

65A.100 Fees and ad valorem taxes levied by special purpose governmental entities -- Reporting to governing body of city or county -- Reporting exceptions.

- (1) Beginning January 1, 2014, the provisions of this section shall apply to any fee or ad valorem tax levied by a special purpose governmental entity that is not otherwise required by statute or ordinance to be adopted or approved through an official act of an establishing entity.
- (2) Except as provided in subsection (4) of this section, any special purpose governmental entity that:
 - (a)
 1. Adopts a new fee or ad valorem tax;
 2. Increases the rate at which an existing fee or tax, other than an ad valorem tax, is imposed; or
 3. Adopts an ad valorem tax rate;shall report the fee or tax to the governing body of the establishing entity in which the largest number of citizens served by the special purpose governmental entity reside. If the special purpose governmental entity serves only the residents of a city, the notice shall be provided to the governing body of that city.
 - (b) The report required by paragraph (a) of this subsection shall be for informational purposes only, and the governing body shall not have the authority to adjust, amend, or veto the fee or tax, provided that any other provision of the Kentucky Revised Statutes that provides greater authority for the governing body of a city or county over taxes, fees, or rates imposed by a special purpose governmental entity shall continue to apply to those taxes, fees, or rates.
- (3)
 - (a) The report required by subsection (2) of this section shall be made as provided in this subsection.
 - (b) Any fee or ad valorem tax that will be imposed on a compulsory basis by an entity other than an entity described in paragraph (c) of this subsection shall be reported by:
 1. Submission of written notification of the ad valorem tax or fee to the governing body at least thirty (30) days before the date the ad valorem tax or fee will be effective; and
 2. Presentation of testimony relating to the ad valorem tax or fee at an open, regularly scheduled meeting of the governing body at least ten (10) days prior to the date the ad valorem tax or fee will be effective.
 - (c) The annual financial report submitted by federally regulated municipal utilities or public utilities established pursuant to KRS 96.740 that are not federally regulated to their establishing entities pursuant to KRS 96.840 shall satisfy the reporting requirements of subsection (2) of this section.
- (4) The reporting requirements established by subsection (2) of this section shall not apply to the following:
 - (a) Rental fees;

- (b) Fees established by contractual arrangement;
 - (c) Admission fees;
 - (d) Charges to recover costs incurred by a special purpose governmental entity for the connection, restoration, relocation, or discontinuation of any service requested by any person;
 - (e) Any penalty, interest, sanction, or other charge imposed by a special purpose governmental entity for a failure to pay a charge or fee, or for the violation, breach, or failure to pay or perform as agreed pursuant to a contractual agreement;
 - (f) Amounts charged to customers or contractual partners for nonessential services provided on a voluntary basis;
 - (g) Fees or charges authorized under federal law that pursuant to federal law may not be regulated by the Commonwealth or local governments within the Commonwealth;
 - (h) Purchased water or sewage treatment adjustments, as authorized by KRS 278.015, made by a special purpose governmental entity as a direct result of a rate increase by its wholesale water supplier or wholesale sewage treatment provider;
 - (i) Any new fee or fee increase for which a special purpose governmental entity must obtain prior approval from the Public Service Commission pursuant to KRS Chapter 278; or
 - (j) Other charges or fees imposed by a special purpose governmental entity for the provision of any service that is also available on the open market.
- (5) The governing body shall include notification that the ad valorem tax or fee will be presented in all public notices provided for the meeting.
- (6) An establishing entity may require a more stringent reporting process than that established by subsections (1) to (3) of this section by ordinance or interlocal agreement for any special purpose governmental entity or category of special purpose governmental entities, provided that the requirements do not conflict with reporting requirements established by other provisions of the Kentucky Revised Statutes.

Effective: March 19, 2014

History: Amended 2014 Ky. Acts ch. 7, sec. 5, effective March 19, 2014. -- Amended 2013 Ky. Acts ch. 124, sec. 8, effective June 25, 2013. -- Created 2013 Ky. Acts ch. 40, sec. 85, effective March 21, 2013.

Legislative Research Commission Note (3/19/2014). 2014 Ky. Acts ch. 7, sec. 11 provides that the amendments to this statute made in 2014 Ky. Acts ch. 7, sec. 5, shall apply retroactively beginning January 1, 2014.

Legislative Research Commission Note ((3/19/2014). In codification, the Reviser of Statutes has altered the internal numbering of subsection (3) of this statute from the way it appeared in 2014 Ky. Acts ch. 7, sec. 5 under the authority of KRS 7.136(1)(a).

Legislative Research Commission Note (3/21/2013). This statute was created in 2013 Ky. Acts ch. 40, sec. 85 (HB 1), and then amended in 2013 Ky. Acts ch. 124, sec. 8,

after HB 1 had been enacted. That amendment has been incorporated into the text of this statute as created.