

2023 Kentucky Legislative End of Session Report

The CAI Kentucky Chapter Legislative Action Committee (LAC) actively advocated on behalf of the approximately 270,000 Kentuckians living in 110,000 homes in 2,350 community associations across the Bluegrass State during the 2023 state legislative session. The primary focus of advocacy this year was on passing SB 120, which was the result of years of tireless advocacy from Kentucky LAC members past and present. A special thanks goes out to our volunteers, who contributed their time to make this year's success possible. Below is a brief overview from the 2023 Kentucky General Assembly:

SB 120 AN ACT relating to residential communities- Also known as the Planned Community Act, this bill is the result of a years-long effort on the part of the CAI Kentucky Chapter LAC, which culminated in the drafting of a bill which is a compromise between all major stakeholders. SB 120 provides certain homeowners associations with the tools to amend existing documents, provides for greater financial transparency, the ability to set fees at appropriate levels to fulfill their maintenance obligations, and the ability to enforce fee collection and compliance with deed restrictions.

Unlike many other states, Kentucky did not have a state-level statutory framework providing the foundation for how associations are developed, governed, and managed. This means that the more than 260,000 Kentuckians that reside in 2,200 homeowners associations have been left with the courts as their only remedy when issues arise due to poor governing documents developed without the proper foundation in law. This has been preventing homeowners associations from being able to carry out their duties, leading to ineffective or defunct homeowners associations that are unable to maintain common areas, procure adequate insurance, and enforce covenants.

LAC members were on hand to testify in support of this bill first at the joint Interim Judiciary Committee hearing prior to the start of the legislative session in November 2022, and again in front of the Senate and House Judiciary Committees on February 23, 2023, and March 2, 2023, respectively. Additionally, emails were sent from over a dozen different Kentucky Chapter members to legislators in both chambers.

Status: Successfully PASSED and is effective on July 1, 2023.



HB 508 AN act relating to residential planned communities- This bill ultimately died in committee, but would have allowed municipalities to appoint a receiver for a planned community when the association fails to maintain the infrastructure, common area, storm water detention or retention area, or other facility that it is legally obligated to maintain. The municipality would then be tasked with bringing the area up to code, and would be authorized to use public funds to do so.

Status: Died in Committee

For more information on community association legislation in Kentucky, visit https://www.caionline.org/Advocacy/LegalArena/Laws/Pages/KY.aspx.

Your Assistance is Needed

CAI relies on outside resources such as professional lobbying as a vital and integral part of the legislative process. The volunteers who advocate – including homeowner leaders, community managers, and business partners – greatly rely on contributions from management companies and business partners in addition to individuals to continue their important efforts in the legislature. CAI needs your financial support to bolster their advocacy activities in 2023 and beyond. We encourage donations from Kentucky community associations, business partners, and individuals. Please visit www.caionline.org/lacdonate/ and donate to CAI's Kentucky Legislative Action Committee to support our continued efforts.

We need YOUR voice! <u>Sign up today</u> to become a CAI Advocacy Ambassador and help shape legislation in your state!

Kentucky Contact Information

- Visit https://www.caionline.org/Advocacy/LAC/KY/Pages/default.aspx
- Contact CAI's Government and Public Affairs Team at government@caionline.org
- To find the chapter nearest you, please call (888) 224-4321.