

1 AN ACT relating to aviation development, making an appropriation therefor, and
2 declaring an emergency.

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

4 ➔SECTION 1. A NEW SECTION OF KRS CHAPTER 183 IS CREATED TO
5 READ AS FOLLOWS:

- 6 *(1) The aviation development fund is hereby established in the State Treasury as a*
7 *trust and agency account. The fund shall consist of appropriations of the General*
8 *Assembly, interest from fund principal, grants, donations, and payments to the*
9 *fund for any lawful purpose.*
- 10 *(2) The fund shall be administered by the Department of Aviation.*
- 11 *(3) Moneys deposited in the fund shall be used, in accordance with Sections 1 to 3 of*
12 *this Act, to:*
- 13 *(a) Increase Kentuckians' access to educational opportunities within the*
14 *aviation and aerospace industries by supporting the expansion and*
15 *acquisition of facilities, equipment, simulators, and related equipment by*
16 *airports and aviation technical schools in connection with educational*
17 *institutions, flight schools, and other training programs; and*
- 18 *(b) Promote aviation programs throughout the Commonwealth.*
- 19 *(4) The department shall establish a grant program in accordance with Sections 2*
20 *and 3 of this Act to evaluate proposals and distribute aviation development funds.*
- 21 *(5) The department shall promulgate administrative regulations in accordance with*
22 *KRS Chapter 13A regarding procedures for providing grants pursuant to*
23 *Sections 2 and 3 of this Act.*
- 24 *(6) Notwithstanding KRS 45.229, any moneys remaining in the fund at the close of a*
25 *fiscal year shall not lapse but shall be carried forward to the next fiscal year to be*
26 *used for the purposes set forth in this section.*
- 27 *(7) Any interest earnings of the fund shall become part of the fund and shall not*

1 lapse.

2 (8) Any moneys in the fund are hereby appropriated for the purposes set forth in this
3 Sections 1 to 3 of this Act and shall not be appropriated or transferred by the
4 General Assembly for any other purpose.

5 ➔SECTION 2. A NEW SECTION OF KRS CHAPTER 183 IS CREATED TO
6 READ AS FOLLOWS:

7 (1) The department shall establish an aviation development grant program to solicit
8 and evaluate proposed projects and award grants to be funded with moneys from
9 the aviation development fund established under Section 1 of this Act.

10 (2) Of the money in the aviation development fund at the beginning of each fiscal
11 year, the department may:

12 (a) Award eighty percent (80%) of the funds up to the first five million dollars
13 (\$5,000,000), and any funds in excess of that amount, in grants to proposals
14 which:

15 1. Expand existing programs at educational institutions, flight schools,
16 and other training programs; and

17 2. Establish new programs, but only at public educational institutions;

18 (b) Use fifteen percent (15%), up to a maximum of seven hundred fifty
19 thousand dollars (\$750,000), to develop an innovative aircraft system
20 program which may include unmanned aircraft systems and electric
21 aircraft infrastructure development; and

22 (c) Use five percent (5%) up to a maximum of two hundred fifty thousand
23 dollars (\$250,000), to promote educational programs through targeted
24 outreach and broad-based aviation promotional initiatives.

25 (3) Grant proposals under this section shall be evaluated by the aviation development
26 grant review committee established under Section 3 of this Act.

27 (4) Grant proposals under this section shall be evaluated on the follow criteria:

- 1 (a) The needs of the local workforce;
- 2 (b) The financial needs of the program and proposed financial participation of
- 3 the applicant;
- 4 (c) Geographic coverage;
- 5 (d) The potential for economic development;
- 6 (e) The level of financial commitment from the educational institution or
- 7 vocational training program;
- 8 (f) The potential for expansion of innovative technologies, such as unmanned
- 9 aircraft training; and
- 10 (g) Other criteria established by the department in administrative regulations
- 11 promulgated pursuant to KRS Chapter 13A.
- 12 (5) Applications for grants under this section shall be submitted no later than
- 13 September 1 of each year and awarded no later than November 1 of the same
- 14 year.
- 15 (6) In any fiscal year that grants are awarded under this section, the department
- 16 shall submit, prior to the end of that fiscal year, a report to the Interim Joint
- 17 Committees on Transportation and Appropriations and Revenue that identifies:
- 18 (a) The amount of money available for grant awards under paragraph (2)(a) of
- 19 this section;
- 20 (b) The number of grant applicants;
- 21 (c) The names of grant recipients, along with the amount of each award and a
- 22 description of the uses of grant money;
- 23 (d) Information on the current status of the projects awarded this year;
- 24 (e) Information on the status of grants awarded in previous years for which the
- 25 awards have not been expended; and
- 26 (f) Information on how the moneys identified in paragraphs (2)(b) and (c) of
- 27 this section were spent.

1 ➔SECTION 3. A NEW SECTION OF KRS CHAPTER 183 IS CREATED TO
2 READ AS FOLLOWS:

3 (1) As used in this section "committee" means the Aviation Development Grant
4 Review Committee.

5 (2) The Aviation Development Grant Review Committee is hereby established. The
6 committee shall evaluate grant applications and award grants in accordance with
7 Section 2 of this Act.

8 (2) The committee shall be composed of five (5) members, as follows:

9 (a) The Commissioner of the Department of Aviation, or the commissioner's
10 designee;

11 (b) The Secretary of the Education and Workforce Development Cabinet, or the
12 secretary's designee; and

13 (c) Three (3) citizen members, appointed by the Governor, based on the
14 following qualifications:

15 1. One (1) citizen member who is a commercially rated pilot;

16 2. One (1) citizen member who is a certificated airframe and power plant
17 mechanic with an inspector authorization; and

18 3. One (1) citizen member who has experience in vocational education
19 and job training.

20 (3) After the initial appointments, citizen members of the committee shall serve terms
21 of four (4) years. Members shall be eligible to succeed themselves and shall serve
22 until their successor is appointed.

23 (4) Members of the committee shall not be paid for their service as board members,
24 and shall not be reimbursed for any expenses involved in attending board
25 meetings.

26 (5) The committee shall elect a chair and a vice chair from its members who shall
27 serve in those capacities until replaced. A majority of the board shall constitute a

1 quorum for the purposes of conducting business. The board shall be subject to
2 the provisions of the Kentucky Open Records Act, KRS 61.870 to 61.884.

3 (6) The committee shall meet annually, when called by the chair, or at the request of
4 the secretary of the Transportation Cabinet. The committee shall receive
5 assistance in carrying out its administrative functions from the Transportation
6 Cabinet and shall be attached to the Transportation Cabinet for administrative
7 purposes.

8 ➔Section 4. Of the three initial citizen member appointments to the Aviation
9 Development Grant Review Committee:

10 (1) One member shall be designated to serve a term which expires June 30, 2024;

11 (2) One member shall be designated to serve a term which expires June 30, 2025;

12 and

13 (3) One member shall be designated to serve a term which expires June 30, 2026.

14 After the expiration of the initial appointments, each term shall be for a period of
15 four years in accordance with Section 3 of this Act.

16 ➔Section 5. Whereas it is appropriate that establishment of a new fund in the
17 State Treasury should coincide with the beginning of the Commonwealth's fiscal year, an
18 emergency is declared to exist, and this Act takes effect upon its passage and approval by
19 the Governor or upon its otherwise becoming a law.