Local Government Mandate Statement Kentucky Legislative Research Commission 2024 Regular Session

Part I: Measure Information

Bill Request #: 67						
Bill #: HB 37						
Document ID #: <u>399</u>						
Bill Title: AN ACT relating to the recording of interests in real property.						
Sponsor: Representative Kim King						
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: <u>X</u> Mandatory Optional						
Effect on Powers & Duties: X Modifies Existing Adds New Eliminates Existing						

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

HB 37 would create a new section of KRS Chapter 382, which addresses conveyance and encumbrance of real property, to define "greenhouse gas emissions reduction agreement" as an instrument creating an interest in real property that imposes limitations or affirmative obligations on the owner's use of the property in order to reduce or store greenhouse gas emissions that otherwise would be released to the environment. In order for the agreement to be binding on a subsequent purchaser of the property or on a creditor of the property owner, the agreement must be recorded in the property records of the county where the real property is located.

HB 37 would have a minimal fiscal impact on county governments. It is a familiar duty of the county clerk to record and maintain county property records. If training in recording the greenhouse gas emissions agreements is needed it would take place at a regularly-scheduled monthly meeting, and costs of the training would be covered by dues already paid by county clerks to the Kentucky County Clerk's Association (KCCA). In addition, county clerks are entitled to collect a recording fee to defray their expenses. According to

the KCCA directory at kentuckycountyclerks.com the standard fee charged by county clerks for recording an encumbrance on real property is \$46.00.

Data Source(s): <u>Kentucky County Clerk's Association</u>

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