

1 AN ACT relating to area development districts.

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

3 ➔Section 1. KRS 147A.004 is amended to read as follows:

4 (1) The Department for Local Government shall administer distribution of state and
5 federal planning funds to area development districts and shall require by
6 administrative regulation financial and operational reports, audits, and other
7 controls as are necessary to assure compliance with state and federal laws relating to
8 funds received by the area development districts.

9 (2) The Department for Local Government shall promulgate administrative regulations
10 as will assure statewide coordination of the planning and assistance operations of
11 the area development districts.

12 **(3) Prior to considering the matching of any federal dollars, the Department for**
13 **Local Government shall use the following formula for allocating General Fund**
14 **dollars appropriated through the Joint Funding Administration Program in a**
15 **fiscal year:**

16 **(a) Seventy percent (70%) of the total amount shall be allocated equally among**
17 **the area development districts;**

18 **(b) Twenty percent (20%) of the total amount shall be allocated based on each**
19 **area development district's pro rata share of population among the districts;**

20 **and**

21 **(c) The remaining ten percent (10%) of the total amount shall be allocated**
22 **based on jurisdictions served. Should there be a consensus agreement**
23 **among all area development districts, a portion of this remaining ten**
24 **percent (10%) may be distributed to districts in need of matching funds to**
25 **leverage federal funds included in the Joint Funding Administration**
26 **agreement.**

27 ➔Section 2. (1) The General Assembly Finds:

- 1 (a) The area development districts play a critically important role in regional
2 planning, economic development, and social services;
- 3 (b) There are currently 15 area development districts in the Commonwealth;
- 4 (c) Regional strategies, solutions, and partnerships that improve the overall
5 quality of life for the citizens of the Commonwealth spring forth from these area
6 development districts;
- 7 (d) The area development districts have become a catalyst of change in almost all
8 aspects of life throughout the Commonwealth and in the individual regions;
- 9 (e) Federal, state, local, and private funding flow through these area development
10 districts; and
- 11 (f) It is important to all citizens that the Commonwealth's resources be used for
12 the betterment of all.
- 13 (2) The Interim Joint Committee on Local Government shall:
- 14 (a) Study the 15 area development districts and the Department for Local
15 Government related to:
- 16 1. Area development district alignment and boundaries under KRS 147A.050;
- 17 2. Distribution of federal and state funding, including but not limited to funds
18 appropriated by the Kentucky General Assembly in the biennial budget as it relates to
19 KRS 147A.004;
- 20 3. The Department for Local Government's powers and duties as they relate to
21 KRS 147A.021, specifically including but not solely limited to subsection (3) of that
22 section; and
- 23 4. The process employed by the Department for Local Government to distribute
24 funds to the area development districts; and
- 25 (b) Report all findings and recommendations to the Kentucky General Assembly
26 no later than December 30, 2019.
- 27 ➔Section 3. Provisions of Section 2 of this Act to the contrary notwithstanding,

1 the Legislative Research Commission shall have the authority to alternatively assign the
2 issues identified herein to an interim joint committee or subcommittee thereof, and to
3 designate a study completion date.

4 ➔Section 4. Section 2 of this Act shall have the same legal status as a House
5 Concurrent Resolution.