

1 AN ACT relating to county clerks and making an appropriation therefor.

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

3 ➔SECTION 1. A NEW SECTION OF KRS CHAPTER 67 IS CREATED TO
4 READ AS FOLLOWS:

5 *(1) As used in this section:*

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

9 *(b) "Portal" means a Web site or online database that:*

10 *1. Is readily accessible by the public to provide remote online access to*
11 *recorded instruments;*

12 *2. Has a network security device that monitors incoming and outgoing*
13 *network traffic and determines whether to allow or block specific*
14 *traffic based on a defined set of security rules; and*

15 *3. Has a system which provides for backup copies of recorded*
16 *instruments to be securely stored.*

17 *(2) By June 30, 2023, all county clerks shall provide and maintain the portal that*
18 *allows a person to electronically file any recorded instrument.*

19 *(3) (a) By June 30, 2024, each county clerk shall provide and maintain a portal*
20 *that contains the following recorded instruments:*

21 *1. Filed on or after June 30, 1994:*

22 *a. Deeds;*

23 *b. Mortgages;*

24 *c. Fixture filings under the Uniform Commercial Code;*

25 *d. Plats of subdivided property;*

26 *e. All covenants, conditions, and restrictions that relate to real*
27 *property;*

- 1 f. Easements;
- 2 g. Leases or memorandum of leases;
- 3 h. Powers of attorney;
- 4 i. Land contracts;
- 5 j. Wills; and
- 6 k. Affidavits that affect or clarify the title to property;
- 7 2. Filed on or after June 30, 2004, child support liens;
- 8 3. Filed on or after June 30, 2009;
- 9 a. Judgment liens;
- 10 b. Recoupment and unemployment liens; and
- 11 c. Lis pendens notices;
- 12 4. Filed on or after June 30, 2014;
- 13 a. Federal and state tax liens; and
- 14 b. Civil penalty liens;
- 15 5. Filed on or after June 30, 2019;
- 16 a. Homeowner's association or condominium liens; and
- 17 b. Bail bonds.
- 18 (b) By June 30, 2026, each county clerk shall provide and maintain a portal
- 19 that contains the following recorded instruments filed on or after June 30,
- 20 1966, but before June 30, 1994:
- 21 1. Deeds;
- 22 2. Mortgages;
- 23 3. Fixture filings under the Uniform Commercial Code;
- 24 4. Plats of subdivided property;
- 25 5. All covenants, conditions, and restrictions that relate to real property;
- 26 6. Easements;
- 27 7. Leases or memorandum of leases;

1 8. Powers of attorney;

2 9. Land contracts;

3 10. Wills; and

4 11. Affidavits that affect or clarify the title to property

5 (4) Any fee charged by the county clerk for access to electronic copies of recorded
6 instruments shall not exceed the actual cost of maintaining the portal.

7 ➔Section 2. KRS 64.012 is amended to read as follows:

8 (1) The county clerk shall receive for the following services the following fees:

9 (a) 1. Recording and indexing of a:

- 10 a. Deed of trust or assignment for the benefit of creditors;
- 11 b. Deed;
- 12 c. Deed of assignment;
- 13 d. File-stamped copy of documents set forth in KRS 14A.2-040(1) or
- 14 (2) that have been filed first with the Secretary of State;
- 15 e. Real estate option;
- 16 f. Power of attorney;
- 17 g. Revocation of power of attorney;
- 18 h. Lease which is recordable by law;
- 19 i. Deed of release of a mortgage or lien under KRS 382.360;
- 20 j. United States lien;
- 21 k. Release of a United States lien;
- 22 l. Release of any recorded encumbrance other than state liens;
- 23 m. Lis pendens notice concerning proceedings in bankruptcy;
- 24 n. Lis pendens notice;
- 25 o. Mechanic's and artisan's lien under KRS Chapter 376;
- 26 p. Assumed name;
- 27 q. Notice of lien issued by the Internal Revenue Service;

- 1 r. Notice of lien discharge issued by the Internal Revenue Service;
- 2 s. Original, assignment, amendment, or continuation financing
- 3 statement;
- 4 t. Making a record for the establishment of a city, recording the plan
- 5 or plat thereof, and all other service incident;
- 6 u. Survey of a city, or any part thereof, or any addition to or
- 7 extensions of the boundary of a city;
- 8 v. Recording with statutory authority for which no specific fee is set,
- 9 except a military discharge;
- 10 w. Will or other probate document pursuant to KRS Chapter 392 or
- 11 394;
- 12 x. Court ordered name change pursuant to KRS Chapter 401;
- 13 y. Land use restriction according to KRS 100.3681; and
- 14 z. Filing with statutory authority for which no specific fee is set.

15 For all items in this subsection if the entire thereof does not exceed
 16 five (5) pages\$33.00

17 And, for all items in this subsection exceeding five (5) pages,
 18 for each additional page\$3.00

19 And, for all items in this subsection for each additional reference
 20 relating to same instrument\$4.00

21 2. The thirty-three dollar (\$33) fee imposed by this subsection shall be
 22 divided as follows:

23 a. Twenty-seven dollars (\$27) shall be retained by the county clerk;
 24 and

25 b. Six dollars (\$6) shall be paid to the affordable housing trust fund
 26 established in KRS 198A.710 and shall be remitted by the county
 27 clerk within ten (10) days following the end of the quarter in which

1 the fee was received. Each remittance to the affordable housing
 2 trust fund shall be accompanied by a summary report on a form
 3 prescribed by the Kentucky Housing Corporation.

- 4 (b) For noting a security interest on a certificate of title pursuant to
 5 KRS Chapter 186A\$12.00
- 6 (c) For filing the release of collateral under a financing statement
 7 and noting same upon the face of the title pursuant to KRS Chapter
 8 186 or 186A\$5.00
- 9 (d) Filing or recording state tax or other state liens\$5.00
- 10 (e) Filing release of a state tax or other state lien\$5.00
- 11 (f) Acknowledging or notarizing any deed, mortgage, power of attorney,
 12 or other written instrument required by law for recording and certifying
 13 same\$5.00
- 14 (g) Recording plats, maps, and surveys, not exceeding 24 inches by
 15 36 inches, per page\$40.00
- 16 (h) Recording a bond, for each bond\$10.00
- 17 (i) Each bond required to be taken or prepared by the clerk\$4.00
- 18 (j) Copy of any bond when ordered\$3.00
- 19 (k) Administering an oath and certificate thereof\$5.00
- 20 (l) Issuing a license for which no other fee is fixed by law\$8.00
- 21 (m) Issuing a solicitor's license\$15.00
- 22 (n) Marriage license, indexing, recording, and issuing certificate thereof\$26.50
- 23 (o) Every order concerning the establishment, changing, closing, or
 24 discontinuing of roads, to be paid out of the county levy when
 25 the road is established, changed, closed, or discontinued, and by
 26 the applicant when it is not\$3.00
- 27 (p) Registration of licenses for professional persons required to register

1 with the county clerk\$10.00

2 (q) Certified copy of any record\$5.00

3 Plus fifty cents (\$.50) per page after three (3) pages

4 (r) Filing certification required by KRS 65.070(2)(a)\$5.00

5 (s) Filing notification and declaration and petition of candidates

6 for Commonwealth's attorney.....\$200.00

7 (t) Filing notification and declaration and petition of candidates for county

8 and independent boards of education\$20.00

9 (u) Filing notification and declaration and petition of candidates for

10 boards of soil and water conservation districts\$20.00

11 (v) Filing notification and declaration and petition of candidates for

12 other office\$50.00

13 (w) Filing declaration of intent to be a write-in candidate for office\$50.00

14 (x) Filing petitions for elections, other than nominating petitions\$50.00

15 (y) Notarizing any signature, per signature\$2.00

16 (z) Filing bond for receiving bodies under KRS 311.310\$10.00

17 (aa) Noting the assignment of a certificate of delinquency and recording

18 and indexing the encumbrance under KRS 134.126 or 134.127\$27.00

19 (ab) Filing a going-out-of-business permit under KRS 365.445\$50.00

20 (ac) Filing a renewal of a going-out-of-business permit under KRS 365.445 \$50.00

21 (ad) Filing and processing a transient merchant permit under KRS 365.680 . \$25.00

22 (ae) Recording and indexing a real estate mortgage:

23 1. For a mortgage that does not exceed thirty (30) pages\$63.00

24 2. And, for a mortgage that exceeds thirty (30) pages, for each additional

25 page\$3.00

26 (af) Filing or recording a lien or release of lien by a consolidated local

27 government, urban-county government, unified local government, or city of

1 any class\$20.00

2 (2) The sixty-three dollar (\$63) fee imposed by subsection (1)(ae) of this section shall
3 be divided as follows:

- 4 (a) Fifty-seven dollars (\$57) shall be retained by the county clerk; and
- 5 (b) Six dollars (\$6) shall be paid to the affordable housing trust fund established
6 in KRS 198A.710 and shall be remitted by the county clerk within ten (10)
7 days following the end of the quarter in which the fee was received. Each
8 remittance to the affordable housing trust fund shall be accompanied by a
9 summary report on a form prescribed by the Kentucky Housing Corporation.

10 (3) (a) For services related to the permanent storage of records listed in paragraphs
11 (a), (g), (n), and (ae) of subsection (1) of this section, the clerk shall be
12 entitled to receive a reimbursement of ten dollars (\$10).

13 (b) This fee shall:

- 14 1. Not be paid annually to the fiscal court under KRS 64.152;
- 15 2. Not be paid to the Finance and Administration Cabinet under KRS
16 64.345;
- 17 3. Be accumulated and transferred to the fiscal court or the legislative
18 body of a consolidated local government or an urban-county
19 government on a monthly basis within ten (10) days following the end
20 of the month;
- 21 4. Be accounted for in a separate fund; and
- 22 5. Not lapse to the general fund of the county, consolidated local
23 government, or urban-county government.

24 (c) The moneys accumulated from this fee shall be held in perpetuity by the
25 fiscal court or the legislative body of a consolidated local government or an
26 urban-county government for the county clerk's exclusive use for:

- 27 1. Equipment related to the permanent storage of and access to records,

- 1 including deed books, binders, shelves, microfilm equipment, and
 2 fireproof equipment;
 3 2. Hardware for the permanent storage of and access to records,
 4 including computers, servers, and scanners;
 5 3. Software for the permanent storage of and access to records, including
 6 vendor services and consumer subscription fees;
 7 4. Personnel costs for the permanent storage of and access to records,
 8 including overtime costs for personnel involved in the digitization of
 9 records; and
 10 5. Cloud storage and cybersecurity services for the permanent storage of
 11 and access to records.

12 (d) Claims by a county clerk that are for the approved expenditures in
 13 paragraph (c) of this subsection shall be paid by the county judge/executive
 14 or the chief executive officer of a consolidated local government or an
 15 urban-county government by a warrant drawn on the fund and co-signed by
 16 the treasurer of the county, consolidated local government, or urban-county
 17 government.

18 (e) No later than July 1 of each year, each county fiscal court or legislative
 19 body of a consolidated local government or an urban-county government
 20 shall submit a report to the Legislative Research Commission detailing the
 21 receipts, expenditures, and any amounts remaining in the fund.

22 ➔Section 3. KRS 142.010 is amended to read as follows:

- 23 (1) The following taxes shall be paid:
- 24 (a) A tax of four dollars and fifty cents (\$4.50) on each marriage license;
- 25 (b) A tax of four dollars (\$4) on each power of attorney to convey real or personal
- 26 property;
- 27 (c) A tax of four dollars (\$4) on each mortgage, financing statement, or security

1 agreement and on each notation of a security interest on a certificate of title
2 under KRS 186A.190;

3 (d) A tax of four dollars (\$4) on each conveyance of real property; and

4 (e) A tax of four dollars (\$4) on each lien or conveyance of coal, oil, gas, or other
5 mineral right or privilege.

6 (2) The tax imposed by this section shall be collected by each county clerk as a
7 prerequisite to the issuance of a marriage license or the original filing of an
8 instrument subject to the tax. Subsequent assignment of the original instrument
9 shall not be cause for additional taxation under this section. This section shall not
10 be construed to require any tax upon a deed of release of a lien retained in a deed or
11 mortgage.

12 (3) Taxes imposed under this section shall be reported and paid to the Department of
13 Revenue by each county clerk within ten (10) days following the end of the calendar
14 month in which instruments subject to tax are filed or marriage licenses issued.
15 Each remittance shall be accompanied by a summary report on a form prescribed by
16 the department.

17 (4) Any county clerk who violates any of the provisions of this section shall be subject
18 to the uniform civil penalties imposed pursuant to KRS 131.180. In every case, any
19 tax not paid on or before the due date shall bear interest at the tax interest rate as
20 defined in KRS 131.010(6) from the date due until the date of payment.

21 (5) (a) One dollar (\$1) of the amount collected under each paragraph of subsection
22 (1) of this section shall be placed in an agency fund in the Department for
23 Libraries and Archives to be used exclusively for the purpose of preserving
24 and retaining public records by continuing the local records grant program
25 active in the Department for Libraries and Archives. ~~The budgeted amount of~~
26 ~~funds allocated to the grant program in the fiscal year 2005-2006 departmental~~
27 ~~budget shall not be reduced in future years, and shall be increased annually by~~

1 ~~this additional revenue to be used exclusively for the grants program.]~~

2 (b) Ninety percent (90%) of all funds allocated to the Department for Libraries
 3 and Archives under paragraph (a) of this subsection for the local records
 4 grant program shall be set aside for grants to county clerks and distributed
 5 annually, except as provided in paragraph (c) of this subsection.

6 (c) If there are insufficient grant applications from county clerks for the
 7 Department for Libraries and Archives to distribute ninety percent (90%) of
 8 all funds allocated under paragraph (a) of this subsection, the Department
 9 for Libraries and Archives may grant those funds to other agencies.

10 ➔SECTION 4. A NEW SECTION OF KRS CHAPTER 64 IS CREATED TO
 11 READ AS FOLLOWS:

12 (1) (a) A county clerk in a county containing a population of less than seventy
 13 thousand (70,000) may be entitled to receive an advancement to:

14 1. Defray necessary official expenses; and

15 2. Supplement the payment of the salaries of the county clerk or the
 16 county clerk's deputies and assistants.

17 (b) 1. The secretary of the Finance and Administration Cabinet shall, on the
 18 first day of each calendar month, determine the necessary amount that
 19 may be advanced to the county clerk.

20 2. The advance shall be the lesser of:

21 a. One-twelfth (1/12) of the total fees collected by the county clerk
 22 for the preceding year; or

23 b. Sixty thousand (\$60,000) dollars per month.

24 (c) When approved by the secretary of the Finance and Administration
 25 Cabinet, a warrant shall be drawn on the State Treasury in favor of the
 26 county clerk for such advancement.

27 (2) If a county clerk makes a request for funds from the State Treasury to defray

1 *necessary official expenses, the county clerk shall not be required to submit a*
2 *detailed statement of his or her personal assets and liabilities as a condition of the*
3 *application process.*

4 *(3) The Finance and Administration Cabinet shall promulgate administrative*
5 *regulations in accordance with KRS Chapter 13A as necessary to implement the*
6 *provisions of this section.*

7 ➔Section 5. (1) There is hereby appropriated General Funds in the amount of
8 \$25,000,000 in fiscal year 2022-2023 to the Department for Local Government to
9 administer grants for the modernization of county clerk offices. Notwithstanding KRS
10 45.229, this General Fund appropriation shall not lapse and shall carry forward.

11 (2) The Department for Local Government shall promulgate administrative
12 regulations to ensure that:

13 (a) The moneys are awarded based on the following criteria in the order as listed:

14 1. Projects in counties where the county clerk has no current infrastructure in
15 place to comply with the requirements of Section 1 of this Act;

16 2. Projects in counties where the county clerk has minimal infrastructure in place
17 to comply with the requirements of Section 1 of this Act; and

18 3. Projects in counties where the county clerk has the infrastructure in place but
19 has not scanned all of the documents required in Section 1 of this Act; and

20 (b) A request for proposal shall be issued for projects.