## Local Government Mandate Statement Kentucky Legislative Research Commission 2021 Regular Session

## **Part I: Measure Information**

Bill Request #: 872			
Bill #: HB 269			
Document ID #: 27	73		
Bill Subject/Title: _	AN ACT relating to me	otor vehicle liens.	
Sponsor: Represent	ative Joseph M. Fische	r	
Unit of Government:	City	X County	X Urban-County Unified Local
	X Charter County	X Consolidated Local	X Government
Office(s) Impacted:	County Clerk		
Requirement: X	Mandatory Op	otional	
Effect on Powers & Duties:	Modifies Existing	X Adds New X E	liminates Existing

## Part II: Bill Provisions and the Estimated Fiscal Impact Relating to Local Government

This legislation creates procedures and processes to allow centralized lien filing for title lien statements. It would allow a title lien statement to be filed in any county clerks' office or with the Transportation Cabinet. Recording and release fees would be split between county clerks if the lien statement is filed in a county different than the county of residence of the debtor.

Section 1 creates a section of KRS Chapter 186A to define "cabinet" and "title lien statement".

Section 2 repeals and reenacts KRS 186A.195 to set forth procedures for the filing of title lien statements and the distribution of fees. If the tile lien statement is submitted to the cabinet or to the county clerk of the county in which the debtor resides, the county clerk of the county in which the debtor resides shall receive or retain the fee. If the tile lien statement is submitted to the a county clerk outside of the county in which the debtor

resides, the county clerk of the county in which the debtor resides and the county clerk to which the document was submitted will split the fee equally

Section 3 amends KRS 186A.200 to conform.

Section 4 amends KRS 186.045 to establish procedures for filing lien terminations on security interest perfected after the effective date of this act.

Sections 5, 6, and 7, amend the following to conform: KRS 186A.190, 186A.200, 186A.205, and 186A.210.

Section 8 makes this Act effective January 1, 2023.

The overall fiscal impact of this legislation on county clerks is indeterminable but is expected to be minimal. It will likely increase the number of title lien statements processed in counties where most vehicle transactions occur. Any impact will be mostly procedural.

## Part III: Differences to Local Government Mandate Statement from Prior Versions

Part II, above, pertains to the bill as introduced.

Data Source(s):Kentucky County Clerk's Association, LRC StaffPreparer:Mark OffermanReviewer:KHCDate:1/22/21