the underlying collision, his or her respective insurance companies, or his or
16	her legal representatives. Records maintained under this subsection shall be kept
17	in paper or electronic form.
18	(13) A towing company that performs emergency towing under this section shall,
19	upon taking possession of the motor vehicle, secure a towed motor vehicle
20	properly and take all reasonable efforts to prevent further damage, including
21	weather damage, or theft of a towed motor vehicle, including the motor vehicle's
22	cargo and contents until the motor vehicle is out of the towing company's
23	possession. A towing company shall not be responsible for damage that occurred
24	prior to taking possession of the motor vehicle for towing.
25	→SECTION 4. A NEW SECTION OF KRS CHAPTER 281 IS CREATED TO
26	READ AS FOLLOWS:
27	(1) (a) This section applies to any towing company that engages in, or offers to

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1	engage in, private property towing.
2	(b) This section does not apply to the towing of a motor vehicle from a tow
3	away zone that is not located on private property.
4	(2) Prior to removing a motor vehicle from a tow truck under this section, a towin
5	company that engages in or offers to engage in private property towing shall tak
6	photographs, video, or other visual documentation to document evidence of an
7	vehicle damage, debris, or damaged cargo or property, or complications to the
8	recovery process.
9	(3) A private property owner may establish a tow-away zone on the owner's propert
10	A property owner that establishes a tow-away zone under this subsection sha
11	post at the location of the tow-away zone a sign that is clearly visible to the
12	public. The sign shall include a statement that the area is a tow-away zon
13	pertinent contact information, and a description of any persons authorized t
14	park or prohibited from parking in the area.
15	(4) A towing company that tows a motor vehicle under this section shall ensure the
16	the motor vehicle is towed to a storage facility located within twenty-five (25)
17	miles of the location of the tow-away zone from which the motor vehicle wa
18	removed or, if no storage facility is located within twenty-five (25) miles of the
19	location of the tow-away zone, to the storage facility nearest to the tow-away zone
20	(5) If the owner or operator of a motor vehicle parked in violation of a tow-awa
21	zone arrives at the location of the tow-away zone or private property while the
22	motor vehicle is being towed, the towing company shall give the owner of
23	operator either oral or written notification that the owner or operator may pay
24	fee in an amount not greater than fifty percent (50%) of the amount of the fee th
25	towing company normally charges for the release of a motor vehicle. Upon the
26	owner's or operator's payment of the amount specified, the towing company sha
27	release the motor vehicle to the owner or operator and give the owner or operato

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1		a receipt showing the full amount of the fee the towing company normally
2		charges for the release of a motor vehicle and the amount of the fee paid by the
3		owner or operator.
4	<u>(6)</u>	A towing company shall provide notice to the law enforcement agency having
5		jurisdiction in the location of the private property not later than two (2) hours
6		after completing a tow of a motor vehicle from private property.
7	<u>(7)</u>	A towing company that performs private property towing shall secure a towed
8		motor vehicle properly and take all reasonable efforts to prevent further damage,
9		including weather damage, or theft of a towed motor vehicle, including the motor
10		vehicle's cargo and contents until the motor vehicle is out of the towing
11		company's possession. A towing company shall not be responsible for damage
12		that occurred prior to taking possession of the motor vehicle for towing.
13		→ SECTION 5. A NEW SECTION OF KRS CHAPTER 281 IS CREATED TO
14	REA	AD AS FOLLOWS:
15	<u>(1)</u>	This section applies to any towing company that engages in, or offers to engage
16		in, emergency towing.
17	<u>(2)</u>	Prior to attaching a motor vehicle to the tow truck, the towing company shall
18		furnish the vehicle's owner or operator, if the owner or operator is present at the
19		scene of the disabled vehicle and upon the owner's or operator's request, a rate
20		sheet listing all rates for towing services, including but not limited to all rates for
21		towing and associated fees, cleanup, labor, storage, and any other services
22		provided by the towing company.
23	<u>(3)</u>	(a) Any towing company or storage facility shall post a rate sheet at its place of
24		business and shall make the rate sheet available upon a customer's request.
25		(b) Any charge in excess of the rate sheets provided under this subsection shall
26		be deemed excessive.
27	<i>(4)</i>	An itemized invoice of actual towing charges assessed by a towing company for a

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1	completed tow shall be made available to the owner of the motor vehicle or the
2	owner's agent no later than one (1) business day after:
3	(a) The tow is completed; or
4	(b) The towing company has obtained all necessary information to be included
5	on the invoice, including any charges submitted by subcontractors used by
6	the towing company to complete the tow and recovery.
7	(5) The itemized invoice required under subsection (4) of this section shall contain
8	the following information:
9	(a) The date and time the motor vehicle was towed;
10	(b) The location to which the motor vehicle was towed;
11	(c) The name, address, and telephone number of the towing company;
12	(d) A description of the towed motor vehicle, including the color, make, model,
13	year, and vehicle identification number of the motor vehicle;
14	(e) The license plate number and state of registration for the towed motor
15	<u>vehicle;</u>
16	(f) The cost of the original towing service;
17	(g) The cost of any vehicle storage fees, expressed as a daily rate;
18	(h) Other fees, including documentation fees and motor vehicle search fees;
19	<u>and</u>
20	(i) A list of the services that were performed under a warranty or that were
21	otherwise performed at no cost to the owner of the motor vehicle.
22	(6) Any service or fee in addition to the services or fees described in subsection (5)(f),
23	(g), or (h) of this section shall be set forth individually as a single line item on the
24	invoice required by this section, with an explanation and the exact charge for the
25	service or the exact amount of the fee.
26	(7) A copy of each invoice and receipt submitted by a tow truck operator in
27	accordance with this section shall:

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I	(a) Be retained by the towing company for a period of two (2) years from the
2	date of issuance; and
3	(b) Throughout the two (2) year period described in this subsection, be made
4	available for inspection and copying not later than forty-eight (48) hours
5	after receiving a written request for inspection from:
6	1. A law enforcement agency;
7	2. The Attorney General;
8	3. A city attorney, county attorney, or the prosecuting attorney having
9	jurisdiction in the location of any of the towing company's business
10	locations;
11	4. The disabled motor vehicle's owner or lienholder;
12	5. An agent of the disabled motor vehicle's owner or lienholder; or
13	6. Any individual involved in the underlying collision, his or her
14	respective insurance companies, or his or her legal representatives, if
15	the disabled motor vehicle was involved in a collision.
16	→ SECTION 6. A NEW SECTION OF KRS CHAPTER 281 IS CREATED TO
17	READ AS FOLLOWS:
18	(1) Within one (1) business day of the removal, a towing company shall contact the
19	cabinet in order to ascertain the identity of the owner and any lienholder of any
20	motor vehicle registered in Kentucky which it has towed and, within ten (10) days
21	of the removal, shall, by certified mail, provide notice to the owner and any
22	lienholder at the address or addresses of record, when a motor vehicle has been:
23	(a) Towed under Section 4 or 5 of this Act;
24	(b) Involuntarily towed or transported pursuant to order of police, other public
25	authority, or private person or business for any reason;
26	(c) Stolen or misappropriated and its removal from the public ways has been
27	ordered by police, other public authority, or by private person or business;

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1		<u>or</u>
2	<u>(d)</u>	In any other situation, involuntarily towed or transported by order of police,
3		other authority, or by private person or business. If the lienholder is a
4		registered organization listed in the business records of the Secretary of
5		State, the cabinet shall provide the address listed for the lienholder.
6	(2) The	cabinet shall, within two (2) business days, provide the towing company the
7	nam	e and address of the owner and lienholder of any motor vehicle requested
8	purs	suant to subsection (1) of this section.
9	(3) (a)	If a vehicle described in subsection (1) of this section is placed in a garage
10		or other storage facility, the owner of the facility shall provide the notice
11		required in subsection (1) of this section, by certified mail, to the owner and
12		any lienholder at the address or addresses of record of the motor vehicle
13		within ten (10) days of recovery of, or taking possession of, the motor
14		vehicle.
15	<u>(b)</u>	Any notice sent under this subsection shall comply with the notification
16		provisions of subsection (4) of this section and shall include an estimated
17		itemized invoice pursuant to subsection (5) of Section 5 of this Act that
18		specifies the amount of charges for towing, recovery, storage, transporting,
19		and other applicable charges due on the vehicle.
20	<u>(c)</u>	If the owner of the storage facility fails to provide notice as provided in this
21		section, the motor vehicle storage facility shall forfeit all storage fees
22		accrued after ten (10) days from the date of tow.
23	<u>(d)</u>	This subsection shall not apply to a garage or storage facility owned or
24		operated by a government entity.
25	(4) Any	notification required under subsection (1) or (2) of this section shall include:
26	<u>(a)</u>	The date and time the vehicle was towed;
27	(b)	The location from which the vehicle was towed;

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1	(c) The name, address, and telephone number where the vehicle will be located
2	(d) The location, address, and phone number where payment and business
3	transactions take place if different from the business address;
4	(e) The name, address, and phone number of the towing company or storage
5	<u>facility;</u>
6	(f) A description of the towed vehicle which shall at a minimum include the
7	make, model, year, vehicle identification number, and color of the tower
8	<u>vehicle;</u>
9	(g) The license plate number and state of registration of the towed vehicle; and
10	(h) A copy of the rate sheet required in subsection (2) of Section 5 of this Act, i
11	the vehicle was towed by a towing company operating under this chapter
12	and vehicles are being held in a storage facility or garage.
13	(5) If a vehicle described in subsection (1) of this section is determined to be a
14	corporately owned motor vehicle, the notices required under subsections (1) and
15	(2) of this section shall be sent to the corporate address listed on the registration
16	A motor vehicle under this subsection shall be held for up to forty-five (45) days
17	to allow the motor vehicle owner or lienholder to retrieve the towed motor vehicle
18	The rate charged shall be the standard daily rate of the towing company of
19	storage facility. If at any time more than one (1) motor vehicle owned by the same
20	corporation is under the control of a towing company or storage facility, each
21	motor vehicle shall be processed under a separate transaction.
22	(6) A towing company or storage facility that has met the provisions of this section
23	may sell the towed vehicle in accordance with Section 11 of this Act.
24	→ SECTION 7. A NEW SECTION OF KRS CHAPTER 281 IS CREATED TO
25	READ AS FOLLOWS:
26	(1) This section applies to towing companies that tow and store motor vehicles, and
27	to storage facilities that store vehicles towed by a towing company, regardless o

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1		whe	ther the towing company and the storage facilities are affiliates.
2	<u>(2)</u>	Upo	on payment of all costs incurred against a motor vehicle towed and stored
3		und	er this chapter, the towing company or storage facility shall release the motor
4		vehi	icle to:
5		<u>(a)</u>	A properly identified owner or lienholder of the motor vehicle; or
6		<u>(b)</u>	An authorized representative of the insurance company or its contracted
7			service provider insuring the motor vehicle if the:
8			1. Motor vehicle is covered by an active policy of insurance and the
9			insurance representative provides proof of coverage; or
10			2. Owner of the motor vehicle approves release of the vehicle to the
11			insurance company representative.
12	<u>(3)</u>	(a)	Prior to payment of fees and release of the motor vehicle, a storage facility
13			or towing company shall not refuse the right of physical inspection of the
14			towed vehicle during posted business hours by:
15			1. An owner;
16			2. A lienholder;
17			3. A representative of the insurance company that insures the motor
18			<u>vehicle; or</u>
19			4. A contracted service provider of the insurance company.
20		<u>(b)</u>	The inspection of a vehicle that is being held as evidence by a law
21			enforcement agency shall only occur if authorized by the investigating law
22			enforcement agency. The law enforcement agency may impose any or all of
23			the following restrictions:
24			1. Restrict the inspection to visual and touchless only; or
25			2. Require any persons or entities outlined in paragraph (a) of this
26			subsection to be accompanied by a law enforcement officer.
2.7	(4)	A to	owing company or storage facility shall accept payment made by any of the

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1		following means from an individual seeking to release a motor vehicle:
2		(a) Cash;
3		(b) Check from an insurer or its agent;
4		(c) Credit card;
5		(d) Debit card;
6		(e) Money order; or
7		(f) Check drawn by a bank or other financial institution.
8	<u>(5)</u>	Upon receiving payment of all costs incurred against a motor vehicle, a towing
9		company or storage facility shall provide to the person making payment an
10		itemized receipt in accordance with subsections (4) and (5) of Section 5 of this
11		Act to the extent the information is known or available.
12	<u>(6)</u>	A towing company or storage facility shall be open for business or accessible by
13		telephone during posted business hours. A towing company or storage facility
14		shall provide a telephone number available on a twenty-four (24) hour basis to
15		receive calls and messages from callers, including calls made outside posted
16		business hours. All calls made to a towing company or storage facility shall be
17		returned within twenty-four (24) hours from the time received. However, if
18		adverse weather, an emergency situation, or another act over which the towing
19		company or storage facility has no control prevents the towing company or
20		storage facility from returning calls within twenty-four (24) hours, the towing
21		company or storage facility shall return all calls received as quickly as possible.
22		→SECTION 8. A NEW SECTION OF KRS CHAPTER 281 IS CREATED TO
23	REA	AD AS FOLLOWS:
24	<u>(1)</u>	A towing company or storage facility shall not charge a fee for towing, cleanup
25		services, storage of a motor vehicle, or a combination thereof that is in excess of
26		the rate sheets required in Section 5 of this Act.
27	<u>(2)</u>	All services rendered by a towing company or storage facility, including warranty

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1	or no-cost services, shall be recorded on an invoice. The storage facility, towing
2	company, or the owner or operator of a tow truck, shall maintain the records for
3	two (2) years, including rate sheets, and shall make the records available for
4	inspection and copying upon written request from law enforcement or the
5	cabinet. Records maintained under this section shall be kept in paper or
6	electronic form.
7	→SECTION 9. A NEW SECTION OF KRS CHAPTER 281 IS CREATED TO
8	READ AS FOLLOWS:
9	(1) A towing company shall not:
10	(a) Falsely represent that the towing company represents or is approved by any
11	law enforcement agency, or any organization that provides emergency road
12	service for disabled motor vehicles;
13	(b) Require an owner or operator of a disabled motor vehicle to preauthorize
14	more than twenty-four (24) hours of storage or repair work as a condition
15	to providing towing service for the disabled vehicle;
16	(c) Charge more than one (1) towing fee when the owner or operator of a
17	disabled motor vehicle requests transport of the motor vehicle to a repair
18	facility owned or operated by the towing company; or
19	(d) Tow a motor vehicle to a repair facility, unless the owner of the motor
20	vehicle or the owner's designated representative gives consent and the
21	consent is given prior to the removal of the motor vehicle from the location
22	from which the motor vehicle is to be towed. This paragraph shall not apply
23	to a storage facility that has a repair facility on the same site so long as the
24	motor vehicle is not moved into the repair facility without consent.
25	(2) A towing company or storage facility shall not:
26	(a) Upon payment of all costs incurred against a motor vehicle towed and
27	stored under this chapter, refuse to release the motor vehicle to a properly

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1		identified owner or lienholder of the motor vehicle or to an authorized
2		representative of the insurance company insuring the motor vehicle or the
3		insurance company's contracted provider, if the motor vehicle is covered by
4		an active policy of insurance. Motor vehicle release under this paragraph
5		shall not apply to any case in which a law enforcement agency has ordered
6		the motor vehicle not to be released or in any case in which a judicial order
7		prohibits its release;
8	<u>(b)</u>	Refuse to permit a properly identified owner or lienholder of a motor
9		vehicle or a representative of the insurance company insuring the motor
10		vehicle if the motor vehicle is covered by an active policy of insurance to
11		inspect the motor vehicle during posted business hours before all costs
12		incurred against the motor vehicle are paid or the motor vehicle is released;
13		<u>or</u>
14	<u>(c)</u>	Charge a storage fee for a stored motor vehicle with respect to any day on
15		which release of the motor vehicle or inspection of the motor vehicle by the
16		owner, lienholder, or insurance company is not permitted during posted
17		business hours by the towing company or storage facility.
18	→ S	ECTION 10. A NEW SECTION OF KRS CHAPTER 281 IS CREATED TO
19	READ A	S FOLLOWS:
20	The cabi	net shall be held harmless for any mistakes, errors, delays, or property damage
21	to any m	otor vehicle in relation to the towing or storage of a vehicle under Sections 2
22	to 10 of t	his Act.
23	→ S	ection 11. KRS 359.230 is amended to read as follows:
24	(1) (a)	If the occupant is in default for a period of more than forty-five (45) days, the
25		operator may enforce a lien by selling the property stored in the leased space
26		at a public or private sale, for cash.
27	(b)	Proceeds shall then be applied to satisfy the lien, with any surplus disbursed as

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1			provid	led in subsection (5) of this section.		
2	(2)	Befo	Before conducting a sale under subsection (1) of this section, the operator shall:			
3		(a)	Notify the occupant of the default by regular or verified electronic mail at the			
4			occup	ant's last known address;		
5		(b)	Send	a second notice of default by verified mail or verified electronic mail to		
6			the oc	cupant at the occupant's last known address which includes:		
7			1.	A statement that the contents of the occupant's leased space are subject		
8			1	to the operator's lien;		
9			2.	A statement of the operator's claim, indicating the charges due on the		
10			•	date of the notice, the amount of any additional charges which shall		
11			1	become due before the date of sale, and the date those additional charges		
12			:	shall become due;		
13			3.	A demand for payment of the charges due within a specified time, not		
14]	less than fourteen (14) days after the date of the notice;		
15			4.	A statement that unless the claim is paid within the time stated, the		
16			(contents of the occupant's leased space shall be sold at a specified time		
17			;	and place; and		
18			5.	The name, street address, and telephone number of the operator, or his		
19			•	or her designated agent, whom the occupant may contact to respond to		
20			1	the notice; and		
21		(c)	At lea	st three (3) days before the sale, advertise the time, place, and terms of		
22			the sa	le in a newspaper of general circulation in the jurisdiction where the sale		
23			is to b	e held.		
24	(3)	At a	ny tim	e before a sale under this section, the occupant may pay the amount		
25		nece	necessary to satisfy the lien and redeem the occupant's personal property.			
26	(4)	The	sale ui	nder this section shall be held at the self-service storage facility, the		

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location of the self-contained storage unit where the personal property is stored, or a

1		publ	icly accessible Web site.
2	(5)	If a	sale is held under this section, the operator shall:
3		(a)	Satisfy the lien from the proceeds of the sale;
4		(b)	Hold the balance, if any, for delivery to any other recorded lienholders who
5			present claims within sixty (60) days. Notwithstanding Article 9 of KRS
6			Chapter 355, claims shall be satisfied on a first come first served basis; and
7		(c)	Deliver, upon expiration of sixty (60) days, the balance of any remaining
8			proceeds to the occupant.

- 9 (6) A purchaser in good faith of any personal property sold under KRS 359.200 to
- 10 359.250 takes the property free and clear of any rights of:
- 11 Persons against whom the lien was valid; and
- 12 (b) Other lienholders.
- 13 If the operator complies with the provisions of KRS 359.200 to 359.250, the 14 operator's liability:
- 15 To the occupant shall be limited to the net proceeds received from the sale of (a) 16 the personal property;
- 17 To other lienholders shall be limited to the net proceeds received from the sale (b) of any personal property covered by that other lien; and 18
- 19 (c) To the occupant or valid lienholders shall be relieved upon full distribution of 20 proceeds in accordance with the provisions of KRS 359.200 to 359.250.
- 21 (8)If an occupant is in default, the operator may deny the occupant access to the leased 22 space.
- 23 (9)Unless otherwise specifically provided, all notices required by KRS 359.200 24 to 359.250 shall be sent by verified mail or verified electronic mail.
- 25 1. Notices sent to the operator shall be sent to the operator's principal (b) 26 office, as listed on the rental agreement.
- 27 2. Notices to the occupant shall be sent to the occupant at the occupant's

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2 (c) Notices shall be deemed delivered when deposited with the United States
3 Postal Service, properly addressed as provided in paragraph (b) of this
4 subsection, with postage paid, or sent by verified electronic mail.

- (10) Provided, however, unless the rental agreement specifically provides otherwise and until a lien sale under KRS 359.200 to 359.250, the exclusive care, custody, and control of all personal property stored in the leased space shall remain vested in the occupant.
- 9 (11) If the rental agreement specifies a limit on the value of the personal property that
 10 may be stored in the occupant's leased space, the limit shall be deemed to be the
 11 maximum value of the stored personal property.
 - (12) If the occupant is in default for more than sixty (60) days and the personal property stored in the leased space is a motor vehicle as defined in KRS 376.268, the operator may, in lieu of a sale authorized in this chapter, have the vehicle or watercraft towed or removed from the self-service storage facility, and the towing company shall execute the notice provisions as specified in *Section 6 of this Act*[KRS 376.275].
 - → Section 12. KRS 376.275 is amended to read as follows:
- 19 (1) When a motor vehicle has been involuntarily towed or transported pursuant to 20 order of police, other public authority, or private person or business for any reason 21 or when the vehicle has been stolen or misappropriated and its removal from the 22 public ways has been ordered by police, other public authority, or by private person 23 or business, or in any other situation where a motor vehicle has been involuntarily 24 towed or transported by order of police, other authority, or by private person or 25 business, the police, other authority, private person or business shall attempt to ascertain from the Transportation Cabinet the identity of the registered owner of the 26 motor vehicle or lessor of a motor carrier as defined in KRS Chapter 281 and within 27

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ten (10) business days of the removal shall, by certified mail, attempt to notify the registered owner at the address of record of the make, model, license number and vehicle identification number of the vehicle and of the location of the vehicle, and the requirements for securing the release of said motor vehicle.

(2) If a vehicle described in subsection (1) of this section is placed in a garage or other storage facility, the owner of the facility shall attempt to provide the notice provided in subsection (1) of this section, by certified mail, to the registered owner at the address of record of the motor vehicle or lessor of a motor carrier as defined in KRS Chapter 281 within ten (10) business days of recovery of, or taking possession of the motor vehicle. The notice shall contain the information as to the make, model, license number and vehicle identification number of the vehicle, the location of the vehicle and the amount of reasonable charges for towing, recovery, storage, transporting, and other applicable charges due on the vehicle. When the owner of the facility fails to provide notice as provided herein, the motor vehicle storage facility shall forfeit all storage fees accrued after ten (10) business days from the date of tow. This subsection shall not apply to a garage or storage facility owned or operated by a government entity.

(3)] (a) Any person engaged in the business of storing or towing motor vehicles, who has [substantially] complied with the notification [aforementioned] requirements of Section 6 of this Act [this section], shall have a lien on the motor vehicle and its contents, except as set forth in subsection (2)[(4)] of this section, for the applicable and reasonable charges assessed in accordance with Sections 5 and 8 of this Act [reasonable or agreed charges for towing, recovery, storage, transporting, and other applicable charges due on the vehicle], as long as it remains in his or her possession.

(b) [Prior to payment of fees and release of a vehicle, a towing or storage company shall not refuse the right of physical inspection of the towed vehicle

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by the owner or an insurance company representative. Release of the vehicle shall occur to the owner or insurance company representative upon payment and consent of the release from the owner or the owner's authorized representative. Each additional service shall be set forth individually as a single line item in the bill with an explanation and the exact charge for the service.

(e) If, after a period of forty-five (45) days, the applicable and reasonable charges assessed in accordance with Sections 5 and 8 of this Act[reasonable or agreed charges for towing, recovery, storage, transporting, and other applicable charges due on a motor vehicle and its contents] have not been paid, the motor vehicle and its contents, except as set forth in subsection (2)[(4)] of this section, may be sold to pay the charges after the owner and any lienholder have has been notified by certified mail at the addresses specified in subsection (1) of Section 6 of this Act, ten (10) days prior to the time and place of the sale. If the proceeds of the sale of any vehicle pursuant to this section are insufficient to satisfy accrued charges for towing, transporting, and storage, the sale and collection of proceeds shall not constitute a waiver or release of responsibility for payment of unpaid towing, transporting, and storage charges by the owner or responsible casualty insurer of the vehicle. A lien on a vehicle under this subsection shall be subject to prior recorded liens, unless released by any existing lienholder pursuant to paragraph (c) of subsection (1) of this section.

(c)[(d)] A lien holder having a prior recorded lien listed on the title issued by the Commonwealth of Kentucky shall be notified by certified mail within the first ten (10)[fifteen (15)] days of impoundment in accordance with Section 6 of this Act. Such notification, in addition to the requirements of Section 6 of this Act[The letter] shall include the make, model, license number, vehicle

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<u>(2)[(4)]</u>

(b)

	identification number, owner's name and last known address, and tentative				
	date of sale for the vehicle, and state that the towing company or storage				
	facility seeks to obtain a new title free and clear of any liens, excluding tax				
	<u>liens</u> . If the above-referenced certified letter is not sent within the <u>ten</u>				
	(10)[fifteen (15)] days by the towing and storage company, then only ten				
	(10)[fifteen (15)] days of storage may be charged. The lien holder has the right				
	to take possession of the motor vehicle after showing proof of lien still				
	enforced, and paying the reasonable or agreed towing and storage charges on				
	the motor vehicle. If a lienholder does not exercise the right to take				
	possession of the motor vehicle under this paragraph within forty-five (45)				
	days of notification, and all lienholders agree in writing, the tow company				
	or storage facility may obtain a new title under Section 14 of this Act free				
	and clear of any liens, excluding tax liens. Nothing in this section shall allow				
	the transfer of a vehicle subject to a lien, except as provided in KRS				
	186A.190.				
<u>(d)</u>	If there are no lienholders required to be notified under Sections 2 to 10, 11,				
	and 12 of this Act, and the owner does not exercise the right to take				
	possession of the motor vehicle under this section within forty-five (45) days				
	of notification required under Section 6 of this Act, the tow company or				
	storage facility may obtain a new title under Section 14 of this Act free and				
	clear of any liens, excluding tax liens.				
1)]	Subsection $(1)(3)$ of this section shall not apply to the following contents of				
a m	otor vehicle, which shall be released to the vehicle owner or the owner's				
desig	gnated agent upon request, if the request is made within forty-five (45) days of				
the date the vehicle was towed:					
(a)	Prescription medication in its proper container;				

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Personal medical supplies and equipment or records;

1	(c)	Educational materials, including but not limited to calculators, books, papers,
2		and school supplies;
3	(d)	Documents, files, electronic devices, or equipment which may be able to store
4		personal information or information relating to a person's employment or
5		business;
6	(e)	Firearms and ammunition. Notwithstanding the provisions of subsection
7		(3)[(5)] of this section, firearms and ammunition which are not claimed by the
8		owner of the vehicle within forty-five (45) days of the date the vehicle was
9		towed shall be transferred to the Department of Kentucky State Police for
10		disposition as provided by KRS 16.220;
11	(f)	Cargo in the possession of persons engaged in transportation in interstate
12		commerce as registered under KRS 186.020;
13	(g)	Cargo in the possession of an integrated intermodal small package carrier as
14		defined by KRS 281.605(12);
15	(h)	Child restraint systems or child booster seats; and
16	(i)	Checks, checkbooks, debit or credit cards, money orders, stocks, or bonds.
17	<u>(3)</u> [(5)]	Except as provided [for] in subsection $(2)(e)[(4)(e)]$ of this section, any
18	cont	ents exempted under subsection $(2)(c)$, (d) , (f) , and (g) $[(4)]$ of this section that
19	are i	not claimed by the owner of the vehicle within forty-five (45) days of the date
20	the v	vehicle was towed may be sold or otherwise legally disposed of by the storage
21	or to	owing company. Any contents exempted under subsection (2)(a), (b), (h), and
22	(i) o	f this section that are not claimed by the owner of the vehicle within forty-five
23	<u>(45)</u>	days of the date the vehicle was towed shall not be sold, but shall be
24	<u>othe</u>	rwise legally disposed of by the storage or towing company.
25	<u>(4)[(6)]</u>	The storage or towing company shall not be responsible for contents in a
26	vehi	cle's trunk or other locked compartment to which the storage or towing
27	com	pany is without access, unless the towing company intentionally opens the area

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1		without the owner's consent.
2	<u>(5)</u> [(7)] [The provisions of]This section shall not apply when a local government
3		causes a vehicle to be towed pursuant to KRS 82.605 to 82.640 or if state
4		government causes a vehicle to be towed.
5		→ Section 13. KRS 189.725 is amended to read as follows:
6	(1)	Any owner or attendant of a privately owned parking lot may have <u>a towing</u>
7		<u>company remove</u> [removed] from the lot any unauthorized <u>parked</u> vehicle[parked].
8		A towing company[and any person] engaged to remove such vehicle shall have a
9		lien on the vehicle in accordance with <u>Section 12 of this Act</u> [KRS 376.275].
10	(2)	Every operator of a parking lot covered by [the provisions of] subsection (1) of this
11		<u>section</u> shall post signs stating thereon that the parking lot is privately owned and
12		unauthorized vehicles will be towed away at the owner's expense.
13		→ Section 14. KRS 186A.145 is amended to read as follows:
14	<i>(1)</i>	Except as provided in subsections (2) and (3) of this section, a county clerk shall
15		not process an application for Kentucky title and registration from or to any
16		Kentucky resident who has a delinquent motor vehicle ad valorem property tax
17		account.
18	<u>(2)</u>	This <u>section</u> [provision] shall not apply to transactions involving:
19		(a) Licensed Kentucky motor vehicle dealers:
20		(b) A person who is engaged in the business of storing or towing motor
21		vehicles, applying for a new title under subsection (1)(c) of Section 12 of
22		this Act; or
23		(c) A secured party applying for a repossession title under KRS 186.045 (6).
24	<u>(3)</u>	(a) For any vehicle obtained as the result of a claim on a motor vehicle
25		insurance policy, an insurer and its agent shall not be responsible for the
26		payment of any delinquent motor vehicle ad valorem property taxes owed by
27		any previous owner, when:

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1	1. Applying for a regular or salvage title; or
2	2. Transferring ownership of the vehicle to another party.
3	(b) The owner of a motor vehicle that was transferred to an insurer or its agent
4	under paragraph (a) of this subsection shall remain responsible for any
5	delinquent motor vehicle ad valorem property taxes owed prior to the
6	<u>transfer.</u>
7	(4) An insurer shall not be exempt from any motor vehicle ad valorem property taxes
8	owed on any vehicle that it owns:
9	(a) As a part of its business operations; or
10	(b) On January 1, that was obtained as the result of a claim on a motor vehicle
11	insurance policy.