

## Enactments of the 2022 General Assembly Related to Revenue and Taxation

### General Fund Provisions

**Car Rental and Ride Sharing Tax.** Beginning January 1, 2023, a new excise tax is imposed upon every person for the privilege of providing a motor vehicle for sharing or for rent, with or without a driver, within the Commonwealth. The tax is imposed at the rate of 6% of the gross receipts derived from the:

- Rental of a shared vehicle by a peer-to-peer car sharing company;
- Rental of a vehicle by a motor vehicle renting company;
- Sales of transportation network company services;
- Sales of taxicab services; and
- Sales of limousine services. [HB 8, Section 11]

**Cigarette Tax Stamp Compensation.** For cigarette tax evidence sold on or after August 1, 2022, the compensation allowed to a licensed wholesaler is increased to \$0.015 on each 20 cigarettes, previously \$0.003 on each 20 cigarettes. [HB 659, Sections 1 and 2]

**Coal Severance Tax Refunds.** A taxpayer engaged in severing or processing coal within the Commonwealth that has paid the tax may apply for a refund equal to the amount of tax paid on coal that is transported directly to a market outside of North America, for tax paid prior to July 1, 2024. These refunds were previously scheduled to end on July 1, 2022. [HB 8, Section 41]

**Fines – Contact for Audiovisual Services.** A person who owns or operates a website containing audiovisual work to be consumed in the Commonwealth shall clearly disclose contact information on the website. Failure to do so may result in a civil penalty of not more than \$2,000 per violation. Each 24-hour period for which a person does not comply constitutes a separate violation. A person shall not advertise or conduct a live musical performance or production in the Commonwealth through the use of a false, deceptive, or misleading affiliation between a performing group and a recording group. A civil penalty of not less than \$2,000 or more than \$15,000 may be imposed. Each performance or production constitutes a separate violation. [SB 272]

**Fines – Kentucky Abortion-Inducing Drug Certification Program.** The following fines shall be imposed:

- \$5 million against pharmacies, manufacturers, or distributors providing abortion-inducing drugs without first seeking certification;
- \$1 million per offense against any person, pharmacy, manufacturer, or distributor that violated provisions of the program;
- \$100,000 per offense against registered physicians; and
- \$500 for each additional 30-day period against any person that fails to submit a report or the report is overdue. [HB 3]

**Fines – Public Assistance Benefits.** If an individual uses an automated teller machines or any other means or device to withdraw cash using an electronic benefit transfer card issued by the cabinet, that cash may only be used for goods and services necessary for the welfare of the family,

including but not limited to clothing, housing, utilities, child care, transportation, medicine, and medical supplies. For violations, the cabinet may impose a fine not to exceed \$500.

If an individual for medical assistance under Title XIX of the Social Security Act willingly and knowingly self-attests to falsified information related to income, residency, age, household composition, caretaker or relative status, or receipt of other coverage, the cabinet may fine the individual not more than \$500 per offense. [HB 7]

**Fines – Radon Control.** The Kentucky Board of Radon Safety may revoke, suspend, or restrict the registration of a registrant, refuse to issue or renew registration, reprimand, censure, place on probation, or impose an increased fine not to exceed \$1,000 per occurrence on a certified person or business entity that violates the radon control measures. Previously, the fine was \$500. [HB 77]

**Fines – Summoned by the General Assembly.** Any person who, after being lawfully summoned by the General Assembly, either house or a committee of either, refuses to attend as a witness, shall be fined not more than \$15,000, imprisoned in the county jail, or both. The previous fine was \$1,000. [HB 334]

**Income Tax – Individual Income Tax Rate.** Beginning no later than September 1, 2022, the Department of Revenue, with assistance from the Office of State Budget Director, shall implement an annual process to review the rate reduction conditions. The department shall first review fiscal year 2020-2021 and make a determination whether a tax rate reduction will occur for the taxable years beginning on or after January 1, 2023. If the rate reduction conditions are met, the current rate will be reduced by 0.5%.

The reduction conditions are:

- The balance in the BRTF at the end of a fiscal year shall be greater than or equal to 10% of the GF moneys for that fiscal year; and
- GF moneys at the end of a fiscal year shall be greater than or equal to GF appropriations for that fiscal year plus the IIT equivalent for that fiscal year.

Many of the components within the reduction conditions are defined statutory terms and may be defined differently than the plain meaning of the words; therefore, acronyms were used within the statutory language to encourage the reader to review the defined terms.

The process is repeated for fiscal year 2021-2022 and if the rate reduction conditions are met, the rate will be reduced by an additional 0.5% for taxable years beginning on or after January 1, 2024. However, the department shall not implement any additional rate reduction for taxable years beginning on or after January 1, 2024, without a future action by the General Assembly. [HB 8, Section 1]

**Income Tax – Internal Revenue Code Reference Date.** For corporation and individual income tax, the reference date to the Internal Revenue Code is updated to Internal Revenue Code in effect on December 31, 2021, for taxable years beginning on or after January 1, 2022. [HB 8, Section 42, and HB 659, Section 3]

**Income Tax Credits – Certified Rehabilitation of Historic Properties.** The maximum income tax credit for certified rehabilitations allowed on an owner-occupied residential property is increased to \$120,000, previously \$60,000. The maximum income tax credit allowed for any other property that is not owner-occupied residential property is increased to \$10 million, previously \$400,000. Approved credits may be transferred to a financial institution, now subject to income and limited liability entity taxes under KRS Chapter 141, instead of the bank franchise tax. [HB 8, Section 49]

**Income Tax Credits – Decontamination Property.** For taxable years beginning on or after January 1, 2022, but before January 1, 2032, a taxpayer making a qualifying expenditure at a qualifying decontamination property is allowed a transferable or refundable credit. The taxpayer shall apply to the Energy and Environment Cabinet for approval of the qualifying expenditures and the qualifying property. Upon approval, the Cabinet shall make a determination of the maximum credit available and provide notification of the awarded credit amount to the Department of Revenue and the taxpayer within 60 days of the date on which the application is filed. Any taxpayer approved for this credit shall not also apply for credit related to the remediation or decontamination of the same qualifying property under KRS 141.418. [HB 8, Sections 52 to 55]

**Income Tax Credits – Investment Fund Act.** For investment funds approved by the authority prior to January 1, 2023, an investor shall be entitled to a tax credit equal to 40% of the investor's proportional ownership share of all qualified investments made by its investment fund. For investment funds approved by the authority on or after January 1, 2023, an investor shall be entitled to a tax credit not to exceed 25%. [SB 249]

**Income Tax Credits – Personal Tax Credits for Individual Income.** The following tax credits are eliminated:

- In the case of a fiduciary, other than an estate - \$2; and
- In the case of an estate - \$10. [HB 8, Section 1]

**Insurance Premiums Tax – Estimated Tax Payments.** Estimated tax payments are required for any company owing insurance premiums tax whose tax in the previous year was \$5,000 or more. The estimated tax is due in three installments on June 1, October 1, and the remainder on or before the following March 1. This same process was repealed in 2019 and was requested to be reinstated by the Department of Revenue to assist taxpayers with the payment of tax. [HB 8, Section 44]

**Legal Process Tax.** Ninety percent of all funds allocated to the Department for Libraries and Archives for the local records grant program shall be set aside for grants to county clerks and distributed annually, unless there are insufficient grant applications from county clerks. [SB 135]

**Pari-mutuel Tax.** Beginning August 1, 2022, the excise taxes imposed live racing, telephone account wagering, intertrack wagering, simulcast, and advance deposit wagering shall be equalized at the same rate of 1.5% of all money wagered. Prior to August 1, 2022, the tax rates ranged from 0.5% to 3.5%, based on the type of wager placed. Fund distribution thresholds and rates are established for the Thoroughbred development fund and the Kentucky standardbred development

fund. Equine industry program fund caps are increased and will be disbursed to additional colleges and universities. The race track admissions tax is repealed. [HB 607]

**Property Assessment Procedures.** The Department of Revenue and the University of Kentucky's Department of Forestry and Natural Resources shall submit a report to the Legislative Research Commission no later than December 1, 2022, detailing their recommendations for establishing property tax assessment procedures for well-managed forests that ensure equitable taxation of these lands and encourage sound forest management practices that will promote the sustainability of Kentucky's forests and maximize the socioeconomic benefits derived from them. [HJR 41]

**Property Tax - Exemption.** Prefabricated homes held for sale in a manufacturer or retailer's inventory are subject to the state rate only for property assessed on or after January 1, 2023. [HB 8, Sections 47 and 48]

**Property Tax – Certificate of Delinquency.** Within 30 days after the establishment of a certificate of delinquency of property tax due, the county attorney or the Department of Revenue shall mail a notice to the owner of record. Included within that notice shall be a statement, in bold print of at least a 12-point font, advising the taxpayer that any time after 90 days from the creation of the certificate of delinquency, the delinquency may be paid by a third-party. Notices of delinquent property tax due sent by a third-party purchaser shall be sent by certified mail with proof of mailing. A copy of each notice shall be sent to each mortgagee who holds a mortgage on the property that is the subject of the certificate of delinquency. [HB 8, Sections 65 and 66]

**Property Tax – Motor Vehicles.** For the January 1, 2022, and January 1, 2023, assessment dates, the portion of property taxes computed on any increase in the motor vehicle's valuation from January 1, 2021, shall be exempt from state and local ad valorem taxes, including the county, city, school, or other taxing district in which the motor vehicle has taxable situs. Taxpayers that paid motor vehicle property taxes for the January 1, 2022 assessment date on any increase in valuation shall be entitled to a refund of the overpayment of taxes under the exemption.

For motor vehicles assessed on or after January 1, 2024, the average trade-in value, not the rough or clean trade-in values, prescribed by the valuation manual shall be used as the standard value of the vehicle. Emergency – Signed by the Governor March 10, 2022. [HB 6]

**Sales and Use Tax – Admissions to Historical Sites.** The exemption for admissions to historical sites is eliminated, beginning January 1, 2023, thereby imposing the tax upon those admissions. [HB 8, Section 4]

**Sales and Use Tax – Agriculture Exemption License.** A valid agriculture exemption license number issued by the Department of Revenue is required on and after January 1, 2023. The previous date was January 1, 2022. The seller or retailer from whom a person purchases exempt tangible personal property may accept either:

- The agriculture exemption license number issued by the department; or
- A fully completed Streamlined Sales Tax Certificate of exemption which shall include the agriculture exemption license number. When a person ceases to engage in the agriculture

activity for which the license number was granted, the person shall notify the department within 60 days. [SB 121]

**Sales and Use Tax – Base Expansion.** Beginning January 1, 2023, the sales and use tax base is expanded to include 35 new services.

- Photography and photo finishing services;
- Marketing services;
- Telemarketing services;
- Public opinion and research polling services;
- Lobbying services;
- Executive employee recruitment services;
- Web site design and development services;
- Web site hosting services;
- Facsimile transmission services;
- Private mailroom services, including presorting mail and packages by postal code, address barcoding, tracking, delivery to postal service, and private mailbox rentals;
- Bodyguard services;
- Residential and nonresidential security system monitoring services;
- Private investigation services;
- Process server services;
- Repossession of tangible personal property services;
- Personal background check services;
- Parking services, including valet services and the use of parking lots and parking structures, but excluding any parking services at an educational institution;
- Road and travel services provided by automobile clubs as defined in KRS 281.010;
- Condominium time-share exchange services;
- Rental of space for meetings, conventions, short-term business uses, entertainment events, weddings, banquets, parties, and other short-term social events;
- Social event planning and coordination services;
- Leisure, recreational, and athletic instructional services;
- Recreational camp tuition and fees;
- Personal fitness training services;
- Massage services, except when medically necessary;
- Cosmetic surgery services;
- Body modification services, including tattooing, piercing, scarification, branding, tongue splitting, transdermal and subdermal implants, ear pointing, teeth pointing, and any other modifications that are not necessary for medical or dental health;
- Testing services, except testing for medical, educational, or veterinary reasons;
- Interior decorating and design services;
- Household moving services;
- Specialized design services, including the design of clothing, costumes, fashion, furs, jewelry, shoes, textiles, and lighting;
- Lapidary services, including cutting, polishing, and engraving precious stones;

- Labor and services to repair or maintain commercial refrigeration equipment and systems when no tangible personal property is sold in that transaction including service calls and trip charges;
- Labor to repair or alter apparel, footwear, watches, or jewelry when no tangible personal property is sold in that transaction; and
- Prewritten computer software access services. [HB 8, Sections 3 and 13]

**Sales and Use Tax – Extended Warranty Services.** Beginning January 1, 2023, the definition of extended warranty services was expanded to include agreements to repair, replace, support, or maintain real property. [HB 8, Section 2]

**Sales and Use Tax – Farm Drugs.** A new exemption from the tax is allowed for drugs and over-the-counter drugs purchased by a person regularly engaged in the business of farming and used in the treatment of cattle, sheep, goats, swine, poultry, ratite birds, llamas, alpacas, buffalo, aquatic organisms, or cervids, beginning January 1, 2023. [HB 8, Sections 45 and 46]

**Sales and Use Tax – Reporting of Data.** An event coordinator of a festival or similar event shall provide the department with a list of vendors selling at the event any tangible property, digital property, or services subject to tax. [HB 8, section 43]

**Sales and Use Tax – Residential Utilities.** The exemption related to gross receipts from the sale of sewer services, water, and fuel to Kentucky residents for residential use was amended, beginning January 1, 2023, to apply only if the sewer services, water, and fuel are purchased and declared by the resident as used in his or her place of domicile. [HB 8, Section 8]

## **Road Fund**

**Electric Vehicle Power Excise Tax.** Beginning January 1, 2024, a new excise tax with an initial base rate of \$0.03 per kilowatt hour is imposed on electric vehicle power distributed in the Commonwealth by an electric vehicle power dealer for the purpose of charging electric vehicles. Additionally, there is a surtax with an initial base rate of \$0.03 per kilowatt hour imposed on electric vehicle power distributed in the Commonwealth by an electric vehicle power dealer when the electric vehicle charging station is located on state property.

Beginning on January 1, 2025, and on each January 1 thereafter, the tax rate shall be adjusted by the percentage change in the National Highway Construction Cost Index 2.0, determined by the most current quarterly amount and compared to the value from the same quarter for the previous year, except that the change shall not be greater than a 5% increase or a 5% decrease or result in a rate that is less than the initial base rate.

If there is no selling price at the charging station, the electric vehicle power dealer is responsible for paying the tax, except in the case of an electric vehicle charging station installed prior to July 1, 2022. [HB 8, Section 29, HB 659, Section 3]

**License Plates – Military Units.** The Transportation Cabinet shall produce special plates for owners and lessees of motor vehicles associated with the V Corps, the 101<sup>st</sup> Airborne Division (Air Assault), the 5<sup>th</sup> Special Forces Group, the 160<sup>th</sup> Special Operations Aviation Regiment, the United State Army Human Resource Command, the United State Army Recruiting Command, or

the United State Army Cadet Command. The \$23 initial fee and renewal fee shall be used as follows:

- \$12, Transportation Cabinet;
- \$6, County Clerk; and
- \$11, Veterans' Program Trust Fund established under KRS 40.460. [HB 465]

**License Plates – Personalized.** A standard issued license plate may be personalized for a \$43 fee, in addition to all other fees. Any special license plate may be combined with a personalized license plate for a \$25 state fee in addition to all other fees for the particular special license plate. The \$25 fee shall be divided between the cabinet and the county clerk of the county where the applicant resides, with the cabinet receiving \$20 and the county clerk receiving \$5. [HB 498]

**Peer-to-peer Car Sharing Certificate.** Beginning January 1, 2023, the Transportation Cabinet shall issue a motor carrier certificate to companies providing peer-to-peer car sharing. The motor carrier certificate application fee is \$250. [HB 8, Section 10]

### **General Fund and Road Fund Split**

**Electric Vehicle Ownership Fee.** Beginning January 1, 2024, at the time of initial registration, and each year upon annual vehicle registration renewal, the county clerk shall collect from the registrants of electric motorcycles, electric vehicles, and hybrid vehicles the electric vehicle ownership fee. The fees are:

- \$120 for electric vehicles; and
- \$60 for electric motorcycles or hybrid vehicles.

The electric vehicle ownership fee is indexed at the same time and in the same manner as the electric vehicle power excise tax is indexed.

The ownership fee will be used to maintain electric vehicle infrastructure on state property and support highway construction. As such, the fees collected shall be transferred and split evenly between the General Fund and the Road Fund. [HB 8, Sections 30 to 32, HB 659, Section 3]

### **Administrative Provisions**

**Amnesty.** A tax amnesty program shall be conducted for a period of 60 days, beginning on October 1, 2022, and ending on November 29, 2022. The department and the Finance and Administration Cabinet shall procure services necessary to implement the tax amnesty program. The program shall be available to all taxpayers owing taxes, penalties, fees, or interest subject to the administrative jurisdiction of the department, with the exception of most property taxes, but including federal taxes, penalties, fees, or interest referred to the department from the federal government for collection purposes. If the department is unable to secure a successful bid for the procurement of services, the department shall implement a tax amnesty program during a similar 60-day period during the calendar year 2023. To be eligible for tax amnesty, the taxpayer shall:

- File an application for amnesty within the amnesty period;

- File completed tax returns for all years or tax reporting periods not previously filed;
- Pays in full the taxes due for those year or periods;
- Pays in full all taxes previously assessed by the department;
- Pays in full all taxes, penalties, fees, and interest assessed by the federal government and referred to the department for collection purposes; and
- Agree to file all tax returns when due and make all tax payments when due for 3 years following the date amnesty is granted to the taxpayer.

Upon the granting of tax amnesty by the department, all civil penalties and fees assessed by the Commonwealth are waived and the tax due shall bear interest at one-half of the tax interest rate. Installment payment agreements are allowed, with all payments being made on or before May 31, 2023. [HB 8, Sections 33 to 39]

**Capital Projects – Public-Private Partnerships.** In the case of a public-private partnership for a capital project with an aggregate value of \$25 million or more, the project shall be authorized by the General Assembly beginning July 1, 2024. [HB 8, Section 27]

**Collection of Debts to the Commonwealth.** Excluded from those debts collected by the Department of Revenue are consumer debts owed for health care goods and services. [HB 8, Section 28]

**LRC Staff Study.** Staff shall gather information related to electric vehicles and transportation funding, including other state’s statutes, regulations, and policies and federal government regulations and guidance. As information is gathered, staff shall report to the Legislative Research Commission the findings on June 30, 2022, July 30, 2022, August 30, 2022, September 30, 2022, October 30, 2022, with a summary of all gathered information submitted no later than December 1, 2022, for referral to the Interim Joint Committee on Appropriations and Revenue and the Interim Joint Committee on Transportation. [HB 8, Section 56]

**Protests of Public Service Company (PSC) Property Tax.** Within one year of receipt of a PSC property tax protest, the department shall resolve the protest or issue a final ruling. If the department fails to meet the one-year time frame, the department shall immediately issue a final ruling that accepts the taxpayer’s grounds of the protest, including the taxpayer’s proposed true value as stated in the protest. For additional PSC property tax billed, the tax interest rate shall be equal to the federal short-term rate applicable to each quarter of the period that begins on the date the protest was filed by the taxpayer and ends on the due date of the tax as stated on the final tax bill. [HB 8, Sections 50 and 51]

**Total Compensation for the Office of the Property Valuation Administrator in an Urban-County Government.** Total compensation for the office shall be \$420,000 per year. [HB 604]

## **Local Taxes**

**Occupational License Fees – Racetrack Extensions.** Occupational license fees levied by the county, consolidated local government, urban-county government, charter county government, or unified local government, or city may apply to racetrack extensions. [HB 607]



**Transient Room Taxes.** Beginning January 1, 2023, all statutory references to the taxpayer and the taxable base for all local transient room taxes and the state-wide transient room tax are conformed to the sales and use tax statutory references to impose the taxes on the rent for every occupancy of a suite, room, rooms, cabins, lodgings, campsites, or other accommodations charged by any hotel, motel, inn, tourist camp, tourist cabins, campgrounds, recreational vehicle parks, or other place in which accommodations are regularly furnished to transients for a consideration or by any person that facilitates the rental of accommodation by brokering, coordinating, or in any other way arranging for the rental of the accommodations for consideration. The local tax shall not apply to rooms, lodgings, campsites, or accommodations supplied for a continuous period of 30 days or more to a person. [HB 8, Sections 14 to 26]

**Local Car Rental and Ride Sharing License Fee.** A county containing a designated city, consolidated local government, or urban-county government may levy a license fee on a U-Drive-It, peer-to-peer car sharing program, and transportation network company. The license fee shall not exceed 3% of the gross rental charges from:

- Rental agreements for periods of 30 days or less; or
- The provision of transportation network company (TNC) services. [HB 8, Section 40]

### **Mandated Reports**

**Broadband Deployment.** The Office of Broadband Development shall monitor the progress of federal awards for deploying broadband infrastructure to Kentucky locations and issue an annual report to the Governor and the Interim Joint Committee on Appropriations and Revenue by November 1 of each year. [HB 315]

**Charter Schools.** By July 1 of each year, the pilot project authorizers shall submit an annual report to the Interim Joint Committee on Education and the Interim Joint Committee on Appropriations and Revenue detailing the authorizer’s oversight activities over the previous year.

Starting in 2024 and until the initial charter contract ends, the Office of Education Accountability shall annually review the performance of the public charter schools authorized under this section and submit the report to the Interim Joint Committee on Education and the Interim Joint Committee on Appropriations and Revenue. [HB 9]

**Kentucky Board of Education.** Be September 1, 2023, the Kentucky Department of Education shall submit the results of the reviews, plans, and consultations regarding construction, renovation, and modification of school facilities, including suggested statutory changes for the General Assembly to consider during the 2024 Regular Session. [HB 678]

**Kentucky State University.**

- During fiscal years 2022-2023, 2023-2024, and 2024-2025, the president and a member of the KSU board of regents shall provide a combined total of at least four updates each year on the progress of the management improvement plan and the investigation of the actions that led to the financial shortfall.

- By November 1, 2025, the council shall provide a 3-year performance analysis of KSU based on the management improvement plan.
- By November 1, 2026, and by November 1 each year thereafter, the council shall provide an annual report detailing the status of the KSU loan. [HB 250]

**Prosecutors Advisory Council.** Each biennium, the council shall provide the proposed budget of the unified prosecutorial system of the Commonwealth of Kentucky. [HB 773]

**Sound Financial Standing of Universities.** No later than June 30 of each year, each institution that is licensed or overseen by the Council on Postsecondary Education shall execute a signed, sworn statement attesting to the financial standing of the institution, the preparation of an institutional audit, and an approved budget for the upcoming fiscal year. [HB 663]

### **Other Funds and Various Revenue Measures**

**Certification – Community Health Workers.** Effective January 1, 2023, the Kentucky Department for Public Health shall certify community health workers and shall promulgate administrative regulations to establish a certification application fee and renewal fee. [HB 525]

**Fund – Behavioral Health Conditional Dismissal Program.** The new fund shall be administered by the Department for Behavioral Health, Developmental and Intellectual Disabilities within the Cabinet for Health and Family Services. Moneys shall be used for the program and may include payments for services rendered by a qualified mental health provider and treatment program providers, upon exhaustion of payments from other payment providers including Medicaid and private insurance. [SB 90]

**Fund – CMRS.** On or after August 1, 2022, but before July 1, 2024, 5% of the total monthly revenues deposited into the CMRS Fund shall be used solely for the purposes of establishing or maintaining statewide 911 initiatives. The previous rate was 2.5%. On or after July 1, 2024, the rate shall revert to 2.5%.

On or after August 1, 2022, but before July 1, 2024, 7.5% of the total monthly revenues deposited into the CMRS fund shall be disbursed to provide direct grants, matching money or funds to PSAPs as determined by the Kentucky 911 Services Board. The previous rate was 10%. On or after July 1, 2024, the rate shall revert to 10%. [HB 363]

**Fund – Employee Child Care Assistance Partnership Fund.** The new fund is established and shall be administered by the Cabinet for Health and Family Services or its designated department. The cabinet shall issue state matches out of the fund to child-care providers according to the provisions of the respective contracts. The state match shall not exceed 100% of the contribution made by the employer for contracts in which the employee’s household income is equal to or less than 100% of the state median household income. The state match shall decrease by 10% for each 20% increase in household income over 100% of the state median household income up to 180% of the state median household income. In each year, 25% of the total fund shall be distributed to agreements in which an employer is a small business. Any person who intentionally registers false information with the cabinet in pursuit of the benefits of the program shall be subject to a civil penalty of no more than \$500 per violation, credited to the fund. [HB 499]

**Fund – Healthcare Worker Loan Relief.** The new fund is created and shall be administered by the University of Kentucky on behalf of the Center of Excellence in Rural Health for the purpose of providing loan repayments. [HB 573]

**Fund – Imagination Library of Kentucky Program.** The fund is administered by the Department for Libraries and Archives and moneys shall be used to provide, through Dolly Parton’s Imagination Library, one age-appropriate book to each registered child from birth to age 5 in participating counties. [SB 164]

**Fund – Kentucky Abandoned Storage Tank and Orphan Well Reclamation.** Moneys received by the Commonwealth from the Infrastructure Investment and Jobs Act, Pub. L. No. 117-58, shall be placed into a separate account within the fund to administer and award contracts which are committed to and issued for the purposes of the reclamation program. [SB 315]

**Fund – Kentucky Alternative Fuel and Renewable Energy.** The fund shall cease making any further investment and shall be suspended on July 1, 2022. All balances shall be transferred to the Kentucky enterprise fund. [SB 249]

**Fund – Kentucky Lung Cancer Screening Program.** The new fund is established and shall be administered by the Finance and Administration Cabinet. Moneys in the fund shall be used to administer the lung cancer screening program and shall include moneys appropriated by the General Assembly and distributed by the Transportation Cabinet from extra fees associated with the issuance of any special lung cancer license plates. [HB 219]

**Fund – Mobile Crises Services.** The fund is administered by the Cabinet for Health and Family Services and moneys in the fund shall be used to provide loans to community mental health centers for increasing access to mental health services and providing services to individual who lack sufficient access to transportation and who are residing in rural areas or homeless shelters or are disadvantaged mentally, physically, or economically. Any loan issued by the cabinet shall not exceed a 5-year term and the interest rate shall not exceed 1%. The appropriation provided by the General Assembly for fiscal years 2022-2023 and 2023-2024 for mobile crisis services shall be considered startup funds to support the establishment of additional mobile crisis units and shall only be appropriated once. [HB 604]

**Fund – Water Management Assistance.** The new fund is created and shall be administered by the Kentucky Infrastructure Authority. Moneys in the fund shall be dedicated to providing financial assistance for both capital and non-capital expenses for governmental agencies that provide public drinking water or wastewater services to ratepayers and are considered financially at risk. [HB 758]

**Fund – West Kentucky State Aid Funding for Emergencies (SAFE) Fund.** The SAFE fund is administered by the Department of Military Affairs, Division of Emergency Management to provide financial support to the west Kentucky region while recovering from the devastation caused by the storms and tornadoes of December 2021. Monthly reports are required to be submitted to A&R beginning February 10, 2022, and ending July 10, 2024, by the Office of State

Budget Director and Department of Education. \$200 million was appropriated. Emergency – Signed by the Governor January 13, 2022. [HB 5, Sections 1 and 2]

SB 150 amended the provisions of HB 5 to clarify that eligible expenses included charges only to the extent of damage directly caused by the storms and the moneys in the fund may be used to reimburse contracted employees that administer and report on the fund. Additionally moneys reimbursed to the Commonwealth prior to July 1, 2024, shall be deposited back within the fund and shall be continuously appropriated. All moneys reimbursed to the Commonwealth after June 30, 2024, shall be deposited into the general fund. [SB 150]

**Fund – Western Kentucky Risk Assistance Fund.** The fund is administered by the Cabinet for Economic Development and moneys in the fund shall be used to pay a qualified lender on the unpaid principal balance of a commercial loan in an amount up to the lesser amount of the first 25% of the loss suffered on the unpaid principal balance on a commercial loan or \$1 million. Moneys shall be used to provide inducement on the first \$200 million of commercial loans made, upon which applications are submitted. Loans must be originated before December 31, 2027. [SB 150]

**Licenses for Auctioneers.** The board shall promulgate administrative regulations to establish an initial license fee and biennial renewal license fee. The initial license fee shall not exceed \$150 and the biennial renewal fee shall not exceed \$300. All licenses expire on the 30<sup>th</sup> day of June of each even year. [HB 436]

**Licenses for Dietitians and Nutritionists.** The \$50 maximum license fee for dietitians and nutritionists was removed from statute and the fee may be set by the board by promulgating an administrative regulation. [HB 251]

**Licenses for Retail Motor Fuel Facilities.** Beginning on January 1, 2023, the department shall collect an annual licensure fee in the amount of \$75 per retail facility from the license holder for the purpose of funding the administration of the retail motor fuel quality program. For calendar year beginning or after January 1, 2024, the fee will be \$100. The prior fee was \$50. [HB 451]

**Licenses for Student Education Loan Servicer.** No person shall engage in the business of servicing student education loans in the Commonwealth without having first obtained a license as a student education loan servicer. An investigation fee prescribed by the commissioner in administrative regulation shall be submitted with the application for licensure. Upon licensure, the licensee shall pay an annual assessment fee no later than December 1 of each year to cover the renewal fee for the licensee and any examination-related costs incurred by the department. [HB 494]

**Licenses for the Mortgage Loan Industry.** An applicant for a mortgage loan industry license shall remit a fee of \$5,000, which shall cover the application fee and the licensing fee for all licensed locations. Previous fees were established as an investigation fee of \$300 for the principal office and \$150 for each branch office. [HB 643]

**Permit – Amusement Rides.** A permit shall be issued to each owner to operate the permitted amusement ride or attraction in the Commonwealth. The registrant shall furnish proof of liability insurance in the amount of not less than \$1 million, previously \$500,000. [HB 273]

**National Opioid Settlement – Local Government Fee Fund.** The new fund is established and shall be maintained and administered by Wilmington Trust, N.A., which was appointed the Directed Trustee of the settlement administration of the National Opioid Settlement. Moneys in the fund shall be used to compensate private attorneys. [HB 92, Section 2]

**National Opioid Settlement – Opioid Abatement Trust Fund.** Related to the 50% of settlement funds that are not deposited in the trust fund, and are paid to counties, consolidated local governments, urban-county governments, and cities of the Commonwealth according to the settlement, to the extent that the negotiation class distribution metrics would result in a city receiving a sum total of less than \$30,000 in any individual settlement, judgment, or bankruptcy proceeding, the payments shall be made to the county, consolidated local government, or urban-county government in which that city sits. [HB 92, Section 1]

**Rural Hospital Operations and Facilities Revolving Loan Fund.** Loans are limited to \$1 million for any project within a rural hospital and shall not exceed more than \$2 million every 5 years. Loans will be allowed to reopen a qualifying former hospital. [HB 364]

**Rural Infrastructure Improvement Fund.** The new fund if established and shall be administered by the Office of Broadband Development. Moneys in the fund shall be used to expedite and facilitate the deployment of broadband by reimbursing a portion of eligible pole replacement costs incurred by eligible applicants. Within 60 days of receipt of a completed application and to the extent that moneys are available in the fund, the office shall award the lesser of:

- \$5,000 for each pole replaced; or
- 50% of the total amount incurred or paid by the applicant for eligible pole replacement costs. [HB 315]

**Various Budgetary Revenue Measures.** Included are provisions related to:

- Jailer Canteen Accounts [HB 8, Section 57];
- Administrative Fee on Infrastructure for Economic Development Fund Projects [HB 8, Section 58];
- Charges for Federal, State, and Local Audits [HB 8, Section 59];
- Personnel Board Operating Assessment [HB 8 Section 60];
- Water Withdrawal Fees [HB 8, Section 61];
- Urgent Needs School Assistance [HB 8, Section 62];
- Premium and Retaliatory Taxes [HB 8, Section 63]; and
- Monthly Per Employee Health Insurance Benefits Assessment [HB 8, Section 64].