

CHAPTER 69

(HB 335)

AN ACT relating to property owned by local governments and declaring an emergency.

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

➔Section 1. KRS 67.0802 is amended to read as follows:

- (1) *As used in this section, "independent appraisal" means an appraisal made by:*
- (a) *An individual or organization not affiliated with the county or its officers or employees, using a generally accepted national or professional standard; or*
 - (b) *A county's officers or employees using a nationally published valuation of property based on the most recent edition of the publication.*
- (2) A county may sell or otherwise dispose of any of its real or personal property.
- (3)~~(2)~~ Before selling or otherwise disposing of any real or personal property, the county shall make a written determination setting forth and fully describing:
- (a) The real or personal property;
 - (b) Its intended use at the time of acquisition;
 - (c) The reasons why it is in the public interest to dispose of it; and
 - (d) The method of disposition to be used.
- (4)~~(3)~~ Real or personal property may be:
- (a) Transferred, with or without compensation, to another governmental agency;
 - (b) Sold at public auction following publication of the auction in accordance with KRS 424.130(1)(b);
 - (c) Sold by electronic auction following publication of the auction, including the uniform resource link (URL) for the site of the electronic auction, in accordance with KRS 424.130(1)(b);~~or~~
 - (d) Sold by sealed bids in accordance with the procedure for sealed bids under KRS 45A.365(3) and (4);
 - (e) *Transferred, with or without compensation, for economic development purposes, which shall include but not be limited to real property transfers for the elimination of blight;*
 - (f) *Traded towards the acquisition of the same or similar type of property if the value of the property the county is receiving in exchange equals or exceeds the actual fair market value of the property it traded as determined using an independent appraisal;*
 - (g)
 1. *Sold for its appraised fair market value or a greater amount if the property is valued at five thousand dollars (\$5,000) or less in an independent appraisal without using the procedure set out in paragraph (d) of this subsection.*
 2. *Property sold under this paragraph shall not be sold to a county officer or employee;*
 - (h) *Sold for scrap or disposed of as garbage, of which road millings and dirt may be considered as such, in a manner consistent with the public interest if the property has no value, or is of a nominal value as determined by an independent appraisal; or*
 - (i) *Sold by the Finance and Administration Cabinet under an agreement with the county.*
- (5)~~(4)~~ If a county receives no bids for the real or personal property, either at public or electronic auction or by sealed bid, the property may be disposed of, consistent with the public interest, in any manner deemed appropriate by the county. In those instances, a written description of the property, the method of disposal, and the amount of compensation, if any, shall be made.
- (6)~~(5)~~ Any compensation resulting from the disposal of this real or personal property shall be transferred to the general fund of the county.

➔Section 2. KRS 45A.425 is amended to read as follows:

- (1) A local public agency may sell or otherwise dispose of any personal property which is not needed or has become unsuitable for public use, or which would be suitable, consistent with the public interest, for some other use.
- (2) A written determination as to need of suitability of any personal property of the local public agency shall be made; and such determination shall fully describe the personal property; its intended use at the time of acquisition; the reasons why it is in the public interest to dispose of the item; and the method of disposition to be used.
- (3) Surplus or excess personal property as described in this section may be transferred, with or without compensation, to another governmental agency; or it may be sold at public auction or by sealed bids in accordance with KRS 45A.365.
- (4) In the event that a local public agency receives no bids for surplus or excess personal property, either at public auction or by sealed bid, such property may be disposed of, consistent with the public interest, in any manner deemed appropriate by the local public agency. In such instances, a written description of the property, the method of disposal, and the amount of compensation, if any, shall be made. Any compensation resulting from the disposal of surplus or excess personal property shall be transferred to the general fund of the local public agency.
- (5) A local board of education may dispose of its surplus technology in accordance with KRS 160.335.
- (6) *As an alternative procedure to that set out in this section, a county may dispose of personal property pursuant to Section 1 of this Act.*

➔Section 3. The Kentucky Administrative Office of the Courts shall not close or relocate operations of any satellite or extension facilities that it maintains in the City of Corbin on the effective date of this Act for the 2018-2020 fiscal biennium. The lease amount for such facilities shall not exceed \$50,000 per fiscal year. The provisions of this section shall expire after June 30, 2020.

➔Section 4. Whereas in order to give local governments the most flexibility in administering their properties, an emergency is declared to exist, and this Act takes effect upon its passage and approval by the Governor or upon its otherwise becoming a law.

Signed by Governor March 25, 2019.