

2024 CAI Kentucky Legislative 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 2024 state legislative session. Kentucky's legislative session began on January 2 and adjourned April 15, 2024. Below are highlights from the 2024 Kentucky General Assembly:

HB 472 AN ACT relating to planned communities

This bill was the primary focus for the 2024 Legislative Session for the CAI Kentucky LAC. This bill creates a process by which a municipality may seek to have a receiver appointed via the courts should an association fail to maintain certain key infrastructure, such as storm water retention areas, and after the period of receivership, require that the association reimburse the municipality for reasonable costs and services. The LAC negotiated in good faith with stakeholders to try to create a better bill, and was able to successfully get a provision removed that was added in the House which would have nullified the Planned Community Act's applicability to existing communities. LAC members worked with lawmakers in advance of the bill's hearing in the Senate to remove the aforementioned provision, and went to Frankfort to assist in getting a less negatively impactful bill through committee.

The LAC will be focusing next year's advocacy efforts on introducing cleanup legislation which would address the numerous lingering issues from HB 472, and better protect homeowners living in community associations.

Status: PASSED. Effective July 12, 2024.

HB 673 AN ACT relating to the displaying of flags on personal property

This bill would have prohibited a planned community association from preventing homeowners from placing a flagpole displaying any version of the American flag, historic versions of the American Flag including the Betsy Ross Flag, or the Kentucky state flag on their property. The bill also contains language which would establish a penalty of between \$100 and \$500 for violations. The LAC, while supportive of the intent of the bill, was nonetheless concerned about the lack of language allowing for community associations to create reasonable rules and regulations concerning the size and placement of flags and flagpoles, as well as the penalty language in the bill.

Status: DIED in Committee.

SB 375 AN ACT relating to property

This bill would have defined short-term rentals as not being a commercial use of property for the purposes of deed restrictions and covenants. It states that unless a community association specifically prohibits a short-term rental, then the rental should be allowed. The LAC was opposed to this bill, as it believes that the issue of short-term rental regulation should remain with community associations, consistent with the ruling of Hensley v Gadd, which clarified short-term rentals as a commercial use and upheld the right of community associations to restrict or prohibit the use of residential units for commercial purposes.

Status: DIED in Committee.

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