

SB 114 Issues

In no particular order:

1. **Cleanup Bill Items:**
 - a. **Manufactured home documents.**
 - i. KRS 186A.297, no fee stated for filing Affidavit of Conversion.
 - ii. KRS 186A.298 has stated \$16 fee for filing Affidavit of Severance. This is not in line with our other filing fees in 64.012
 - b. **Legal Process Tax.** KRS 142.010, May need to be updated to reflect modern document types. Currently applies to marriage license, power of attorney used to convey real property, mortgage, financing statement, security agreement, conveyance of real property, lien or conveyance of coal, etc. Does not apply to any assignments or releases of liens.
 - c. **Certificates of Delinquency.** KRS 64.012 has a fee stated for recording (assigning) a Certificate of Delinquency, but no fee for reassignment or release of same.
 - d. **Certified Copy Fee.** Amend KRS 64.012(1)(q) to reflect new page counts by making it \$5.00 fee plus \$0.50 per page after *five* pages.
 - e. **Fixture Filings, Assignment of Leases and Rents.** Move these document types into the flat fee structure.
2. **Certified Copy Impact.** How do entities (including County Clerk) rely on certified copies where photocopies are also in play? Do we need to require an ink color or raised seals? (KRS 382.110)
3. **Definition of Signature.** Many instruments require execution, but under SB 114 what does signature actually mean? For example, do we treat a deed submitted by hand at the counter any differently than one submitted via eRecording? Is a photocopy ok?
4. **Power of Attorney, Two Disinterested Witnesses.** Currently, County Clerks do not enforce this new law as the requirement is not a *recording* requirement. We mention only for the taskforce to consider whether to amend this requirement.
5. **Retention and Permanent Record Types.**
 - a. Under current law, permanent records may only be stored in either paper or microfilm. (It does not disallow electronic storage, however electronic storage is insufficient by itself.) It is time to consider if and when electronic storage is also allowed, and then regulations and procedures for its use.
 - b. Kentucky needs to revisit what documents are permanent, and consider what documents may have a shorter retention period. Mortgages, for example, are currently permanent records. Can we shorten their period to, say, 30 years? Also to be considered are the associated document types, such as assignments and releases.