

1 AN ACT relating to the removal of derelict vessels and making an appropriation  
2 therefor.

3 *Be it enacted by the General Assembly of the Commonwealth of Kentucky:*

4 ➔SECTION 1. A NEW SECTION OF KRS CHAPTER 235 IS CREATED TO  
5 READ AS FOLLOWS:

6 *(1) A derelict vessel removal assistance fund is created as a restricted fund and shall*  
7 *be administered by the department.*

8 *(2) The derelict vessel removal assistance fund shall receive funds transferred under*  
9 *Section 8 of this Act and may receive appropriations, fees forwarded to the*  
10 *department as described under Section 8 of this Act, federal funds, contributions,*  
11 *gifts, fines and penalties, and donations. All moneys in this fund shall be*  
12 *appropriated for the purposes set forth in Sections 1 to 3 of this Act and shall not*  
13 *be appropriated or transferred by the General Assembly for any other purpose.*  
14 *Interest earnings of the fund shall become a part of the fund, and*  
15 *notwithstanding 45.229, fund amounts not expended at the close of a fiscal year*  
16 *shall not lapse but shall be carried forward into the next fiscal year. Amounts*  
17 *from the fund shall be disbursed and expended in accordance with this section.*

18 *(3) The department shall submit, on or before September 1, 2024, and each*  
19 *September 1 thereafter, an annual report detailing all bids awarded under*  
20 *Section 3 of this Act in the previous fiscal year to the Legislative Research*  
21 *Commission for referral to the Interim Joint Committee on Natural Resources*  
22 *and Energy, the Interim Joint Committee on Transportation, and the Interim*  
23 *Joint Committee on Appropriations and Revenue.*

24 ➔SECTION 2. A NEW SECTION OF KRS CHAPTER 235 IS CREATED TO  
25 READ AS FOLLOWS:

26 *No person, firm, or corporation shall store, leave, or abandon any derelict vessel in the*  
27 *Commonwealth. When a derelict vessel is docked, grounded, or beached upon private*

1 property without the consent of the owner of the property, the owner of the property  
2 may send notice of intent to remove the derelict vessel to its owner, and may remove the  
3 derelict vessel at the owner's expense if the vessel owner has not responded to the  
4 notice within sixty (60) days.

5       ➔SECTION 3. A NEW SECTION OF KRS CHAPTER 235 IS CREATED TO  
6 READ AS FOLLOWS:

7 (1) A derelict vessel shall be removed when it obstructs or threatens to obstruct  
8 navigation or in any way constitutes a danger to the environment, property, or  
9 persons. The department, its officers, or any law enforcement agency or officer  
10 acting under this subsection to relocate, remove, or cause to be relocated or  
11 removed, a derelict vessel from the waters of the state, shall be held harmless for  
12 all damages to the derelict vessel resulting from the relocation or removal unless  
13 the damage results from gross negligence or willful misconduct.

14 (2) The department shall:

15 (a) Be empowered to relocate, remove, or cause to be relocated or removed, any  
16 derelict vessel from waters of the Commonwealth;

17 (b) Establish criteria for when the removal of a derelict vessel is necessary;

18 (c) Use amounts deposited in the derelict vessel removal assistance fund  
19 established in Section 1 of this Act to assist in the removal of derelict vessels  
20 from any waters of this state, including making grants to local governments  
21 that will remove the derelict vessel, if the derelict vessel will not be removed  
22 by the United States Environmental Protection Agency, the United States  
23 Army Corps of Engineers, or any other entity;

24 (d) Accept bids and contract with entities to provide for the removal of derelict  
25 vessels; and

26 (e) Promulgate administrative regulations pursuant to KRS Chapter 13A to  
27 implement this section and Sections 1 to 3 of this Act.

1           ➔Section 4. KRS 235.010 is amended to read as follows:

2   As used in this chapter, unless the context clearly requires a different meaning:

3   (1) "Vessel" means every description of watercraft, other than a seaplane on the water;

4   (2) "Motorboat" means any vessel propelled by machinery, whether or not such  
5       machinery is the principal source of propulsion, except for the following:

6       (a) Boats or vessels propelled totally by a direct current battery-powered motor  
7           when used on private waters;

8       (b) Boats propelled by human power employing the use of hand or foot operation;  
9           and

10       (c) Federally regulated commercial vessels;

11   (3) "Owner" means a person, other than a lienholder, having the property in or title to a  
12       motorboat. The term includes a person entitled to the use or possession of a  
13       motorboat subject to an interest in another person, reserved or created by agreement  
14       and securing payment or performance of an obligation, but the term excludes a  
15       lessee under a lease not intended as security;

16   (4) "Personal watercraft" means a vessel which uses an internal combustion engine to  
17       power a jet pump for its primary source of propulsion and is designed to be  
18       operated by a person sitting, standing, or kneeling on the vessel rather than to be  
19       operated by a person sitting or standing inside the vessel;

20   (5) "Safe boating certificate" means a document attesting the successful completion of  
21       instruction, approved by the department or given by the United States Coast Guard  
22       or Coast Guard Auxiliary or the United States Power Squadron, to prepare an  
23       individual to safely operate a motorboat or personal watercraft on the waters of the  
24       Commonwealth;

25   (6) "Waters of this state" means any waters within the territorial limits of this state;

26   (7) "Person" means an individual, partnership, firm, corporation, association, or other  
27       entity;

- 1 (8) "Operate" means to navigate or otherwise use a motorboat or a vessel;
- 2 (9) "Cabinet" means the Tourism, Arts and Heritage Cabinet;
- 3 (10) "Department" means the Department of Fish and Wildlife Resources;
- 4 (11) "License" and "certificate of number" as used herein are synonymous;
- 5 (12) "Clerk" means county clerk;
- 6 (13) "Division of Law Enforcement" means the Division of Law Enforcement,
- 7 Department of Fish and Wildlife Resources administratively attached to the
- 8 Tourism, Arts and Heritage Cabinet;
- 9 (14) "Title" means the certificate of title;
- 10 (15) "Commissioner" means the commissioner of the Department of Fish and Wildlife
- 11 Resources;
- 12 (16) "Federally regulated commercial vessel" means any vessel holding a United States
- 13 certificate of documentation with a coastwise trade endorsement;
- 14 (17) "Marina" means a dock or basin providing moorings for motorboats and offering
- 15 supply, repair, or other services for remuneration;~~and~~
- 16 (18) "Marine sanitation device" means equipment that is identified by the United States
- 17 Coast Guard as meeting the standards of the United States Environmental
- 18 Protection Agency or that is approved by the Energy and Environment Cabinet, to
- 19 eliminate the discharge of untreated sewage from vessels into the waters of the
- 20 Commonwealth and is a device that receives, treats, retains, or discharges sewage;
- 21 **(19) "Derelict vessel" means a vessel including motorboat and seaplane that has been**
- 22 **left, found adrift or unattended, stored or abandoned in a wrecked, junked,**
- 23 **inoperative, or substantially dismantled condition:**
- 24 **(a) Upon any public waters of the state:**
- 25 **(b) At a port or marina in the Commonwealth without the consent of the owner**
- 26 **or agency having jurisdiction; or**
- 27 **(c) Docked, grounded, or beached upon the property of another without the**

1 consent of the owner of the property;

2 (20) "Gross negligence" means conduct so reckless or wanting in care that it  
 3 constitutes a conscious disregard or indifference to the safety of the property  
 4 exposed to such conduct;

5 (21) "Wreckage removal" means the removal of a derelict vessel from the waters of  
 6 the state; and

7 (22) "Willful misconduct" means conduct evidencing carelessness or negligence of  
 8 such a degree or recurrence as to manifest culpability, wrongful intent, or evil  
 9 design or to show an intentional and substantial disregard of the interests of the  
 10 vessel or motorboat owner.

11 ➔Section 5. KRS 235.040 is amended to read as follows:

12 (1) Every motorboat on the waters of this state shall be numbered and currently  
 13 registered in accordance with the provisions of this chapter. Every motorboat on  
 14 the waters of this state shall be insured with a boat insurance policy that covers  
 15 wreckage removal.

16 (2) No person shall operate or give permission for the operation of any motorboat on  
 17 such waters unless the motorboat is insured with a boat insurance policy that  
 18 covers wreckage removal. The motorboat shall be registered and numbered in  
 19 accordance with this chapter, or in accordance with a federally approved numbering  
 20 system of another state, and unless:

21 (a)~~(1)~~ The certificate of number awarded to such motorboat is in full force and  
 22 effect; and

23 (b)~~(2)~~ The identifying number set forth in the certificate of number is  
 24 displayed on each side of the bow of such motorboat.

25 ➔Section 6. KRS 235.050 is amended to read as follows:

26 (1) Except as otherwise provided in this chapter, before the owner or operator of each  
 27 motorboat required to be registered and numbered by KRS 235.040 may operate it

1 or permit its operation upon the waters of this state, the owner shall apply for title  
 2 and registration to the county clerk of the county in which he resides, except, if the  
 3 motorboat is to be operated principally in a county other than the county of the  
 4 owner's residence the owner may apply for title and registration to the county clerk  
 5 of the county in which the motorboat is to be principally operated. A motorboat last  
 6 titled and registered in another state and purchased by a person for operation in this  
 7 state shall be first titled and registered in this state by and in the name of the  
 8 purchaser and not in the name of the seller. The application for title and registration  
 9 shall be accompanied by:

- 10 (a) A bill of sale, if the application is for registration of a new motorboat; or  
 11 (b) The owner's registration receipt if the motorboat was last registered in this  
 12 state; or  
 13 (c) A bill of sale and the previous registration receipt if last registered in another  
 14 state; ~~and~~  
 15 (d) The annual registration fee; and  
 16 (e) Proof of insurance that covers wreckage removal as required under Section  
 17 5 of this Act.

18 (2) Motorboats shall be registered annually and shall have insurance coverage for  
 19 wreckage removal. If an application for title and registration is filed with the county  
 20 clerk prior to the annual registration date established by the Transportation Cabinet,  
 21 the registration period shall include less than twelve (12) consecutive months and  
 22 registration fees shall be computed at a rate of one-twelfth (1/12) of the appropriate  
 23 annual registration fee set out in KRS 235.080 per month of the remaining  
 24 registration period.

25 ➔Section 7. KRS 235.070 is amended to read as follows:

26 (1) Every person seeking a title and registration or renewal registration for operation of  
 27 a motorboat shall apply to the county clerk of the county as provided in KRS

1           235.050 and make application on a form furnished by the Transportation Cabinet.  
2           The application shall contain the full name and signature, Social Security number or  
3           federal tax identification number, citizenship of applicant, date of birth, sex, present  
4           resident address, situs for ad valorem tax assessment, the make of the boat, hull  
5           identification number (HIN), if any, length, beam, model, and horsepower of motor,  
6           maximum capacity, type of hull material, intended use of the boat, and whether the  
7           fuel is gasoline, diesel, or other. The application shall state whether the motorboat is  
8           equipped with marine toilet facilities and shall state if the marine sanitation device  
9           for the toilet is properly operating and properly used for the water body where the  
10          motorboat is kept or operated. It shall also state whether the applicant has been  
11          previously licensed or registered as an owner, and if so, when and by what state or  
12          county, whether any license registration or certificate number has been canceled,  
13          suspended, revoked, or refused, and if so, the date of and reason for cancellation,  
14          suspension, revocation, or refusal, and such other information as may be required.

15       (2) Every applicant shall submit the motorboat title or registration with the application  
16          as required below:

17       (a) If the motorboat is titled in Kentucky, the applicant shall submit the title with  
18          the application for title and registration;

19       (b) If the motorboat is registered in Kentucky but has not been titled in Kentucky,  
20          the applicant shall submit the certificate of registration with the application  
21          for title and registration;

22       (c) If the applicant is applying for a registration renewal, he shall submit the  
23          certificate of registration;

24       (d) If the motorboat is titled in another jurisdiction, the applicant shall submit the  
25          title with the application for title and registration;

26       (e) If the motorboat is registered in another jurisdiction, but not titled in any  
27          jurisdiction, the applicant shall submit the certificate of registration with the

1 application for title and registration; and

2 (f) Vessels holding a United States certificate of documentation shall be exempt  
3 from the provisions of this section.

4 (3) Every applicant shall certify that the statements made in the application are true.  
5 The clerk shall inform the applicant that making false statements on the application  
6 regarding a marine boat toilet may lead to being fined under KRS 235.990.

7 (4) The clerk shall, after determining that the applicant has complied with the law  
8 concerning applications, issue a current certificate of registration or renewal  
9 thereof.

10 (5) No certificate of registration or renewal thereof for the operation of a motorboat  
11 shall be issued, if the motorboat is

12 (a) Equipped with toilet facilities but is not equipped with a storage container or  
13 treatment or disposal system of a type approved under regulations  
14 promulgated pursuant to this chapter;

15 (b) *Not insured by a policy that covers wreckage removal.*

16 ➔Section 8. KRS 235.090 is amended to read as follows:

17 (1) The county clerk shall enter information relating to the registration and titling of  
18 boats into the automated vehicle information system. This information shall include  
19 the:

20 (a) Name and address of those persons who have applied for title and registration  
21 of motorboats; ~~[-, the]~~

22 (b) Length and type of the motorboat; ~~[-, and the]~~

23 (c) Title and registration fee charged ~~[-,]~~ and ~~[the amount of title and registration~~  
24 ~~fee]~~ collected from the applicant; and

25 (d) *Proof of boat insurance that includes coverage for wreckage removal.*

26 The applications for title and registration and the fees collected by the clerk shall be  
27 forwarded to the Transportation Cabinet. *Proof of boat insurance coverage shall*

1        **be forwarded to the department.**

2        (2) The county clerk shall submit a weekly report of all transactions involving boat  
3        titling and registration transactions to the Transportation Cabinet.

4        **(3) Effective August 1, 2024, an amount equal to fifty percent (50%) of the fees**  
5        **forwarded to the department and collected under KRS 235.080, 235.085, and**  
6        **235.130 shall be credited to the derelict vessel removal assistance fund established**  
7        **in Section 1 of this Act. The transfers shall be made within thirty (30) days of the**  
8        **close of each fiscal quarter.**

9        ➔Section 9. KRS 235.180 is amended to read as follows:

10       **(1)** The owner shall furnish the county clerk notice of the transfer of all or any part of  
11       his **or her** interest other than the creation of a security interest in a motorboat  
12       numbered in this state pursuant to the provisions of this chapter or of the destruction  
13       or abandonment of the motorboat, within fifteen (15) days thereof.

14       **(2)** The transfer, destruction, or abandonment shall terminate the certificate of title and  
15       registration number for the motorboat, except, that in the case of a part interest  
16       which does not affect the owner's right to operate the motorboat, the transfer shall  
17       not terminate the certificate of title and registration number.

18       **(3) The owner of a vessel shall furnish notice of its destruction or abandonment in**  
19       **the waters of the state within five (5) days of the destruction or abandonment**  
20       **occurring along with proof of insurance coverage for wreckage removal.**

21       ➔Section 10. KRS 235.250 is amended to read as follows:

22       (1) It shall be the duty of the operator of a vessel involved in a collision, accident, or  
23       other casualty, so far as he can do so without serious danger to his own vessel,  
24       crew, and passengers (if any), to render to other persons affected by the collision,  
25       accident, or other casualty such assistance as may be practicable and as may be  
26       necessary in order to save them from or minimize any danger caused by the  
27       collision, accident, or other casualty, and also to give his name, address, **proof of**

1        **insurance**, and identification of his vessel in writing to any person injured and to  
2        the owner of any property damaged in the collision, accident, or other casualty.

3        (2) In the case of collision, accident, or other casualty involving a vessel, the operator  
4        thereof, if the collision, accident, or other casualty results in death or injury to a  
5        person or damage to property in excess of five hundred dollars (\$500), shall file  
6        with the department a full description of the collision, accident, or other casualty,  
7        including **proof of insurance for removal of the derelict vessel and any** such  
8        information as said agency may by regulation require. When the operator of a  
9        vessel, who is not the owner of it, cannot submit the casualty or accident report  
10       required by subsection (1) of this section, the owner shall submit the casualty or  
11       accident report.

12       ➔Section 11. KRS 235.990 is amended to read as follows:

13       (1) Any person who violates any of the provisions of this chapter or administrative  
14       regulations adopted under this chapter shall be fined not less than fifty dollars (\$50)  
15       nor more than two hundred dollars (\$200). After July 15, 2000, any person who  
16       violates KRS 235.230 shall be fined not less than fifteen dollars (\$15) nor more  
17       than one hundred dollars (\$100) and each day the violation continues may  
18       constitute a separate offense. **A violation of Section 2 of this Act is a Class B**  
19       **misdeemeanor and shall be subject to a fine of two hundred fifty dollars (\$250) for**  
20       **each day the violation continues.**

21       (2) Any person who violates KRS 235.240 shall not be subject to the penalties of KRS  
22       Chapter 189A but shall be guilty of a separate offense and subject to a fine of two  
23       hundred dollars (\$200) to two hundred fifty dollars (\$250) or imprisonment for  
24       twenty-four (24) hours for the first offense, a fine of three hundred fifty dollars  
25       (\$350) to five hundred dollars (\$500) or imprisonment for forty-eight (48) hours for  
26       the second offense, and a fine of six hundred dollars (\$600) to one thousand dollars  
27       (\$1,000) or imprisonment in the county jail for not less than thirty (30) days, or

1 both, for the third or subsequent offense. Refusal to submit to a breath alcohol  
2 analysis or similar test in violation of KRS 235.240(3) shall be deemed an offense.

3 (3) (a) A person may, in addition or in lieu of the penalties specified in subsection (1)  
4 or (5) of this section, be required to take a safe-boating course approved by  
5 the department or offered by the United States Coast Guard, Coast Guard  
6 Auxiliary, or U.S. Power Squadron and to present the court a certificate  
7 documenting successful completion of the course.

8 (b) A person shall, in addition to the penalties of subsection (2) of this section, be  
9 required to take a safe-boating course offered by the department and to  
10 present the court a certificate documenting successful completion of the  
11 course. The person attending a class under this paragraph shall pay the  
12 department a fee of one hundred dollars (\$100) for the costs of materials and  
13 instruction before receiving a certificate of completion.

14 (4) After July 15, 2000, any person who violates KRS 235.420 or 235.430 shall be  
15 fined not less than fifteen dollars (\$15) nor more than one hundred dollars (\$100).  
16 A person who violates KRS 235.420 or 235.430 shall be fined not less than one  
17 hundred dollars (\$100) nor more than three hundred dollars (\$300) for the second  
18 offense, and not less than three hundred dollars (\$300) nor more than five hundred  
19 dollars (\$500) for the third or any subsequent offense.

20 (5) Any person failing to obey a citation issued in accordance with KRS 235.315 shall  
21 be guilty of a separate offense and shall be fined not less than fifty dollars (\$50) nor  
22 more than two hundred dollars (\$200).

23 (6) Any person who makes a false statement regarding a marine boat toilet ***or proof of***  
24 ***coverage for wreckage removal*** on the application for registration or renewal  
25 registration for a motorboat shall be fined one hundred dollars (\$100). This penalty  
26 shall be separate from any other penalty that may be applicable for violation of this  
27 chapter.

1 (7) Any person who resists, obstructs, interferes with, threatens, attempts to intimidate,  
2 or in any other manner interferes with any officer in the discharge of his duties,  
3 other than a criminal homicide or an assault against an officer enforcing the  
4 provisions of this chapter, KRS Chapter 150, or the administrative regulations  
5 issued under either of these chapters, shall be guilty of a Class A misdemeanor.

6 (8) Any person who commits a criminal homicide or an assault against an officer  
7 enforcing the provisions of this chapter, KRS Chapter 150, or the administrative  
8 regulations issued under either of these chapters shall be subject to the penalties  
9 specified for the offense under KRS Chapter 507 or 508, as appropriate.

10 (9) Any person who violates KRS 235.203 shall be fined fifty dollars (\$50).

11 ➔Section 12. KRS 235.999 is amended to read as follows:

12 *Except for one hundred percent (100%) of the fines collected for the abandonment of a*  
13 *derelict vessel under Section 11 of this Act which shall be credited to the derelict vessel*  
14 *removal assistance fund,* sixty percent (60%) of a fine imposed for the violation of this  
15 chapter or KRS Chapter 150 shall, when collected, be paid into the game and fish fund.