

42.455 Local Government Economic Assistance Program -- Grants for priority expenditures -- Administrative regulations -- Public hearings -- Reports -- Directory of coal road system.

- (1) There is established within the Department for Local Government a Local Government Economic Assistance Program to consist of a system of grants to local governments to improve the environment for new industry and to improve the quality of life for the residents.
- (2) Grants obtained under this program shall be used for priority expenditures. Thirty percent (30%) of all moneys in the fund shall be spent on the coal haul road system as described in subsection (8) of this section. The remaining seventy percent (70%) of the fund shall be spent on priority categories limited to the following, but in no event shall grants obtained under this program be used for expenses related to administration of government:
 - (a) Public safety, including law enforcement, fire protection, ambulance service, and other related services;
 - (b) Environmental protection, including sewage disposal, sanitation, solid waste, and other related programs;
 - (c) Public transportation, including mass transit systems, streets, and roads;
 - (d) Health;
 - (e) Recreation;
 - (f) Libraries and educational facilities;
 - (g) Social services for the poor, the elderly, and individuals with disabilities;
 - (h) Industrial and economic development;
 - (i) Vocational education;
 - (j) Workforce training; and
 - (k) Secondary wood industry development.
- (3) The use of entitlement funds for repayment of debt as related to long-term bond issues is permissible as long as the revenue from the bond issues is expended on priority categories.
- (4) Grants obtained under this program may be used as local portion to secure federal programs as long as program expenditures are in the priority category area. Interest earned on funds received by local units of government shall be considered available for use by the local unit of government in the priority expenditure categories.
- (5) The Department for Local Government shall be responsible for the promulgation of rules and regulations necessary to implement the grants programs authorized by this section.
- (6) The Department for Local Government shall submit an annual report to the Governor indicating how the grants were used and an evaluation of the program's effectiveness in improving the economy of the units of government receiving assistance.
- (7) Prior to a local government's expenditure of any funds it receives under this section, the local government shall allow an opportunity for public input and comments

regarding the expenditure of those funds. Before any unit of local government expends any funds it receives under this section, it shall:

- (a) Provide an opportunity to the public to provide input with regard to the project or projects in a public meeting for which notice has been given under KRS 61.823(2) to (4);
- (b) Include the topic as a specific item on the public meeting agenda and shall allow any person to speak with regard to any proposed project, any project which he or she feels should be built or done which has not been proposed, priorities for completion of projects, and any other matter related to expenditure of any funds it receives under this section. The local government shall not be bound by the comments and input provided at the meeting but shall give due consideration to them; and
- (c) Not begin construction on a project until the meeting as provided in this section has been held.

This subsection shall not be construed to require a separate meeting for each project. A single meeting encompassing the program, if all projects subsequently undertaken have been identified at the meeting, shall meet the requirements of this subsection.

- (8) On or before August 15, 1980, and each year thereafter, the Transportation Cabinet shall publish and furnish to the Department for Local Government a directory, including supporting maps and other documents, designating the official state coal road system in coal-impact and coal-producing counties which shall include all public highways, roads, and streets over which quantities of coal, sufficient to significantly affect the condition and state of repair of highways, roads, and streets, have been transported in the immediately preceding fiscal year. The cabinet shall further publish the total county mileage of the official state coal road system and the total ton/miles within each coal-impact and coal-producing county for said preceding fiscal year.
- (9) Every person shipping or transporting coal, and every carrier for hire or common carrier hauling coal over the public highways, roads, and streets shall file with the Transportation Cabinet such information and at intervals as the cabinet shall designate by regulation duly adopted for the purpose of identifying those highways, roads, and streets comprising the coal haul road system and the quantities of coal transported thereon, in order that the cabinet can accurately calculate total ton/miles within each coal-impact and coal-producing county.
- (10) The Department of Revenue shall make available to the Transportation Cabinet coal severance and processing tax data for use in verifying and supplementing the information furnished under the provisions of subsection (9) of this section. The information shall be furnished in such a manner as to conceal the identity of individual taxpayers; if the data cannot be furnished without revealing the identity of individual taxpayers, it shall be withheld.

Effective: July 14, 2022

History: Amended 2022 Ky. Acts ch. 103, sec. 1, effective July 14, 2022. -- Amended 2010 Ky. Acts ch. 117, sec. 24, effective July 15, 2010. -- Amended 2007 Ky. Acts ch. 47, sec. 18, effective June 26, 2007. -- Amended 2005 Ky. Acts ch. 85, sec. 53,

effective June 20, 2005. -- Amended 1998 Ky. Acts ch. 69, sec. 10, effective July 15, 1998. -- Amended 1994 Ky. Acts ch. 18, sec. 1, effective July 15, 1994; ch. 224, sec. 17, effective July 15, 1994; and ch. 405, sec. 8, effective July 15, 1994. -- Amended 1992 Ky. Acts ch. 107, sec. 2, effective July 1, 1992. -- Amended 1990 Ky. Acts ch. 50, sec. 1, effective July 13, 1990. -- Amended 1986 Ky. Acts ch. 374, sec. 5, effective July 15, 1986. -- Amended 1982 Ky. Acts ch. 393, sec. 29, effective July 15, 1982. -- Created 1980 Ky. Acts ch. 394, sec. 2, effective July 1, 1980.

2026-2028 Budget Reference. See State/Executive Branch Budget, 2026 Ky. Acts ch. 168, Pt. I, A, 10, (2) at 2054.

2026-2028 Budget Reference. See State/Executive Branch Budget, 2026 Ky. Acts ch. 168, Pt. I, A, 10, (3) at 2054.

2026-2028 Budget Reference. See State/Executive Branch Budget, 2026 Ky. Acts ch. 168, Pt. I, A, 11, (1) at 2055.

2026-2028 Budget Reference. See State/Executive Branch Budget, 2026 Ky. Acts ch. 168, Pt. I, A, 11, (2) at 2055.

2026-2028 Budget Reference. See State/Executive Branch Budget, 2026 Ky. Acts ch. 168, Pt. I, A, 11, (4) at 2055.