

457.200 Liability for refusal to accept acknowledged power of attorney.

- (1) Except as otherwise provided in subsection (2) of this section:
 - (a) A person shall either accept an acknowledged power of attorney or request a certification, a translation, or an opinion of counsel under KRS 457.190(4) no later than seven (7) business days after presentation of the power of attorney for acceptance;
 - (b) If a person requests a certification, a translation, or an opinion of counsel under KRS 457.190(4), the person shall accept the power of attorney no later than five (5) business days after receipt of the certification, translation, or opinion of counsel; and
 - (c) A person may not require an additional or different form of power of attorney for authority granted in the power of attorney presented.
- (2) A person is not required to accept an acknowledged power of attorney if:
 - (a) The person is not otherwise required to engage in a transaction with the principal in the same circumstances;
 - (b) Engaging in a transaction with the agent or the principal in the same circumstances would be inconsistent with federal law;
 - (c) The person has actual knowledge of the termination of the agent's authority or of the power of attorney before exercise of the power;
 - (d) A request for a certification, a translation, or an opinion of counsel under KRS 457.190(4) is refused;
 - (e) The person in good faith believes that the power is not valid or that the agent does not have the authority to perform the act requested, whether or not a certification, a translation, or an opinion of counsel under KRS 457.190(4) has been requested or provided; or
 - (f) The person makes, or has actual knowledge that another person has made, a report to the Cabinet for Health and Family Services stating a good faith belief that the principal may be subject to physical or financial abuse, neglect, exploitation, or abandonment by the agent or a person acting for or with the agent.
- (3) A person that refuses in violation of this section to accept an acknowledged power of attorney is subject to:
 - (a) A court order mandating acceptance of the power of attorney; and
 - (b) Liability for reasonable attorney's fees and costs incurred in any action or proceeding that confirms the validity of the power of attorney or mandates acceptance of the power of attorney.
- (4) A person that accepts a power of attorney pursuant to this section shall not be liable for his or her good faith reliance on the agent's representation of the scope of authority granted to the agent by the power of attorney. In addition, the person shall not be responsible to determine or ensure the proper application of funds or property by the agent.

Effective: July 14, 2018

History: Created 2018 Ky. Acts ch. 185, sec. 20, effective July 14, 2018.