

1 AN ACT relating to peer-to-peer car sharing.

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 reimbursement  
7 of the expense or a portion thereof for towing of a motor vehicle; emergency road  
8 service; matters relating to the operation, use, and maintenance of a motor vehicle;  
9 and the supplying of services which includes, augments, or is incidental to theft or  
10 reward services, discount services, arrest bond services, lock and key services, trip  
11 interruption services, and legal fee reimbursement services in defense of traffic-  
12 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) "Automobile utility trailer certificate" means a certificate authorizing a person to  
16 engage in the business of automobile utility trailer lessor;
- 17 (4) "Automobile utility trailer lessor" means any person operating under an automobile  
18 utility trailer certificate who is engaged in the business of leasing or renting  
19 automobile utility trailers, but shall not include the agents of such persons;
- 20 (5) "Broker" means a person selected by the cabinet through a request for proposal  
21 process to coordinate human service transportation delivery within a specific  
22 delivery area. A broker may also provide transportation services within the specific  
23 delivery area for which the broker is under contract with the cabinet;
- 24 (6) "Bus" means a motor vehicle operating under a bus certificate transporting  
25 passengers for hire between points over regular routes;
- 26 (7) "Bus certificate" means a certificate granting authority for the operation of one (1)  
27 or more buses;

- 1 (8) "Cabinet" means the Kentucky Transportation Cabinet;
- 2 (9) "Certificate" means a certificate of compliance issued under this chapter to motor  
3 carriers;
- 4 (10) "Charter bus" means a motor vehicle operating under a charter bus certificate  
5 providing for-hire intrastate transportation of a group of persons who, pursuant to a  
6 common 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 itinerary either specified in advance or modified after having left the place of origin;
- 9 (11) "Charter bus certificate" means a certificate granting authority for the operation of  
10 one (1) or more charter buses;
- 11 (12) "Commissioner" means the commissioner of the Department of Vehicle Regulation;
- 12 (13) "CTAC" means the Coordinated Transportation Advisory Committee created in  
13 KRS 281.870;
- 14 (14) "Department" means the Department of Vehicle Regulation;
- 15 (15) "Delivery area" means one (1) or more regions established by the cabinet in  
16 administrative regulations promulgated under KRS Chapter 13A for the purpose of  
17 providing human service transportation delivery in that region;
- 18 (16) "Disabled persons vehicle carrier" means a motor carrier for hire, transporting  
19 passengers including the general public who require transportation in disabled  
20 persons vehicles;
- 21 (17) "Disabled persons vehicle" means a motor vehicle operating under a disabled  
22 persons vehicle certificate especially equipped for the transportation of passengers  
23 with disabilities in accordance with 49 C.F.R. pt. 38, and is designed or constructed  
24 with not more than fifteen (15) regular seats. It shall not mean an ambulance as  
25 defined in KRS 311A.010. It shall not mean a motor vehicle equipped with a  
26 stretcher;
- 27 (18) "Disabled persons vehicle certificate" means a certificate granting authority for the

- 1 operation of one (1) or more disabled persons vehicles transporting passengers for  
2 hire;
- 3 (19) "Driveaway" means the transporting and delivering of motor vehicles, except  
4 semitrailers and trailers, whether destined to be used in either a private or for-hire  
5 capacity, under their own power or by means of a full mount method, saddle mount  
6 method, the tow bar method, or any combination of them over the highways of this  
7 state from any point of origin to any point of destination for hire. "Driveaway" does  
8 not include the transportation of such vehicles by the full mount method on trailers  
9 or semitrailers;
- 10 (20) "Driveaway certificate" means a certificate granting authority for the operation of  
11 one (1) or more motor carrier vehicles operating as a driveaway;
- 12 (21) "Driver" means the person physically operating the motor vehicle;
- 13 (22) "Flatbed/rollback service" means a form of towing service which involves moving  
14 vehicles by loading them onto a flatbed platform;
- 15 (23) "Highway" means all public roads, highways, streets, and ways in this state, whether  
16 within a municipality or outside of a municipality;
- 17 (24) "Household goods" has the same meaning as in 49 C.F.R. sec. 375.103;
- 18 (25) "Household goods carrier" has the same meaning as "household goods motor  
19 carrier" in 49 C.F.R. sec. 375.103;
- 20 (26) "Household goods certificate" means a certificate granting authority for the  
21 operation of one (1) or more household goods vehicles;
- 22 (27) "Human service transportation delivery" means the provision of transportation  
23 services to any person that is an eligible recipient in one (1) of the following state  
24 programs:
- 25 (a) Nonemergency medical transportation under KRS Chapter 205;
- 26 (b) Mental health, intellectual disabilities, or comprehensive care under KRS  
27 Chapter 202A, 202B, 210, or 645;

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

1 a unit in combination with other vehicles;

2 (38) "Passenger" means an individual or group of people;

3 (39) **"Peer-to-peer car sharing":**

4 **(a) Means the authorized use of a motor vehicle by an individual other than the**  
5 **vehicle's owner through a peer-to-peer car sharing program; and**

6 **(b) Does not:**

7 **1. Include the operation of a U-Drive-It as defined in this section; or**

8 **2. Involve the sale or provision of rental vehicle insurance as defined in**  
9 **KRS 304.9-020;**

10 **(40) "Peer-to-peer car sharing company" means a person that operates a peer-to-peer**  
11 **car sharing program;**

12 **(41) "Peer-to-peer car sharing certificate" means a certificate granting the authority**  
13 **for the operation of a peer-to-peer car sharing program;**

14 **(42) "Peer-to-peer car sharing program":**

15 **(a) Means a business platform that connects shared vehicle owners with shared**  
16 **vehicle drivers to enable the sharing of motor vehicles for financial**  
17 **consideration; and**

18 **(b) Does not include a:**

19 **1. U-Drive-It;**

20 **2. Motor vehicle renting company as defined in KRS 281.687;**

21 **3. Rental vehicle agent as defined in KRS 304.9-020; or**

22 **4. Service provider that is solely providing hardware or software as a**  
23 **service to a person or entity that is not effectuating payment of**  
24 **financial consideration for use of a shared vehicle;**

25 **(43) "Permit" means a temporary permit of compliance issued under this chapter for a**  
26 **specified period not to exceed ten (10) days, and for a specific vehicle, to any motor**  
27 **carrier, including one who is a nonresident of the Commonwealth, who operates a**

1 motor vehicle and is not entitled to an exemption from the payment of fees imposed  
2 under KRS 186.050 because of the terms of a reciprocal agreement between the  
3 Commonwealth and the state in which the vehicle is licensed;

4 ~~(44)~~~~((40))~~ "Person" means any individual, firm, partnership, corporation, company,  
5 association, or joint stock association, and includes any trustee, assignee, or  
6 personal representative thereof;

7 ~~(45)~~~~((41))~~ "Platoon" means a group of two (2) individual commercial motor vehicles  
8 traveling in a unified manner at electronically coordinated speeds at following  
9 distances that are closer than would ordinarily be allowed under KRS  
10 189.340(8)(b);

11 ~~(46)~~~~((42))~~ "Prearranged ride" means the period of time that begins when a transportation  
12 network company driver accepts a requested ride through a digital network or  
13 mobile application, continues while the driver transports the rider in a personal  
14 vehicle, and ends when the transportation network company services end;

15 ~~(47)~~~~((43))~~ "Pre-trip acceptance liability policy" means the transportation network  
16 company liability insurance coverage for incidents involving the driver for a period  
17 of time when a driver is logged into a transportation network company's digital  
18 network or mobile application but is not engaged in a prearranged ride;

19 ~~(48)~~~~((44))~~ "Property" means general or specific commodities, including hazardous and  
20 nonhazardous materials;

21 ~~(49)~~~~((45))~~ "Property certificate" means a certificate granting authority for the  
22 transportation of property, other than household goods, not exempt under KRS  
23 281.605;

24 ~~(50)~~~~((46))~~ "Recovery":

25 (a) Means a form of towing service which involves moving vehicles by the use of  
26 a wheel-lift device, such as a lift, crane, hoist, winch, cradle, jack, automobile  
27 ambulance, tow dolly, or any other similar device as requested by a state or

1 local law enforcement agency; and

2 (b) Includes:

- 3 1. Relocating a vehicle or cargo from a place where towing is not possible
- 4 to a place where towing is possible; and
- 5 2. The cleanup of debris or cargo, and returning an area to pre-event
- 6 condition;

7 ~~(51)~~~~((47))~~ "Regular route" means the scheduled transportation of passengers between  
 8 designated points over designated routes under time schedules that provide a  
 9 regularity of services;

10 ~~(52)~~~~((48))~~ "Regular seat" means a seat ordinarily and customarily used by one (1)  
 11 passenger and, in determining such seating capacity, the manufacturer's rating may  
 12 be considered;

13 **(53) "Shared vehicle":**

14 **(a) Means a motor vehicle that is available for car sharing through a peer-to-**  
 15 **peer car sharing program; and**

16 **(b) Does not include a motor vehicle leased or rented by a person operating**  
 17 **under a U-Drive-It certificate;**

18 **(54) "Shared vehicle driver" means an individual who has been authorized to drive**  
 19 **the shared vehicle by the shared vehicle owner under a car sharing program**  
 20 **agreement;**

21 **(55) "Shared vehicle owner":**

22 **(a) Means the registered owner, or a person designated by the registered owner,**  
 23 **of a motor vehicle made available for sharing to shared vehicle drivers,**  
 24 **through a peer-to-peer car sharing program; and**

25 **(b) Does not include a:**

26 **1. Person operating a U-Drive-It;**

27 **2. Motor vehicle renting company as defined in KRS 281.687; or**

1                   **3. Rental vehicle agent as defined in KRS 304.9-020;**

2     ~~(56)~~~~(49)~~ "Storage facility" means any lot, facility, or other property used to store motor  
3           vehicles that have been removed from another location by a tow truck;

4     ~~(57)~~~~(50)~~ "Street hail" means a request for service made by a potential passenger using  
5           hand gestures or verbal statement;

6     ~~(58)~~~~(51)~~ "Subcontractor" means a person who has signed a contract with a broker to  
7           provide human service transportation delivery within a specific delivery area and  
8           who meets human service transportation delivery requirements, including proper  
9           operating authority;

10    ~~(59)~~~~(52)~~ "Tariff" means the listing of compensation received by a motor carrier for  
11          household goods that includes the manner in which and the amount of fares an  
12          authorized motor carrier may charge;

13    ~~(60)~~~~(53)~~ "Taxicab" means a motor vehicle operating under a taxicab certificate that is  
14          designed or constructed with not more than eight (8) regular seats and may be  
15          equipped with a taximeter;

16    ~~(61)~~~~(54)~~ "Taxicab certificate" means a certificate granting authority for the operation of  
17          one (1) or more taxicabs transporting passengers for hire;

18    ~~(62)~~~~(55)~~ "Taximeter" means an instrument or device approved by the department that  
19          automatically calculates and plainly indicates the charge to a passenger for hire who  
20          is being charged on the basis of mileage;

21    ~~(63)~~~~(56)~~ "Tow truck" means a motor vehicle equipped to provide any form of towing  
22          service, including recovery service or flatbed/rollback service;

23    ~~(64)~~~~(57)~~ "Tow truck operator" means an individual who operates a tow truck as an  
24          employee or agent of a towing company;

25    ~~(65)~~~~(58)~~ "Towing" means:

26          (a) Emergency towing, which is the towing of a motor vehicle, with or without  
27          the owner's consent, because of:



- 1           1.    A motor vehicle accident on a public highway;
- 2           2.    An incident related to an emergency; or
- 3           3.    An incident that necessitates the removal of the motor vehicle from a
- 4                 location for public safety reasons;
- 5       (b) Private property towing, which is the towing of a motor vehicle, without the
- 6                 owner's consent, from private property:
- 7           1.    On which the motor vehicle was illegally parked; or
- 8           2.    Because of an exigent circumstance necessitating its removal to another
- 9                 location; and
- 10       (c) Seizure towing, which is the towing of a motor vehicle for law enforcement
- 11                 purposes involving the:
- 12           1.    Maintenance of the chain of custody of evidence;
- 13           2.    Forfeiture of assets; or
- 14           3.    Delinquency of highway fuel tax, weight distance tax, or any other taxes
- 15                 and fees administered by the Transportation Cabinet;
- 16       ~~(66)~~~~(59)~~ "Towing company":
- 17       (a) Means a service or business operating as a motor carrier that:
- 18           1.    Tows or otherwise moves motor vehicles by means of a tow truck; or
- 19           2.    Owns or operates a storage lot;
- 20       (b) Includes a tow truck operator acting on behalf of a towing company when
- 21                 appropriate in the context; and
- 22       (c) Does not include an automobile club, car dealership, insurance company,
- 23                 repossession company, lienholders and entities hired by lienholders for the
- 24                 purpose of repossession, local government, or any other entity that contracts
- 25                 with a towing company;
- 26       ~~(67)~~~~(60)~~ "Transportation network company" or "TNC" means a person or entity that
- 27                 connects passengers through its digital network or mobile application to its drivers

1 for the provision of transportation network company services;

2 ~~(68)~~~~((61))~~ "Transportation network company certificate" or "TNC certificate" means a  
3 certificate granting the authority for the operation of one (1) or more transportation  
4 network company vehicles transporting passengers for hire;

5 ~~(69)~~~~((62))~~ "Transportation network company driver" or "TNC driver" means an  
6 individual who operates a motor vehicle that is owned or leased by the individual,  
7 or a motor vehicle for which the driver is an insured driver and has the permission  
8 of the owner or lessee of the motor vehicle, and used to provide transportation  
9 network company services;

10 ~~(70)~~~~((63))~~ "Transportation network company service" or "TNC service" means a  
11 prearranged passenger transportation service offered or provided through the use of  
12 a transportation network company mobile application or digital network to connect  
13 potential passengers with transportation network company drivers;

14 ~~(71)~~~~((64))~~ "Transportation network company vehicle" or "TNC vehicle" means a  
15 privately owned or leased motor vehicle, designed or constructed with not more  
16 than eight (8) regular seats, operating under a transportation network company  
17 certificate;

18 ~~(72)~~~~((65))~~ "U-Drive-It" means any person operating under a U-Drive-It certificate who  
19 leases or rents a motor vehicle for consideration to be used for the transportation of  
20 persons or property, but for which no driver is furnished, and the use of which  
21 motor vehicle is not for the transportation of persons or property for hire by the  
22 lessee or rentee; and

23 ~~(73)~~~~((66))~~ "U-Drive-It certificate" means a certificate granting authority for the operation  
24 of one (1) or more U-Drive-Its.

25 ➔Section 2. KRS 281.630 is amended to read as follows:

26 (1) A person shall not act as a motor carrier without first obtaining a certificate from  
27 the department.

1 (2) A certificate for the intrastate transportation of passengers or property, including  
2 household goods, shall be issued to any qualified applicant authorizing operation  
3 covered by the application, if it is found that the applicant conforms to the  
4 provisions of this chapter and the requirements of the administrative regulations  
5 promulgated in accordance with this section.

6 (3) (a) The department shall issue the following certificates:

- 7 1. Taxicab certificate;
- 8 2. Limousine certificate;
- 9 3. Disabled persons vehicle certificate;
- 10 4. Transportation network company certificate;
- 11 5. Household goods certificate;
- 12 6. Charter bus certificate;
- 13 7. Bus certificate;
- 14 8. U-Drive-It certificate;
- 15 9. Property certificate;
- 16 10. Driveaway certificate; ~~and~~

17 **11. Peer-to-peer car sharing certificate; and**

18 **12.**~~11.~~ Automobile utility trailer certificate.

19 (b) Application for a certificate shall be made in such form as the department may  
20 require. The department shall receive an application fee of two hundred fifty  
21 dollars (\$250) for all applications, except that the department shall receive an  
22 application fee of twenty-five dollars (\$25) for a property certificate.

23 (c) Before the department may issue a certificate, an applicant shall:

- 24 1. Pay the application fee established under paragraph (b) of this  
25 subsection;
- 26 2. For entities other than TNCs **and peer-to-peer car sharing companies,**  
27 file a motor carrier vehicle license application for each motor carrier

- 1 vehicle as required by KRS 281.631. The applicant shall file at least one  
 2 (1) motor carrier vehicle license application before being eligible for a  
 3 certificate;
- 4 3. For TNCs, file a TNC authority application with the department  
 5 pursuant to administrative regulations promulgated by the department;
- 6 4. *For peer-to-peer car sharing companies, file a peer-to-peer car*  
 7 *sharing certificate application with the department pursuant to*  
 8 *administrative regulations promulgated by the department;*
- 9 5. File with the department one (1) or more approved indemnifying bonds  
 10 or insurance policies as required by KRS 281.655;
- 11 ~~6.[5.]~~ For taxicab, limousine, disabled persons vehicle, TNC, household  
 12 goods, charter bus, and bus certificates, obtain and retain for a period of  
 13 at least three (3) years, a nationwide criminal background check, in  
 14 compliance with KRS 281.6301, of each owner, official, employee,  
 15 independent contractor, or agent operating a passenger vehicle or  
 16 household goods vehicle or entering a private residence or storage  
 17 facility for the purpose of providing or facilitating the transportation of  
 18 household goods;
- 19 ~~7.[6.]~~ For household goods certificates, file with the department a current  
 20 tariff; and
- 21 ~~8.[7.]~~ For a bus certificate, file with the department authorization from a city  
 22 as required by KRS 281.635.
- 23 (4) (a) Every certificate shall be renewed annually. Application for renewal shall be  
 24 in such form as the department may require.
- 25 (b) A certificate not renewed within one (1) calendar year after the date for its  
 26 renewal shall become null and void.
- 27 (c) The department shall not renew any certificate if it has been revoked or, if

1 suspended, during the period of any suspension. A certificate shall not be  
2 considered revoked or suspended when an appeal of the revocation or  
3 suspension is pending in a court of competent jurisdiction.

4 (d) For the renewal of an intrastate certificate, the department shall receive a fee  
5 of two hundred fifty dollars (\$250), except for an application for renewal of a  
6 property certificate, for which the department shall receive a fee of twenty-  
7 five dollars (\$25).

8 (e) Before the department may renew a certificate, the certificate holder shall:

- 9 1. Pay the renewal fee established under paragraph (d) of this subsection;
- 10 2. For the entities other than TNCs and peer-to-peer car sharing  
11 companies, file a motor carrier vehicle license application or renewal for  
12 each motor carrier vehicle as required by KRS 281.631. The certificate  
13 holder shall file at least one (1) motor carrier vehicle license application  
14 or renewal before being eligible for renewal;
- 15 3. For TNCs, file a TNC authority application with the department  
16 pursuant to administrative regulations promulgated by the department;
- 17 4. For peer-to-peer car sharing companies, file a peer-to-peer car  
18 sharing certificate application with the department pursuant to  
19 administrative regulations promulgated by the department;
- 20 5. File with the department one (1) or more approved indemnifying bonds  
21 or insurance policies as required by KRS 281.655;
- 22 6.~~5.~~ Every three (3) years, for taxicab, limousine, disabled persons vehicle,  
23 TNC, household goods, charter bus, and bus certificates, obtain and  
24 retain for a period of at least three (3) years, a nationwide criminal  
25 background check in compliance with KRS 281.6301, of each owner,  
26 official, employee, independent contractor, or agent operating a  
27 passenger vehicle or entering a private residence or storage facility for

1 the purpose of providing or facilitating the transportation of household  
2 goods. However, within the three (3) year period:

3 a. If a new owner, official, employee, independent contractor, or  
4 agent joins the certificate holder and performs the aforementioned  
5 duties; or

6 b. If the certificate holder has knowledge that a current owner,  
7 official, employee, independent contractor, or agent who performs  
8 the aforementioned duties has been convicted of or pled guilty to  
9 any of the offenses listed in KRS 281.6301(2);

10 then the certificate holder shall obtain and retain for a period of at least  
11 three (3) years, a nationwide criminal background check for that owner,  
12 official, employee, independent contractor, or agent; and

13 ~~2.16.1~~ For household goods certificates, have on file with the department a  
14 current tariff.

15 (5) (a) A motor carrier operating under a household goods certificate shall, at all  
16 times the certificate is in effect, maintain on file with the department a current  
17 tariff.

18 (b) Except for a household goods certificate holder that has had only an out-of-  
19 state address on file with the department prior to January 1, 2015, all  
20 certificate holders shall maintain on file with the department an address within  
21 the Commonwealth. The certificate holder shall keep open for public  
22 inspection at that address such information as the department may require.

23 (c) The certificate holder shall not charge, demand, collect, or receive a greater,  
24 less, or different compensation for the transportation of household goods or  
25 for any service in connection therewith, than the tariff filed with the  
26 department and in effect at the time would require. A certificate holder shall  
27 not make or give any unreasonable preference or advantage to any person, or

- 1           subject any person to any unreasonable discrimination.
- 2   (6) A certificate shall not be transferred unless the transfer involves either the change of  
3       the legal name of the existing certificate holder or the incorporation of a sole  
4       proprietor certificate holder.
- 5   (7) A certificate authorizing a person to act as an automobile utility trailer lessor shall  
6       also authorize the agents of the person to act on his or her behalf during the period  
7       of their agency.
- 8   (8) A motor carrier vehicle shall not be operated after the expiration of the certificate  
9       under which it is operated.
- 10   (9) A person shall not knowingly employ the services of a motor carrier not authorized  
11       to perform such services.
- 12   (10) If the department, after a hearing held upon its own motion or upon complaint, finds  
13       any existing rate unjustly discriminatory, or finds the services rendered or facilities  
14       employed by any motor carrier to be unsafe, inadequate, inconvenient, or in  
15       violation of law or of the administrative regulations of the department, it may by  
16       final order do any or all of the following:
- 17       (a) Require the certificate holder to follow any rate or time schedule in effect at  
18           the time of service;
- 19       (b) Require the certificate holder to issue a refund to the complainant;
- 20       (c) Require the certificate holder to pay the fine set out in KRS 281.990 to the  
21           department; and
- 22       (d) Determine the reasonable, safe, adequate, and convenient service to be  
23           thereafter furnished.
- 24   (11) Hearings conducted under authority of this section shall be conducted in the same  
25       manner as provided in KRS 281.640.
- 26   (12) The department shall have the power to promulgate administrative regulations as it  
27       may deem necessary to carry out the provisions of this section.

1           ➔SECTION 3. A NEW SECTION OF KRS CHAPTER 138 IS CREATED TO  
2 READ AS FOLLOWS:

3 (1) As used in this section:

4 (a) "Cabinet" means the Kentucky Transportation Cabinet;

5 (b) "Gross receipts" means the total consideration received by a peer-to-peer  
6 car sharing company for the rental of a shared vehicle under a peer-to-peer  
7 car sharing program including the daily or hourly rental fee, fees charged  
8 by the peer-to-peer car sharing company for using their services, charges  
9 for insurance protection plans, fuel charges, pickup and delivery fees, any  
10 late fees, and any charges for any services necessary to complete the rental  
11 transaction;

12 (c) "Peer-to-peer car sharing certificate," "peer-to-peer car sharing company,"  
13 "peer-to-peer car sharing driver," and "peer-to-peer car sharing program"  
14 have the same meaning as in Section 1 of this Act; and

15 (d) "Shared vehicle" and "shared vehicle driver" have the same meaning as in  
16 Section 1 of this Act.

17 (2) A tax is hereby imposed upon all peer-to-peer car sharing companies which hold  
18 a peer-to-peer car sharing certificate, as required by Section 2 of this Act to  
19 operate a peer-to-peer car sharing program, at the rate of six percent (6%) of the  
20 gross receipts derived from the rental of a shared vehicle.

21 (3) There shall be excluded from the tax imposed under subsection (2) of this section  
22 gross receipts derived from the rental of shared vehicle paid by the United States,  
23 or the Commonwealth of Kentucky or any of its political subdivisions.

24 (4) The tax imposed under subsection (2) of this section shall be administered and  
25 collected by the cabinet and the revenues generated from the tax shall be  
26 deposited into the road fund.

27 (5) The tax imposed by subsection (2) of this section shall be the direct obligation of



1 the peer-to-peer car sharing company but it may be charged to and collected from  
2 the shared vehicle driver. The tax shall be remitted to the cabinet each month on  
3 forms and pursuant to regulations promulgated by the cabinet.

4 (6) (a) As soon as practicable after each return is received, the cabinet shall  
5 examine and audit it. If the amount of tax computed by the cabinet is  
6 greater than the amount reported by the peer-to-peer car sharing company,  
7 the excess shall be assessed by the cabinet within four (4) years from the  
8 date the return was filed, except as provided in paragraph (c) of this  
9 subsection, and except that in the case of a failure to file a return or of a  
10 fraudulent return the excess may be assessed at any time. A notice of such  
11 assessment shall be mailed to the peer-to-peer car sharing company.

12 (b) For the purpose of paragraphs (a) and (c) of this subsection, a return filed  
13 before the last day prescribed by law for the filing thereof shall be  
14 considered as filed on such last day.

15 (c) Notwithstanding the four (4) year time limitation of paragraph (a) of this  
16 subsection, in the case of a return where the amount of tax computed by the  
17 cabinet is greater by twenty-five percent (25%) or more than the amount  
18 returned by the peer-to-peer car sharing company, the excess shall be  
19 assessed by the cabinet within six (6) years from the date the return was  
20 filed.

21 (7) Failure of the peer-to-peer car sharing company to remit the tax shall be  
22 sufficient cause for the Department of Vehicle Regulation to void the peer-to-peer  
23 car sharing certificate issued to company.

24 (8) If a peer-to-peer car sharing company fails or refuses to file a return or furnish  
25 any information requested in writing, the cabinet may, from any information in  
26 its possession, make an estimate of the company's gross receipts and issue an  
27 assessment against the company based on the estimated gross receipts and add a

1 penalty of ten percent (10%) of the amount of the assessment so determined. This  
2 penalty shall be in addition to all other applicable penalties provided by law.

3 (9) If any peer-to-peer car sharing company fails to make and file a return required  
4 by subsection (5) of this section on or before the due date of the return, and the  
5 tax is not paid on or before the date prescribed for its payment, then, unless it is  
6 shown to the satisfaction of the cabinet that the failure is due to a reasonable  
7 cause, five percent (5%) of the tax found to be due shall be added to the tax for  
8 each thirty (30) days or fraction thereof elapsing between the due date of the  
9 return and the date on which filed, but the total penalty shall not exceed twenty-  
10 five percent (25%) of the tax; provided, however, that in no case shall the penalty  
11 be less than ten dollars (\$10).

12 (10) If the tax imposed by Section 3 of this Act, whether assessed by the cabinet, is not  
13 paid on or before the date prescribed for its payment, there shall be collected, as a  
14 part of the tax, interest upon the unpaid amount at the tax interest rate as defined  
15 in KRS 131.010(6) from the date prescribed for its payment until payment is  
16 actually made.

17 ➔Section 4. KRS 138.990 is amended to read as follows:

18 (1) Any person who violates any provision of KRS 138.140, 138.146, or 138.195 for  
19 which a specific penalty is not provided shall be guilty of a violation for the first  
20 offense; for each such subsequent offense, he shall be guilty of a Class A  
21 misdemeanor. These penalties shall be in addition to the civil penalties provided by  
22 KRS 138.165, 138.185, and 138.205.

23 (2) Any person who fails to supply the information required by subsection (8) of KRS  
24 138.195 shall be guilty of a violation; for each subsequent offense, he shall be guilty  
25 of a Class B misdemeanor. These penalties shall be in addition to any civil penalty  
26 provided by KRS 138.165, 138.185, and 138.205.

27 (3) Any person violating subsection (10) of KRS 138.195 or any regulations adopted

- 1           thereunder shall be guilty of a Class A misdemeanor. This penalty shall be in  
2           addition to any civil penalty provided by KRS 138.165, 138.185, and 138.205.
- 3       (4) Any person who makes a false entry upon any invoices or any record relating to the  
4           purchase, possession, transportation, or sale of cigarettes, and presents any such  
5           false entry to the department or any of its agents with the intent to avoid any tax  
6           imposed by KRS 138.130 to 138.205, shall be guilty of a Class D felony.
- 7       (5) Any person who shall counterfeit any cigarette tax evidence shall be guilty of a  
8           Class D felony.
- 9       (6) Any person who sells, offers to sell, or uses counterfeit cigarette tax evidence,  
10           affixed or unaffixed, with the intention of evading any tax imposed by KRS  
11           138.130 to 138.205 shall be guilty of a Class D felony.
- 12       (7) Any person who fails to remit gasoline or special fuel tax money to the state as  
13           provided in KRS 138.280 is guilty of embezzlement of state funds. Embezzlement  
14           of state funds, for the first offense, shall be a Class A misdemeanor, and for the  
15           second offense, shall be a Class D felony.
- 16       (8) Any person who violates any of the provisions of KRS 138.300 shall be guilty of a  
17           Class A misdemeanor. This penalty shall be in addition to the penalty provided in  
18           subsection (7) of this section.
- 19       (9) Any person who violates KRS 138.310 shall be guilty of a Class A misdemeanor.  
20           Each day or part of a day of doing business as a dealer without an uncanceled  
21           license shall be a separate offense.
- 22       (10) (a) Any person who willfully and fraudulently gives a false statement as to the  
23           total and actual consideration paid for a motor vehicle under KRS 138.450  
24           shall be guilty of a Class D felony and shall be fined not less than two  
25           thousand dollars (\$2,000) per offense.
- 26           (b) Any person who violates any of the other provisions of KRS 138.460 to  
27           138.470 shall be fined not less than twenty-five dollars (\$25) nor more than

1           one thousand dollars (\$1,000) and if the offender is an individual, he shall be  
2           guilty of a Class A misdemeanor.

3 (11) Any person who violates any of the provisions of KRS 138.480 or 138.490 shall be  
4           guilty of a Class B misdemeanor.

5 (12) If any offender under the provisions of subsections (1) to (9), (11) or (16) of this  
6           section is a corporation, the principal officer or the officer directly responsible for  
7           the violation, or both, may be imprisoned as provided in those subsections.

8 (13) Any person who violates any provision of subsection (1) of KRS 138.354, whether  
9           or not his permit has been revoked, shall be guilty of a Class A misdemeanor.

10 (14) Any person violating any provision of KRS 138.655 to 138.725 is guilty of a Class  
11          A misdemeanor.

12 (15) In addition to the penalties provided in KRS 138.990(14), the motor vehicle or  
13          vehicles of any person violating any provision of KRS 138.720 shall be subject to  
14          seizure by any officer duly authorized to enforce the provisions of KRS 138.655 to  
15          138.725.

16 (16) Any person violating KRS 138.175 shall be guilty of a Class D felony.

17 (17) Any person who intentionally evades payment of the tax imposed by KRS 138.460, ~~f~~  
18          ~~or~~ 138.463, or Section 3 of this Act shall be liable for the taxes evaded, with  
19          applicable interest and penalties, and in addition shall be guilty of:

20          (a) A Class B misdemeanor if the amount of tax evaded is two hundred fifty  
21                  dollars (\$250) or less; and

22          (b) A Class A misdemeanor if the amount of tax evaded is greater than two  
23                  hundred fifty dollars (\$250).