

CHAPTER 43**(SB 203)**

AN ACT relating to local industrial development authorities.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 154.50-326 is amended to read as follows:

- (1) The members of the authority shall be appointed as follows:
 - (a) If the authority is established by a city, the members shall be appointed by the mayor of the city;
 - (b) If the authority is established by a county, the members shall be appointed by the county judge/executive;
 - (c) If the authority is established as a joint city-county industrial development authority, one-half (1/2) of the members shall be appointed by the mayor and one-half (1/2) of the members by the county judge/executive. If the authority is composed of seven (7) members, the mayor and the county judge/executive shall jointly appoint the seventh member;
 - (d) If a combination of cities and/or counties establishes a joint industrial development authority, ***or if an established joint industrial development authority is altered by adding a new city or county as a participating member***, the mayors and/or county judges/executive involved shall:
 1. Jointly choose the members, and shall jointly choose successors; ***or***
 2. ***Choose the members and successors in a manner established by an agreement entered into between the legislative bodies of the affected cities and counties.***
- (2) Members of the authority shall serve for a term of four (4) years each, and until their successors are appointed and qualified. If the authority is composed of six (6) members, initial appointments shall be made so that two (2) members are appointed for two (2) years, two (2) members for three (3) years, and two (2) members for four (4) years. If the authority is composed of seven (7) members, initial appointments shall be made so that two (2) members are appointed for two (2) years, two (2) members for three (3) years, and three (3) members for four (4) years. If the authority is composed of eight (8) members, initial appointments shall be made so that two (2) members are appointed for two (2) years, three (3) members for three (3) years, and three (3) members for four (4) years. Upon expiration of these staggered terms, successors shall be appointed for a term of four (4) years.
- (3) An industrial development authority member may be replaced by the appointing authority upon a showing to the appointing authority of misconduct as an authority member or upon conviction of a felony.

Approved April 2, 2004