

Section 15:

The Heir Property Research Fund shall be funded by the following:
SB 110 increases the filing fee the county clerk shall receive for documents for which no specific fee is set from \$33 to \$34 for the first five pages. The additional dollar shall be paid to the heir property research fund and remitted by the county clerk within ten days following the end of the quarter in which the fee was received. Each remittance shall be accompanied by a summary report of a form prescribed by the Kentucky Real Estate Authority.

In layman’s terms, this would help preserve family wealth passed to the next generation in the form of real property. For example, if your grandparents left no will, the property would have passed to their children, and their children’s children, and perhaps you now own a partial interest in the property as well. The property in this scenario is known as “heirs’ property” and often results in what is called “clouded” or “tangled” title. The clouded title can unfortunately create a number of legal and financial obstacles if not managed appropriately. SB 110 would seek to remedy this by providing financial assistance to these families to aid in research.¹

Currently, according to the United States Department of Agriculture, as of October, 2021, 18 states have enacted the Uniform Partition of Heirs Property Act. The Department further asserts that in states that have not enacted this law, it may be more likely that heir’s properties are sold at below market rate.²

The fiscal impact to local governments is not known at this time. The Kentucky County Clerks Association has been contacted for input. As of the submission of this Local Mandate Statement, they have requested more time in order to provide a response. Once that response is received, this statement will be updated accordingly.

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

Part II refers to SB 110 as introduced. There are no prior versions of this bill.

Data Source(s): LRC Staff;
(1) Booneville Sentinel article titled "Study to be Conducted in Several Counties in Kentucky Including Owsley County Concerning an Heirs Property", June 13, 2021;
(2) U.S Department of Agriculture article titled "Knowledge of 'Heirs Properties' Issues Help Families Keep, Sustain Land", October 8,2021

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