Local Government Mandate Statement
Kentucky Legislative Research Commission
2026 Regular Session

Part I: Measure Information

Bill Request #:	320	**Bill #:**	SB 23
Document ID #:	2597	**Sponsor:**	Sen. Reginald Thomas
Bill Title:	AN ACT relating to heirs property.		

Unit of Government: ☐ City ☒ County ☒ Urban-County ☒ Charter County ☒ Consolidated Local ☒ Unified Local

Office(s) Impacted: County Clerks

Requirement: ☒ Mandatory ☐ Optional

Effect on Powers & Duties: ☐ Modifies Existing ☒ Adds New ☐ Eliminates Existing

Other Fiscal Statement(s) that may exist: ☐ Actuarial Analysis ☐ Corrections Impact ☐ Health Benefit Mandate ☐ State Employee Health Plan

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

SB 23 would create new sections of KRS Chapter 381 to be called the Uniform Partition of Heirs Property Act. Additionally, it would amend existing statutory provisions to support the implementation of the newly introduced sections.

Section 6 would establish a required process for how a court determines the fair market value of heirs' property in a partition action. When an appraisal is ordered, the court would be required to notify all parties of the appraised value, inform them that the appraisal is available at the county property valuation administrator's office, and advise them of their right to object to the appraisal within thirty days.

As part of the Uniform Partition of Heirs Property Act, **Section 14** would create the Heirs Property Research Fund, designed to assist Kentucky residents through grant funding of up to $2,000. These grants would support research into family history specifically related to the identification, evaluation, preservation, partition, or sale of heirs' property.

Section 15 would amend KRS 64.012 by increasing the filing fee the county clerk receives for documents for which no specific fee is set, from $33 to $34 for the first five pages. The additional dollar would be paid to the Heirs 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 would be accompanied by a summary report of a form prescribed by the Kentucky Real Estate Authority.

The fund would assist in preserving family wealth held in the form of real property that has passed through generations. In cases where property is transferred without a will, ownership would descend to multiple heirs over successive generations, resulting in fractional ownership interests in a single parcel of real property.

Property held in this manner is commonly referred to as "heirs' property" and often involves a "clouded" or "tangled" title. Such title conditions can create legal and financial obstacles if not addressed. SB 23 would seek to address these issues by providing financial assistance to support research related to heirs' property.

As of January 2026, 26 states and territories have enacted the Uniform Partition of Heirs Property Act. In states that have not enacted this law, it may be more likely that heirs' properties are sold at below market rate.

The fiscal impact to local governments is expected to be minimal. The Kentucky County Clerks Association and the Kentucky Property Valuation Administrators (PVA) Association were contacted for feedback.

The Kentucky PVA Association responded they have never been privileged to court ordered appraisals, but whereas SB 23 requires court-ordered appraisals to be available at the property administrator's office thus making them custodians of that data. Any appraisal would be helpful in the PVA's effort to assess property.

The administrative framework for filing in the county clerks' offices is currently in place and would remain unchanged except for remitting the summary report and the funds resulting from the increase in the fee payment to the Heirs Property Research Fund.

Data Source(s): LRC Staff; Kentucky County Clerks Association; Kentucky Property Valuation Administrator Association; U.S. Department of Agriculture article titled "Knowledge of 'Heirs Properties' Issues Help Families Keep, Sustain Land", October 8, 2021 Page 3; Booneville Sentinel article titled "Study to be Conducted in Several Counties in Kentucky Including Owsley County Concerning an Heirs Property", June 13, 2021; www.uniformlaws.org; Uniform Law Commission article "Why Your State Should Adopt the Uniform Partition of Heirs Property Act."

Preparer: BW **Reviewer:** AS (MDA) **Date:** 1/29/26