

1 AN ACT relating to the purchase of single-family homes.

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

3 ➔ SECTION 1. A NEW SECTION OF KRS CHAPTER 367 IS CREATED TO

4 READ AS FOLLOWS:

5 *As used in Sections 1 to 3 of this Act:*

6 *(1) "Advertised for sale" means placing a commercial message in any medium that*
directly or indirectly aids, promotes, or assists a single-family home purchase
agreement;

9 *(2) "Affiliate" means a person, other than an individual, that wholly or substantially*
owns, is wholly or substantially owned by, or is under common ownership with
another person;

12 *(3) "Individual" means a human being;*

13 *(4) "Nonprofit corporation" has the same meaning as in KRS 273.161;*

14 *(5) "Person":*

15 *(a) Means a fiduciary, firm, association, partnership, limited liability company,*
corporation, or other business entity or group acting as a unit; and

17 *(b) Does not include a governmental entity;*

18 *(6) "Single-family home" means a residential structure that is either a fully detached*
or semi-detached building or that is a row or town home that:

20 *(a) Is separated from any adjacent unit by a ground-to-roof wall;*

21 *(b) Does not share heating or air conditioning systems or utilities; and*

22 *(c) Does not have other units located above or below; and*

23 *(7) "Small business" has the same meaning as in KRS 13A.010.*

24 ➔ SECTION 2. A NEW SECTION OF KRS CHAPTER 367 IS CREATED TO

25 READ AS FOLLOWS:

26 *(1) A person or its affiliates shall not purchase a single-family home in the*
Commonwealth of Kentucky for a purpose other than use by the person as a

1 residence if the person, including its affiliates, owns fifty (50) or more single-
2 family homes in the Commonwealth of Kentucky that are used primarily for
3 rental purposes.

4 (2) This section:

5 (a) Shall not apply:

6 1. To nonprofit corporations; or
7 2. When a single-family home has been advertised for sale for ninety
8 (90) days or more, unless the purchaser qualifies as a small business,
9 in which case this section shall not apply when a single-family home
10 has been advertised for sale for thirty (30) days or more; and

11 (b) Applies to purchases made on or after the effective date of this Act.

12 ➔ SECTION 3. A NEW SECTION OF KRS CHAPTER 367 IS CREATED TO
13 READ AS FOLLOWS:

14 (1) A violation of Sections 1 to 3 of this Act shall be deemed to be an unfair, false,
15 misleading, or deceptive act or practice in the conduct of trade or commerce in
16 violation of KRS 367.170.

17 (2) All of the remedies, powers, and duties provided to the Attorney General or any
18 other person under KRS 367.110 to 367.300, and the penalties provided in KRS
19 367.990, pertaining to acts declared unlawful by KRS 367.170, shall apply with
20 equal force and effect to a violation of Sections 1 to 3 of this Act.

21 (3) In an action arising under subsection (1) or (2) of this section, the court shall
22 grant a motion by the Attorney General for joinder of any affiliate of a party
23 named in the action for purposes of:

24 (a) Ensuring a proper accounting regarding the total number of single-family
25 homes owned by the named party and any affiliates; and

26 (b) Permitting proper enforcement, remedies, and damages.

27 (4) If a party is unable to pay an amount awarded by the court pursuant to this

1 *section, the court may find any interested party joined pursuant to subsection (3)*
2 *of this section jointly and severally liable and make the award recoverable against*
3 *any or all of the joined parties.*