

KENTUCKY GENERAL ASSEMBLY AMENDMENT FORM
2025 REGULAR SESSION
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Amend printed copy of **HB 775/HCS 1**

On page 4, after line 7, insert the following:

"➔SECTION 3. A NEW SECTION OF KRS CHAPTER 65 IS CREATED TO READ AS FOLLOWS:

(1) As used in this section:

(a) "Board" means the board of trustees of a district;

(b) "District" means a regional industrial taxing district established under subsection (2)(a) of this section;

(c) "Local government" means the legislative body of a city, county, urban-county government, charter county government, consolidated local government, or unified local government located within the Commonwealth; and

(d) "Multicounty region" means multiple counties, multiple cities not located in the same county, or a combination of counties and cities with at least two (2) local governments from different counties.

(2) (a) Two (2) or more local governments constituting a multicounty region may join together by entering into an interlocal agreement under KRS 65.210 to 65.300 to form a regional industrial taxing district to develop real estate as part of a regional economic development project.

(b) The regional economic development project shall consist of three hundred (300) or

Amendment No. HFA

Rep. Rep. Deanna Gordon

Committee Amendment _____

Signed: _____

Floor Amendment _____

LRC Drafter: _____

Adopted: _____

Date: _____

Rejected: _____

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- more contiguous acres and result in the creation of at least five hundred (500) new jobs.
- (3) The district shall constitute a taxing district within the meaning of Section 157 of the Constitution of Kentucky and is authorized to levy a special ad valorem tax on property located within the jurisdictional boundaries of the district. The special ad valorem tax rate shall not exceed ten cents (\$0.10) per one hundred dollars (\$100) of the assessed value of the property. The special ad valorem tax shall be collected in the same manner as other ad valorem taxes.
- (4) (a) In addition to the special ad valorem tax under subsection (3) of this section, local governments in which the district is located may, with agreement of all local governments participating in the interlocal agreement, impose and collect an occupational license fee on businesses, trades, professions, or occupations performed, rendered, or conducted within the district, at percentage rate of:
1. Salaries, wages, commissions, and other compensation earned by persons within the district for work done and services performed or rendered in the district;
 2. The net profits of self-employed individuals, partnerships, professional associations, or joint ventures resulting from businesses, trades, professions, occupations, or activities conducted in the district; and
 3. The net profits of corporations resulting from businesses, trades, professions, occupations, or activities conducted in the district.
- (b) The occupational license fee imposed under this subsection shall be:
1. In addition to any other license fee imposed by any entity on businesses, trades, professions, or occupations performed, rendered, or conducted within the district; and

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2. Assessed in the same manner as other occupational license fees except that the occupational license fees shall not be subject to any maximum rate limits or crediting requirements established under KRS 68.180, 68.197, or 91.200.
- (c) Each local government participating in the interlocal agreement shall receive a portion of the revenues collected from the occupational license fee as specified by the agreement. Each local government may include its portion of the revenues in its general fund to be used as designated by the local government.
- (5) (a) As part of the interlocal agreement, a board shall be established to control and manage the affairs of the district.

 - (b) The board shall:

 1. Represent a multicounty region;
 2. Comply with the provisions of KRS Chapter 65A;
 3. Agree, in writing, to the collection and distribution of the revenue generated from the levy of any occupational license fee imposed under this section; and
 4. Operate in accordance with the following:

 - a. The board membership shall consist of one (1) trustee from each local government participating in the interlocal agreement;
 - b. The trustees shall serve staggered terms of four (4) years;
 - c. The chair of the board shall be elected by the trustees from among its membership;
 - d. The board may appoint a secretary, an executive director, and other officials and employees who need not be members of the board;
 - e. Trustees shall not receive compensation for their services, but shall be reimbursed for their actual expenses incurred in the performance of their duties;

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- f. A quorum for the transacting of the business of the board shall consist of a majority of its membership;*
- g. A trustee of the board may be removed as provided by KRS 65.007; and*
- h. Vacancies of the board shall be filled in the same manner as the original appointments."*