

CHAPTER 56

(HB 28)

AN ACT relating to water transportation and making an appropriation therefor.

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

➔SECTION 1. A NEW SECTION OF KRS CHAPTER 174 IS CREATED TO READ AS FOLLOWS:

- (1) *The Water Transportation Advisory Board is established as an advisory body to the executive and legislative branches of government on matters pertaining to water transportation.*
- (2) *The Water Transportation Advisory Board shall be composed of seven (7) members, to be appointed as follows:*
 - (a) *Four (4) members representing the Commonwealth's public riverports, to be appointed by the Governor from a list of eight (8) nominees supplied by the Kentucky Association of Riverports. The Governor shall give consideration to including a representative from each river containing an operating public riverport;*
 - (b) *Two (2) at-large members, to be appointed by the Governor from the private sector associated with the waterways industry; and*
 - (c) *One (1) member representing Kentuckians for Better Transportation, to be appointed by the Governor from a list of three (3) nominees supplied by that organization.*
- (3) *After the initial appointments, members of the Water Transportation Advisory Board shall serve terms of four (4) years. Members shall be eligible to succeed themselves and shall serve until their successor is appointed.*
- (4) *Members of the Water Transportation Advisory Board shall not be paid for their service as board members, and shall not be reimbursed for any expenses involved in attending board meetings.*
- (5) *The Water Transportation Advisory Board shall elect a chair and a vice chair from its members who shall serve in those capacities until replaced. A majority of the board shall constitute a quorum for the purposes of conducting business. The board shall be subject to the provisions of the Kentucky Open Records Act, KRS 61.870 to 61.884.*
- (6) *The Water Transportation Advisory Board shall meet biennially, or when called by the chair, or at the request of the secretary of the Transportation Cabinet. The board shall receive assistance in carrying out its administrative functions from the Transportation Cabinet and shall be attached to the Transportation Cabinet for administrative purposes.*

➔SECTION 2. A NEW SECTION OF KRS CHAPTER 174 IS CREATED TO READ AS FOLLOWS:

The Water Transportation Advisory Board shall:

- (1) *Advise the Transportation Cabinet, the Cabinet for Economic Development, the Governor's Office, and the General Assembly on matters relating to water transportation;*
- (2) *Recommend action to enable the Commonwealth to make best use of its waterways and riverports for future economic growth;*
- (3) *Assist in defining the duties and functions of positions within state government responsible for water transportation;*
- (4) *Recommend criteria for setting priorities for funding riverport marketing initiatives under the riverport marketing assistance trust fund established in Section 3 of this Act;*
- (5) *Evaluate applications submitted by riverports for grants under the riverport marketing assistance trust fund and make recommendations to the granting authority on the disbursement of those funds;*
- (6) *Recommend criteria for setting priorities for funding riverport improvements under the riverport financial assistance trust fund established in Section 4 of this Act; and*
- (7) *Evaluate applications submitted by riverports for grants under the riverport financial assistance trust fund and make recommendations to the granting authority on the disbursement of those funds.*

➔SECTION 3. A NEW SECTION OF SUBCHAPTER 80 OF KRS CHAPTER 154 IS CREATED TO READ AS FOLLOWS:

- (1) *There is created the riverport marketing assistance trust fund, to be administered by the Cabinet for Economic Development.*
- (2) *The riverport marketing assistance trust fund may receive appropriations, federal funds, contributions, gifts, and donations.*
- (3) *The purpose of the riverport marketing assistance trust fund shall be to promote and market Kentucky's riverport to industrial, business, and commercial prospects, to attract economic development. To the extent funds are available, the fund shall make grants to riverport authorities for marketing activities, including research, advertising, participation in trade shows, and preparation of promotional materials. Grants shall not be used for activities such as salaries, administrative expenses, or internal newsletters.*
- (4) *Notwithstanding KRS 45.299, moneys remaining in the fund at the close of a fiscal year shall not lapse but shall carry forward into the succeeding fiscal year. Interest earned on any moneys in the fund shall accrue to the fund. Amounts from the fund shall be disbursed and expended in accordance with this section.*
- (5) *Grants under this section shall not exceed fifteen thousand dollars (\$15,000) per project or thirty thousand dollars (\$30,000) per applicant each year. Projects shall be completed within one (1) year of funding. To receive a grant, an applicant shall provide at least a fifty percent (50%) match, which may be obtained from any public or private source.*
- (6)
 - (a) *Grants shall be reviewed and awarded semiannually.*
 - (b) *The Cabinet for Economic Development shall submit all applications to the Water Transportation Advisory Board established by Section 1 of this Act for evaluation and recommendations prior to awarding any grant funding under this section.*
 - (c) *Higher priority shall be given to applications with a larger share of match money, for those where the match money has already been obtained, and for projects with a detailed riverport marketing plan.*
- (7) *The Cabinet for Economic Development shall on a semiannual basis submit a report detailing all grants awarded under this section to the Water Transportation Advisory Board, the Interim Joint Committee on Transportation, and the Interim Joint Committee on Appropriations and Revenue.*

➔SECTION 4. A NEW SECTION OF KRS CHAPTER 174 IS CREATED TO READ AS FOLLOWS:

- (1) *There is created a riverport financial assistance trust fund, to be administered by the Transportation Cabinet.*
- (2) *The riverport financial assistance trust fund may receive appropriations, federal funds, contributions, gifts, and donations.*
- (3) *The purpose of the riverport financial assistance trust fund shall be to improve riverport facilities and infrastructure, to capture the economic and trade potential offered by water transportation. To the extent funds are available, the fund shall make grants to riverport authorities for new construction and major replacement or repair projects, including but not limited to improvement of docks, wharves, equipment, port buildings, storage facilities, roads and railroads to facilitate the flow of commerce through the port, other on-site improvements, and related professional services. Eligible projects shall not include routine operations, maintenance, or repair activities.*
- (4) *Notwithstanding KRS 45.299, moneys remaining in the fund at the close of a fiscal year shall not lapse but shall carry forward into the succeeding fiscal year. Interest earned on any moneys in the fund shall accrue to the fund. Amounts from the fund shall be disbursed and expended in accordance with this section.*
- (5) *To be eligible for a grant under this section, the applicant shall provide at least a twenty percent (20%) match, which may be obtained from any public or private source.*
- (6)
 - (a) *Grant applications shall be reviewed and awarded annually.*
 - (b) *The Transportation Cabinet shall submit all applications to the Water Transportation Advisory Board established by Section 1 of this Act for evaluation and recommendations prior to awarding any grant funding under this section.*

- (c) *Priority shall be given to applicants with a riverport master plan, for capital-intensive projects for which permits have been obtained, and for projects for which matching funds have been obtained.*
- (7) *The Transportation Cabinet shall submit on an annual basis a report detailing all grants awarded under this section to the Water Transportation Advisory Board, the Interim Joint Committee on Transportation, and the Interim Joint Committee on Appropriations and Revenue.*

➔Section 5. The initial terms for members of the Water Transportation Advisory Board established in Section 1 of this Act shall be as follows:

(1) One member representing the Commonwealth's public riverports and one at-large member shall serve terms that expire on September 30, 2011;

(2) One member representing the Commonwealth's public riverports shall serve a term that expires on September 30, 2012;

(3) One member representing the Commonwealth's public riverports shall serve a term that expires on September 30, 2013; and

(4) One member representing the Commonwealth's public riverports, one at-large member, and one member representing Kentuckians for Better Transportation shall serve terms that expire on September 30, 2014.

Signed by Governor April 6, 2010.