

FREE CONFERENCE COMMITTEE REPORT

The Free Conference Committee on **HB 360** has met as provided in the Rules of the House and Senate and hereby reports the following to be adopted:

_____ GA ___X___ SCS _____ HCS

For the above-referenced bill, with these amendments (if applicable):

Committee (list by chamber and number): _____;

Floor (list by chamber and number): _____; and

The following Free Conference Committee action:

On page 58, line 27, after "contract", insert "for a sewer or water project"; and

On page 59, line 6, after "65", delete "or"; and

On page 59, line 9, after "projects", delete "and"; and

On page 59, between lines 9 and 10, insert:

"e. Regional wastewater commissions formed under KRS Chapter 278;

f. A municipally owned joint sewer agency formed under KRS Chapter 76;

or

g. Any other governmental agency; and"; and

On page 59, line 26, after "supplies", delete "and"; and

On page 60, line 11, after "lease", insert the following:

"; and

(36) Prewritten computer software access services sold to or purchased by a retailer that develops prewritten computer software for print technology and uses and sells prewritten computer software access services for print technology"; and

On page 65, line 2, after "to", delete "ninety-five percent (95%)", and insert "one hundred percent (100%)"; and

1 On page 76, line 22, after "9009c", insert ", related to the tax treatment of the grants,
2 deductions attributable to those grants, and tax attributes associated with those grants"; and

3 On page 78, line 27, after "9009c", insert ", related to the tax treatment of the grants,
4 deductions attributable to those grants, and tax attributes associated with those grants"; and

5 On page 79, line 21, after "2022", insert the following:

6 "; and deductions allowed under Pub. L. No. 117-2, sec. 9673 and 15 U.S.C. sec. 9009c,
7 related to the tax treatment of restaurant revitalization grants and deductions attributable to
8 those grants for taxable years beginning on or after January 1, 2020, but before March 11,
9 2023. Nothing"; and

10 On page 79, line 21, bracket and strike through ", and nothing"; and

11 On page 111, line 20, after "in", delete "a"; and

12 On page 111, beginning on line 20 and continuing to line 21, after "calendar", delete "year
13 beginning on or after January 1,", and insert "years"; and

14 On page 111, line 21, after "2023", insert "and 2024"; and

15 On page 116, between lines 26 and 27, insert the following:

16 "(e) A total of no more than thirty million dollars (\$30,000,000) of tax credit shall be
17 awarded in fiscal year 2022-2023 and fiscal year 2023-2024."; and

18 On page 122, lines 26 and 27, delete all language; and

19 On page 124, line 7, after "of", delete "five (5)", and insert "ten (10)"; and

20 On page 126, lines 2 to 5, delete all language;

21 On page 126, at the beginning of line 6, delete "(8)", and insert "(7)"; and

22 On page 126, at the beginning of line 10, delete "(9)", and insert "(8)"; and

23 On page 127, between lines 25 and 26, insert the following:

24 "➔Section 35. KRS 48.020 is amended to read as follows:

25 Each branch of government shall have in continuous process of preparation and revision, in the
26 light of its direct studies of the operations, plans and needs of its budget units and of the existing
27 and prospective sources of income, a branch budget recommendation for the next two (2) fiscal

1 years for which a budget recommendation is required to be prepared. Upon receipt of the
2 estimates from its budget units, each branch of government shall check these estimates in the
3 light of its own information, and shall make such further inquiries and investigations and revise
4 its branch budget recommendation as it deems warranted. ~~[-The branch budget recommendation
5 when approved shall be certified together with the budget statements provided for in KRS 48.110
6 and submitted as provided for in KRS 48.100.]~~

7 ➔Section 36. KRS 48.040 is amended to read as follows:

- 8 (1) On or before April 1 of each odd-numbered year, representatives designated by the
9 Governor, the Chief Justice, and the Legislative Research Commission for their respective
10 branches shall propose drafts of uniform forms to be used by all budget units in submitting
11 their budget estimates, requests and recommendations, and shall recommend to the
12 Legislative Research Commission such rules and regulations deemed necessary for the
13 preparation of such budget estimates, requests and recommendations.
- 14 (2) On or before June~~[July]~~ 1 of each odd-numbered year, the Legislative Research
15 Commission shall prescribe uniform forms, records, and instructions to be used by branch
16 budget units. Included in such forms shall be a section requiring budget units to identify the
17 amount of funds to be spent on agency publications.
- 18 (3) (a) On or before August 15 of each odd-numbered year, each of the state-administered
19 retirement systems as defined by KRS 6.350(5) shall submit to the state budget
20 director's office and the Legislative Research Commission a preliminary projection of
21 the actuarially required contribution rates payable for the budget biennium that begins
22 in the following fiscal year.
- 23 (b) On or before October 1~~[November 15]~~ of each odd-numbered year, the state-
24 administered retirement systems as defined by KRS 6.350(5) shall submit revised
25 projections to the state budget director's office and the Legislative Research
26 Commission, based upon the most recently completed actuarial valuation, of the
27 actuarially required contribution rates payable for the budget biennium that begins in

1 the following fiscal year.

2 (c) The Legislative Research Commission shall distribute the information received under
3 this subsection to the committee staff and co-chairs of any committee that has
4 jurisdiction over a state-administered retirement system.

5 (4) On or before August~~September~~ 1 of each odd-numbered year, the Finance and
6 Administration Cabinet shall supply each branch of government with at least three (3)
7 complete sets of the prescribed uniform forms and instructions for the preparation of
8 estimates and statements, and one (1) copy of the complete statement of the expenditures of
9 each budget unit of the branch to aid each branch of government in preparing its estimates
10 and statements.

11 (5) Upon request, the Finance and Administration Cabinet shall provide such additional
12 assistance to each branch of government as may be required.

13 ➔Section 37. KRS 48.050 is amended to read as follows:

14 **On or before October 1 of each odd-numbered year,** the head of each budget unit shall submit
15 its budget unit request to:

16 **(1)** The Office of State Budget Director, in the case of the executive branch;~~[-, to]~~

17 **(2)** The Chief Justice, in the case of the judicial branch;~~[-, to]~~

18 **(3)** The director of the Legislative Research Commission, in the case of the legislative branch;
19 and~~[-, to]~~

20 **(4)** The Legislative Research Commission~~[-, not later than November 15 of each odd-numbered~~
21 ~~year].~~

22 ➔Section 38. KRS 48.110 is amended to read as follows:

23 Each branch budget recommendation shall contain a complete financial plan for the branch of
24 government for each of the next two (2) fiscal years. **Each branch budget recommendation and**
25 **all supporting documentation shall be submitted in a form and format cooperatively developed**
26 **by each respective branch of government and the General Assembly and approved by the**
27 **Legislative Research Commission.** Each branch budget recommendation shall include:

- 1 (1) A budget message signed by:
- 2 (a) The Governor for the executive branch;
- 3 (b) The Chief Justice for the judicial branch; and
- 4 (c) The co-chairmen of the Legislative Research Commission for the legislative branch;
- 5 (2) (a) Statements of income and receipts for the two (2) fiscal years last concluded, and the
- 6 estimated income and receipts, for each budget unit of the branch of government for
- 7 the current fiscal year and each of the next two (2) fiscal years.
- 8 (b) The statements of income and estimated income shall be itemized by budget unit and
- 9 fund, and shall show separately receipts from:
- 10 1. Current income;
- 11 2. Refunds and reimbursements of expenditures;
- 12 3. The sale of assets; and
- 13 4. Receipts on account of the income of prior years.
- 14 (c) Existing sources of income and receipts shall be analyzed as to their equity,
- 15 productivity and need for revision, and any proposed new sources of income or
- 16 receipts shall be explained;
- 17 (3) A statement of the surplus in any account and in any special fund of the branch of
- 18 government. If a surplus exists in any account of the branch of government the statement
- 19 shall show the excess of all current assets over all current liabilities as of the beginning of
- 20 each of the two (2) fiscal years last concluded, and all changes in these accounts during
- 21 each of such two (2) fiscal years;
- 22 (4) A statement as of the close of the last completed fiscal year and as of the close of the
- 23 current fiscal year showing, for each budget unit the total funded debt, the value of sinking
- 24 fund assets, the net funded debt, the floating liabilities as of the end of the current fiscal
- 25 year, and the total debt as of the close of the last completed fiscal year and as of the close
- 26 of the current fiscal year;
- 27 (5) Summary and detailed comparative statements of expenditures itemized by budget unit for

1 each of the two (2) fiscal years last concluded and requests for appropriations by funds or
2 accounts, the budget of the current year, and the recommendations for appropriations for
3 each of the next two (2) fiscal years. Following the lists of actual and proposed
4 expenditures of each budget unit there shall be a detailed explanation of the actual and
5 proposed expenditures, to include activities, beneficiaries and expected results of the
6 programs or services of the budget units;

7 (6) A draft of the proposed branch budget bill containing:

8 (a) Recommendations of the branch of government for appropriations for the next two
9 (2) fiscal years, and drafts of such revenue and other acts as may be recommended for
10 implementing the proposed financial plan;

11 (b) Recommended appropriations for extraordinary expenses and capital outlays, which
12 shall be itemized in the proposed branch budget bill for the branch by budget unit.
13 The title of each budget unit shall be worded to limit each appropriation to the
14 specific use or purpose intended;

15 (c) A plan for the reduction of the branch budget if there is a revenue shortfall of five
16 percent (5%) or less in the general fund or road fund. In recommending budget
17 reductions, the Governor, the Chief Justice, and the Legislative Research
18 Commission shall not recommend universal percentage reductions, but shall weigh
19 the needs of all budget units and shall strive to protect the highest possible level of
20 service in their respective branches. Services which are not essential to constitutional
21 functions shall be subject to reduction. Transfer of funds may be authorized by the
22 budget reduction plan;

23 (d) 1. A plan for the expenditure of a general fund or road fund surplus of up to two
24 and one-half percent (2.5%).

25 2. The plan shall include provisions for the expenditure of a surplus, and may
26 provide for additional moneys for nonrecurring expenditures for which an
27 appropriation was not made in a branch budget bill, or for a program or service

- 1 authorized by law for which an appropriation was not made, or which was not
2 fully funded.
- 3 3. In lieu of recommending the appropriation of funds, the plan may instead
4 recommend the retention of surplus funds in the surplus account of the general
5 fund or road fund for investment until appropriated by the General Assembly;
- 6 (e) 1. A recommended state capital projects program and a recommended program for
7 the purchase of major items of equipment.
- 8 2. The recommended capital construction program shall include:
- 9 a. A complete list and summary description of each specific capital
10 construction project recommended for funding during the biennium; and
11 b. For each project:
- 12 i. The agency and purpose for which it will be used;
13 ii. The justification for the project;
14 iii. Its estimated completion date;
15 iv. The total estimated cost of completing the project;
16 v. The estimated cost of the project during the biennium;
17 vi. The recommended sources of funds for the entire project; and
18 vii. The dollar amounts recommended for appropriation and the dollar
19 amounts, listed by source, that are anticipated from every other
20 source of funds for the biennium.
- 21 3. All information required by subparagraph 2. of this paragraph shall be included
22 in each branch budget recommendation. Each branch budget bill shall contain
23 only a complete list of the specific capital construction projects recommended
24 for funding during the biennium and, for each project, the information specified
25 in subparagraph 2.b.v., vi., and vii. of this paragraph.
- 26 4. A report which details the effect of recommended new debt on the debt position
27 of the Commonwealth shall be submitted at the same time the recommended

1 capital program is submitted. Information shall be presented separately, and in
2 total, for the general fund, road fund, and any affected restricted fund account.

3 5. Information in the report shall include but not be limited to the following:

4 a. Debt service on existing appropriation-supported debt, as a percentage of
5 anticipated total revenues;

6 b. Debt service on existing appropriation-supported debt, as a percentage of
7 anticipated available revenues;

8 c. The sum of debt service on existing appropriation-supported debt and debt
9 service on recommended new appropriation-supported debt, as a
10 percentage of anticipated total revenues;

11 d. The sum of debt service on existing appropriation-supported debt and debt
12 service on recommended new appropriation-supported debt, as a
13 percentage of anticipated available revenues;

14 e. The sum of debt service on existing appropriation-supported debt and debt
15 service on recommended new appropriation-supported debt, as a
16 percentage of estimated state total personal income; and

17 f. The sum of existing appropriation-supported debt and recommended new
18 appropriation-supported debt, as a percentage of estimated state total
19 personal income.

20 6. The recommended program for the purchase of major items of equipment
21 submitted by the head of each branch of government shall include:

22 a. A complete list and summary description of each specific major item of
23 equipment recommended for purchase during the biennium; and

24 b. For each major item of equipment:

25 i. The agency and purpose for which it will be used;

26 ii. The justification for the purchase;

27 iii. The estimated cost of the item, including ancillary expenses and

- 1 any expenses necessary to make the equipment functional and
2 operational;
- 3 iv. The recommended sources of funds; and
- 4 v. The dollar amounts recommended for appropriation and anticipated
5 from every other source of funds for the purchase.
- 6 7. All information required by subparagraph 5. of this paragraph shall be included
7 in the executive branch budget recommendation. The branch budget bill for the
8 executive branch shall contain only a complete list of each specific item of
9 major equipment recommended for purchase during the biennium and, for each
10 item, the information specified in subparagraph 6.b.iii., iv., and v. of this
11 paragraph;
- 12 (f) The branch budget recommendation for the Transportation Cabinet shall include the
13 following information:
- 14 1. A separate branch budget bill;
- 15 2. A recommended biennial highway construction plan, which shall be presented
16 as a separate bill, and which shall include a list of individual transportation
17 projects included in the last four (4) years of the six (6) year road plan, not to
18 exceed ten percent (10%) of the recommended biennial highway construction
19 appropriation, which can be advanced if:
- 20 a. Additional funds are received; and
- 21 b. All projects included in the biennial highway construction plan have been
22 advanced or completed to the extent possible; and
- 23 3. The six (6) year road plan. The Governor shall have ten (10) working days after
24 submission of the branch budget recommendation and the recommended
25 biennial highway construction plan to submit the six (6) year road plan. The six
26 (6) year road plan shall be submitted in a form and format cooperatively
27 developed by the Transportation Cabinet and the General Assembly and

- 1 approved by the Legislative Research Commission; and
- 2 (g) 1. In the executive branch budget recommendation, as a separate section, an
- 3 amount sufficient to meet unexpected contingencies or emergencies, including
- 4 but not limited to natural or man-made disasters, civil disorders, court orders
- 5 requiring or resulting in the expenditure of state funds, or other related causes.
- 6 2. The amount shall be based on the nature, type, and frequency of named
- 7 categories of events which may, from past experience, be reasonably
- 8 anticipated.
- 9 3. This portion of the budget recommendation shall detail similar incidents and the
- 10 nature and amount of the expenditures for each during the ten (10) years
- 11 immediately preceding.

12 The total amount of appropriations recommended from any fund shall not exceed the cash

13 resources estimated to be available and to become available to meet expenditures under the

14 appropriations;

- 15 (7) A certificate of the branch of government as to the accuracy of the statements of financial
- 16 condition, of income and receipts, and of expenditures; and
- 17 (8) Such other information as is deemed desirable, or is required by law or regulation.

18 ➔Section 39. KRS 48.120 is amended to read as follows:

- 19 (1) By August 15 of each odd-numbered year, the Office of State Budget Director, in
- 20 conjunction with the consensus forecasting group, shall provide to each branch of
- 21 government a budget planning report. The budget planning report shall include:
- 22 (a) A baseline analysis and projections of economic conditions and outlook;
- 23 (b) Any potential consequences of the analysis and projections for the Commonwealth's
- 24 fiscal condition;
- 25 (c) The revenue estimates and implications for the general fund and road fund for the
- 26 current fiscal year and next four (4) fiscal years; and
- 27 (d) Projections of personal income, employment, and economic indicators that reflect

1 economic conditions.

2 (2) By October 15 of each odd-numbered year, the Office of State Budget Director shall
3 provide to each branch of government preliminary revenue estimates made by the
4 consensus forecast group for the general fund and road fund for the current and next two
5 (2) fiscal years, including explanatory statements, and a comparative record of the actual
6 revenues of these funds for each of the last two (2) years concluded.

7 (3) **By December 20 of each odd-numbered year**~~[On or before the fifteenth legislative day],~~
8 the Office of State Budget Director shall certify and present to the **Legislative Research**
9 **Commission**~~[General Assembly]~~ the official revenue estimates made by the consensus
10 forecasting group for the general fund and road fund for the current and next two (2) fiscal
11 years.

12 (4) Appropriations made in the branch budget bills enacted for each branch of government
13 shall be based upon the official revenue estimates presented to the **Legislative Research**
14 **Commission**~~[General Assembly]~~ by the Office of State Budget Director under subsection
15 (3) of this section, as modified by the General Assembly.

16 (5) The enacted estimates shall become the official revenue estimates of the Commonwealth
17 upon the branch budget bills becoming law, and shall remain the official revenue estimates
18 of the Commonwealth until revised by the consensus forecasting group as provided in KRS
19 48.115.

20 ➔Section 40. KRS 48.170 is amended to read as follows:

21 In addition to the requirements set forth in this chapter, the ~~standing~~~~[appropriations]~~ committees
22 of each house or **interim joint committees of** the Legislative Research Commission, as
23 appropriate, may require additional information and ~~shall~~~~[may]~~ prescribe the form in which such
24 additional information shall be submitted as a part of, or in support of, a branch budget
25 recommendation. **The information shall be submitted within fourteen (14) days of the request**
26 **unless an extension is granted by the requesting staff person. The extension shall not exceed**
27 **seven (7) days from the date the extension was granted.**

1 ➔Section 41. KRS 48.300 is amended to read as follows:

2 (1) The financial plan for each fiscal year~~[as presented in the branch budget recommendation]~~
3 shall be adopted, with any modifications made by the General Assembly, by the passage of
4 a branch budget bill for each branch of government, and any revenue and other acts as
5 necessary.

6 (2) With regard to the Transportation Cabinet, the General Assembly shall:

7 (a) Enact, as a separate bill, a branch budget for the Transportation Cabinet;

8 (b) Enact, as a separate bill, the biennial highway construction plan, as amended by the
9 General Assembly, including identification of projects from the last four (4) years of
10 the six (6) year road plan that may be moved forward, and the conditions and
11 requirements under which the identified projects may be moved forward; and

12 (c) Adopt the last four (4) years of the six (6) year road plan, as amended by the General
13 Assembly, as a joint resolution.

14 ➔Section 42. KRS 48.810 is amended to read as follows:

15 Each~~[program]~~ cabinet, the Department for Local Government, the Department of Military
16 Affairs, and the Commonwealth Office of Technology shall develop and submit a four (4) year
17 strategic plan to meet the broad goals outlined by the Governor and shall submit an electronic
18 copy of the full plan and an electronic copy of a brief summary of that plan to the state budget
19 director, the secretary of the Executive Cabinet, and the Legislative Research Commission with
20 each biennial budget request.

21 (1) Each strategic plan shall include but not be limited to:

22 (a) A statement of the cabinet or administrative entity's value, vision, and mission;

23 (b) A statement of how the cabinet or administrative entity's strategic plan is aligned with
24 the Governor's goals and linked to the budget request ***by program*** and the six (6) year
25 capital plan of the cabinet or administrative entity;

26 (c) A brief summary of a situation analysis conducted by the~~[program]~~ cabinet or
27 administrative entity;

- 1 (d) Identification of measurable goals for the next four (4) years **by program**;
- 2 (e) Specification of objectives to meet the stated goals **by program**;
- 3 (f) Identification of performance indicators to be used to measure progress toward
- 4 meeting goals and objectives **by program**; and
- 5 (g) A progress report providing data and information on the performance indicators set
- 6 forth in the ~~the~~ cabinet or administrative entity's most recent strategic plan.
- 7 (2) On or before September 1 of each even-numbered fiscal year, ~~the~~ cabinets and
- 8 administrative entities which have submitted strategic plans in the previous fiscal year shall
- 9 submit a progress report to the Office of ~~the~~ State Budget Director, or its designee, which
- 10 provides data and information regarding the progress the ~~the~~ cabinet or entity has
- 11 made toward meeting its goals as measured by performance indicators set forth in the
- 12 cabinet's or entity's most recent strategic plan.
- 13 (3) The state budget director shall designate an entity to develop and implement a
- 14 methodology for strategic planning and progress reporting for use by ~~the~~ cabinets
- 15 and administrative entities submitting strategic plans and progress reports pursuant to this
- 16 section. The entity designated by the state budget director shall develop and make available
- 17 a training course in strategic planning that is appropriate for and targeted to state
- 18 government managers, and shall make that training course available to state managers and
- 19 their designees who have responsibility for the completion of a strategic plan as required by
- 20 this section.
- 21 (4) The Commonwealth Office of Technology shall maintain uniform electronic strategic plan
- 22 and progress report submission forms and a procedure that allows all plans and progress
- 23 reports to be entered into an electronic database that is searchable by interested parties. The
- 24 database shall be developed and maintained in a form that complies with all provisions of
- 25 KRS 48.950, 48.955, and 48.960. The Commonwealth Office of Technology shall develop
- 26 and maintain a program to provide public access to submitted plans and progress reports.
- 27 ➔Section 43. KRS 48.950 is amended to read as follows:

- 1 (1) In order to effectuate the constitutional power and duty of the General Assembly to raise
2 and appropriate revenue and approve and adopt a balanced budget, and in order that
3 members and committees of the General Assembly and the Legislative Research
4 Commission may be informed on a continuous basis about current and prospective
5 financial conditions and budgetary needs of the Commonwealth and its budget units, the
6 Kentucky General Assembly finds and declares that uniform detailed budget data and
7 records relating to expenditures, receipts and activities and the budgetary operations of all
8 budget units must be available in electronic and print form to the General Assembly and
9 the Legislative Research Commission on a continuous and timely basis, including the
10 electronic accounting and budgeting systems utilized by all branches of state government
11 such as the Enhanced Management Reporting System and the Kentucky Budgeting
12 System.
- 13 (2) The contents of all electronic and print forms, records, data and procedures established
14 under KRS 48.955 and 48.960 shall pertain to:
- 15 (a) The submission of budget unit requests and branch budget recommendations;
16 (b) The adoption of budget bills;
17 (c) The allotments under, and authorized adjustments and revisions to, the enacted
18 budget;
19 (d) The receipts and disbursements of budget funds pursuant to appropriations enacted by
20 the General Assembly; and
21 (e) The financial and budgetary conditions of the Commonwealth and branch budget
22 units.
- 23 These contents, forms and records shall be standard and uniform for all budget units.
- 24 (3) The Governor, the Chief Justice and the Legislative Research Commission for their
25 respective branches and budget units, shall cause to be created, maintained and transmitted
26 in electronic form the data, records and procedures necessary to fulfill the intent and
27 purposes of KRS 48.955 and 48.960 and which may be provided by KRS 48.955 and

1 48.960.

2 ➔Section 44. KRS 45A.837 is amended to read as follows:

- 3 (1) Notwithstanding the provisions of KRS 45A.800 to 45A.835, the Finance and
4 Administration Cabinet and the Transportation Cabinet may enter into price contracts for
5 architectural, engineering, and engineering-related services. If the agencies choose to enter
6 into a price contract, subsection (2) of this section shall apply.
- 7 (2) Price contracts shall be awarded to firms qualified by the Finance and Administration
8 Cabinet, Department of Facilities Management or by the Transportation Cabinet,
9 Department of Highways. The Finance and Administration Cabinet selection committee
10 established by KRS 45A.810 shall meet at least quarterly during each fiscal year to review
11 and make recommendations to the commissioner of the Department for Facilities
12 Management for qualification of interested firms. The Transportation Cabinet selection
13 committee established by KRS 45A.810 shall meet at least quarterly during each fiscal year
14 to review and make recommendations to the commissioner of the Department of Highways
15 for qualification of interested firms.
- 16 (a) The respective committees shall evaluate those firms submitting statements of interest
17 in obtaining a price contract. The submitting firms shall be reviewed according to the
18 following criteria:
- 19 1. Qualifications;
 - 20 2. Ability of professional personnel; and
 - 21 3. Past record and experience.
- 22 (b) Firms qualified by the commissioner of the Department for Facilities Management or
23 by the commissioner of the Department of Highways shall be awarded price contracts
24 by the respective departments for the type of work for which they have been
25 qualified.
- 26 (c) The commissioner of the Department for Facilities Management or the commissioner
27 of the Department of Highways may select firms to perform work under price

1 contract for small projects for which the architectural, engineering, or engineering-
 2 related fees do not exceed one hundred fifty~~seventy-five~~ thousand dollars
 3 (\$150,000)~~(\$75,000)~~. However, no firm that has received more than three~~one~~
 4 hundred ~~fifty~~ thousand dollars (\$300,000)~~(\$150,000)~~ in price contract fees in any
 5 one (1) fiscal year in the contract discipline being awarded shall be selected to work
 6 under a price contract unless the secretary of finance and administration or the
 7 secretary of transportation makes a written determination that the selection is in the
 8 best interest of the Commonwealth and the determination is confirmed by the
 9 appropriate cabinet's selection committee established by KRS 45A.810.

- 10 (3) Notwithstanding any provision of the Kentucky Revised Statutes, no price contract shall be
 11 awarded under the provisions of this section before completion of the review procedure
 12 provided for in KRS 45A.695 and 45A.705.

13 ➔SECTION 45. A NEW SECTION OF KRS CHAPTER 132 IS CREATED TO READ
 14 AS FOLLOWS:

15 *The following classes of property shall be exempt from state and local ad valorem taxes,*
 16 *including the county, city, school, and other taxing district in which it has a taxable situs:*

17 *(1) Farm implements and farm machinery owned by or leased to a person actually engaged*
 18 *in farming and used in his or her farm operations;*

19 *(2) Livestock, ratite birds, and domestic fowl;*

20 *(3) Tangible personal property located in a foreign trade zone established pursuant to 19*
 21 *U.S.C. secs. 81a to 81u, provided that the zone is activated in accordance with the*
 22 *regulations of the United States Customs Service and the Foreign Trade Zones Board;*

23 *(4) Property that is certified as an alcohol production facility as defined in KRS 247.910;*

24 *(5) Property that is certified as a fluidized bed energy production facility as defined in KRS*
 25 *211.390;*

26 *(6) Computer software, except prewritten computer software as defined in Section 6 of this*
 27 *Act;*

- 1 (7) Trucks, tractors, and buses used on routes or in systems that are partly within and partly
2 outside this state, and that are subject to the fee imposed by KRS 136.188;
- 3 (8) Semitrailers and trailers, as defined in KRS 189.010, if the semitrailers or trailers are
4 used on a route or in a system that is partly within and partly outside this state.
5 Semitrailers or trailers required to be registered under KRS 186.655 that are used only in
6 this state shall be subject to the ad valorem tax imposed by KRS 132.487;
- 7 (9) All intangible personal property, except intangible personal property assessed under KRS
8 132.030 or KRS Chapter 136. Nothing in this subsection shall prohibit local taxation of
9 franchises of:
- 10 (a) Corporations;
11 (b) Financial institutions as provided in KRS 136.575; or
12 (c) Domestic life insurance companies;
- 13 (10) All real and personal property owned by another state or a political subdivision of
14 another state that is used exclusively for public purposes, if a comparable exemption is
15 provided in that state or political subdivision for property owned by the Commonwealth
16 of Kentucky or its political subdivisions;
- 17 (11) Every fraternal benefit society organized or licensed under Subtitle 29 of KRS Chapter
18 304 that is a charitable and benevolent institution, and its funds shall be exempt from all
19 state, county, district, city, and school taxes, other than taxes on real property and office
20 equipment; and
- 21 (12) (a) Any bridge built by an adjoining state, by the government of the United States, or
22 by any commission created by an Act of Congress, over a boundary line stream
23 between this state and an adjoining state, which is:
- 24 1. Not operated for profit and, if it connects with a primary highway of this
25 state, is declared to be public property used for public purposes; and
- 26 2. Exempt from taxation unless the adjoining state, or other public body
27 constructing the bridge, taxes similar bridges built by this Commonwealth in

1 like manner.

2 (b) The issuance of bonds for the purpose of amortizing the cost of construction of the
3 bridges, as described in paragraph (a) of this subsection, shall not affect the tax
4 exemption granted.

5 ➔Section 46. KRS 132.020 is amended to read as follows:

6 (1) The owner or person assessed shall pay an annual ad valorem tax for state purposes at the
7 rate of:

8 (a) Thirty-one and one-half cents (\$0.315) upon each one hundred dollars (\$100) of
9 value of all real property directed to be assessed for taxation;

10 (b) Twenty-five cents (\$0.25) upon each one hundred dollars (\$100) of value of all motor
11 vehicles qualifying for permanent registration as historic motor vehicles under KRS
12 186.043;

13 (c) Fifteen cents (\$0.15) upon each one hundred dollars (\$100) of value of all:

14 1. Machinery actually engaged in manufacturing;

15 2. Commercial radio and television equipment used to receive, capture, produce,
16 edit, enhance, modify, process, store, convey, or transmit audio or video content
17 or electronic signals which are broadcast over the air to an antenna, including
18 radio and television towers used to transmit or facilitate the transmission of the
19 signal broadcast and equipment used to gather or transmit weather information,
20 but excluding telephone and cellular communication towers; and

21 3. Tangible personal property which has been certified as a pollution control
22 facility as defined in KRS 224.1-300. In the case of tangible personal property
23 certified as a pollution control facility which is incorporated into a landfill
24 facility, the tangible personal property shall be presumed to remain tangible
25 personal property for purposes of this paragraph if the tangible personal
26 property is being used for its intended purposes;

27 (d) Ten cents (\$0.10) upon each one hundred dollars (\$100) of value on the operating

- 1 property of railroads or railway companies that operate solely within the
2 Commonwealth;
- 3 (e) Five cents (\$0.05) upon each one hundred dollars (\$100) of value of goods held for
4 sale in the regular course of business, which includes:
- 5 1. Machinery and equipment held in a retailer's inventory for sale or lease
6 originating under a floor plan financing arrangement;
 - 7 2. Motor vehicles:
 - 8 a. Held for sale in the inventory of a licensed motor vehicle dealer, including
9 licensed motor vehicle auction dealers, which are not currently titled and
10 registered in Kentucky and are held on an assignment pursuant to KRS
11 186A.230; or
 - 12 b. That are in the possession of a licensed motor vehicle dealer, including
13 licensed motor vehicle auction dealers, for sale, although ownership has
14 not been transferred to the dealer;
 - 15 3. Raw materials, which includes distilled spirits and distilled spirits inventory;
 - 16 4. In-process materials, which includes distilled spirits and distilled spirits
17 inventory, held for incorporation in finished goods held for sale in the regular
18 course of business; and
 - 19 5. Qualified heavy equipment;
- 20 (f) One and one-half cents (\$0.015) upon each one hundred dollars (\$100) of value of
21 all:
- 22 1. Privately owned leasehold interests in industrial buildings, as defined under
23 KRS 103.200, owned and financed by a tax-exempt governmental unit, or tax-
24 exempt statutory authority under the provisions of KRS Chapter 103, upon the
25 prior approval of the Kentucky Economic Development Finance Authority,
26 except that the rate shall not apply to the proportion of value of the leasehold
27 interest created through any private financing;

- 1 2. Qualifying voluntary environmental remediation property, provided the
 2 property owner has corrected the effect of all known releases of hazardous
 3 substances, pollutants, contaminants, petroleum, or petroleum products located
 4 on the property consistent with a corrective action plan approved by the Energy
 5 and Environment Cabinet pursuant to KRS 224.1-400, 224.1-405, or 224.60-
 6 135, and provided the cleanup was not financed through a public grant or the
 7 petroleum storage tank environmental assurance fund. This rate shall apply for a
 8 period of three (3) years following the Energy and Environment Cabinet's
 9 issuance of a No Further Action Letter or its equivalent, after which the regular
 10 tax rate shall apply;
- 11 3. Tobacco directed to be assessed for taxation;
- 12 4. Unmanufactured agricultural products;
- 13 5. Aircraft not used in the business of transporting persons or property for
 14 compensation or hire;
- 15 6. Federally documented vessels not used in the business of transporting persons
 16 or property for compensation or hire, or for other commercial purposes; and
- 17 7. Privately owned leasehold interests in residential property described in KRS
 18 132.195(2)(g); ***and***
- 19 (g) ~~One tenth of one cent (\$0.001) upon each one hundred dollars (\$100) of value of all:~~
- 20 1. ~~Farm implements and farm machinery owned by or leased to a person actually~~
 21 ~~engaged in farming and used in his farm operations;~~
- 22 2. ~~Livestock and domestic fowl;~~
- 23 3. ~~Tangible personal property located in a foreign trade zone established pursuant~~
 24 ~~to 19 U.S.C. sec. 81, provided that the zone is activated in accordance with the~~
 25 ~~regulations of the United States Customs Service and the Foreign Trade Zones~~
 26 ~~Board; and~~
- 27 4. ~~Property which has been certified as an alcohol production facility as defined in~~

1 ~~KRS 247.910, or as a fluidized bed energy production facility as defined in~~
2 ~~KRS 211.390; and~~

3 (h) Forty-five cents (\$0.45) upon each one hundred dollars (\$100) of value of all other
4 property directed to be assessed for taxation shall be paid by the owner or person
5 assessed, except as provided in KRS 132.030, 132.200, 136.300, and 136.320,
6 providing a different tax rate for particular property.

7 (2) Notwithstanding subsection (1)(a) of this section, the state tax rate on real property shall be
8 reduced to compensate for any increase in the aggregate assessed value of real property to
9 the extent that the increase exceeds the preceding year's assessment by more than four
10 percent (4%), excluding:

11 (a) The assessment of new property as defined in KRS 132.010(8);

12 (b) The assessment from property which is subject to tax increment financing pursuant to
13 KRS Chapter 65; and

14 (c) The assessment from leasehold property which is owned and financed by a tax-
15 exempt governmental unit, or tax-exempt statutory authority under the provisions of
16 KRS Chapter 103 and entitled to the reduced rate of one and one-half cents (\$0.015)
17 pursuant to subsection (1)(f) of this section. In any year in which the aggregate
18 assessed value of real property is less than the preceding year, the state rate shall be
19 increased to the extent necessary to produce the approximate amount of revenue that
20 was produced in the preceding year from real property.

21 (3) By July 1 each year, the department shall compute the state tax rate applicable to real
22 property for the current year in accordance with the provisions of subsection (2) of this
23 section and certify the rate to the county clerks for their use in preparing the tax bills. If the
24 assessments for all counties have not been certified by July 1, the department shall, when
25 either real property assessments of at least seventy-five percent (75%) of the total number
26 of counties of the Commonwealth have been determined to be acceptable by the
27 department, or when the number of counties having at least seventy-five percent (75%) of

1 the total real property assessment for the previous year have been determined to be
2 acceptable by the department, make an estimate of the real property assessments of the
3 uncertified counties and compute the state tax rate.

4 (4) If the tax rate set by the department as provided in subsection (2) of this section produces
5 more than a four percent (4%) increase in real property tax revenues, excluding:

6 (a) The revenue resulting from new property as defined in KRS 132.010(8);

7 (b) The revenue from property which is subject to tax increment financing pursuant to
8 KRS Chapter 65; and

9 (c) The revenue from leasehold property which is owned and financed by a tax-exempt
10 governmental unit, or tax-exempt statutory authority under the provisions of KRS
11 Chapter 103 and entitled to the reduced rate of one and one-half cents (\$0.015)
12 pursuant to subsection (1) of this section;

13 the rate shall be adjusted in the succeeding year so that the cumulative total of each year's
14 property tax revenue increase shall not exceed four percent (4%) per year.

15 (5) The provisions of subsection (2) of this section notwithstanding, the assessed value of
16 unmined coal certified by the department after July 1, 1994, shall not be included with the
17 assessed value of other real property in determining the state real property tax rate. All
18 omitted unmined coal assessments made after July 1, 1994, shall also be excluded from the
19 provisions of subsection (2) of this section. The calculated rate shall, however, be applied
20 to unmined coal property, and the state revenue shall be devoted to the program described
21 in KRS 146.550 to 146.570, except that four hundred thousand dollars (\$400,000) of the
22 state revenue shall be paid annually to the State Treasury and credited to the Office of
23 Energy Policy for the purpose of public education of coal-related issues.

24 ➔Section 47. KRS 132.200 is amended to read as follows:

25 All property subject to taxation for state purposes shall also be subject to taxation in the county,
26 city, school, or other taxing district in which it has a taxable situs, except the class of property
27 described in KRS 132.030 and the following classes of property, which shall be subject to

1 taxation for state purposes only:

2 ~~(1) Farm implements and farm machinery owned by or leased to a person actually engaged in~~
3 ~~farming and used in his farm operation;~~

4 ~~(2) Livestock, ratite birds, and domestic fowl;~~

5 ~~(3) Capital stock of savings and loan associations;~~

6 ~~(2)~~~~(4)~~ Machinery actually engaged in manufacturing, products in the course of manufacture,
7 and raw material actually on hand at the plant for the purpose of manufacture. The printing,
8 publication, and distribution of a newspaper or operating a job printing plant shall be
9 deemed to be manufacturing;

10 ~~(3)~~~~(5)~~ (a) Commercial radio and television equipment used to receive, capture, produce,
11 edit, enhance, modify, process, store, convey, or transmit audio or video content or
12 electronic signals which are broadcast over the air to an antenna;

13 (b) Equipment directly used or associated with the equipment identified in paragraph (a)
14 of this subsection, including radio and television towers used to transmit or facilitate
15 the transmission of the signal broadcast, but excluding telephone and cellular
16 communications towers; and

17 (c) Equipment used to gather or transmit weather information;

18 ~~(4)~~~~(6)~~ Unmanufactured agricultural products. They shall be exempt from taxation for state
19 purposes to the extent of the value, or amount, of any unpaid nonrecourse loans thereon
20 granted by the United States government or any agency thereof, and except that cities and
21 counties may each impose an ad valorem tax of not exceeding one and one-half cents
22 (\$0.015) on each one hundred dollars (\$100) of the fair cash value of all unmanufactured
23 tobacco and not exceeding four and one-half cents (\$0.045) on each one hundred dollars
24 (\$100) of the fair cash value of all other unmanufactured agricultural products, subject to
25 taxation within their limits that are not actually on hand at the plants of manufacturing
26 concerns for the purpose of manufacture, nor in the hands of the producer or any agent of
27 the producer to whom the products have been conveyed or assigned for the purpose of sale;

- 1 ~~(5)~~~~(7)~~ All privately owned leasehold interest in industrial buildings, as defined under KRS
2 103.200, owned and financed by a tax-exempt governmental unit, or tax-exempt statutory
3 authority under the provisions of KRS Chapter 103, except that the rate shall not apply to
4 the proportion of value of the leasehold interest created through any private financing;
- 5 ~~(6)~~~~(8)~~ Tangible personal property which has been certified as a pollution control facility as
6 defined in KRS 224.1-300. In the case of tangible personal property certified as a pollution
7 control facility which is incorporated into a landfill facility, the tangible personal property
8 shall be presumed to remain tangible personal property for purposes of this subsection if
9 the tangible personal property is being used for its intended purposes;{
- 10 ~~(9)~~ ~~Property which has been certified as an alcohol production facility as defined in KRS~~
11 ~~247.910;}~~
- 12 ~~(7)~~~~(10)~~ On and after January 1, 1977, the assessed value of unmined coal shall be included in
13 the formula contained in KRS 132.590(9) in determining the amount of county
14 appropriation to the office of the property valuation administrator;{
- 15 ~~(11)~~ ~~Tangible personal property located in a foreign trade zone established pursuant to 19~~
16 ~~U.S.C. sec. 81, provided that the zone is activated in accordance with the regulations of the~~
17 ~~United States Customs Service and the Foreign Trade Zones Board;}~~
- 18 ~~(8)~~~~(12)~~ Motor vehicles qualifying for permanent registration as historic motor vehicles under
19 the provisions of KRS 186.043. However, nothing herein shall be construed to exempt
20 historical motor vehicles from the usage tax imposed by KRS 138.460;{
- 21 ~~(13)~~ ~~Property which has been certified as a fluidized bed energy production facility as defined in~~
22 ~~KRS 211.390;}~~
- 23 ~~(9)~~~~(14)~~ All motor vehicles:
- 24 (a) Held for sale in the inventory of a licensed motor vehicle dealer, including motor
25 vehicle auction dealers, which are not currently titled and registered in Kentucky and
26 are held on an assignment pursuant to the provisions of KRS 186A.230;
- 27 (b) That are in the possession of a licensed motor vehicle dealer, including licensed

1 motor vehicle auction dealers, for sale, although ownership has not been transferred
2 to the dealer; and

3 (c) With a salvage title held by an insurance company;

4 ~~(10)~~~~(15)~~ Machinery or equipment owned by a business, industry, or organization in order to
5 collect, source separate, compress, bale, shred, or otherwise handle waste materials if the
6 machinery or equipment is primarily used for recycling purposes as defined in KRS
7 139.010;

8 ~~(11)~~~~(16)~~ New farm machinery and other equipment held in the retailer's inventory for sale
9 under a floor plan financing arrangement by a retailer, as defined under KRS 365.800;

10 ~~(12)~~~~(17)~~ New boats and new marine equipment held for retail sale under a floor plan financing
11 arrangement by a dealer registered under KRS 235.220;

12 ~~(13)~~~~(18)~~ Aircraft not used in the business of transporting persons or property for compensation
13 or hire if an exemption is approved by the county, city, school, or other taxing district in
14 which the aircraft has its taxable situs;

15 ~~(14)~~~~(19)~~ Federally documented vessels not used in the business of transporting persons or
16 property for compensation or hire or for other commercial purposes, if an exemption is
17 approved by the county, city, school, or other taxing district in which the federally
18 documented vessel has its taxable situs;

19 ~~(15)~~~~(20)~~ Any nonferrous metal that conforms to the quality, shape, and weight specifications
20 set by the New York Mercantile Exchange's special contract rules for metals, and which is
21 located or stored in a commodity warehouse and held on warrant, or for which a written
22 request has been made to a commodity warehouse to place it on warrant, according to the
23 rules and regulations of a trading facility. In this subsection:

24 (a) "Commodity warehouse" means a warehouse, shipping plant, depository, or other
25 facility that has been designated or approved by a trading facility as a regular delivery
26 point for a commodity on contracts of sale for future delivery; and

27 (b) "Trading facility" means a facility that is designated by or registered with the federal

1 Commodity Futures Trading Commission under 7 U.S.C. secs. 1 et seq. "Trading
2 facility" includes the Board of Trade of the City of Chicago, the Chicago Mercantile
3 Exchange, and the New York Mercantile Exchange;

4 ~~(16)~~~~(21)~~ Qualifying voluntary environmental remediation property for a period of three (3)
5 years following the Energy and Environment Cabinet's issuance of a No Further Action
6 Letter or its equivalent, pursuant to the correction of the effect of all known releases of
7 hazardous substances, pollutants, contaminants, petroleum, or petroleum products located
8 on the property consistent with a corrective action plan approved by the Energy and
9 Environment Cabinet pursuant to KRS 224.1-400, 224.1-405, or 224.60-135, and provided
10 the cleanup was not financed through a public grant program of the petroleum storage tank
11 environmental assurance fund;

12 ~~(17)~~~~(22)~~ Biotechnology products held in a warehouse for distribution by the manufacturer or
13 by an affiliate of the manufacturer. For the purposes of this section:

14 (a) "Biotechnology products" means those products that are applicable to the prevention,
15 treatment, or cure of a disease or condition of human beings and that are produced
16 using living organisms, materials derived from living organisms, or cellular,
17 subcellular, or molecular components of living organisms. Biotechnology products
18 does not include pharmaceutical products which are produced from chemical
19 compounds;

20 (b) "Warehouse" includes any establishment that is designed to house or store
21 biotechnology products, but does not include blood banks, plasma centers, or other
22 similar establishments;

23 (c) "Affiliate" means an individual, partnership, or corporation that directly or indirectly
24 owns or controls, or is owned or controlled by, or is under common ownership or
25 control with, another individual, partnership, or corporation;

26 ~~(18)~~~~(23)~~ Recreational vehicles held for sale in a retailer's inventory;

27 ~~(19)~~~~(24)~~ A privately owned leasehold interest in residential property described in KRS

1 132.195(2)(g), if an exemption is approved by the county, city, school, or other taxing
2 district in which the residential property is located; and

3 ~~(20)~~~~(25)~~ Prefabricated homes held for sale in a manufacturer's or retailer's inventory.

4 ➔Section 48. KRS 139.210 is amended to read as follows:

5 (1) Except as provided in ~~subsections~~~~subsection~~ (2) and (3) of this section, the tax shall be
6 required to be collected by the retailer from the purchaser. The tax shall be displayed
7 separately from the sales price, the price advertised in the premises, the marked price, or
8 other price on the sales receipt or other proof of sales.

9 (2) The department may relieve certain retailers from the ~~requirement in~~~~provisions of~~
10 subsection (1) of this section of separate display of the tax when the circumstances of the
11 retailer make compliance impracticable. If the retailer establishes to the satisfaction of the
12 department that the sales tax has been added to the total amount of the sales price and has
13 not been absorbed by the retailer, the amount of the sales price shall be the amount
14 received exclusive of the tax imposed.

15 (3) **Retailers that provide road and travel services that are taxable under Section 7 of this**
16 **Act shall not be required to state the tax separately from the sales price if the retailer can**
17 **establish and provide evidence that the sales tax has been added to the total amount of**
18 **the sales price charged to the purchaser and has not been absorbed by the retailer. The**
19 **amount of the sales price shall be the amount received exclusive of the tax imposed.**

20 **(4)** The taxes collected under this section shall be deemed to be held in trust by the retailer for
21 and on account of the Commonwealth.

22 ~~(5)~~~~(4)~~ The taxes to be collected under this section shall constitute a debt of the retailer to the
23 Commonwealth.

24 ➔Section 49. KRS 138.450 is amended to read as follows:

25 As used in KRS 138.455 to 138.470, unless the context requires otherwise:

26 (1) "Current model year" means a motor vehicle of either the model year corresponding to the
27 current calendar year or of the succeeding calendar year, if the same model and make is

- 1 being offered for sale by local dealers;
- 2 (2) "Dealer" means "motor vehicle dealer" as defined in KRS 190.010;
- 3 (3) "Dealer demonstrator" means a new motor vehicle or a previous model year motor vehicle
4 with an odometer reading of least one thousand (1,000) miles that has been used either by
5 representatives of the manufacturer or by a licensed Kentucky dealer, franchised to sell the
6 particular model and make, for demonstration;
- 7 (4) "Historic motor vehicle" means a motor vehicle registered and licensed pursuant to KRS
8 186.043;
- 9 (5) "Motor vehicle" means:
- 10 (a) Any vehicle that is propelled by other than muscular power and that is used for
11 transportation of persons or property over the public highways of the state, except
12 road rollers, mopeds, vehicles that travel exclusively on rails, and vehicles propelled
13 by electric power obtained from overhead wires; or
- 14 (b) *Recreational vehicles*;
- 15 (6) "Moped" means either a motorized bicycle whose frame design may include one (1) or
16 more horizontal crossbars supporting a fuel tank so long as it also has pedals, or a
17 motorized bicycle with a step through type frame which may or may not have pedals rated
18 no more than two (2) brake horsepower, a cylinder capacity not exceeding fifty (50) cubic
19 centimeters, an automatic transmission not requiring clutching or shifting by the operator
20 after the drive system is engaged, and capable of a maximum speed of not more than thirty
21 (30) miles per hour;
- 22 (7) "New motor vehicle" means a motor vehicle of the current model year which has not
23 previously been registered in any state or country;
- 24 (8) "Previous model year motor vehicle" means a motor vehicle not previously registered in
25 any state or country which is neither of the current model year nor a dealer demonstrator;
- 26 (9) "Total consideration given" means the amount given, valued in money, whether received in
27 money or otherwise, at the time of purchase or at a later date, including consideration given

- 1 for all equipment and accessories, standard and optional. "Total consideration given" shall
2 not include:
- 3 (a) Any amount allowed as a manufacturer or dealer rebate if the rebate is provided at the
4 time of purchase and is applied to the purchase of the motor vehicle;
 - 5 (b) Any interest payments to be made over the life of a loan for the purchase of a motor
6 vehicle; and
 - 7 (c) The value of any items that are not equipment or accessories including but not limited
8 to extended warranties, service contracts, and items that are given away as part of a
9 promotional sales campaign;
- 10 (10) "Trade-in allowance" means:
- 11 (a) The value assigned by the seller of a motor vehicle to a motor vehicle registered to
12 the purchaser and offered in trade by the purchaser as part of the total consideration
13 given by the purchaser and included in the notarized affidavit attesting to total
14 consideration given; or
 - 15 (b) In the absence of a notarized affidavit, the value of the vehicle being offered in trade
16 as established by the department through the use of the reference manual;
- 17 (11) "Used motor vehicle" means a motor vehicle which has been previously registered in any
18 state or country;
- 19 (12) "Retail price" for:
- 20 (a) New motor vehicles;
 - 21 (b) Dealer demonstrator vehicles;
 - 22 (c) Previous model year motor vehicles; and
 - 23 (d) U-Drive-It motor vehicles that have been transferred within one hundred eighty (180)
24 days of being registered as a U-Drive-It and that have less than five thousand (5,000)
25 miles;
- 26 means the total consideration given, as determined in KRS 138.4603;
- 27 (13) "Retail price" for historic motor vehicles shall be one hundred dollars (\$100);

1 (14) "Retail price" for used motor vehicles being titled or registered by a new resident for the
2 first time in Kentucky whose values appear in the reference manual means the trade-in
3 value given in the reference manual;

4 (15) "Retail price" for older used motor vehicles being titled or registered by a new resident for
5 the first time in Kentucky whose values no longer appear in the reference manual shall be
6 one hundred dollars (\$100);

7 (16) (a) "Retail price" for:

8 1. Used motor vehicles, except those vehicles for which the retail price is
9 established in subsection (13), (14), (15), (17), or (19) of this section; and

10 2. U-Drive-It motor vehicles that are not transferred within one hundred eighty
11 (180) days of being registered as a U-Drive-It or that have more than five
12 thousand (5,000) miles;

13 means the total consideration given, excluding any amount allowed as a trade-in
14 allowance by the seller, as attested to in a notarized affidavit, provided that the retail
15 price established by the notarized affidavit shall not be less than fifty percent (50%)
16 of the difference between the trade-in value, as established by the reference manual,
17 of the motor vehicle offered for registration and the trade-in value, as established by
18 the reference manual, of any motor vehicle offered in trade as part of the total
19 consideration given.

20 (b) The trade-in allowance shall also be disclosed in the notarized affidavit.

21 (c) If a notarized affidavit is not available, "retail price" shall be established by the
22 department through the use of the reference manual;

23 (17) Except as provided in KRS 138.470(6), if a motor vehicle is received by an individual as a
24 gift and not purchased or leased by the individual, "retail price" shall be the trade-in value
25 given in the reference manual;

26 (18) If a dealer transfers a motor vehicle which he has registered as a loaner or rental motor
27 vehicle within one hundred eighty (180) days of the registration, and if less than five

1 thousand (5,000) miles have been placed on the vehicle during the period of its registration
 2 as a loaner or rental motor vehicle, then the "retail price" of the vehicle shall be the same as
 3 the retail price determined by paragraph (a) of subsection (12) of this section computed as
 4 of the date on which the vehicle is transferred;

5 (19) "Retail price" for motor vehicles titled pursuant to KRS 186A.520, 186A.525, 186A.530,
 6 or 186A.555 means the total consideration given as attested to in a notarized affidavit;

7 (20) "Loaner or rental motor vehicle" means a motor vehicle owned or registered by a dealer
 8 and which is regularly loaned or rented to customers of the service or repair component of
 9 the dealership;

10 (21) "Department" means the Department of Revenue;

11 (22) "Notarized affidavit" means a dated affidavit signed by the buyer and the seller on which
 12 the signature of the buyer and the signature of the seller are individually notarized;~~and~~

13 (23) "Reference manual" means the automotive reference manual prescribed by the department;
 14 and

15 **(24) "Recreational vehicle" means any motor home, travel trailer, fifth-wheel trailer, pull-**
 16 **behind camper, or pop-up camping trailer, which:**

17 **(a) Contains living quarters; and**

18 **(b) Is required to be licensed for use on the public highways.**

19 ➔Section 50. KRS 132.010 is amended to read as follows:

20 As used in this chapter, unless the context otherwise requires:

21 (1) "Department" means the Department of Revenue;

22 (2) "Taxpayer" means any person made liable by law to file a return or pay a tax;

23 (3) "Real property" includes all lands within this state and improvements thereon;

24 (4) "Personal property" includes every species and character of property, tangible and
 25 intangible, other than real property;

26 (5) "Resident" means any person who has taken up a place of abode within this state with the
 27 intention of continuing to abide in this state; any person who has had his or her actual or

1 habitual place of abode in this state for the larger portion of the twelve (12) months next
2 preceding the date as of which an assessment is due to be made shall be deemed to have
3 intended to become a resident of this state;

4 (6) "Compensating tax rate" means that rate which, rounded to the next higher one-tenth of one
5 cent (\$0.001) per one hundred dollars (\$100) of assessed value and applied to the current
6 year's assessment of the property subject to taxation by a taxing district, excluding new
7 property and personal property, produces an amount of revenue approximately equal to that
8 produced in the preceding year from real property. However, in no event shall the
9 compensating tax rate be a rate which, when applied to the total current year assessment of
10 all classes of taxable property, produces an amount of revenue less than was produced in
11 the preceding year from all classes of taxable property. For purposes of this subsection,
12 "property subject to taxation" means the total fair cash value of all property subject to full
13 local rates, less the total valuation exempted from taxation by the homestead exemption
14 provision of the Constitution and the difference between the fair cash value and agricultural
15 or horticultural value of agricultural or horticultural land;

16 (7) "Net assessment growth" means the difference between:

17 (a) The total valuation of property subject to taxation by the county, city, school district,
18 or special district in the preceding year, less the total valuation exempted from
19 taxation by the homestead exemption provision of the Constitution in the current year
20 over that exempted in the preceding year; and

21 (b) The total valuation of property subject to taxation by the county, city, school district,
22 or special district for the current year;

23 (8) "New property" means the net difference in taxable value between real property additions
24 and deletions to the property tax roll for the current year. "Real property additions" shall
25 mean:

26 (a) Property annexed or incorporated by a municipal corporation, or any other taxing
27 jurisdiction; however, this definition shall not apply to property acquired through the

- 1 merger or consolidation of school districts, or the transfer of property from one (1)
2 school district to another;
- 3 (b) Property, the ownership of which has been transferred from a tax-exempt entity to a
4 nontax-exempt entity;
- 5 (c) The value of improvements to existing nonresidential property;
- 6 (d) The value of new residential improvements to property;
- 7 (e) The value of improvements to existing residential property when the improvement
8 increases the assessed value of the property by fifty percent (50%) or more;
- 9 (f) Property created by the subdivision of unimproved property, provided, that when the
10 property is reclassified from farm to subdivision by the property valuation
11 administrator, the value of the property as a farm shall be a deletion from that
12 category;
- 13 (g) Property exempt from taxation, as an inducement for industrial or business use, at the
14 expiration of its tax exempt status;
- 15 (h) Property, the tax rate of which will change, according to the provisions of KRS
16 82.085, to reflect additional urban services to be provided by the taxing jurisdiction,
17 provided, however, that the property shall be considered "real property additions"
18 only in proportion to the additional urban services to be provided to the property over
19 the urban services previously provided; and
- 20 (i) The value of improvements to real property previously under assessment moratorium.
21 "Real property deletions" shall be limited to the value of real property removed from, or
22 reduced over the preceding year on, the property tax roll for the current year;
- 23 (9) "Agricultural land" means:
- 24 (a) Any tract of land, including all income-producing improvements, of at least ten (10)
25 contiguous acres in area used for the production of livestock, livestock products,
26 poultry, poultry products and/or the growing of tobacco and/or other crops including
27 timber;

- 1 (b) Any tract of land, including all income-producing improvements, of at least five (5)
2 contiguous acres in area commercially used for aquaculture; or
- 3 (c) Any tract of land devoted to and meeting the requirements and qualifications for
4 payments pursuant to agriculture programs under an agreement with the state or
5 federal government;
- 6 (10) "Horticultural land" means any tract of land, including all income-producing
7 improvements, of at least five (5) contiguous acres in area commercially used for the
8 cultivation of a garden, orchard, or the raising of fruits or nuts, vegetables, flowers, or
9 ornamental plants;
- 10 (11) "Agricultural or horticultural value" means the use value of "agricultural or horticultural
11 land" based upon income-producing capability and comparable sales of farmland
12 purchased for farm purposes where the price is indicative of farm use value, excluding
13 sales representing purchases for farm expansion, better accessibility, and other factors
14 which inflate the purchase price beyond farm use value, if any, considering the following
15 factors as they affect a taxable unit:
- 16 (a) Relative percentages of tillable land, pasture land, and woodland;
- 17 (b) Degree of productivity of the soil;
- 18 (c) Risk of flooding;
- 19 (d) Improvements to and on the land that relate to the production of income;
- 20 (e) Row crop capability including allotted crops other than tobacco;
- 21 (f) Accessibility to all-weather roads and markets; and
- 22 (g) Factors which affect the general agricultural or horticultural economy, such as:
23 interest, price of farm products, cost of farm materials and supplies, labor, or any
24 economic factor which would affect net farm income;
- 25 (12) "Deferred tax" means the difference in the tax based on agricultural or horticultural value
26 and the tax based on fair cash value;
- 27 (13) "Homestead" means real property maintained as the permanent residence of the owner with

1 all land and improvements adjoining and contiguous thereto including but not limited to
2 lawns, drives, flower or vegetable gardens, outbuildings, and all other land connected
3 thereto;

4 (14) "Residential unit" means all or that part of real property occupied as the permanent
5 residence of the owner;

6 (15) "Special benefits" are those which are provided by public works not financed through the
7 general tax levy but through special assessments against the benefited property;

8 (16) "Manufactured home" means a structure manufactured after June 15, 1976, in accordance
9 with the National Manufactured Housing Construction and Safety Standards Act,
10 transportable in one (1) or more sections, which when erected on site measures eight (8)
11 body feet or more in width and thirty-two (32) body feet or more in length, and which is
12 built on a permanent chassis and designed to be used as a dwelling, with or without a
13 permanent foundation, when connected to the required utilities, and includes the plumbing,
14 heating, air-conditioning, and electrical systems contained therein. It may be used as a
15 place of residence, business, profession, or trade by the owner, lessee, or their assignees
16 and may consist of one (1) or more units that can be attached or joined together to comprise
17 an integral unit or condominium structure;

18 (17) "Mobile home" means a structure manufactured on or before June 15, 1976, that was not
19 required to be constructed in accordance with the National Manufactured Housing
20 Construction and Safety Standards Act, transportable in one (1) or more sections, which
21 when erected on site measures eight (8) body feet or more in width and thirty-two (32)
22 body feet or more in length, and which is built on a permanent chassis and designed to be
23 used as a dwelling, with or without a permanent foundation, when connected to the
24 required utilities, and includes the plumbing, heating, air-conditioning, and electrical
25 systems contained therein. It may be used as a place of residence, business, profession, or
26 trade by the owner, lessee, or their assigns and may consist of one (1) or more units that
27 can be attached or joined together to comprise an integral unit or condominium structure;

- 1 (18) "Modular home" means a structure which is certified by its manufacturer as being
2 constructed in accordance with all applicable provisions of the Kentucky Building Code
3 and standards adopted by the local authority which has jurisdiction, transportable in one (1)
4 or more sections, and designed to be used as a dwelling on a permanent foundation when
5 connected to the required utilities, and includes the plumbing, heating, air-conditioning,
6 and electrical systems contained therein;
- 7 (19) "Prefabricated home" means a manufactured home, a mobile home, or a modular home;
- 8 (20) "Recreational vehicle" means a vehicular type unit primarily designed as temporary living
9 quarters for recreational, camping, or travel use, which either has its own motive power or
10 is mounted on or drawn by another vehicle. The basic entities are: travel trailer, camping
11 trailer, truck camper, and motor home. As used in this subsection:
- 12 (a) "Travel trailer" means a vehicular unit, mounted on wheels, designed to provide
13 temporary living quarters for recreational, camping, or travel use, and of a size or
14 weight that does not require special highway movement permits when drawn by a
15 motorized vehicle, and with a living area of less than two hundred twenty (220)
16 square feet, excluding built-in equipment (such as wardrobes, closets, cabinets,
17 kitchen units or fixtures) and bath and toilet rooms;
- 18 (b) "Camping trailer" means a vehicular portable unit mounted on wheels and
19 constructed with collapsible partial side walls which fold for towing by another
20 vehicle and unfold at the camp site to provide temporary living quarters for
21 recreational, camping, or travel use;
- 22 (c) "Truck camper" means a portable unit constructed to provide temporary living
23 quarters for recreational, travel, or camping use, consisting of a roof, floor, and sides,
24 designed to be loaded onto and unloaded from the bed of a pick-up truck; and
- 25 (d) "Motor home" means a vehicular unit designed to provide temporary living quarters
26 for recreational, camping, or travel use built on or permanently attached to a self-
27 propelled motor vehicle chassis or on a chassis cab or van which is an integral part of

1 the completed vehicle;

2 (21) "Hazardous substances" shall have the meaning provided in KRS 224.1-400;

3 (22) "Pollutant or contaminant" shall have the meaning provided in KRS 224.1-400;

4 (23) "Release" shall have the meaning as provided in either or both KRS 224.1-400 and KRS
5 224.60-115;

6 (24) "Qualifying voluntary environmental remediation property" means real property subject to
7 the provisions of KRS 224.1-400 and 224.1-405, or 224.60-135 where the Energy and
8 Environment Cabinet has made a determination that:

9 (a) All releases of hazardous substances, pollutants, contaminants, petroleum, or
10 petroleum products at the property occurred prior to the property owner's acquisition
11 of the property;

12 (b) The property owner has made all appropriate inquiry into previous ownership and
13 uses of the property in accordance with generally accepted practices prior to the
14 acquisition of the property;

15 (c) The property owner or a responsible party has provided all legally required notices
16 with respect to hazardous substances, pollutants, contaminants, petroleum, or
17 petroleum products found at the property;

18 (d) The property owner is in compliance with all land use restrictions and does not
19 impede the effectiveness or integrity of any institutional control;

20 (e) The property owner complied with any information request or administrative
21 subpoena under KRS Chapter 224; and

22 (f) The property owner is not affiliated with any person who is potentially liable for the
23 release of hazardous substances, pollutants, contaminants, petroleum, or petroleum
24 products on the property pursuant to KRS 224.1-400, 224.1-405, or 224.60-135,
25 through:

26 1. Direct or indirect familial relationship;

27 2. Any contractual, corporate, or financial relationship, excluding relationships

1 created by instruments conveying or financing title or by contracts for sale of
2 goods or services; or

3 3. Reorganization of a business entity that was potentially liable;

4 (25) "Intangible personal property" means stocks, mutual funds, money market funds, bonds,
5 loans, notes, mortgages, accounts receivable, land contracts, cash, credits, patents,
6 trademarks, copyrights, tobacco base, allotments, annuities, deferred compensation,
7 retirement plans, and any other type of personal property that is not tangible personal
8 property;

9 (26) (a) "County" means any county, consolidated local government, urban-county
10 government, unified local government, or charter county government;

11 (b) "Fiscal court" means the legislative body of any county, consolidated local
12 government, urban-county government, unified local government, or charter county
13 government; and

14 (c) "County judge/executive" means the chief executive officer of any county,
15 consolidated local government, urban-county government, unified local government,
16 or charter county government;

17 (27) "Taxing district" means any entity with the authority to levy a local ad valorem tax,
18 including special purpose governmental entities;

19 (28) "Special purpose governmental entity" shall have the same meaning as in KRS 65A.010,
20 and as used in this chapter shall include only those special purpose governmental entities
21 with the authority to levy ad valorem taxes, and that are not specifically exempt from the
22 provisions of this chapter by another provision of the Kentucky Revised Statutes;

23 (29) (a) "Broadcast" means the transmission of audio, video, or other signals, through any
24 electronic, radio, light, or similar medium or method now in existence or later devised
25 over the airwaves to the public in general.

26 (b) "Broadcast" shall not apply to operations performed by multichannel video
27 programming service providers as defined in KRS 136.602 or any other operations

- 1 that transmit audio, video, or other signals, exclusively to persons for a fee;
- 2 (30) "Livestock" means cattle, sheep, swine, goats, horses, alpacas, llamas, buffaloes, and any
3 other animals of the bovine, ovine, porcine, caprine, equine, or camelid species;
- 4 (31) "Heavy equipment rental agreement" means the short-term rental contract under which
5 qualified heavy equipment is rented without an operator for a period:
- 6 (a) Not to exceed three hundred sixty-five (365) days; or
7 (b) That is open-ended under the terms of the contract with no specified end date;
- 8 (32) "Heavy equipment rental company" means an entity that is primarily engaged in a line of
9 business described in Code 532412 or 532310 of the North American Industry
10 Classification System Manual in effect on January 1, 2019;
- 11 (33) "Qualified heavy equipment" means machinery and equipment, including ancillary
12 equipment and any attachments used in conjunction with the machinery and equipment,
13 that is:
- 14 (a) Primarily used and designed for construction, mining, forestry, or industrial purposes,
15 including but not limited to cranes, earthmoving equipment, well-drilling machinery
16 and equipment, lifts, material handling equipment, pumps, generators, and pollution-
17 reducing equipment; and
- 18 (b) Held in a heavy equipment rental company's inventory for:
- 19 1. Rental under a heavy equipment rental agreement; or
20 2. Sale in the regular course of business;~~and~~
- 21 (34) "Veteran service organization" means an organization wholly dedicated to advocating on
22 behalf of military veterans and providing charitable programs in honor and on behalf of
23 military veterans;
- 24 **(35) "Government restriction on use" means a limitation on the use of at least fifty percent**
25 **(50%) of the individual dwelling units of a multi-unit rental housing in order to receive a**
26 **federal or state government incentive based on low-income renter restrictions, including**
27 **the following government incentives:**

1 (a) A tax credit under Section 42 of the Internal Revenue Code;

2 (b) Financing derived from exempt facility bonds for qualified residential rental
3 projects under Section 142 of the Internal Revenue Code;

4 (c) A low-interest loan under Section 235 or 236 of the National Housing Act or
5 Section 515 of the Housing Act of 1949;

6 (d) A rent subsidy;

7 (e) A guaranteed loan;

8 (f) A grant; or

9 (g) A guarantee;

10 (36) "Low income" means earning at or below eighty percent (80%) of the area median
11 income as defined by the United States Department of Housing and Urban Development
12 for the location of the multi-unit rental housing; and

13 (37) "Multi-unit rental housing" means residential property or project consisting of four (4)
14 or more individual dwelling units and does not include:

15 (a) Assisted living facilities; or

16 (b) Duplexes or single-family units unless they are included as part of a larger
17 property that is subject to government restriction on use.

18 ➔Section 51. KRS 132.191 is amended to read as follows:

19 (1) The General Assembly recognizes that Section 172 of the Constitution of Kentucky
20 requires all property, not exempted from taxation by the Constitution, to be assessed at one
21 hundred percent (100%) of the fair cash value, estimated at the price the property would
22 bring at a fair voluntary sale, and that it is the responsibility of the property valuation
23 administrator to value property in accordance with the Constitution.

24 (2) The General Assembly further recognizes that property valuation may be determined using
25 a variety of valid valuation methods, including but not limited to:

26 (a) A cost approach, which is a method of appraisal in which the estimated value of the
27 land is combined with the current depreciated reproduction or replacement cost of

- 1 improvements on the land;
- 2 (b) An income approach, which is a method of appraisal based on estimating the present
3 value of future benefits arising from the ownership of the property;
- 4 (c) A sales comparison approach, which is a method of appraisal based on a comparison
5 of the property with similar properties sold in the recent past;~~and~~
- 6 (d) A subdivision development approach, which is a method of appraisal of raw land:
- 7 1. When subdivision and development are the highest and best use of the parcel of
8 raw land being appraised; and
- 9 2. When all direct and indirect costs and entrepreneurial incentives are deducted
10 from the estimated anticipated gross sales price of the finished lots, and the
11 resultant net sales proceeds are then discounted to present value at a market-
12 derived rate over the development and absorption period;and
- 13 **(e) The approaches listed in subsection (5) of this section for multi-unit rental housing**
14 **that is subject to government restriction on use.**
- 15 (3) The valuation of a residential, commercial, or industrial tract development shall meet the
16 minimum applicable appraisal standards established by:
- 17 (a) The Kentucky Department of Revenue, as stated in its Guidelines for Assessment of
18 Vacant Lots, dated March 26, 2008; or
- 19 (b) The International Association of Assessing Officers.
- 20 (4) To be appraised using the subdivision development approach, a subdivision development
21 shall consist of five (5) or more units. The appraisal of the development shall reflect
22 deductions and discounts for:
- 23 (a) Holding costs, including interest and maintenance;
- 24 (b) Marketing costs, including commissions and advertising; and
- 25 (c) Entrepreneurial profit.
- 26 **(5) (a) The property valuation of multi-unit rental housing that is subject to government**
27 **restriction on use may be determined:**

- 1 1. a. Through an annual net operating income approach to value that uses
2 actual income and stabilized operating expenses that are based on the
3 actual history of the property, when available, and a capitalization rate.
- 4 b. The methodology employed in the projection of income, expenses, and
5 capitalization rate used shall be consistent with the Uniform Standards
6 of Professional Appraisal Practice.
- 7 c. The capitalization rate shall be:
- 8 i. Based on the risks associated with multi-unit rental housing
9 subject to government restriction on use, including diminished
10 ownership control; income generating potential; liquidity; the
11 condition of the property; the class of the property; and the
12 property's location and size;
- 13 ii. Equal to or greater than the capitalization rate used for valuing
14 multi-unit rental housing that is not subject to government
15 restriction on use; and
- 16 iii. In the range of fifty (50) to one hundred fifty (150) basis points
17 above the most recent quarterly survey of the national average cap
18 rates of multifamily properties published by realtyrates.com or a
19 successor organization.
- 20 d. The department shall publish the capitalization rate range for the
21 property valuation administrators to use on its website at the beginning
22 of each year; or
- 23 2. By adjusting the unrestricted market value of the multi-unit rental housing,
24 computed without regard to any government restriction on use applicable to
25 the multi-unit rental housing, based on the ratio of the average annual rent of
26 those units of the property that are subject to government restriction on use to
27 the average annual rent of comparable multi-unit rental housing that is not

1 subject to government restriction on use.

2 (b) Income tax credits received under Section 42 of the Internal Revenue Code or from
 3 any state or federal program shall not be included in the methods used under
 4 paragraph (a) of this subsection in determining the income attributable to the
 5 multi-unit rental housing or in any separate intangible assessment.

6 (c) 1. The owner of multi-unit rental housing shall:

7 a. Notify the property valuation administrator if:

8 i. The property is subject to government restriction on use;

9 ii. The property is no longer subject to government restriction on use;

10 or

11 iii. A foreclosure action has been brought upon the property; and

12 b. File with the property valuation administrator, on a form prescribed by
 13 the department, the information necessary for the multi-unit rental
 14 housing to be valued based on the methods described in paragraph (a)
 15 of this subsection.

16 2. The notification shall be in writing and submitted to the property valuation
 17 administrator within sixty (60) days of the date on which the applicable
 18 circumstance listed in subparagraph 1.a. i., ii., or iii. of this paragraph
 19 occurred.

20 3. An owner who fails to comply with this paragraph may be subject to penalties
 21 in an amount not to exceed two hundred dollars (\$200) as determined by the
 22 department.

23 (d) The department shall promulgate administrative regulations in accordance with
 24 KRS Chapter 13A to adopt forms, penalties, and procedures to carry out this
 25 subsection.

26 ➔Section 52. The following KRS sections are repealed:

27 132.098 Exemption from state and local ad valorem tax of computer software, except

1 prewritten computer software.

2 132.192 Property tax exemption reciprocity.

3 132.205 Exemption of bridges built by adjoining state, United States or commission created by
4 Act of Congress over boundary line stream -- Bonds.

5 132.208 Exemption of intangible personal property from state and local ad valorem taxes --
6 Local taxation permitted.

7 132.210 Exemption of fraternal benefit societies' funds.

8 132.760 Exemption from ad valorem taxes for trucks, tractors, buses, and trailers used both in
9 and outside Kentucky and subject to KRS 136.188 fee.

10 ➔Section 53. The Department of Revenue shall provide a report on or before November
11 1, 2023, to the Interim Joint Committee on Appropriations and Revenue outlining the following
12 details related to a centralized tax reporting and distribution system for state and local transient
13 room taxes, including:

14 (1) A proposed scope of work considering how a state and local centralized tax reporting
15 and distribution system will integrate with legacy systems currently operational within the
16 department;

17 (2) An estimated time line for developing and implementing a centralized system;

18 (3) An estimated cost for developing and implementing a centralized system;

19 (4) An estimate of the cost of maintaining a centralized system, including temporary or
20 permanent personnel needs;

21 (5) Any recommendations for statutory changes which may be necessary to develop and
22 implement a centralized system, considering both the time and cost for development and
23 implementation; and

24 (6) Experiences, both good and bad, from other states that have developed or
25 implemented a centralized system."; and

26 Re-number subsequent sections; and

27 On page 128, lines 6 to 10, delete all language; and

- 1 Renumber subsequent sections to conform; and
- 2 Amend the title to read: "AN ACT relating to fiscal matters and declaring an emergency."
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Senate Members

House Members

Chris McDaniel

Jason Petrie

Robert Stivers

David W. Osborne

Damon Thayer

David Meade

Julie Raque Adams

Steven Rudy

Mike Wilson

Suzanne Miles

Gerald A. Neal

Jason Nemes

Cassie Chambers Armstrong

Brandon Reed

Cherlynn Stevenson

Rachel Roberts

The above-named members, in separate votes by house, all concur in the provisions of this report.

DATE

March 16, 2023

For Clerk's Use:

Adopted: _____

Repassage Vote: _____