

**186A.195 Title lien statement defined -- System to receive financing information -- Perfection of security interest.**

- (1) As used in this chapter, a title lien statement is a document to be submitted by the secured party to the county clerk. Upon submission of the title lien statement, the county clerk shall use the information contained therein to note the security interest on the certificate of title, in accordance with KRS 186A.190(9). The county clerk may make title lien statements available to the general public. However, public availability of such statements is not necessary or effective to perfect a security interest in property required to be registered or titled in accordance with this chapter.
- (2) If a title lien statement and the required fees accompany the application for first title of any property in the name of an owner, the county clerk shall enter the information required by KRS 186A.190(9) into the automated system so as to produce a certificate of title in Frankfort bearing in addition to any other required information, the information designated by KRS 186A.190(9). The clerk shall thereby produce, in accordance with design of the automated system, a certificate of registration, if required.
- (3) If a title lien statement and the required fees are not received at the time of application for first title of any property in the name of the owner due to the owner's residency in another county, or if the form prescribed by KRS 186A.060 indicates a pending lien but the title lien statement does not accompany the application for title, the county clerk shall enter into the Automated Vehicle Information System (AVIS) the name and address of the lienholder and the county where the lien is to be noted or that a lien is pending. The clerk shall indicate a title is not to be issued until the lien has been noted and fees, according to KRS 186A.190, paid in the county of the owner's residence or in thirty (30) days. The county clerk shall then issue the registration. The county clerk in the county of the owner's residence shall, after receiving the title lien statement and fees contained in KRS 186A.190, enter into the Automated Vehicle Information System (AVIS) the date of lien notation and the notation number, thus enabling the system to produce the title in Frankfort.
- (4) Should a certificate of title be issued after the thirty (30) day period has expired without the notation of a security interest thereon, or should there be no provision made for a lien to be noted in the county of residence of the debtor within thirty (30) days and the title issued within that time, the secured party shall request from the debtor, and the debtor shall submit to the secured party, the certificate of title. The secured party shall submit the certificate of title along with the title lien statement to the county clerk of the county of the debtor's residence. The county clerk shall then enter the information required by KRS 186A.190(9) into the Automated Vehicle Information System (AVIS) and note on the certificate of title in the appropriate section the information described in that section. Following the notation of the appropriate information on the certificate of title, the county clerk shall return the title to the debtor.
- (5) The security interest noted on the certificate of title shall be deemed perfected at the time the security interest attaches (KRS 355.9-203) if the secured party tenders the

required fees and submits a properly completed title lien statement and application for first title or, in the case of property previously titled in the name of its debtor, the certificate of title to the appropriate county clerk within thirty (30) days of attachment. Otherwise, the security interest shall be deemed perfected at the time that such fees are tendered and such documents are submitted to the appropriate county clerk.

**Effective:** July 15, 2020

**History:** Amended 2020 Ky. Acts ch. 119, sec. 2, effective July 15, 2020. -- Amended 2017 Ky. Acts ch. 31, sec. 2, effective June 29, 2017. -- Amended 2016 Ky. Acts ch. 118, sec. 2, effective July 15, 2016. -- Amended 2000 Ky. Acts ch. 408, sec. 181, effective July 1, 2001. -- Amended 1996 Ky. Acts ch. 297, sec. 2, effective July 15, 1996. -- Amended 1988 Ky. Acts ch. 132, sec. 4, effective March 31, 1988. -- Amended 1986 Ky. Acts ch. 118, sec. 98, effective July 1, 1987. -- Created 1982 Ky. Acts ch. 164, sec. 36, effective July 15, 1982.