

1 AN ACT relating to economic development.

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

3 ➔SECTION 1. A NEW SECTION OF KRS CHAPTER 148 IS CREATED TO
4 READ AS FOLLOWS:

5 *As used in Sections 1 to 5 of this Act, unless the context requires otherwise:*

- 6 *(1) "Authority" or "KORRRRA" means the Kentucky Ohio River Regional Recreation*
7 *Authority established in Section 2 of this Act;*
- 8 *(2) "Board" means the board of directors of KORRRRA;*
- 9 *(3) "County" means a county, charter county, urban-county government, unified*
10 *local government, or consolidated local government;*
- 11 *(4) "Recreational Area" or "RA" means lands on which there is a system of*
12 *recreational trails, including streams, rivers, and other waterways, and*
13 *appurtenant facilities, including trailhead centers, parking areas, camping*
14 *facilities, picnic areas, historic or cultural interpretive sites, and other facilities in*
15 *Kentucky and designated by the KORRRRA as part of the RA;*
- 16 *(5) "Land" means roads, water, watercourses, buildings, structures, and machinery*
17 *or equipment thereon when attached to the realty;*
- 18 *(6) "Landowner" means a tenant, lessee, occupant, or person in control of the*
19 *premises;*
- 20 *(7) "Participating county" means a county that has qualified under subsection (5) of*
21 *Section 2 of this Act;*
- 22 *(8) "Participating landowner" means a landowner who owns land in a participating*
23 *county and has a contractual agreement with the KORRRRA for trail development*
24 *as part of the RA;*
- 25 *(9) "Recreational purposes" means all-terrain vehicle riding, bicycling, canoeing,*
26 *hiking, horseback riding, hunting, kayaking, motorcycle riding, rock climbing,*
27 *fishing, swimming, archaeological activities, nature study, off-highway vehicle*

1 driving, pleasure driving, watersports, winter sports, visiting or viewing historical
2 or scenic sites, and otherwise using land for purposes pertaining to recreation or
3 trail activities; and

4 (10) "Target county" means Ballard, Boone, Boyd, Bracken, Breckinridge, Campbell,
5 Carroll, Crittenden, Daviess, Gallatin, Greenup, Hancock, Hardin, Henderson,
6 Jefferson, Kenton, Lewis, Livingston, Mason, McCracken, Meade, Oldham,
7 Pendleton, Trimble, or Union County.

8 ➔SECTION 2. A NEW SECTION OF KRS CHAPTER 148 IS CREATED TO
9 READ AS FOLLOWS:

10 (1) The Kentucky Ohio River Regional Recreation Authority is hereby created and
11 established as an independent, de jure municipal corporation and political
12 subdivision of the Commonwealth and shall exercise all of the powers that a
13 corporation may lawfully exercise under the laws of the Commonwealth. The
14 authority shall be a public body corporate and politic and an instrumentality of
15 the Commonwealth, established with all the general corporate powers incidental
16 thereto. The authority shall be attached to the Kentucky Department for Local
17 Government for administrative purposes only. The authority shall be authorized
18 for an initial period of five (5) years from the effective date of this Act and may be
19 renewed by the General Assembly. The authority may adopt by laws and
20 administrative regulations, subject to KRS Chapter 13A, for the orderly conduct
21 of its affairs.

22 (2) The purpose of the authority is to establish, maintain, and promote a recreational
23 trail system throughout the RA to increase economic development, tourism, and
24 outdoor recreation for residents and visitors. The recreational trail system shall
25 be located with significant portions of the system situated on private property
26 made available for use through lease, license, easement, or other appropriate
27 legal form by willing landowners.

- 1 (3) The authority shall be governed by a board of directors consisting of
2 representatives from participating counties and the Commonwealth as provided
3 in this section.
- 4 (4) The authority and the board shall become operational when eleven (11) target
5 counties complete the requirements established by subsection (5)(a) of this
6 section. When at least eleven (11) target counties become participating counties,
7 the commissioner of the Department for Local Government shall notify the
8 county judge/executive of each of the participating counties, as well as the board
9 members described in subsection (6) of this section, that the requirements have
10 been met for the authority and board to become operational. The commissioner
11 shall also establish a date, time, and place for an initial organizational meeting of
12 the board, and shall serve as interim chair of the initial organizational meeting
13 until such time as a chair is elected. The chair shall be a resident of a
14 participating county.
- 15 (5) Any target county may become a participating county upon adoption of a
16 resolution or ordinance by the governing body of the county specifically
17 approving the county's participation in the KORRRA and submission of the
18 adopted resolution or ordinance to:
- 19 (a) The commissioner of the Department for Local Government if the
20 resolution or ordinance is adopted prior to the KORRRA becoming
21 operational pursuant to subsection (4) of this section; or
- 22 (b) The KORRRA if the resolution or ordinance is adopted after KORRRA
23 becomes operational; or
- 24 (6) The KORRRA board shall consist of the following members:
- 25 (a) The secretary of the Tourism, Arts and Heritage Cabinet or his or her
26 designee;
- 27 (b) The commissioner of the Department for Local Government or his or her

1 designee;

2 (c) The commissioner of the Department of Fish and Wildlife Resources or his
3 or her designee;

4 (d) If an executive director of the authority has been employed under
5 subsection (10) of this section, he or she shall serve as a nonvoting member,
6 except in the event of a tie vote of the board;

7 (e) One (1) representative selected for each of the six (6) participating counties
8 as provided in subsection (8) of this section, who shall be either:

9 1. The county judge/executive; or

10 2. The county judge/executive's designee, who shall be an individual
11 involved with economic development, tourism, recreation, or a related
12 area within the county;

13 (f) One (1) state Representative who is from the KORRRA region shall serve as
14 a nonvoting member, appointed to a two (2) year term by the Speaker of the
15 Kentucky House of Representatives, and shall not serve another term
16 consecutively with a prior term; and

17 (g) One (1) state Senator who is from the KORRRA region shall serve as a
18 nonvoting member, appointed to two (2) year term by the President of the
19 Kentucky Senate.

20 (7) The board membership of each county judge/executive or his or her designee
21 shall:

22 (a) Begin with the county judge/executive's term of office; and

23 (b) End with the county judge/executive's term of office.

24 If a county judge/executive ceases to serve as the county judge/executive prior to
25 the end of his or her term, he or she shall be removed from the board, and his or
26 her replacement as county judge/executive shall serve on the board for the
27 remainder of the term.

1 (8) (a) The nine (9) voting members of the board shall be:

2 1. The six (6) county judges/executive, or their designees, from different
3 KORRRA participating counties as described in subsection (6)(e) of
4 this section;

5 2. The secretary of the Tourism, Arts and Heritage Cabinet or his or her
6 designee;

7 3. The commissioner of the Department for Local Government or his or
8 her designee; and

9 4. The commissioner of the Department of Fish and Wildlife Resources
10 or his or her designee.

11 (b) The six (6) initial county representatives shall be the county
12 judges/executive of Boone, Campbell, Daviess, Jefferson, Kenton, and
13 Mason Counties or their designees in that order. The first three (3)
14 representatives listed shall serve a three (3) year term as voting members,
15 the next three (3) representatives shall serve a two (2) year term as voting
16 members, and the remaining three (3) representatives shall serve a one (1)
17 year term as voting members.

18 (c) After each term ends, the voting county representative shall be replaced by
19 one (1) of the county judges/executive or his or her designee from one (1) of
20 the target counties whose representative has not yet served as a voting
21 member.

22 (d) After the third year of operation, each new voting member shall serve a
23 term of three (3) years, then step down and let a representative from a
24 county whose representative has not served as a voting member take his or
25 her place.

26 (e) Once representatives from all participating counties within RA have each
27 served one (1) term, the rotation shall begin again.

1 (9) (a) The board shall meet at least once every quarter to elect officers, establish a
2 regular meeting schedule, and perform other duties as may be prescribed in
3 the authority's bylaws. The board chair may call special meetings at any
4 time.

5 (b) Notice of each meeting shall be made in writing and delivered to board
6 members at least seven (7) days before the scheduled meeting date.
7 Electronic mail is an acceptable form of notice of special meetings, so long
8 as it is sent to directors at least seven (7) days before the scheduled meeting
9 date.

10 (c) Accommodations shall be made for remote attendance for each board
11 meeting, whether regular or special, through means such as video
12 conferencing, conference call, or similar services.

13 (d) The presence of a majority of the total voting members of the KORRRA
14 board shall constitute a quorum. Vacant board positions shall be counted
15 against the quorum total necessary for board action.

16 (e) Board meetings shall be held exclusively within the KORRRA participating
17 counties, and each meeting shall be held in a different participating county
18 until every participating county has hosted a meeting, at which time the
19 cycle shall begin again.

20 (10) The KORRRA board:

21 (a) Shall elect a chair, vice chair, secretary, treasurer, and any other officers as
22 established in the bylaws of the board;

23 (b) May appoint temporary and standing committees to accomplish the
24 purposes of Sections 1 to 5 of this Act and shall clearly describe the role,
25 responsibilities, and tenure of each committee so created;

26 (c) Shall adopt bylaws for the management and regulation of its affairs and all
27 other matters necessary to effect proper management and accountability of

1 the board. The bylaws shall include, at a minimum, the following:

2 1. The powers and duties of the board's members and the manner and
3 number of officers to be elected from among the board members; and

4 2. The terms, conditions, and manner in which a board member will be
5 removed.

6 (d) Shall review and approve an annual budget;

7 (e) Shall ensure that all administrative costs for operating the authority are
8 paid from funds accruing to the authority. The authority, its board, and its
9 staff shall incur no liability or obligation beyond the extent to which
10 revenues have been provided under Sections 1 to 5 of this Act;

11 (f) May seek administrative and management assistance through written
12 agreement with state agencies, local area development districts, or local
13 governing bodies until such time as the board has secured sufficient
14 funding through grants, loans, fee systems, or any other funding source to
15 hire staff; and

16 (g) Shall employ an executive director to act as its chief executive officer to
17 serve at its will and pleasure.

18 (11) The authority shall comply with the provisions of KRS Chapter 65A.

19 (12) The executive director:

20 (a) Shall be a person who is domiciled in a KORRRA participating county;

21 (b) May, with permission of the board and approval of the commissioner of the
22 Department for Local Government or his or her designee, employ any other
23 hourly personnel considered necessary and retain temporary services. Pay
24 raises for any personnel shall require approval of the board and the
25 commissioner of the Department for Local Government or his or her
26 designee;

27 (c) Shall carry out plans to implement Sections 1 to 5 of this Act and to exercise

- 1 those powers enumerated in the bylaws of the board;
2 (d) Shall, along with any staff with responsibilities so delegated by the executive
3 director, ensure that all minutes, records, and orders of the authority and its
4 board are complete and available for public inspection, if necessary;
5 (e) Shall prepare narrative and financial reports of the authority's fiscal
6 obligations and submit these reports to the board at regularly scheduled
7 meetings or as otherwise directed; and
8 (f) May cast a tiebreaking vote in board decisions, but shall not be permitted to
9 cast a vote under any other circumstances. Until such time as an executive
10 director is hired, the chairperson of the board shall make the final
11 determination in the event of a tie vote of the board.

12 (13) The executive director, all full-time or part-time personnel, all seasonal
13 employees, and all contractual employees, if any, shall be paid from funds
14 accruing to the authority and authorized in a budget approved by the board,
15 unless the Department for Local Government has temporarily taken on the
16 responsibility of paying any of those employees.

17 (14) Board members shall serve without compensation, but may be reimbursed for
18 actual and necessary travel expenses incurred in the performance of their duties,
19 subject to Finance and Administration Cabinet administrative regulations. Board
20 members may have their lodging reimbursed by KORRRA. Any reimbursement
21 requests exceeding five hundred dollars (\$500) per person shall be submitted to
22 the Department for Local Government for approval.

23 ➔SECTION 3. A NEW SECTION OF KRS CHAPTER 148 IS CREATED TO
24 READ AS FOLLOWS:

25 (1) The KORRRA shall:

26 (a) Supervise the design and construction of trail systems within the RA and
27 provide all management functions for the trails and for any other property

1 built, acquired, or leased pursuant to its powers under Sections 1 to 5 of this
2 Act;

3 (b) Construct, develop, manage, maintain, operate, improve, renovate, finance,
4 or otherwise provide for recreational and trail-related activities and
5 facilities on designated public lands and private lands of participating
6 landowners who have voluntarily entered into use agreements with the
7 board;

8 (c) Promote the growth and development of the trail system, tourism, and the
9 hotel, restaurant, and entertainment industry within the RA and the
10 Commonwealth, through marketing RA to enhance local economic and
11 tourism development;

12 (d) Establish agreements with other persons, businesses, agencies,
13 organizations, or any other entity to levy a surcharge on tickets for events,
14 activities, festivals, or functions that are cosponsored with other entities and
15 contribute to the authority's operating revenue; and

16 (e) Procure insurance against any losses in connection with its property,
17 licenses, easements, or contracts, including hold-harmless agreements,
18 operations, or assets in such amounts and from such insurers as the board
19 considers desirable.

20 (2) The board's management program shall prioritize contractual arrangements with
21 private landowners to use land for recreational purposes, which shall not
22 diminish the participating landowner's interest, control, or profitability of the
23 land. If necessary to implement a comprehensive trail system, the board may also
24 contract with public landowners through contractual agreements that recognize
25 the primary mission for which the public entity controls and manages the land.

26 (3) The board may carry out any of the following to accomplish the purposes of
27 Sections 1 to 5 of this Act:

- 1 (a) Acquire, own, and hold property, and all interests therein, by deed,
2 purchase, gift, devise, bequest, or lease, or by transfer from the State
3 Property and Buildings Commission, except that the authority shall not
4 acquire property through the exercise of the power of eminent domain;
- 5 (b) Dispose of any property acquired in any manner provided by law;
- 6 (c) Lease property, whether as lessee or lessor, and acquire or grant through
7 easement, license, or other appropriate legal form, the right to develop and
8 use property and open it to the use of the public;
- 9 (d) Mortgage or otherwise grant security interests in its property;
- 10 (e) Maintain sinking funds and reserves as the board determines appropriate
11 for the purposes of meeting future monetary obligations and needs of the
12 authority; however, contributions to a sinking fund during a fiscal year
13 shall not exceed ten percent (10%) of the total fees collected during the
14 prior year;
- 15 (f) Sue and be sued, plead and be impleaded, and complain and defend in any
16 court;
- 17 (g) Make contracts and execute instruments necessary for carrying on its
18 business, including contracts with any Kentucky state agency, the federal
19 government, or any person, individual, partnership, or corporation to effect
20 any or all of the purposes of Sections 1 to 5 of this Act as follows:
- 21 1. Contracts shall go through a public bidding process;
- 22 2. Contracts for one thousand dollars (\$1,000) or more shall be sent,
23 with at least three (3) bids from separate entities, to the Department
24 for Local Government for review and final approval;
- 25 3. Bids from entities with KORRRA participating counties are to be given
26 preference over competing bidders from outside of KORRRA
27 participating counties; and

- 1 4. If the Department for Local Government has not given a response in
2 the form of an approval or rejection after five (5) business days from
3 the date the department received the contract to be reviewed, it shall be
4 considered approved;
- 5 (h) Accept grants and loans from and enter into contracts and other
6 transactions with any federal agency, regional commission, or state agency
7 for accomplishing the purposes of Sections 1 to 5 of this Act;
- 8 (i) Borrow money and issue bonds, security interests, or notes;
- 9 (j) Provide for and secure the payment of the bonds, security interests, or
10 notes;
- 11 (k) Provide for the rights of the holders of the bonds, security interests, or
12 notes;
- 13 (l) Purchase, hold, and dispose of any of its bonds, security interests, or notes;
- 14 (m) Accept gifts or grants of property, security interests, money, labor, supplies,
15 or services from any governmental unit or from any person, firm, or
16 corporation;
- 17 (n) Establish a regional recreational trail system based upon contracts and
18 agreements with participating landowners. The board may enter into
19 contracts with landowners, and other persons holding an interest in the
20 land being used for its recreational facilities, to hold those landowners
21 harmless with respect to any claim in tort growing out of the use of the land
22 for public recreation or growing out of the recreational activities operated
23 or managed by the board from any claim, except a claim for damages
24 proximately caused by the willful or malicious conduct of the landowner or
25 any of his or her agents or employees;
- 26 (o) 1. Establish a fee-based system of permits, user registrations, or other
27 trail or facility access mechanisms.

- 1 2. The fees may be imposed for access to and use of the trails, parking
2 facilities, visitor centers, or other trail-related recreational purpose
3 facilities or recreation activities that are part of the RA or as an
4 admission to an event.
- 5 3. The fees shall be decided by the board.
- 6 4. The KORRRA shall retain and use the revenue from fees for any
7 purposes consistent with Sections 1 to 5 of this Act and within the
8 guidelines in subsection (4) of this section;
- 9 (p) Promulgate administrative regulations in accordance with KRS Chapter
10 13A to govern use and maintenance of the RA and any other matters for
11 effective management of the RA;
- 12 (q) Cooperate and contract with the regional recreation authorities of Illinois,
13 Indiana, Ohio, West Virginia, and other contiguous states to connect the
14 trails in Kentucky with similar recreation facilities in those states; and
- 15 (r) Exercise all of the powers that a corporation may lawfully exercise under
16 the laws of the Commonwealth.
- 17 (4) The fees collected by the KORRRA are to be used within the following guidelines;
- 18 (a) To pay the salary of the executive director and all staff of the KORRRA;
19 (b) To reimburse travel expenses of board members including lodging, subject
20 to Finance and Administration Cabinet administrative regulations;
21 (c) To fund the construction, maintenance, and all necessary expenses of the
22 KORRRA trail system;
- 23 (d) To maintain a sinking fund with contributions to the fund during a fiscal
24 year not to exceed ten percent (10%) of the total fees collected during the
25 prior year and the total fund not to exceed a balance of one million dollars
26 (\$1,000,000) at the end of any fiscal year; and
- 27 (e) Any remaining moneys not already appropriated in accordance with

1 Sections 1 to 5 of this Act at the end of the fiscal year are to be sent to the
2 Department for Local Government to be placed into an account to be used
3 exclusively for economic development grants in KORRRA participating
4 counties. These grants shall give preference to projects in economically
5 distressed counties, then to at-risk counties, then to transitional counties, as
6 defined by Kentucky Council of Area Development Districts.

7 (5) Nothing in this section shall be construed as a waiver of sovereign immunity.

8 ➔SECTION 4. A NEW SECTION OF KRS CHAPTER 148 IS CREATED TO
9 READ AS FOLLOWS:

10 (1) Revenue bonds and revenue refunding bonds of the authority issued under
11 Sections 1 to 5 of this Act do not constitute a debt of the Commonwealth or of any
12 political subdivision of the Commonwealth or a pledge of the faith and credit of
13 the Commonwealth or of any political subdivision, but the bonds shall be payable
14 solely from the funds provided for in Sections 1 to 5 of this Act from revenues
15 resulting from the issuance of bonds.

16 (2) All bonds shall contain on the face of the bond a statement to the effect that
17 neither the Commonwealth nor any political subdivision of the Commonwealth is
18 obligated to pay the bond or the interest on the bond, except from revenues of the
19 recreational project or projects for which they are issued, and that neither the
20 faith or credit nor the taxing power of the Commonwealth or any political
21 subdivision of the Commonwealth is pledged to the payment of the principal or
22 the interest on the bonds.

23 ➔SECTION 5. A NEW SECTION OF KRS CHAPTER 148 IS CREATED TO
24 READ AS FOLLOWS:

25 A participating landowner who has a contractual agreement with the KORRRA for use
26 of private land as part of the RA does not waive any protection granted to the
27 landowner by KRS 411.190.

1 ➔Section 6. KRS 147A.090 is amended to read as follows:

2 Each district board of directors shall have the power, duty, and authority to:

3 (1) Establish such functional advisory committees as may be necessary and advisable.

4 These functional advisory committees shall be organized to meet such guidelines as
5 may be required for federal or state assistance;

6 (2) Conduct the necessary research and studies and coordinate and cooperate with all
7 appropriate groups and agencies in order to develop, and adopt and revise, when
8 necessary, a district development plan or series of plans, including, but not limited
9 to, the following districtwide plan elements: goals and objectives; water and sewer;
10 land-use; and open space and recreation. Such plans shall serve as a general guide
11 for public and private actions and decisions to assure the development of public and
12 private property in the most appropriate relationships;

13 (3) Prepare annually a report of its activities to the cities and counties within the
14 district, the legislature, and the Governor. The board shall make copies of the report
15 available to members of the public within the district;

16 (4) Comply with the provisions of KRS 65A.010 to 65A.090; ~~and~~

17 (5) Cooperate with the Kentucky Mountain Regional Recreation Authority established
18 in KRS 148.0222 for the purpose of establishing, maintaining, and promoting
19 recreational trails to increase economic development, tourism, and outdoor
20 recreation for Kentucky's residents and visitors, not only in eastern Kentucky but
21 throughout the Commonwealth; *and*

22 **(6) Cooperate with the Kentucky Ohio River Regional Recreation Authority**
23 **established in Section 2 of this Act for the purpose of establishing, maintaining,**
24 **and promoting recreational trails to increase economic development, tourism,**
25 **and outdoor recreation for Kentucky's residents and visitors, not only along the**
26 **Ohio River but throughout the Commonwealth.**