

1 AN ACT relating to nuclear energy development.

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

3 ➔SECTION 1. A NEW SECTION OF KRS CHAPTER 164 IS CREATED TO
4 READ AS FOLLOWS:

5 *(1) The Kentucky Nuclear Energy Development Authority is hereby established and*
6 *attached to the University of Kentucky Center for Applied Energy Research for*
7 *administrative purposes. The mission of the Kentucky Nuclear Energy*
8 *Development Authority shall be to:*

9 *(a) Serve as the nonregulatory, trusted state government agency on nuclear*
10 *energy issues and development in the Commonwealth; and*

11 *(b) Support and facilitate the development of the nuclear energy ecosystem*
12 *across the Commonwealth in a collaborative manner that:*

13 *1. Enhances the Commonwealth's economy;*

14 *2. Offers energy production and economic development opportunities*
15 *that are safe;*

16 *3. Protects the environment across the Commonwealth;*

17 *4. Supports community voices, especially in underrepresented or*
18 *historically impacted areas;*

19 *5. Increases energy education; and*

20 *6. Prepares a future workforce.*

21 *(2) The Kentucky Nuclear Energy Development Authority shall be governed by an*
22 *advisory board consisting of the following twenty (20) voting members and six (6)*
23 *nonvoting members:*

24 *(a) Seven (7) state government members or their designees who shall be voting*
25 *members:*

26 *1. The director of the University of Kentucky Center for Applied Energy*
27 *Research, who shall serve as chair;*

- 1 2. The secretary of the Energy and Environment Cabinet;
- 2 3. The secretary of the Cabinet for Economic Development;
- 3 4. The chair of the Public Service Commission;
- 4 5. The president of the Council on Postsecondary Education;
- 5 6. The secretary of the Education and Labor Cabinet; and
- 6 7. The director of the Division of Emergency Management;
- 7 (b) Thirteen (13) at-large members who shall be voting members:
- 8 1. A representative from each of the four (4) investor-owned electric
- 9 utilities operating in the Commonwealth, designated by the president
- 10 of each investor-owned electric utility;
- 11 2. A representative of electric cooperatives, designated by the chief
- 12 operating officer of the Kentucky Association of Electric
- 13 Cooperatives;
- 14 3. A representative of the Tennessee Valley Authority, designated by its
- 15 chief nuclear officer;
- 16 4. A representative of municipal utilities, designated by the executive
- 17 director of the Kentucky League of Cities;
- 18 5. A representative of nuclear site remediation services, designated by the
- 19 director of business services for the Four Rivers Nuclear Partnership;
- 20 6. A representative for environmental interests, designated by the
- 21 executive director of the Kentucky Conservation Committee;
- 22 7. A representative of manufacturers, designated by the president of the
- 23 Kentucky Association of Manufacturers;
- 24 8. A representative for commercial interests, designated by the president
- 25 of the Kentucky Chamber of Commerce;
- 26 9. A mayor of a city, designated by the executive director of the Kentucky
- 27 League of Cities, who lives in an "energy community" as that term is

1 used in the Inflation Reduction Act of 2022, Pub. L. No. 117-169, and
2 as it is defined in the latest guidance by the Internal Revenue Service;
3 and

4 10. A county judge/executive, designated by the executive director of the
5 Kentucky Association of Counties, who lives in an "energy
6 community" as that term is used in the Inflation Reduction Act of
7 2022, Pub. L. No. 117-169, and as it is defined in the latest guidance
8 by the Internal Revenue Service; and

9 (c) Six (6) nonvoting members:

10 1. The executive director of the United States Nuclear Industry Council,
11 or designee;

12 2. A representative from a national nuclear educational nonprofit
13 organization, designated by the chair and confirmed by a majority of
14 the voting members;

15 3. A representative from a United States Department of Energy National
16 Laboratory with expertise in nuclear energy policy issues, designated
17 by the chair and confirmed by a majority of the voting members;

18 4. A representative from a nongovernmental nuclear policy advocacy
19 organization, designated by the chair and confirmed by a majority of
20 the voting members;

21 5. One (1) member of the Senate, who shall serve as an ex officio
22 member, designated by the President of the Senate; and

23 6. One (1) member of the House of Representatives, who shall serve as
24 an ex officio member, designated by the Speaker of the House of
25 Representatives.

26 (3) State government members named in subsection (2)(a) of this section and
27 members of the General Assembly named in subsection (2)(c)5. and 6. of this

1 section shall serve on the advisory board during the terms of their appointed or
2 elected state government positions. After the initial appointments, all other
3 members of the advisory board shall serve terms of four (4) years. Members shall
4 be eligible to succeed themselves and shall serve until their successors are
5 appointed. A vacancy occurring during the term of any member shall be filled in
6 the same manner as the original appointment.

7 (4) A majority of the voting members of the advisory board shall constitute a quorum
8 for the purposes of conducting business. The advisory board shall meet at least
9 quarterly, or more often at the call of the chair.

10 (5) Members of the advisory board shall not be paid for their service as board
11 members, and they shall not be reimbursed for any expenses relating to their
12 attendance of board meetings.

13 (6) The advisory board shall hire a director of the authority who shall possess the
14 skills and experience necessary to lead the authority effectively, promote the safe
15 and responsible development of nuclear energy, and achieve the authority's
16 purposes described in subsection (7) of this section.

17 (7) The purposes of the authority shall be to:

18 (a) Assist interested communities in understanding advanced nuclear
19 opportunities, including the importance of secure, firm, cost-competitive
20 power for customers and for economic development opportunities, as well as
21 the potential for direct and indirect economic benefits associated with the
22 employment and tax revenue generated from nuclear energy projects;

23 (b) Provide information to the public on the history of nuclear energy
24 technologies in the Commonwealth, the status of existing nuclear energy
25 projects within the Commonwealth, and the potential benefits and concerns
26 associated with nuclear energy technologies;

27 (c) Develop the capacity for nuclear energy economic development in the

1 Commonwealth, which shall include providing information to educational
2 institutions on the types of career opportunities that will be available with
3 the development of nuclear energy, building strong relationships with
4 economic development professionals, promoting existing economic
5 development incentives applicable to nuclear energy development, and
6 seeking out new grants and other financial support for nuclear energy
7 development;

8 (d) Seek greater clarity and certainty with stakeholders on financial support for
9 early nuclear site permitting, the process for obtaining a nuclear power
10 facility certificate of public convenience and necessity, and the recovery of
11 construction work in progress for nuclear energy projects;

12 (e) Work with communities that have previously hosted nuclear-related
13 activities and other communities facing a transition away from fossil fuels
14 to empower those communities with the resources and information
15 necessary to engage with regulators, developers, and decisionmakers on
16 new nuclear power facilities, nuclear component manufacturing facilities,
17 and fuel cycle facilities;

18 (f) Strengthen engagement with the federal Nuclear Regulatory Commission
19 by reviewing current safety and security practices implemented at different
20 types of nuclear energy facilities under their purview, promoting the
21 streamlining of permitting efforts, and supporting the siting of interim and
22 permanent nuclear storage facilities via the continued use of consent-based
23 siting;

24 (g) Build the organizational capacity to engage and potentially convene a
25 consortium of stakeholders interested in nuclear energy technologies that
26 would consist of utilities, environmental advocates, electric cooperatives,
27 and major industrial companies in order to share best practices, including

1 how to share risk associated with developing and constructing new nuclear
2 power plants within the Commonwealth;

3 (h) Engage with the United States Department of Energy National
4 Laboratories, academic institutions, and private companies on efforts to
5 develop deployable technologies to reprocess or recycle spent nuclear fuel;
6 and

7 (i) Maintain awareness of potential events that could initiate or accelerate the
8 development of new nuclear energy technologies within the Commonwealth
9 to allow the public to benefit from these projects.

10 (8) The authority, with the approval of the advisory board, shall:

11 (a) Propose and adopt bylaws for the management and operation of the
12 authority;

13 (b) Develop and adopt a strategic plan for carrying out the purposes of the
14 authority described in subsection (7) of this section;

15 (c) Create and update at least once every two (2) years a nuclear energy
16 economic impact analysis for the Commonwealth,

17 (d) Employ necessary staff to carry out the functions of the authority; and

18 (e) By December 1, 2025, and each December 1 thereafter, submit a report to
19 the Governor and the Legislative Research Commission for referral to the
20 Interim Joint Committees on Natural Resources and Energy,
21 Appropriations and Revenue, and Economic Development and Workforce
22 Investment providing a summary of the authority's activities and
23 achievements since its last report and offering recommendations for the
24 support and expansion of the nuclear energy ecosystem in the
25 Commonwealth.

26 ➔SECTION 2. A NEW SECTION OF KRS CHAPTER 164 IS CREATED TO
27 READ AS FOLLOWS:

1 (1) The Kentucky Nuclear Energy Development Authority, with the approval of its
 2 advisory board, shall develop and adopt criteria for awarding a nuclear-ready
 3 community designation to demonstrate a community's readiness to welcome
 4 nuclear energy-related development. The criteria to attain the designation shall
 5 include but not be limited to:

6 (a) The holding of local public educational meetings to educate the community
 7 on advanced nuclear energy technologies, the nuclear ecosystem, and the
 8 role that nuclear energy-related development could play in the community;

9 (b) The availability of sites within the community that have been recognized by
 10 the Cabinet for Economic Development as being suitable for nuclear
 11 energy-related projects; and

12 (c) The adoption of resolutions from the county and all cities in the county or a
 13 successful county ballot initiative declaring the community's readiness for
 14 nuclear energy-related projects to be developed and sited there.

15 (2) Communities may voluntarily apply to the Kentucky Nuclear Energy
 16 Development Authority for a nuclear-ready community designation in the form
 17 and manner as the authority may require, and the authority shall evaluate the
 18 application and award the designation based on the criteria established under
 19 subsection (1) of this section.

20 ➔SECTION 3. A NEW SECTION OF SUBCHAPTER 12 OF KRS CHAPTER
 21 154 IS CREATED TO READ AS FOLLOWS:

22 (1) The Cabinet for Economic Development shall create and implement a financial
 23 assistance program for the development and location of nuclear energy-related
 24 projects to support the entire nuclear energy ecosystem in the Commonwealth,
 25 including utility and private sector economic development activities. The nuclear
 26 energy ecosystem includes but is not limited to:

27 (a) The nuclear fuel cycle, which includes fuel conversion, enrichment, and

1 *fabrication, as well as potential future spent fuel recycling and*
2 *reprocessing;*

3 *(b) Reactor design and component manufacturing;*

4 *(c) Component supply chain manufacturing and distribution;*

5 *(d) Facility siting and development;*

6 *(e) Radioisotope production;*

7 *(f) Facility operation and maintenance;*

8 *(g) Decommissioning waste storage, transport, and management; and*

9 *(h) End uses of nuclear energy and co-products.*

10 *(2) The cabinet, in consultation with the Kentucky Nuclear Energy Development*
11 *Authority established in Section 1 of this Act, shall verify and process eligible*
12 *financial assistance requests for nuclear energy-related projects under the grant*
13 *program, similar to the application, approval, and oversight process for the*
14 *economic development fund program outlined in KRS 154.12-100. The authority*
15 *shall promulgate administrative regulations in accordance with KRS Chapter*
16 *13A to effectuate this section.*

17 ➔Section 4. Members named to the advisory board of the Kentucky Nuclear
18 Energy Development Authority in subsection (2)(b) of Section 1 of this Act shall serve
19 initial terms of three years. Members named to the advisory board in subsection (2)(c)1.
20 to 4. of Section 1 of this Act shall serve initial terms of two years.

21 ➔Section 5. The Kentucky Nuclear Energy Development Authority shall conduct
22 a study to identify the workforce and educational needs to develop and support the
23 nuclear ecosystem in the Commonwealth. The Kentucky Nuclear Energy Development
24 Authority shall submit the findings of the study to the Governor and to the Legislative
25 Research Commission on or before December 1, 2024.

26 ➔Section 6. The Kentucky Nuclear Energy Development Authority shall contract
27 for services to produce a site suitability study to identify the best potential locations for

1 nuclear reactors and other facilities related to the nuclear ecosystem in the
2 Commonwealth. The Kentucky Nuclear Energy Development Authority shall submit the
3 findings of the study to the Governor and to the Legislative Research Commission on or
4 before December 1, 2025.

5 ➔Section 7. The Kentucky Nuclear Energy Development Authority shall contract
6 for services to develop and implement an education and marketing plan to educate the
7 public on modern nuclear energy technology and to provide information on the potential
8 benefits of nuclear power generation and other applications of nuclear energy
9 technologies.