

**65A.010 Definitions for chapter. (Effective until July 1, 2027)**

As used in this chapter:

- (1) "County" means any county, consolidated local government, urban-county government, unified local government, or charter county;
- (2) "DLG" means the Department for Local Government established by KRS 147A.002;
- (3) "Establishing entity" means the city or county, or any combination of cities and counties, that established a special purpose governmental entity and that has not subsequently withdrawn its affiliation with the special purpose governmental entity by ordinance or other official action;
- (4) "Federally regulated municipal utility" means a municipal utility governed by the provisions of KRS 96.550 to 96.901, that maintains a wholesale power contract with a federal agency that also serves as its regulatory authority;
- (5)
  - (a) "Fee" means any user charge, levy, assessment, fee, schedule of rates, or tax, other than an ad valorem tax, imposed by a special purpose governmental entity.
  - (b) "Fee" shall not include the following charges imposed by special purpose governmental entities that provide utility services:
    1. Any fuel cost adjustment that is:
      - a. Made pursuant to an agreement with a power supplier;
      - b. Amended by the power supplier based on the variable cost of fuel; and
      - c. Passed through to the consumer by the utility pursuant to the agreement between the utility and the power supplier;
    2. Any power or energy cost adjustment implemented pursuant to a duly adopted base rate that provides for the periodic adjustment of a component of the rate, including any fuel costs or transmission costs, in accordance with the formula or conditions set forth in the base rate; or
    3. Any environmental control cost adjustments or surcharges implemented pursuant to a duly adopted base rate that provides for the periodic adjustment of a component of the rate in accordance with a formula or conditions set forth in the base rate;
- (6)
  - (a) "Private entity" means any entity whose sole source of public funds is from payments pursuant to a contract with a city, county, or special purpose governmental entity, including funds received as a grant or as a result of a competitively bid procurement process.
  - (b) "Private entity" does not include any entity:
    1. Created, wholly or in part, by a city, county, or combination of cities and counties to perform one (1) or more of the types of public services listed in subsection (9)(c) of this section; or
    2. Governed by a board, council, commission, committee, authority, or corporation with any member or members who are appointed by the chief executive or governing body of a city, county, or combination of

cities and counties, or whose voting membership includes governmental officials who serve in an ex officio capacity;

- (7) "Public funds" means any funds derived from the levy of a tax, fee, assessment, or charge, or the issuance of bonds by the state or a city, county, or special purpose governmental entity;
- (8) "Registry" means the online central registry and reporting portal established pursuant to KRS 65A.020; and
- (9) (a) "Special purpose governmental entity" or "entity" means any agency, authority, or entity created or authorized by statute which:
  1. Exercises less than statewide jurisdiction;
  2. Exists for the purpose of providing one (1) or a limited number of services or functions;
  3. Is governed by a board, council, commission, committee, authority, or corporation with policy-making authority that is separate from the state and the governing body of the city, county, or cities and counties in which it operates; and
  4.
    - a. Has the independent authority to generate public funds; or
    - b. May receive and expend public funds, grants, awards, or appropriations from the state, from any agency, or authority of the state, from a city or county, or from any other special purpose governmental entity.
- (b) "Special purpose governmental entity" shall include entities meeting the requirements established by paragraph (a) of this subsection, whether the entity is formed as a nonprofit corporation under KRS Chapter 273, pursuant to an interlocal cooperation agreement under KRS 65.210 to 65.300, or pursuant to any other provision of the Kentucky Revised Statutes.
- (c) Examples of the types of public services that may be provided by special purpose governmental entities include but are not limited to the following:
  1. Ambulance, emergency, and fire protection services;
  2. Flood control, drainage, levee, water, and water conservation services, and services provided by watershed conservancy districts and soil and water conservation districts;
  3. Area planning, management, community improvement, and community development services;
  4. Library services;
  5. Public health, public mental health, and public hospital services;
  6. Riverport and airport services;
  7. Sanitation, sewer, waste management, and solid waste services;
  8. Industrial and economic development;
  9. Parks and recreation services;
  10. Construction, maintenance, or operation of roads and bridges;
  11. Mass transit services;

12. Pollution control;
  13. Construction or provision of public housing, except as set out in paragraph (d)8. of this subsection;
  14. Tourism and convention services; and
  15. Agricultural extension services.
- (d) "Special purpose governmental entity" shall not include:
1. Cities;
  2. Counties;
  3. School districts;
  4. Private entities;
  5. Chambers of commerce;
  6. Any incorporated entity that:
    - a. Provides utility services;
    - b. Is member-owned; and
    - c. Has a governing body whose voting members are all elected by the membership of the entity;
  7. Any entity whose budget, finances, and financial information are fully integrated with and included as a part of the budget, finances, and financial reporting of the city, county, or cities and counties in which it operates;
  8. Federally regulated public housing authorities established pursuant to KRS Chapter 80 that receive no more than twenty percent (20%) of their total funding for any fiscal year from nonfederal fees, not including rental income; or
  9.
    - a. Any fire protection district or volunteer fire department district operating under KRS Chapter 75 with the higher of annual receipts from all sources or annual expenditures of less than one hundred thousand dollars (\$100,000); or
    - b. Any fire department incorporated under KRS Chapter 273.

**Effective:** June 27, 2025

**History:** Amended 2025 Ky. Acts ch. 139, sec. 1, effective June 27, 2025. -- Amended 2018 Ky. Acts ch. 90, sec. 1, effective July 14, 2018. -- Amended 2016 Ky. Acts ch. 91, sec. 1, effective July 15, 2016. -- Amended 2015 Ky. Acts ch. 17, sec. 1, effective June 24, 2015. -- Amended 2014 Ky. Acts ch. 7, sec. 1, effective March 19, 2014. -- Amended 2013 Ky. Acts. ch. 124, sec. 8, effective June 25, 2013. -- Created 2013 Ky. Acts ch. 40, sec. 1, effective March 21, 2013.

**Legislative Research Commission Note** (3/19/2014). 2014 Ky. Acts ch. 7, sec. 11 provides that the amendments to this statute made in 2014 Ky. Acts ch. 7, sec. 1, shall apply retroactively beginning January 1, 2014.

**Legislative Research Commission Note** (3/21/2013). In subsection (5)(b)1. of this statute, a reference to "subsection (7)(c)" has been changed to read "subsection (8)(c)." In the Senate Committee Substitute to the bill that created this statute (2013 Ky. Acts ch. 40, sec. 1), the former subsection (7) was renumbered as subsection (8), but an internal reference to subsection (7)(c) was not corrected. In codifying this

section, the Reviser of Statutes has made this correction pursuant to KRS 7.136(1).

**Legislative Research Commission Note** (3/21/2013). This statute was created in 2013 Ky. Acts ch. 40, sec. 1 (HB 1), and then amended in 2013 Ky. Acts ch. 124, sec. 8, after HB 1 had been enacted. That amendment has been incorporated into the text of this statute as created.