

1 AN ACT relating to judgment liens.

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

3 → Section 1. KRS 426.720 is amended to read as follows:

4 (1) A final judgment for the recovery of money or costs in the courts of record in this  
5 Commonwealth, whether state or federal, shall act as a lien upon all real estate in  
6 which the judgment debtor has any ownership interest, in any county in which the  
7 following first shall be done:

8 (a) The judgment creditor, or ***the judgment creditor's***~~his~~ counsel, shall file with  
9 the county clerk of any county a notice of judgment lien containing:

10 ***1.*** The court of record entering the ***final*** judgment;~~;~~

11 ***2.*** The civil action number of the suit in which the ***final*** judgment was  
12 entered;~~;~~

13 ***3. The date the final judgment was entered by the court of record;*** and

14 ***4.*** The amount of the ***final*** judgment, including principal, interest rate,  
15 court costs, and any attorney fees;

16 ~~(b) The county clerk shall enter the notice in the lis pendens records in that  
17 office, and shall so note the entry upon the original of the notice;~~

18 ~~(c)~~ The judgment creditor, or ***the judgment creditor's***~~his~~ counsel, shall send to  
19 the last known address of the judgment debtor or the judgment debtor's  
20 attorney of record, by regular first class mail, postage prepaid, or shall deliver  
21 to the ***judgment*** debtor personally, a copy of the notice of judgment lien,  
22 which notice shall include:

23 ***1.*** The text of KRS 427.060; ~~and~~~~also~~

24 ***2.*** The following notice, or language substantially similar:

25 "Notice to Judgment Debtor. You may be entitled to an exemption under KRS  
26 427.060, reprinted below. If you believe you are entitled to assert an  
27 exemption, seek legal advice."; and



- 1            2. A judgment lien whose expiration has been postponed under this  
 2            paragraph shall expire on the following date:
- 3            a. The date a final judgment is entered in the proceeding to enforce  
 4            the judgment lien; or
- 5            b. The date the proceeding to enforce the judgment lien is  
 6            dismissed.
- 7            3. Within ten (10) days of the date of expiration under subparagraph 2.  
 8            of this paragraph, the judgment creditor, or the judgment creditor's  
 9            counsel, shall file a notice in the county where the notice of judgment  
 10           lien is lodged of record. The notice shall contain:
- 11           a. The information about the judgment lien enforcement  
 12           proceeding contained in the notice filed under subparagraph 1.  
 13           of this paragraph; and
- 14           b. The judgment lien expiration date, as determined under  
 15           subparagraph 2. of this paragraph; or
- 16           (b) 1. Not less than one hundred twenty (120) days prior to the date of  
 17           expiration:
- 18           a. A notice of renewal of the judgment lien is filed by the judgment  
 19           creditor or the judgment creditor's counsel in the county where  
 20           the notice of judgment lien is lodged of record. The notice of  
 21           renewal of the judgment lien shall contain:
- 22           i. All of the information required under subsection (1)(a) of  
 23           Section 1 of this Act, and
- 24           ii. The amount of the judgment lien that remains unsatisfied;  
 25           and
- 26           b. The judgment creditor or the judgment creditor's counsel sends a  
 27           copy of the notice of renewal of the judgment lien filed under

1                    *this paragraph to the last known address of the judgment debtor*  
 2                    *or the judgment debtor's attorney of record, by regular first class*  
 3                    *mail, postage prepaid, or by personal delivery to the judgment*  
 4                    *debtor, a copy of the notice of renewal of the judgment lien.*

5                    *2. A judgment lien may be extended one (1) time in the manner provided*  
 6                    *under this paragraph for a period not to exceed five (5) years from the*  
 7                    *date of the expiration established under subsection (2) of this section.*

8                    *(4) A county clerk shall enter the notices filed under this section in the lis pendens*  
 9                    *records of the clerk's office and shall so note the entry upon the original of the*  
 10                    *notices.*

11                    *(5)* In any action involving real property which is subject to a judgment lien, service  
 12                    may be had upon the judgment creditor by serving the judgment creditor or the  
 13                    judgment creditor's *counsel*~~attorney~~ as shown in the notice of judgment lien.

14                    ➔ Section 2. KRS 65.032 is amended to read as follows:

15                    (1) As used in this section:

16                    (a) "Recorded instrument" means any document relating to real property,  
 17                    personal property, and any property for which a Kentucky certificate of title  
 18                    has been issued, including but not limited to deeds and mortgages; and

19                    (b) "Portal" means a *website*~~Web site~~ or online database that:

- 20                    1. Is readily accessible by the public to provide remote online access to
- 21                    recorded instruments;
- 22                    2. Has a network security device that monitors incoming and outgoing
- 23                    network traffic and determines whether to allow or block specific traffic
- 24                    based on a defined set of security rules; and
- 25                    3. Has a system which provides for backup copies of recorded instruments
- 26                    to be securely stored.

27                    (2) By *January 1, 2024*~~June 30, 2023~~, all county clerks shall provide and maintain

1 the portal that allows a person to electronically file any recorded instrument.

- 2 (3) (a) By June 30, 2024, each county clerk shall provide and maintain a portal that  
3 contains the following recorded instruments:
- 4 1. Filed on or after June 30, 1994:
    - 5 a. Deeds;
    - 6 b. Mortgages;
    - 7 c. Fixture filings under the Uniform Commercial Code;
    - 8 d. Plats of subdivided property;
    - 9 e. All covenants, conditions, and restrictions that relate to real  
10 property;
    - 11 f. Easements;
    - 12 g. Leases or memorandum of leases;
    - 13 h. Powers of attorney;
    - 14 i. Land contracts;
    - 15 j. Wills; and
    - 16 k. Affidavits that affect or clarify the title to property;
  - 17 2. Filed on or after June 30, 2004, child support liens;
  - 18 3. Filed on or after June 30, 2009:
    - 19 a. Judgment liens;
    - 20 b. Recoupment and unemployment liens; and
    - 21 c. Lis pendens notices;
  - 22 4. Filed on or after June 30, 2014:
    - 23 a. Federal and state tax liens; and
    - 24 b. Civil penalty liens; and
  - 25 5. Filed on or after June 30, 2019:
    - 26 a. Homeowner's association or condominium liens; and
    - 27 b. Bail bonds.

- 1 (b) By June 30, 2026, each county clerk shall provide and maintain a portal that  
2 contains the following recorded instruments filed on or after June 30, 1966,  
3 but before June 30, 1994:
- 4 1. Deeds;
  - 5 2. Mortgages;
  - 6 3. Fixture filings under the Uniform Commercial Code;
  - 7 4. Plats of subdivided property;
  - 8 5. All covenants, conditions, and restrictions that relate to real property;
  - 9 6. Easements;
  - 10 7. Leases or memorandum of leases;
  - 11 8. Powers of attorney;
  - 12 9. Land contracts;
  - 13 10. Wills; and
  - 14 11. Affidavits that affect or clarify the title to property.
- 15 (4) (a) Any fee charged by the county clerk for access to electronic copies of  
16 recorded instruments shall not exceed the actual cost of providing and  
17 maintaining the portal.
- 18 (b) If a county clerk contracts with an outside vendor to provide and maintain a  
19 portal required under this section, actual costs may include:
- 20 1. Development and maintenance of a portal that provides access to  
21 recorded instruments;
  - 22 2. Personnel costs for companies that employ staff to support county  
23 clerks;
  - 24 3. Maintenance of cybersecurity credentials; and
  - 25 4. Insurance premiums.
- 26 (5) A county clerk may redact Social Security numbers from electronic copies of  
27 recorded instruments and other personal information from recorded instruments

1 upon request from a law enforcement agency or judicial officer.

2 → Section 3. KRS 389A.010 is amended to read as follows:

3 (1) Notwithstanding any other statutory limitation of the jurisdiction of the District  
4 Court:

5 (a) Any trustee, guardian, conservator, or personal representative (hereinafter  
6 "fiduciary"), not otherwise possessing a power of sale, may move the District  
7 Court of the county in which the fiduciary has qualified for an order granting  
8 the fiduciary the power to sell or mortgage any real estate or any interest ***in***  
9 ***the real estate***~~[therein]~~ possessed by his ***or her*** ward, decedent, or trust; and

10 (b) The District Court may enter an order granting the fiduciary the power to sell  
11 or mortgage any real estate or any interest ***in the real estate***~~[therein]~~  
12 possessed by the ward, decedent, or trust.

13 (2) The motion shall include an adequate description of the property, a summary of the  
14 grounds for the motion, and a request that the bond of the fiduciary be increased in  
15 an adequate amount in accordance with KRS 395.130.

16 (3) ***(a)*** Unless waived in writing, written notice of the hearing with a copy of the  
17 motion shall be served in a manner authorized by the Rules of Civil Procedure  
18 for the initiation of a civil action upon all persons who have a vested or  
19 contingent interest in the property interest sought to be sold.

20 ***(b)*** Where the property interest sought to be sold belongs to a person under legal  
21 disability, service of notice and defense shall be governed by Civil Rules  
22 4.04(3) and 17.03.

23 ~~***(c)***~~~~***(a)***~~ In the case where the subject of the action is the property interest of a  
24 person under legal disability, unless waived in writing, written notice ***shall be***  
25 ***given*** by certified mail, return receipt requested, ~~[shall be given]~~ to all known  
26 adult next of kin ***and shall include***~~[of]~~:

27 1. The nature and pendency of the action; and

1           2.    **The time, date, and location of the hearing.**  
 2           **The notice required under this paragraph shall be given no later**~~[Not less]~~  
 3           than thirty (30) **days prior to the date**~~[ days' notice of the time, date, and~~  
 4           ~~location]~~ of the hearing on the motion.

5           **(d)** At or before the hearing, the fiduciary or his **or her** attorney shall file an  
 6           affidavit on personal knowledge showing compliance with **paragraphs (a) to**  
 7           **(c) of this subsection with the following attachments:**

- 8           **1.** ~~[this paragraph and attaching ]~~A copy of the notice given; and  
 9           **2.** The original of all receipts returned.

10          **(e)**~~(b)]~~ All~~[such]~~ persons **under this subsection** shall have standing to present  
 11          evidence and to be heard at the hearing.

12          (4) **Any**~~[An aggrieved]~~ party **aggrieved by any order affecting the right of the**  
 13          **fiduciary to sell or mortgage any property or property interest under this section**  
 14          may, no later than thirty (30) days from the date of the order, institute an adversary  
 15          proceeding in Circuit Court pursuant to KRS 24A.120(2)~~[ in respect to any order~~  
 16          ~~affecting the right of the fiduciary to sell or mortgage]~~. Pending the entry of a final  
 17          order and expiration of the time for an appeal therefrom, neither the fiduciary nor  
 18          the owner of any vested interest shall make any conveyance or mortgage of the real  
 19          estate and any attempt to do so shall be **voidable by the court until:**

20          **(a) The time for an appeal of any final order entered following the hearing**  
 21          **under subsection (3) of this section has expired pursuant to the Rules of**  
 22          **Civil Procedure; or**

23          **(b) Any adversary proceeding instituted under this subsection has been finally**  
 24          **adjudicated and the time for an appeal from the final adjudication order**  
 25          **has expired pursuant to the Rules of Civil Procedure**~~[null and void]~~.

26          **The provisions of this subsection shall be retroactive and shall apply to**  
 27          **conveyances made prior to the effective date of this Act.**

1 (5) No proceedings under this section shall be conducted by or before a commissioner  
2 of the District Court.

3 → Section 4. KRS 376.010 is amended to read as follows:

4 (1) (a) Any person who performs labor or furnishes materials~~[,]~~ for the erection,  
5 altering, or repairing of a house or other structure or for any fixture or  
6 machinery therein, for the excavation of cellars, cisterns, vaults, wells, or for  
7 the improvement in any manner of real property including the furnishing of  
8 agricultural lime, fertilizer, concrete pipe or drainage tile, crushed rock, gravel  
9 for roads or driveways, and materials used in the construction or maintenance  
10 of fences, by contract with, or by the written consent of, the owner, lessee,  
11 contractor, subcontractor, architect, or authorized agent, shall have a lien  
12 thereon, and upon the land upon which the improvements were made, or on  
13 any interest the owner or lessee has therein, to secure the amount thereof with  
14 interest as provided in KRS 360.040, and costs.

15 *(b) When improvements to property are made pursuant to an agreement or*  
16 *contract with a lessee, the lessee shall not be deemed the authorized agent of*  
17 *the owner unless the owner has designated the lessee, in writing, as the*  
18 *owner's agent for purposes of entering into the agreement or contract.*

19 (c) The lien on the land or improvements shall be superior to any mortgage or  
20 encumbrance created subsequent to the beginning of the labor or the  
21 furnishing of the materials, and the lien, if asserted as hereinafter provided,  
22 shall relate back and take effect from the time of the commencement of the  
23 labor or the furnishing of the materials.

24 (d) The lien shall not be for a greater amount in the aggregate than the contract  
25 price of the original contractor, and should the aggregate amount of the liens  
26 exceed the price agreed upon between the original contractor and the owner  
27 there shall be a pro rata distribution of the original contract price among the

1 lienholders.

2 (2) **(a)** The lien shall not take precedence over a mortgage or other contract lien or  
 3 bona fide conveyance for value without notice, duly recorded or lodged for  
 4 record according to law, unless the person claiming the prior lien shall, before  
 5 the recording of the mortgage or other contract lien or conveyance, file in the  
 6 office of the county clerk of the county ~~where~~<sup>wherein</sup> he **or she** has  
 7 furnished or expects to furnish labor or materials, a statement showing that he  
 8 **or she** has furnished or expects to furnish labor or materials, and the amount  
 9 **of the labor or materials** in full~~thereof~~.

10 **(b)** The lien shall not, as against the holder of a mortgage or other contract lien or  
 11 conveyance, exceed the amount of the lien claimed or expected to be claimed  
 12 as set forth in the statement.

13 **(c)** The statement shall, in other respects, be in the form prescribed by KRS  
 14 376.080.

15 (3) **(a)** **Any lien under this section shall only extend to the right, title, and interest**  
 16 **of the person who contracts for the improvements as the right, title, and**  
 17 **interest exist at the commencement of the improvements or as thereafter**  
 18 **acquired in the real property. When improvements to property are made by**  
 19 **a lessee in accordance with an agreement between the lessee and his or her**  
 20 **lessor, the lien shall also extend to the interest of the lessor.**

21 **(b)** **When a lease agreement expressly provides that the interest of the lessor**  
 22 **shall not be subject to liens for improvements made by the lessee, the lessee**  
 23 **shall notify the contractor making any improvements of the provisions in**  
 24 **the lease, and the knowing or willing failure of the lessee to provide this**  
 25 **notice to the contractor shall render the contract between the lessee and the**  
 26 **contractor voidable at the option of the contractor.**

27 **(c)** **The interest of the lessor is not subject to any lien for improvements made**

1 by the lessee or at the request of the lessee when:

2 1. The lease, a short form of the lease, or a memorandum of the lease  
 3 that contains the specific language in the lease prohibiting the liability  
 4 is recorded in the office of the county clerk in the county where the  
 5 premises are located before the commencement of improvements to the  
 6 premises, and the terms of the lease expressly prohibit such liability;

7 or

8 2. a. The terms of the lease expressly prohibit such liability; and

9 b. A notice advising that leases for the rental of premises on a  
 10 parcel of land, or at a particular location, prohibit such liability  
 11 has been recorded in the office of the county clerk in the county  
 12 where the parcel of land or particular location is located before  
 13 the commencement of improvements to the premises. The notice  
 14 shall include the following:

15 i. The name of the owner;

16 ii. The legal description of the parcel of land or particular  
 17 location to which the notice applies;

18 iii. The specific language contained in the various leases  
 19 prohibiting such liability; and

20 iv. A statement that all or a majority of the leases entered into  
 21 for the premises on the parcel of land or particular location  
 22 expressly prohibit such liability.

23 (d) A notice that is consistent with the requirements of paragraph (c) of this  
 24 subsection shall prohibit the acquisition of any lien against the lessor's  
 25 interest in the property for improvements made by a lessee even if other  
 26 leases for premises on the parcel of land or particular location do not  
 27 expressly prohibit liens, or if the provisions of each lease restricting the

1 acquisition of liens are not identical.

2 (e) 1. Any person who performs labor or furnishes materials for  
 3 improvements being made by a lessee may serve written demand on  
 4 the lessor, by certified mail, requesting a copy of the provision in the  
 5 lease prohibiting liability for improvements made by the lessee.

6 2. The demand shall:

7 a. Identify the lessee and premises being improved; and

8 b. Include a warning in conspicuous type that the failure to provide  
 9 the requested copy of the lease provision within thirty (30) days  
 10 of the receipt of the demand may result in the lessor's property  
 11 being subject to the filing of a mechanic's or materialman's lien.

12 3. If the lessor does not provide a true and accurate copy of the lease  
 13 provision within thirty (30) days of the receipt of the demand, the  
 14 lessor's interest in the property shall be subject to a lien under this  
 15 section by the person performing labor or furnishing materials, if the  
 16 person has otherwise complied with the requirements of this section  
 17 and the person did not have actual notice that the interest of the lessor  
 18 was not subject to a lien for improvements made by the lessee.

19 (f) The provisions of paragraphs (c), (d), and (e) of this subsection shall not  
 20 apply to a multifamily residential rental unit. As used in this paragraph,  
 21 "multifamily residential rental unit" means any structure designed for  
 22 human habitation that is divided into two (2) or more independent living  
 23 quarters and offered for lease or rent, excluding:

24 1. Hotels and motels;

25 2. Dormitories;

26 3. Long-term care facilities as defined in KRS 216.535;

27 4. A condominium unit under KRS 381.810 or any other residential unit

1                    conveyed on a unit-by-unit basis, even if those units are a part of a  
 2                    larger building containing more than one (1) residential unit; and

3                    5. An owner-occupied double family dwelling.

4                    (4) (a) A ~~person~~ person who has not contracted directly with the owner, the owner's ~~or~~  
 5                    ~~his~~ agent, or the lessee, if applicable, shall not acquire a lien under this  
 6                    section unless he or she notifies, in writing, the owner of the property to be  
 7                    held liable, the owner's ~~or his~~ authorized agent, or the lessee, if applicable,  
 8                    within seventy-five (75) days on claims amounting to less than one thousand  
 9                    dollars (\$1,000) and one hundred twenty (120) days on claims in excess of  
 10                    one thousand dollars (\$1,000) after the last item of material or labor is  
 11                    furnished, of his or her intention to hold the property liable and the amount  
 12                    for which he or she will claim a lien; ~~and~~.

13                    (b) It shall be sufficient to prove that the notice was mailed to the last known  
 14                    address of the owner of the property upon which the lien is claimed, or to the  
 15                    owner's ~~his~~ duly authorized agent within the county in which the property to  
 16                    be held liable is located.

17                    (5) (a) ~~(4)~~ A ~~person~~ person who has not contracted directly with the owner or the  
 18                    owner's ~~his~~ authorized agent shall not acquire a lien under this section on an  
 19                    owner-occupied single or double family dwelling, the appurtenances or  
 20                    additions thereto, or upon other improvements for agricultural or personal use  
 21                    to the real property or real property contiguous thereto and held by the same  
 22                    owner, upon which the owner-occupant's dwelling is located, unless he or she  
 23                    notifies in writing the owner of the property to be held liable or the  
 24                    owner's ~~his~~ authorized agent not more than seventy-five (75) days after the  
 25                    last item of material or labor is furnished, of the delivery of the material or  
 26                    performance of labor and of his or her intention to hold the property liable  
 27                    and the amount for which he or she will claim a lien.

1       **(b)** It shall be sufficient to prove that the notice was mailed to the last known  
 2           address of the owner of the property upon which the lien is claimed, or to ***the***  
 3           ***owner's***~~[his]~~ duly authorized agent.

4       **(c)** ~~The~~~~[This]~~ notice ***under this subsection*** is in lieu of the notice provided for in  
 5           subsection ***(4) of this section***~~[(3)]~~.

6       **(d)** Notwithstanding the foregoing provisions of this subsection, the lien provided  
 7           for under this section shall not be applicable to the extent that an owner-  
 8           occupant of a single or double family dwelling, or owner of other property as  
 9           described in this subsection has, prior to receipt of the notice provided for in  
 10          this subsection, paid the contractor, subcontractor, architect, or authorized  
 11          agent for work performed or materials furnished prior to such payment.

12       **(e)** The contractor or subcontractor cannot be the authorized agent under this  
 13          subsection.

14       **(f)** This subsection shall apply to the construction of single or double family  
 15          homes constructed pursuant to a construction contract with a property owner  
 16          and intended for use as the property owner's dwelling.

17       ~~(6)~~~~[(5)]~~ For purposes of this section, "labor" includes but is not limited to all supplies  
 18          and work done by teams, trucks, machinery, and mechanical equipment, whether  
 19          the owner furnishes a driver or operator or not.

20       ~~(7)~~~~[(6)]~~ ***As used in this section:***

21       (a) "Supplies" includes small tools and equipment reasonably necessary in  
 22          performing the work required to be done, including picks, shovels, sledge  
 23          hammers, axes, pulleys, wire cables, ropes, and other similar items costing not  
 24          more than fifty dollars (\$50) per item, and tires and tubes furnished for use on  
 25          vehicles engaged in the performance of the work; ***and***~~[-]~~

26       (b) "Supplies" also includes the cost of labor, materials, and repair parts supplied  
 27          or furnished for keeping all machinery and equipment used in the

1 performance of the work in good operating condition; and shall include the  
2 agreed or reasonable rental price of equipment and machinery used in  
3 performing the work to be done:

- 4 1. The lien for rental equipment or machinery shall not be more than the  
5 aggregate sum of six (6) months' rental, and the aggregate amount of  
6 such rental shall not exceed sixty percent (60%) of the agreed value of  
7 the machinery or equipment; and
- 8 2. The liens for supplies as defined in this subsection are subordinate to the  
9 liens for labor, material, and supplies as defined in this section.

10 → Section 5. KRS 371.325 is amended to read as follows:

11 No waiver of defense clause in any retail installment contract shall operate to cut off any  
12 defense that an owner-occupant of a single or double family dwelling or the  
13 appurtenances or additions thereto may have acquired by virtue of a third party  
14 materialmen's lien under KRS 376.010~~[(4)]~~.