

151.723 Water use fees.

- (1) The rate of the water use fees collected by the authority shall be set for each year of the biennium based upon a total amount of funds necessary to carry out only those functions, projects, and expenses authorized by the General Assembly in the authority's biennial budget.
- (2) At the time the authority submits its budget to the Governor's Office of Policy and Management, it shall certify to the General Assembly the total amount of water use reported for the preceding biennium by users subject to the water use fees. At least thirty (30) days prior to the effective date of the authority's budget, the authority shall establish a rate for each water use fee based upon an amount of water use projected for each year of the biennium from the amount reported, calculated to generate the amount of funds necessary to carry out the functions, projects, and expenses which have been authorized by the General Assembly to be funded by the fees. The rate shall be an amount for each one thousand (1,000) gallons of water use and shall be effective for at least one (1) year.
- (3) The authority shall define by administrative regulation those uses of the Kentucky River or the waters of the Kentucky River basin subject to a water use fee. Water use fees shall not apply to facilities using water for agricultural purposes. The authority shall collect the fees on a quarterly basis and pay the collected fees into the State Treasury to the credit of a restricted fund for use by the authority.
- (4) Water withdrawal fees imposed by the authority shall not be subject to state and local taxes. Notwithstanding KRS 151.710(10), Tier 1 water withdrawal fees shall be used to support the operations of the authority and for contractual services for water supply and quality studies.

Effective: April 14, 2026

History: Amended 2026 Ky. Acts ch. 161, sec. 67, effective April 14, 2026. -- Amended 2000 Ky. Acts ch. 265, sec. 8, effective July 14, 2000; and ch. 287, sec. 8, effective July 14, 2000. -- Created 1996 Ky. Acts ch. 229, sec. 4, effective July 15, 1996.

Legislative Research Commission Note (7/14/2000). This section was amended by 2000 Ky. Acts chs. 265 and 287, which are identical and have been codified together.