

CHAPTER 71**(SB 199)**

AN ACT to revise and correct the Kentucky Revised Statutes.

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

PART A**LEGISLATIVE FINDINGS AND DECLARATIONS**

➔Section 1. The General Assembly finds and declares as follows:

(1) Section 2 of this Act repeals and reenacts KRS 38.030, which was amended in 2009 Ky. Acts ch. 95 (HB 541) to provide coordinated benefits for Kentucky National Guard members who were totally or permanently disabled while deployed for the January 2009 Winter Storm Response, Mission #090127G01. However, during the processing of the House Committee Substitute for HB 541, the enacting clause required by Kentucky Constitution Section 62 was inadvertently deleted from the bill. HB 541 was passed by the House and then by the Senate without the missing enacting clause being discovered. Therefore, KRS 38.030 is being repealed and reenacted to ratify and confirm the General Assembly's action in enacting 2009 HB 541.

(2) Section 3 of this Act amends KRS 6.505 to correct a transposition of numbers in drafting language referring to the statute that established the Legislators' Retirement Fund, KRS 6.530. In the 2013 amendment of KRS 6.505, language in 2013 Ky. Acts ch. 120, sec. 13(1)(d)2.b. improperly referred to KRS 6.530 as KRS 6.350, which is the statute requiring that an actuarial analysis be prepared for certain retirement-related bills before the General Assembly.

(3) Section 4 of this Act amends KRS 75.031 to correct a citation in subsection (1)(f) of that statute to paragraphs of that subsection concerning how an elected firefighter can be removed from the board of trustees of a fire protection district or a volunteer fire department district. In the drafting of 1996 SB 189 (1996 Ky. Acts ch. 127, sec. 2), this statute was amended to add language concerning the removal procedures, but as the bill went through changes during the session, the subsection paragraphs changed, but the reference to the removal procedure paragraphs was not conformed accordingly. Section 4 of this Act corrects that drafting error.

(4) Section 5 of this Act amends KRS 81.010 relating to the classification of cities to correct the names of cities that have changed and to delete the names of listed cities that are no longer incorporated as cities.

(5) Section 6 of this Act amends KRS 134.452 to correct an improper formatting and an incorrect reference to text in subsection (1)(c)2.d. of that statute that was not conformed to the renumbered text contained in 2012 Ky. Acts ch. 161, sec. 13. Subsection (1)(c)2. of that statute has been correctly subdivided and renumbered and the corresponding reference in current subsection (1)(c)2. has been amended to conform.

(6) Section 7 of this Act amends KRS 161.046 to delete a reference to KRS 161.603, which was repealed in 2008 (1st Extra. Sess.) Ky. Acts ch. 1, sec. 42. This conforming amendment should have been included in that Act, but was inadvertently omitted.

(7) Section 8 of this Act amends KRS 186.574 to correct a reference to the statute requiring motor vehicle owners to have liability insurance, KRS 304.39-080. KRS 186.574 authorizes a county attorney to operate a pre-adjudication traffic school for traffic offenders. However, from the record, it is clear that persons charged with failure to have current motor vehicle liability insurance, among others, were to be ineligible for the county attorney-operated traffic school. The correct citation to the statute requiring motor vehicle liability insurance replaces the incorrect one included in 2012 Ky. Acts ch. 107, sec. 1.

(8) Section 9 of this Act amends KRS 189A.345 to correct two improper references to other statutes made when KRS 189A.345 was created in 2000. 2000 Ky. Acts ch. 467, sec. 28, created KRS 189A.345 and made a reference in subsection (2)(a) of that statute to "subsection (2) of Section 27 of this Act or under subsection (2)(b) of Section 17 of this Act." Section 27 of 2000 Ky. Acts ch. 467 created a new section of KRS Chapter 189A, which was subsequently numbered as KRS 189A.340. However, that reference was improperly codified as "KRS 189.340(2)" instead. KRS 189A.340 was again amended in 2002 to delete subsection (1), so subsection (2) then became subsection (1), making the correct citation now read "KRS 189A.340(1)." Section 17 of 2000 Ky. Acts ch. 467 amended KRS 189A.410, which should have made the reference read "KRS 189A.410(2)(b)." However, in

codification, that reference was improperly codified as "KRS 189A.440(2)(b)" instead. Section 9 corrects these two codification errors.

(9) Section 10 of this Act amends KRS 218A.1438, to correct an incorrect citation to KRS 218A.1442 in subsection (1) of that statute. 2005 Ky. Acts ch. 150, sec. 11, amended KRS 218A.1438 and contained the phrase "Notwithstanding Section 3 of this Act," at the beginning of that section. Section 3 of that Act was a newly created section, which was codified as KRS 218A.1442, and deals with controlled substance endangerment to children. The drafter of that Act has indicated that the reference should have been to "Section 6 of this Act," a newly created section, which was codified as KRS 218A.1446, and deals with requirements for dispensing certain nonprescription drugs. KRS 218A.1438 is being amended to correct this manifest clerical or typographical error.

(10) Section 11 of this Act amends KRS 248.725 to correct a drafting oversight in the preparation of the Free Conference Committee Report for 2000 HB 611, relating to the Tobacco Master Settlement Agreement. In the Free Conference Committee Report, it was intended that "rural development advisory council" be changed to "agricultural development council" throughout. However, one reference in Section 13 of that report, which was codified as KRS 248.725, was inadvertently not changed. Therefore, KRS 248.725 is being amended to correct that oversight.

(11) Section 12 of this Act amends KRS 446.140 to change a reference to KRS 355.1-109, which was repealed in 2006, to correct the citation to current law, KRS 355.1-107.

(12) Section 13 of this Act repeals KRS 216B.0422. Two bills enacted during the 2000 Regular Session, SB 330 and SB 339, each created new sections of KRS Chapter 216B which contained identical text. In codification, two new statutes, KRS 216B.0422 and 216B.0445 were inadvertently created instead of only the one new statute that was necessary. As KRS 216B.0445 became effective earlier than KRS 216B.0422, KRS 216B.0445 is being retained and KRS 216B.0422 is being repealed to eliminate the confusion caused by the duplicative statutes.

PART B

REPEALED AND REENACTED STATUTE

➔Section 2. KRS 38.030 is repealed and reenacted to read as follows:

- (1) Only the Governor shall have the authority to order units and members of the Kentucky National Guard into state active duty.
 - (a) The Governor may order units and individual members of the Kentucky National Guard into state active duty for any of the following purposes:
 1. Protecting lives and property;
 2. Assisting in disaster relief or other humanitarian efforts;
 3. Preventing or suppressing riot or civil disorder;
 4. Enforcing the laws of the Commonwealth; or
 5. Other similar purpose.
 - (b) In addition to ordering personnel and units to state active duty, the Governor may order other members of the Kentucky National Guard to participate in or perform duty in support of state active duty missions notwithstanding the fact that they are then entitled to receive federal pay and allowances pursuant to Title 32 of the United States Code. The personnel may be ordered to perform state active duty support missions either prior to, during, or after the time that state active duty missions are planned or performed.
 - (c) Members of the National Guard who are ordered to perform duty as provided in subsection (1)(b) of this section while they are entitled to receive federal pay under Title 32 of the United States Code shall have all of the powers, immunities, and benefits conferred by law upon persons ordered to state active duty except that they shall receive no additional pay for the duty and the provisions of KRS 38.235 shall not apply to them. The powers, immunities, and benefits conferred upon those persons shall be in addition to, and not in place of, those powers, immunities, and benefits provided under federal law.
 - (d) Any member of the National Guard may, with his consent, be ordered to state active duty without pay.
- (2) The Governor may direct the commanding officer of the military forces ordered to state active duty to report to any civil officer, including, but not limited to, judge, county judge/executive, mayor, sheriff, or head of law enforcement or other public agency in whose jurisdiction the state active duty mission is to be performed. The civil officer may advise the commanding officer regarding the specific objectives to be accomplished by the

military force, but the tactical direction and disposition of the troops and the particular means to be employed to accomplish the mission shall be left solely to the commanding officer of the National Guard.

- (3) Troops shall not be relieved from active field service except by order of the Governor.
- (4) National Guard officers, enlisted soldiers, and airmen who are temporarily or permanently disabled as a direct result of an injury or disease arising out of the performance of an act in the line of duty while on state active duty shall, at the discretion of the Governor, remain on paid state active duty status until a competent medical authority releases them to return to their normal activities or the Governor deems it appropriate to relieve the individual from state active duty status. Compensation paid to the soldier or airman by the department shall be adjusted and maintained at the soldier's or airman's regular rate of active duty pay; however, compensation paid by the department shall be reduced by the amount of payments received from workers' compensation insurance, Social Security benefits, and other federal or state-financed disability programs designed to supplement the soldier's or airman's income. Final compensation shall not be reduced by payments for medical care.

PART C

AMENDED STATUTES

➔Section 3. KRS 6.505 is amended to read as follows:

- (1) (a) Each legislator in office on July 1, 1980, may within thirty (30) days after that date, and any legislator thereafter taking office may within thirty (30) days after the date thereof, elect to make monthly contributions to the Legislators' Retirement Plan, in an amount equal to five percent (5%) of his monthly creditable compensation, as defined in KRS 61.510(13). The election shall be effective to establish membership in the plan as of July 1, 1980, or as of the date from which the thirty (30) day period is measured, as the case may be. Provided, however, that any legislator who was in office on July 1, 1980, and who is in office at the time he makes the election may, after the expiration of the thirty (30) day period and until May 1, 1982, make the election, in which event he shall pay to the Legislators' Retirement Plan, for the months between July 1, 1980, and the date of his election such sum as, when added to any member's contribution by him that is transferred from another retirement system under KRS 6.535, will equal the member's contribution required by this section. If the member makes his election after February 1, 1981, he shall in addition pay to the plan interest on the foregoing sum, at six percent (6%) per annum, calculated as if the sum consisted of equal monthly payments, one (1) of which was due at the end of each month between July 1, 1980, and the date the election was made. The election shall be addressed to and filed with the secretary of the Finance and Administration Cabinet and shall constitute an authorization to the secretary to thereafter cause to be deducted from the member's monthly creditable compensation an amount equal to five percent (5%) thereof, as a voluntarily elected contribution by the member towards the funding of the Legislators' Retirement Plan.
- (b)
 1. For a member who begins participating in the Legislators' Retirement Plan prior to January 1, 2014, the election shall operate to create an inviolable contract between such member and the Commonwealth, guaranteeing to and vesting in the member the rights and benefits provided for under KRS 6.515 to 6.530.
 2.
 - a. For members who begin participating in the Legislators' Retirement Plan on or after January 1, 2014, the General Assembly reserves the right to amend, suspend, or reduce the benefits and rights provided under KRS 6.500 to 6.577 if, in its judgment, the welfare of the Commonwealth so demands, except that the amount of benefits the member has accrued at the time of amendment, suspension, or reduction shall not be affected.
 - b. For purposes of this subparagraph, the amount of benefits the member has accrued at the time of amendment, suspension, or reduction shall be limited to the accumulated account balance the member has accrued at the time of amendment, suspension, or reduction.
 - c. The provisions of this subsection shall not be construed to limit the General Assembly's authority to change any other benefit or right specified by KRS 6.500 to 6.577, for members who begin participating in the Legislators' Retirement Plan on or after January 1, 2014, except the benefits specified by subparagraph 2.b. of this paragraph.
 3. The provisions of this paragraph shall not be construed to limit the General Assembly's authority to amend, reduce, or suspend the benefits and rights of members of the Legislators' Retirement

Plan as provided by KRS 6.500 to 6.577 that the General Assembly had the authority to amend, reduce, or suspend, prior to July 1, 2013.

- (c) An election once made under this section either to participate or not to participate in the Legislators' Retirement Plan, shall be considered to apply to all future service as a legislator, whether in the same or a different office as a legislator, and whether or not it is in successive terms.
- (d) Notwithstanding the provisions of this subsection:
 - 1. A legislator who becomes a member of the Legislators' Retirement Plan on or after September 1, 2008, but prior to January 1, 2014, shall make monthly contributions to the Legislators' Retirement Plan in an amount equal to six percent (6%) of his monthly creditable compensation, as defined in KRS 61.510(13).
 - 2. A legislator who becomes a member of the Legislators' Retirement Plan on or after January 1, 2014, shall make monthly contributions to the Legislators' Retirement Plan in an amount equal to six percent (6%) of his or her monthly creditable compensation, as defined in KRS 61.510(13), of which:
 - a. Five percent (5%) of his or her monthly creditable compensation, as defined in KRS 61.510(13), shall be used to provide funding for benefits provided under KRS 21.402; and
 - b. One percent (1%) of his or her monthly creditable compensation, as defined in KRS 61.510(13), shall be used exclusively to help fund retiree health benefits as provided by KRS 6.577 and shall not be refunded to the member if the member withdraws his or her accumulated account balance as provided by KRS 21.460. The amounts deducted under this subdivision shall be credited to an account established pursuant to 26 U.S.C. sec. 401(h), within the fund established by KRS ~~6.530~~~~6.350~~.
- (2) A legislator entitled to elect membership in the retirement system who failed to elect membership within thirty (30) days after taking office may elect membership not later than August 31, 2005. An election, upon being made pursuant to this section, shall operate to create an inviolable contract between the member entitled to elect membership under this subsection and the Commonwealth, guaranteeing to and vesting in the member the rights and benefits provided for under the terms and conditions of KRS 6.500 to 6.577.
- (3) When any legislator makes a delayed election of membership in the Legislators' Retirement Plan under subsection (2) of this section, his active membership in the Kentucky Employees Retirement System shall terminate, as of the date his membership in the Legislators' Retirement Plan becomes effective, and any credit in the Kentucky Employees Retirement System, earned for service as a legislator, which he then has or which he subsequently regains while being an active member of the Legislators' Retirement Plan, shall be transferred to and counted as service credit in the Legislators' Retirement Plan, and shall no longer constitute credit in the Kentucky Employees Retirement System, except for the purpose of validating any other credit in that system if the member pays the difference, if any, between the amount transferred from the Kentucky Employees Retirement System and the actuarial value of the transferred service. However, any credit he then has in the Kentucky Employees Retirement System, earned for service in any capacity other than a legislator, shall not be affected. No person may attain credit in more than one (1) of the retirement plans or systems mentioned in this section for the same period of service. When credit is transferred from the Kentucky Employees Retirement System to the Legislators' Retirement Plan, the Kentucky Employees Retirement System shall transfer to the Legislators' Retirement Fund an amount equal to the employee's and employer's contributions attributable to that credit, together with interest on the contributions from the date made to the date of transfer at the actuarially assumed interest rate of the Kentucky Employees Retirement System in effect at the time the contributions were made, compounded annually at that same interest rate.
- (4) The state shall, solely for the purpose of compliance with Section 414(h) of the United States Internal Revenue Code, pick up the employee contributions required by this section for all compensation earned after August 1, 1982, and the contributions so picked up shall be treated as employer contributions in determining tax treatment under the United States Internal Revenue Code and KRS 141.010(10). The picked-up employee contribution shall satisfy all obligations to the retirement system satisfied prior to August 1, 1982, by the employee contribution, and the picked-up employee contribution shall be in lieu of an employee contribution. The state shall pay these picked-up employee contributions from the same source of funds which is used to pay earnings to the employee. The employee shall have no option to receive the contributed amounts directly instead of having them paid by the employer to the system. Employee contributions picked up after August 1,

1982, shall be treated for all purposes of KRS 6.500 to 6.535 in the same manner and to the same extent as employee contributions made prior to August 1, 1982.

- (5) When any legislator elects membership in the Legislators' Retirement Plan in accordance with this section, his active membership in the Kentucky Employees Retirement System, State Police Retirement System, County Employees Retirement System, or Teachers' Retirement System shall terminate, as of the date his membership in the Legislators' Retirement Plan becomes effective, and any credit in such other system or systems, earned for service as a legislator, which he then has or which he subsequently regains while being an active member of the Legislators' Retirement Plan, shall be transferred to and counted as service credit in the Legislators' Retirement Plan, and shall no longer constitute credit in such other retirement system except for the purpose of validating any other credit in that system. However, any credit he then has in such other retirement system, earned for service in any capacity other than a legislator, shall not be affected. No person may attain credit in more than one (1) of the retirement plans or systems mentioned in this section, for the same period of service.
- (6) A member of the Legislators' Retirement Plan who would be entitled, under KRS 61.552, to repurchase credit in the Kentucky Employees Retirement System, for previous service as a legislator, which credit had been lost by refund of contributions, may pay the amount required by KRS 61.552 directly to the Legislators' Retirement Plan and thereby obtain credit in that plan for such service, rather than making payment to the Kentucky Employees Retirement System for credit which would be transferred to the Legislators' Retirement Plan. In such event, the Kentucky Employees Retirement System shall transfer to the Legislators' Retirement Plan an amount equal to the employer's contributions that originally were made to the Kentucky Employees Retirement System for the regained service credit, with interest as provided in KRS 6.535. Six (6) months' current service shall be required in the Legislators' Retirement Plan in order for the repurchased credit to remain in force, the same as provided in KRS 61.552. Service purchased under this subsection on or after January 1, 2014, shall not be used to determine the member's participation date in the Legislators' Retirement Plan.

➔Section 4. KRS 75.031 is amended to read as follows:

- (1) (a) Upon creation of a fire protection district or a volunteer fire department district as provided in KRS 75.010, the affairs of the district shall be conducted by the board of trustees consisting of seven (7) members, four (4) to be elected by the members of the district as hereinafter set out and three (3) to be appointed by the county judge/executive or mayor in a consolidated local government pursuant to the provisions of KRS 67C.139. Two (2) members of the board of trustees shall be elected by the members of the firefighters of the district and shall be members of the district. Two (2) members of the board of trustees shall be property owners who own real or personal property which is subject to the fire protection tax pursuant to KRS 75.040, who personally reside in the district, and who are not active firefighters and shall be elected by the property owners of the district. Property owners voting to select representatives to the board of trustees shall have attained the age of eighteen (18). The county judge/executive of the county in which the greater part of the district is located shall, with the approval of the fiscal court, appoint three (3) members of the board of trustees. In counties containing a city of the first class, trustees appointed by the county judge/executive to serve in volunteer fire prevention districts shall reside within the boundaries of that county. In counties governed by a consolidated local government, trustees appointed by the mayor to serve in volunteer fire prevention districts shall reside within the boundaries of the consolidated local government. At the first election held after the district is formed, one (1) firefighter shall be elected to serve on the board of trustees for a period of one (1) year and one (1) for a period of three (3) years, and one (1) nonfirefighter property owner shall be elected to serve on the board of trustees for a period of two (2) years and one (1) for a period of four (4) years. On the expiration of the respective terms, the successor to each shall have the same qualifications as his or her predecessor and shall be elected for a term of four (4) years. The original appointed members of the board of trustees shall be appointed for terms of one (1), two (2), and three (3) years respectively. On the expiration of the respective terms, the successors to each shall be appointed for a term of three (3) years. Upon the establishment of a consolidated local government, incumbent members shall continue to serve until the expiration of their current term of office. In the event of a vacancy in the term of an appointed or elected trustee, the county judge/executive shall appoint with the approval of the fiscal court a trustee for the remainder of the term, except in a county containing a consolidated local government. In a county containing a consolidated local government, the mayor pursuant to the provisions of KRS 67C.139 shall appoint a trustee for the remainder of the term.
- (b) An appointed trustee may be removed from office as provided by KRS 65.007.

- (c) No person shall be an elected trustee who, at the time of his or her election, is not a citizen of Kentucky and has not attained the age of twenty-one (21).
 - (d) Unless otherwise provided by law, an elected firefighter trustee may be removed from office by the mayor of a consolidated local government, or in a county not containing a consolidated local government, by the county judge/executive of the county in which the greater part of the district is located. An elected firefighter trustee may be removed after a hearing with notice as required by KRS Chapter 424, for inefficiency, neglect of duty, malfeasance, or conflict of interest. The hearing shall be initiated and chaired by the county judge/executive of a county or the mayor of a consolidated local government, who shall prepare a written statement setting forth the reasons for removal. The trustee to be removed shall be notified of his or her proposed removal and the reasons for the proposed removal by registered mail sent to his or her last known address at least ten (10) days prior to the hearing. The person proposed to be removed may employ counsel to represent him or her. A record of the hearing shall be made by the county judge/executive or mayor respectively.
 - (e) The removal of an elected firefighter trustee of a fire protection district shall be subject to the approval of the fiscal court of the county in which the greater part of the district is located in those counties not containing a consolidated local government or the legislative council in a county containing a consolidated local government.
 - (f) An elected firefighter trustee removed pursuant to paragraphs ~~(c) and~~ (d) **and** (e) of this subsection may appeal, within ten (10) days of the rendering of the decision of the fiscal court or legislative council, respectively, to the Circuit Court of the county in which the greater part of the district is located. The scope of the appeal shall be limited to whether the county judge/executive, mayor, legislative council, or the fiscal court respectively, abused their discretion in removing the trustee.
- (2) The elective offices of members of the board of trustees shall be filled by an election to be held once each year on the fourth Saturday of June between the hours of 11:00 a.m. and 2:00 p.m. The polls shall be located at the principal fire house in the district. The date, time, and place of the election shall be advertised in accordance with KRS 424.120. This notice shall be advertised at least thirty (30) days prior to the election date and shall include the names and addresses of the candidates to be voted on for each position of trustee. In lieu of the published notice for the election of the firefighter trustees, written notice containing the information required to be advertised may be sent by first-class mail to each member of the firefighters of the fire protection district or volunteer fire department district, addressed to the firefighter at his or her residence, at least thirty (30) days prior to the election date. The nominations for candidates for trustees both representing the firefighters and the property owners residing in the district shall be made in accordance with the bylaws of the department. The terms of the three (3) trustees appointed by the county judge/executive or mayor shall start at the same time as the terms of the elected trustees. On or before the beginning of the second fiscal or calendar year, depending on which basis the fire protection or volunteer fire department district is being operated, after June 16, 1966, all departments organized prior to June 16, 1966, shall increase their boards of trustees from three (3) to seven (7) members and elect the elective members in the manner set forth herein.
- (3) The trustees shall elect from their number a chairman, a secretary, and a treasurer, the latter of whom shall give bond in an amount as shall be determined by the county judge/executive of the county in which the greater part of the fire protection district is located or the mayor in a consolidated local government, conditioned upon the faithful discharge of the duties of his or her office, and the faithful accounting for all funds which may come into his or her possession as treasurer. The premiums on the bonds shall be paid out of the funds of the district.

➔Section 5. KRS 81.010 is amended to read as follows:

Cities are classified as follows:

- (1) First class:
Louisville, Jefferson County
- (2) Second class:
Ashland, Boyd County
Bowling Green, Warren County
Covington, Kenton County
Frankfort, Franklin County

Henderson, Henderson County
Hopkinsville, Christian County
Jeffersontown, Jefferson County
Lexington, Fayette County
Newport, Campbell County
Owensboro, Daviess County
Paducah, McCracken County
Radcliff, Hardin County
Richmond, Madison County

(3) Third class:

Campbellsville, Taylor County
Danville, Boyle County
Erlanger, Kenton County
Flatwoods, Greenup County
Florence, Boone County
Glasgow, Barren County
Hazard, Perry County
Independence, Kenton County
Mayfield, Graves County
Maysville, Mason County
Middlesboro, Bell County
Murray, Calloway County
Nicholasville, Jessamine County
Paris, Bourbon County
Prospect, Jefferson County
Shively, Jefferson County
Somerset, Pulaski County
Winchester, Clark County

(4) Fourth class:

Albany, Clinton County
Alexandria, Campbell County
Anchorage, Jefferson County
Augusta, Bracken County
Barbourville, Knox County
Bardstown, Nelson County
Beaver Dam, Ohio County
Bellevue, Campbell County
Benton, Marshall County

Berea, Madison County
Burnside, Pulaski County
Cadiz, Trigg County
Calvert City, Marshall County
Carlisle, Nicholas County
Carrollton, Carroll County
Catlettsburg, Boyd County
Cave City, Barren County
Central City, Muhlenberg County
Columbia, Adair County
Corbin, Whitley and Knox Counties
Crescent Springs, Kenton County
Crestview Hills, Kenton County
Cumberland, Harlan County
Cynthiana, Harrison County
Dawson Springs, Hopkins County
Dayton, Campbell County
Douglass Hills, Jefferson County
Earlington, Hopkins County
Edgewood, Kenton County
Eddyville, Logan County
Elizabethtown, Hardin County
Elkhorn City, Pike County
Elkton, Todd County
Elsmere, Kenton County
Eminence, Henry County
Falmouth, Pendleton County
Flemingsburg, Fleming County
Fort Mitchell, Kenton County
Fort Thomas, Campbell County
Fort Wright, Kenton County
Franklin, Simpson County
Fulton, Fulton County
Georgetown, Scott County
Graymoor/Devondale, Jefferson County
Grayson, Carter County
Greensburg, Green County
Greenville, Muhlenberg County
Guthrie, Todd County

Harlan, Harlan County
Harrodsburg, Mercer County
Hickman, Fulton County
Highland Heights, Campbell County
Hillview, Bullitt County
Hodgenville, Larue County
Horse Cave, Hart County
Hurstbourne, Jefferson County
Hurstbourne Acres, Jefferson County
Indian Hills, Jefferson County
Irvine, Estill County
Jackson, Breathitt County
Jenkins, Letcher County
Junction City, Boyle County
LaGrange, Oldham County
Lancaster, Garrard County
Lawrenceburg, Anderson County
Lebanon, Marion County
Leitchfield, Grayson County
London, Laurel County
Ludlow, Kenton County
Lyndon, Jefferson County
Madisonville, Hopkins County
Manchester, Clay County
Marion, Crittenden County
Martin, Floyd County
Middletown, Jefferson County
Midway, Woodford County
Monticello, Wayne County
Morehead, Rowan County
Morganfield, Union County
Mount Sterling, Montgomery County
Mount Washington, Bullitt County
Oak Grove, Christian County
Olive Hill, Carter County
Owingsville, Bath County
Paintsville, Johnson County
Park Hills, Kenton County

Pikeville, Pike County
Pineville, Bell County
Pioneer Village, Bullitt County
Prestonsburg, Floyd County
Princeton, Caldwell County
Providence, Webster County
Russell, Greenup County
Russellville, Logan County
Saint Regis Park, Jefferson County
Salyersville, Magoffin County
Scottsville, Allen County
Shelbyville, Shelby County
Shepherdsville, Bullitt County
Southgate, Campbell County
Springfield, Washington County
St. Matthews, Jefferson County
Stanford, Lincoln County
Stanton, Powell County
Sturgis, Union County
Taylor Mill, Kenton County
Taylorsville, Spencer County
Union, Boone County
Vanceburg, Lewis County
Versailles, Woodford County
Villa Hills, Kenton County
Vine Grove, Hardin County
Warsaw, Gallatin County
West Liberty, Morgan County
Whitesburg, Letcher County
Williamsburg, Whitley County
Wilmore, Jessamine County

(5) Fifth class:

Adairville, Logan County
Auburn, Logan County
Audubon Park, Jefferson County
Barbourmeade, Jefferson County
Bardwell, Carlisle County
Beattyville, Lee County
Beechwood Village, Jefferson County

Benham, Harlan County
Bloomfield, Nelson County
Brandenburg, Meade County
Brodhead, Rockcastle County
Bromley, Kenton County
Brooksville, Bracken County
Brownsville, Edmonson County
Burgin, Mercer County
Burkesville, Cumberland County
Butler, Pendleton County
Calhoun, McLean County
Camargo, Montgomery County
Campbellsburg, Henry County
Clay, Webster County
Clay City, Powell County
Clinton, Hickman County
Cloverport, Breckinridge County
Cold Spring, Campbell County
Columbus, Hickman County
Corydon, Henderson County
Crestwood, Oldham County
Crittenden, Grant County
Crofton, Christian County
~~{ Devondale, Jefferson County }~~
Drakesboro, Muhlenberg County
Dry Ridge, Grant County
Edmonton, Metcalfe County
Evarts, Harlan County
Ferguson, Pulaski County
Fleming-Neon, Letcher County
Fredonia, Caldwell County
Goshen, Oldham County
Grand ~~Rivers~~~~{River}~~, Livingston County
Greenup, Greenup County
Hardin, Marshall County
Hardinsburg, Breckinridge County
Hartford, Ohio County
Hawesville, Hancock County

Hebron Estates, Bullitt County

Heritage Creek, Jefferson County

Hindman, Knott County

Hollow Creek, Jefferson County

Hustonville, Lincoln County

Indian Hills-Cherokee, Jefferson County

Irvington, Breckinridge County

Jamestown, Russell County

Jeffersonville, Montgomery County

Kuttawa, Lyon County

La Center, Ballard County

Lakeside Park, Kenton County

Lebanon Junction, Bullitt County

Lewisburg, Logan County

Lewisport, Hancock County

Liberty, Casey County

Livermore, McLean County

Louisa, Lawrence County

Loyall, Harlan County

Lynch, Harlan County

Lynnview, Jefferson County

McKee, Jackson County

Meadowvale, Jefferson County

Millersburg, Bourbon County

~~Minor Lane Heights, Jefferson County~~

Morgantown, Butler County

Morton's Gap, Hopkins County

Mt. Olivet, Robertson County

Mt. Vernon, Rockcastle County

Muldraugh, Meade County

Munfordville, Hart County

New Castle, Henry County

North Middletown, Bourbon County

Northfield, Jefferson County

Nortonville, Hopkins County

Orchard Grass Hills, Oldham County

Owenton, Owen County

Park City, Barren County

Pembroke, Christian County

Perryville, Boyle County
 Pewee Valley, Oldham County
 Plantation, Jefferson County
 Powderly, Muhlenberg County
 Raceland, Greenup County
 Ravenna, Estill County
 Rolling Hills, Jefferson County
 Russell Springs, Russell County
 Ryland Heights, Kenton County
 Sadieville, Scott County
 Sandy Hook, Elliott County
 Sebree, Webster County
 Silver Grove, Campbell County
 Simpsonville, Shelby County
 Smiths Grove, Warren County
 South Shore, Greenup County
 Tompkinsville, Monroe County
 Uniontown, Union County

~~{ Van Lear, Johnson County }~~

Walton, Boone County

~~{ Washington, Mason County }~~

Watterson Park, Jefferson County

West Buechel, Jefferson County

West Point, Hardin County

White Plains, Hopkins County

Wickliffe, Ballard County

Wilder, Campbell County

Williamstown, Grant County

Windy Hills, Jefferson County

Woodlawn Park, Jefferson County

Worthington, Greenup County

Wurtland, Greenup County

(6) All other incorporated cities belong to the sixth class.

➔Section 6. KRS 134.452 is amended to read as follows:

(1) Notwithstanding any other provisions of this chapter, a third-party purchaser of a certificate of delinquency shall be entitled to collect only the following prelitigation fees:

(a) The amount actually paid for the certificate of delinquency;

(b) Interest as provided in KRS 134.125, calculated on the amount actually paid to the county clerk from the date the certificate of delinquency was purchased until paid; and

- (c) 1. Prelitigation attorneys' fees, which may include amounts incurred for collection efforts and costs related to notification, processing, research, communication, compliance, legal costs, documentation, and similar expenses, from the date the third-party purchaser purchases the certificate of delinquency from the county clerk, to the date on which the notice required by KRS 134.490(2) is mailed by the third-party purchaser.
2. The amount that may be collected by the third-party purchaser as prelitigation attorneys' fees shall be subject to the following limitations:
- ~~2.~~a. *i.* If the amount paid for a certificate of delinquency is between five dollars (\$5) and three hundred fifty dollars (\$350), actual reasonable fees incurred up to one hundred percent (100%) of the amount of the certificate of delinquency, not to exceed three hundred fifty dollars (\$350);
- ii.* ~~b.~~ If the amount paid for a certificate of delinquency is between three hundred fifty-one dollars (\$351) and seven hundred dollars (\$700), actual reasonable fees incurred up to eighty percent (80%) of the amount of the certificate of delinquency, not to exceed five hundred sixty dollars (\$560); and
- iii.* ~~c.~~ If the amount paid for a certificate of delinquency is above seven hundred one dollars (\$701), actual reasonable fees incurred up to seventy percent (70%) of the amount of the certificate of delinquency, not to exceed seven hundred dollars (\$700); ~~and~~
- ~~b.~~~~d.~~ If a third-party purchaser is the owner of more than one (1) certificate of delinquency against the same taxpayer, actual and reasonable prelitigation attorneys' fees for all certificates of delinquency against the same taxpayer shall not exceed one and one-half (1.5) times the maximum amount permitted in *subdivision a. of this subparagraph* ~~paragraph (a) of this subsection~~ for the largest tax bill owed by the taxpayer. ~~and~~
3. The amounts allowed by subparagraph 2. of this paragraph shall not accrue to the account of the delinquent taxpayer, nor be charged by the third-party purchaser against the delinquent taxpayer all at one (1) time unless the amount of certificate of delinquency is one hundred seventy-five dollars (\$175) or less. The third-party purchaser may accrue to the account of the delinquent taxpayer, and charge the delinquent taxpayer an amount equal to the lesser of prelitigation attorney's fees incurred by the third-party purchaser since the prior notice was sent or one hundred seventy-five dollars (\$175), for each notice sent to the delinquent taxpayer, provided that:
- a. The total aggregate amount of prelitigation attorneys' fees that may accrue to the account of the delinquent taxpayer and be charged by the third-party purchaser against the delinquent taxpayer shall not exceed the limitations established by paragraph (a) of this subsection; and
- b. Additional fees shall not accrue to the account of the delinquent taxpayer or be charged by the third-party purchaser against the delinquent taxpayer more frequently than every ninety (90) days, regardless of how many notices the third-party purchaser may send.
- (2) If the delinquent taxpayer and the third-party purchaser enter into a payment agreement, the third-party purchaser may collect the installment payment processing fee authorized by KRS 134.490(5).
- (3) (a) In addition to the fees established by subsections (1), (2), and (4) of this section, a third-party purchaser may collect actual, reasonable attorneys' fees and costs that arise due to the prosecution of collection remedies or the protection of a certificate of delinquency that is involved in litigation. Fees and costs permitted under this subsection include fees and costs incurred from the first day after the notice required by KRS 134.490(2) is sent through the day any litigation is finally concluded.
- (b) For purposes of this subsection:
1. Actual attorneys' litigation fees up to two thousand dollars (\$2,000) may be reasonable if the fees are based upon documented work performed at a rate commensurate with hourly rates customarily charged by private attorneys in that jurisdiction for similar services. A flat rate, without hours documented for work performed, may be reasonable if the flat fee is determined to be discounted from the usual and customary rates for comparable work; and

2. Any attorneys' litigation fee in excess of two thousand dollars (\$2,000) shall be allowed if authorized by the court upon a finding that the third-party purchaser incurred actual attorneys' litigation fees in excess of two thousand dollars (\$2,000) and that those attorneys' litigation fees were warranted based upon the complexity of the issues presented in the litigation.
- (4) The third-party purchaser may collect administrative fees incurred for preparing, recording, and releasing an assignment of the certificate of delinquency in the county clerk's office, not to exceed one hundred fifteen dollars (\$115).
- (5) The General Assembly recognizes that third-party purchasers play an important role in the delinquent tax collection system, allowing taxing districts to receive needed funds on a timely basis. The General Assembly has carefully considered the fees and charges authorized by this section, and has determined that the amounts established are reasonable based on the costs of collection and fees and charges incurred in litigation.
- (6) A certificate of delinquency owned by a third-party purchaser shall be deemed a general intangible for the purposes of Article 9 of KRS Chapter 355.

➔Section 7. KRS 161.046 is amended to read as follows:

- (1) For purposes of this section, "adjunct instructor" means an individual who has training or experience in a specific subject area and who has met the requirements for certification as an adjunct instructor established by the Education Professional Standards Board.
- (2) The Education Professional Standards Board shall adopt administrative regulations governing the qualifications and utilization of adjunct instructors. These administrative regulations shall specify the minimum essential competencies which must be demonstrated by persons seeking an adjunct instructor certificate.
- (3) Holders of an adjunct instructor certificate shall be employed on an annual contract basis and shall not be eligible for continuing service status pursuant to KRS 161.740 or for the retirement provisions of KRS 161.220 through 161.714, except that the return to work limitations set forth in KRS ~~161.603 and~~ 161.605 shall apply to any retired member of the Kentucky Teachers' Retirement System who resumes employment as an adjunct instructor. The granting of successive annual contracts to the holder of an adjunct instructor certificate shall not give rise to a claim of expectation of continuing employment.
- (4) Local school boards may contract with certificated adjunct instructors for part-time services on an hourly, daily, or other periodic basis as best meets the needs of the board. An adjunct instructor shall not fill a position that will result in the displacement of a qualified teacher with a regular certificate who is already employed in the district.
- (5) An orientation program shall be developed and implemented for adjunct instructors by the local school board.

➔Section 8. KRS 186.574 is amended to read as follows:

- (1) The Transportation Cabinet shall establish a state traffic school for new drivers and for traffic offenders. The school shall be composed of uniform education and training elements designed to create a lasting influence on new drivers and a corrective influence on traffic offenders. District Courts may in lieu of assessing penalties for traffic offenses, other than for KRS 189A.010, sentence offenders to state traffic school and no other. The Transportation Cabinet shall enroll a person in state traffic school who fails to complete a driver's education course pursuant to KRS 186.410(5).
- (2) If a District Court stipulates in its judgment of conviction that a person attend state traffic school, the court shall indicate this in the space provided on the abstract of conviction filed with the Transportation Cabinet. Upon receipt of an abstract, the Transportation Cabinet, or its representative, shall schedule the person to attend state traffic school. Failure of the person to attend and satisfactorily complete state traffic school in compliance with the court order, may be punished as contempt of the sentencing court. The Transportation Cabinet shall not assess points against a person who satisfactorily completes state traffic school. However, if the person referred to state traffic school holds or is required to hold a commercial driver's license, the underlying offense shall appear on the person's driving history record.
- (3) The Transportation Cabinet shall supervise, operate, and administer state traffic school, and shall promulgate administrative regulations pursuant to KRS Chapter 13A governing facilities, equipment, courses of instruction, instructors, and records of the program. In the event a person sentenced under subsection (1) of this section does not attend or satisfactorily complete state traffic school, the Transportation Cabinet may deny

that person a license or suspend the license of that person until he reschedules attendance or completes state traffic school, at which time a denial or suspension shall be rescinded.

- (4) Persons participating in the state traffic school as provided in this section shall pay a fee of fifteen dollars (\$15) to defray the cost of operating the school, except that if enrollment in state traffic school is to satisfy the requirement of KRS 186.410(4)(c), a fee shall not be assessed. Any funds collected pursuant to KRS 186.535(1) that are dedicated to the road fund for use in the state driver education program may be used for the purposes of state traffic school.
- (5) The following procedures shall govern persons attending state traffic school pursuant to this section:
 - (a) A person convicted of any violation of traffic codes set forth in KRS Chapters 177, 186, or 189, and who is otherwise eligible, may in the sole discretion of the trial judge, be sentenced to attend state traffic school. Upon payment of the fee required by subsection (4) of this section, and upon successful completion of state traffic school, the sentence to state traffic school shall be the person's penalty in lieu of any other penalty, except for the payment of court costs;
 - (b) Except as provided in KRS 189.990(28), a person shall not be eligible to attend state traffic school who has been cited for a violation of KRS Chapters 177, 186, or 189 that has a penalty of mandatory revocation or suspension of an offender's driver's license;
 - (c) Except as provided in KRS 189.990(28), a person shall not be eligible to attend state traffic school for any violation if, at the time of the violation, the person did not have a valid driver's license or the person's driver's license was suspended or revoked by the cabinet;
 - (d) Except as provided in KRS 189.990(28), a person shall not be eligible to attend state traffic school more than once in any one (1) year period, unless the person wants to attend state traffic school to comply with the driver education requirements of KRS 186.410; and
 - (e) The cabinet shall notify the sentencing court regarding any person who was sentenced to attend state traffic school who was ineligible to attend state traffic school. A court notified by the cabinet pursuant to this paragraph shall return the person's case to an active calendar for a hearing on the matter. The court shall issue a summons for the person to appear and the person shall demonstrate to the court why an alternative sentence should not be imposed.
- (6)
 - (a) Except as provided in paragraph (b) of this subsection, a county attorney may operate a traffic safety program for traffic offenders prior to the adjudication of the offense.
 - (b) Offenders alleged to have violated KRS 189A.010 or ~~304.39-080~~~~[304.30-010]~~, offenders holding a commercial driver's license under KRS Chapter 281A, or offenders coming within the provisions of subsection (5)(b) or (c) of this section shall be excluded from participation in a county attorney-operated program.
 - (c) A county attorney that operates a traffic safety program:
 1. May charge a reasonable fee to program participants, which shall only be used for payment of county attorney office operating expenses; and
 2. Shall, by October 1 of each year, report to the Prosecutors Advisory Council the fee charged for the county attorney-operated traffic safety program and the total number of traffic offenders diverted into the county attorney-operated traffic safety program for the preceding fiscal year categorized by traffic offense.
 - (d) Each participant in a county attorney-operated traffic safety program shall, in addition to the fee payable to the county attorney, pay a twenty-five dollar (\$25) fee to the court clerk, which shall be paid into a trust and agency account with the Administrative Office of the Courts and is to be used by the circuit clerks to hire additional deputy clerks and to enhance deputy clerk salaries.

➔Section 9. KRS 189A.345 is amended to read as follows:

- (1) No person shall operate a motor vehicle or motorcycle without a functioning ignition interlock device when prohibited to do so under KRS 189A.340(1) or under KRS 189A.410(2).
- (2)
 - (a) No person shall start a motor vehicle or motorcycle equipped with an ignition interlock device for the purpose of providing an operable motor vehicle or motorcycle to a person subject to the prohibition established in KRS ~~189A.340(1)~~~~[189.340(1)]~~ or under KRS ~~189A.410~~~~[189A.440]~~(2)(b).

- (b) Any person who violates paragraph (a) of this subsection shall:
 1. For a first offense, be guilty of a Class B misdemeanor; and
 2. For a second or subsequent offense, be guilty of a Class A misdemeanor.
- (3) (a) No person shall:
 1. Knowingly install a defective ignition interlock device on a motor vehicle or motorcycle; or
 2. Tamper with an installed ignition interlock device with the intent of rendering it defective.
- (b) Any person who violates paragraph (a) of this subsection shall:
 1. For a first offense, be guilty of a Class B misdemeanor; and
 2. For a second or subsequent offense, be guilty of a Class A misdemeanor and be prohibited from installing ignition interlock devices or directing others in the installation of ignition interlock devices.
- (4) (a) No person shall direct another person to install a defective ignition interlock device on a motor vehicle or motorcycle when the person giving the direction knows that the ignition interlock device is defective.
- (b) Any person who violates paragraph (a) of this subsection shall:
 1. For a first offense, be guilty of a Class B misdemeanor; and
 2. For a second or subsequent offense, be guilty of a Class A misdemeanor and be prohibited from directing others in the installation of ignition interlock devices or installing ignition interlock devices.

➔Section 10. KRS 218A.1438 is amended to read as follows:

- (1) Notwithstanding KRS ~~218A.1446~~~~{218A.1442}~~, a person is guilty of unlawful distribution of a methamphetamine precursor when he or she knowingly and unlawfully sells, transfers, distributes, dispenses, or possesses with the intent to sell, transfer, distribute, or dispense any drug product or combination of drug products containing ephedrine, pseudoephedrine, or phenylpropanolamine, or any of their salts, isomers, or salts of isomers, if the person knows that the purchaser intends that the drug product or combination of drug products will be used as a precursor to methamphetamine or other controlled substance, or if the person sells, transfers, distributes, or dispenses the drug product or combination of drug products with reckless disregard as to how the drug product or combination of drug products will be used.
- (2) Unlawful distribution of a methamphetamine precursor is a Class D felony for the first offense and a Class C felony for each subsequent offense.
- (3) In addition to the criminal penalty specified in subsection (2) of this section, or in lieu of the criminal penalty specified in subsection (2) of this section, any person who traffics in or transfers any drug product or combination of drug products specified in subsection (1) of this section intentionally or recklessly with knowledge of or reason to know that the drug product or combination of drug products will be used to illegally manufacture methamphetamine or other controlled substance shall be liable for damages in a civil action for all damages, whether directly or indirectly caused by the sale or trafficking or transfer of the drug product or drug products.
 - (a) Damages may include but are not limited to:
 1. Any and all costs of detecting, investigating, and cleaning up or remediating unlawfully operated laboratories or other facilities for the illegal manufacture of methamphetamine or other controlled substance;
 2. Costs of prosecution of criminal cases arising from the illegal sale, transfer, distribution, manufacture, or dispensing of a controlled substance or their precursors;
 3. Court costs and reasonable attorney's fees for bringing this civil action;
 4. Consequential damages; and
 5. Punitive damages.

- (b) A civil action to recover damages against a person or persons violating this section may be brought by the Attorney General, an attorney of the Justice and Public Safety Cabinet, or by any Commonwealth's attorney in whose jurisdiction the defendant may be shown to have committed an act specified in this section.
- (c) All moneys collected pursuant to such civil action shall be distributed in the following order:
1. Court costs and reasonable attorney's fees for bringing this civil action;
 2. The reimbursement of all reasonable costs of detecting, investigating, cleaning up or remediating the laboratory or other facility utilized for manufacture of methamphetamine underlying the present judgment;
 3. The reasonable costs of prosecution of criminal cases arising from trafficking in or transfer of a precursor for the illegal manufacture of methamphetamine giving rise to the present judgment; and
 4. All remaining moneys shall be distributed to the General Fund.

➔Section 11. KRS 248.725 is amended to read as follows:

The Kentucky Department of Agriculture may provide technical assistance to local individuals and entities, county **agricultural development**~~(rural development advisory)~~ councils, and regional entities in developing proposals and in implementing proposals approved by the Agricultural Development Board.

➔Section 12. KRS 446.140 is amended to read as follows:

Title heads, chapter heads, section and subsection heads or titles, and explanatory notes and cross references, in the Kentucky Revised Statutes, do not constitute any part of the law, except as provided in KRS ~~355.1-107~~~~[355.1-109]~~.

PART D

REPEALED STATUTE

➔Section 13. The following KRS sections are repealed:

216B.0422 Hospital's outpatient health facility -- Licensure and certificate-of-need requirements.

PART E

EFFECT OF REVISIONS

➔Section 14. Nothing in this Act shall be construed under KRS 7.123(4) as appearing to effect any substantive change in the statute law of Kentucky, and the actions contained within this Act shall not operate under KRS 446.250 or 446.260 to defeat any amendments in other Acts of this 2014 Regular Session of the General Assembly to the statutes contained in this Act.

Signed by Governor April 9, 2014.