

The expiration date may also be postponed not less than 120 days prior to the date of expiration and the judgement creditor or his or her counsel files a notice of renewal of the judgement lien in the county where the lien is located containing specific information as required by HB 83 SCS 1. The judgement lien may be extended once and for a period not to exceed five years from the date of the expiration.

Section 2:

Amends KRS 64.032 to extend the date for which county clerks will be required to accept electronic filing of any recorded instrument from June 30, 2023, to January 1, 2024.

Section 3:

Provides that the right of the fiduciary to sell or mortgage any property or interest in a property shall be voidable until such time that any appeals for a final order or any adversary proceeding have expired. The provisions of Section 3 are retroactive and shall apply to conveyances made prior to the effective date of this Act.

Section 4 and 6:

In regards to improvements to a property, the lessee is not deemed to be an authorized agent of the owner unless designated in writing in regards to entering in agreements or contracts. If improvement made by the lessee is allowed in the lease agreement, then the lien for improvements shall extend to the lessor. If the lease agreement provides that the lessor is not subject to liens made by the lessees, the lessee shall inform the contractor of the same. Failure to do so shall render he contract between the lessee and contractor voidable. These protections shall apply to leases and agreements entered into after the effective date of this Act.

The fiscal impact to local governments will be minimal. The Kentucky County Clerks Association sees no major changes in process or duties resulting from HB 83 SCS 1.

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

HB 83 SCS 1 keeps the provisions of HB 83 GA except for removing the requirement of filing of notice documents with the county clerk to apprise a prospective provider of labor or materials of a lease agreement prohibiting a lessee from entering into a contract for services (Section 4).

HB 83 SCS 1 also provides that the protections regarding labor or materials shall apply only to leases and agreements entered into after the effective date of this Act.

HB 83 GA keeps all the provisions of HB 83 HCS 1 including HCA 1 which changed the title to “AN ACT relating to interests in property.”

HB 83 HCS 1 keeps the major provisions of HB 83 as introduced and makes the following changes / additions:

- Extends the time period for which a judgement creditor shall file notice of a judgement proceeding from five to ten days.

- Provides additional guidelines regarding postponing expiration dates 120 days prior to the originally expiration date.
- Extends the time for in the Clerks must be ready to accept online filings.
- Provides additional guidelines for when a fiduciary is free to sell property of interest in a property and makes the guidelines retroactive.
- Lessee is not an authorized agent of the owner unless designated in writing.
- To require the filing of notice documents with the county clerk to apprise the prospective provider of labor or materials and to negate any lien against the lessor's interest for improvements made by a lessee. This requirement does not extend to multifamily residential rental units.

HB 83 HCS 1 does not affect the fiscal impact of the HB 83 as introduced.

Data Source(s): LRC Staff; Kentucky County Clerks Association

Preparer: WB (JB) **Reviewer:** KHC **Date:** 3/16/23