

1 AN ACT relating to economic relief for local communities of Kentucky.

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

3 ➔Section 1. KRS 154.14-020 is amended to read as follows:

4 As used in this subchapter:

- 5 (1) "Cabinet" means the Cabinet for Economic Development;
- 6 (2) "Commission" means the GRANT Commission established in KRS 154.14-080;
- 7 (3) "County population ranking" means the score of each county determined by the
- 8 cabinet under KRS 154.14-050(7);

9 (4) "Eligible grant recipient" means a grant applicant, *including a subapplicant or*  
10 *subrecipient of a federal grant through an agency or department of the*  
11 *Commonwealth of Kentucky,* that is:

- 12 (a) A county or city governing body, *including any nonprofit corporation*  
13 *created by a governmental agency under KRS 58.180; or*
- 14 (b) *A nonprofit corporation organized under KRS Chapters 14A and 273 and*  
15 *that qualifies*~~[or nonprofit charitable organization organized]~~ under 26 U.S.C.  
16 sec. 501(c)(3) and *is* engaged in public benefit improvements;

- 17 (5) "Eligible project" means a project that:
  - 18 (a) Benefits the public or substantially benefits the public and satisfies the
  - 19 evaluation criteria in KRS 154.14-050 and that is initiated on:
    - 20 1. Publicly owned property;
    - 21 2. Property to be acquired, which comes with either a:
      - 22 a. Legally binding letter of intent or option for the sale to an eligible
      - 23 grant recipient; or
      - 24 b. Legally binding sale agreement for the sale to an eligible grant
      - 25 recipient; or
    - 26 3. Private property on which a project is located that is in the public
    - 27 interest and for a public purpose and that benefits an eligible

- 1 community; and
- 2 (b) Requires local matching funds based on the county population ranking as
- 3 provided in KRS 154.14-050;
- 4 (6) "Eligible use" means the authorized purpose for which an awarded grant may be
- 5 used depending on the source of funds from the Commonwealth;
- 6 (7) "Interagency Working Group" means the Interagency Working Group on Coal and
- 7 Power Plant Communities and Economic Revitalization established by Presidential
- 8 Executive Order 14008, issued on January 27, 2021;
- 9 (8) "Population density":
- 10 (a) Means the number of persons per square mile of a county;
- 11 (b) Is calculated by dividing the total county population by the square miles in the
- 12 county;
- 13 (c) Is determined by using the population estimate from the most recent available
- 14 five (5) year American Community Survey as published by the United States
- 15 Census Bureau; and
- 16 (d) Is used to rank each county in descending order, with the county having the
- 17 largest population density receiving a rank of one (1) and the county with the
- 18 smallest population density receiving a rank of one hundred twenty (120);
- 19 (9) "Regional project" means an eligible project that is proposed by eligible grant
- 20 recipients residing or having a primary business address in different counties in this
- 21 Commonwealth who submit a single grant application; and
- 22 (10) "Ten (10) year percentage change in population":
- 23 (a) Means the percentage change in population within a county;
- 24 (b) Is determined by comparing the population estimate from the most recent
- 25 available five (5) year American Community Survey as published by the
- 26 United States Census Bureau to the same survey ten (10) years prior to the
- 27 most recent available survey; and

1 (c) Is used to rank each county in descending order, with the county having the  
2 largest positive percentage change in population receiving a rank of one (1)  
3 and the county with the largest negative percentage change receiving a rank of  
4 one hundred twenty (120).

5 ➔Section 2. KRS 154.14-030 is amended to read as follows:

6 (1) The Government Resources Accelerating Needed Transformation Program of 2024  
7 is hereby established under the cabinet, subject to the approval of the commission  
8 established in KRS 154.14-080. The cabinet's administration of the program  
9 includes but is not limited to the following:

10 (a) Creating and making available a standardized grant application and a regional  
11 grant application for the obligation of state funds under this subchapter to  
12 apply for matching federal funds;

13 (b) Developing a standardized scoring system pursuant to this section and KRS  
14 154.14-050;

15 (c) Reviewing and processing the applications submitted by the proposed eligible  
16 grant recipients to the cabinet;

17 (d) Verifying and determining whether a match applicant is an eligible grant  
18 recipient that is seeking a federal grant for an eligible project ***or has received***  
19 ***a notice of an award of a federal grant for an eligible project within the two***  
20 ***(2) year period preceding the submission of the match application;***

21 (e) Evaluating the project proposed by the match application in accordance with  
22 the evaluation criteria set forth in this section and KRS 154.14-050.

23 (f) Scoring each match application pursuant to the scoring system described in  
24 KRS 154.14-050;

25 (g) Ranking each match application:

26 1. To prioritize the greatest return on investment and relative positive  
27 impact of the eligible project; and

- 1           2. Based on the project evaluation and the project score described in this  
2           section and KRS 154.14-050.
- 3           (h) Compiling a list of proposed match applicants whose eligible project  
4           demonstrates a high level of investment potential if a match is provided, as  
5           revealed by the evaluation, scoring, and ranking process described in this  
6           section and KRS 154.14-050;
- 7           (i) Providing detailed feedback to the match applicants after the project  
8           evaluation and project score are completed and the match application is  
9           approved or denied by the cabinet, unless otherwise prohibited by federal or  
10          state law;
- 11          (j) Obligating matching funds to selected eligible grant recipients;
- 12          (k) Compiling the monthly report to be submitted under KRS 154.14-070; and
- 13          (l) Compiling the annual report to be submitted under KRS 154.14-070.
- 14       (2) The cabinet shall determine the terms, conditions, and requirements of application  
15       for match funds awarded from the Government Resources Accelerating Needed  
16       Transformation Program of 2024 fund. **Eligible grant recipients shall be allowed to**  
17       **apply for match funds for a period of two (2) years after receiving notice of an**  
18       **award of a federal grant for an eligible project.** The cabinet may establish  
19       procedures and standards for the review and approval of obligation of match funds  
20       through the promulgation of administrative regulations in accordance with KRS  
21       Chapter 13A. By December 1, 2024, the cabinet shall submit recommended  
22       legislative changes to the Legislative Research Commission for referral to and for  
23       consideration by the Senate Standing Committee on Appropriations and Revenue  
24       and the House Standing Committee on Appropriations and Revenue or the Interim  
25       Joint Committee on Appropriations and Revenue.
- 26       (3) The secretary of the cabinet shall have the authority to hire staff, contract for  
27       services, expend funds, and operate the normal business activities of the

1 Government Resources Accelerating Needed Transformation Program of 2024.  
2 Notwithstanding KRS Chapter 45A, the cabinet may contract with a third party for  
3 implementation and administration of the program.

4 (4) The Government Resources Accelerating Needed Transformation Program of 2024  
5 as provided in this subchapter shall sunset on December 31, 2026, unless authorized  
6 by the General Assembly to continue its work for a specified period of time.  
7 Notwithstanding the termination of the program under this subsection, the  
8 cabinet shall administer any grants awarded prior to the sunset date until all  
9 awarded funds have been fully disbursed to the eligible grant recipients.

10 (5) The Kentucky Council of Area Development Districts and local area development  
11 districts shall assist eligible grant recipients in identifying available federal grant  
12 opportunities and preparing federal grant applications and Government Resources  
13 Accelerating Needed Transformation Program of 2024 applications. Nothing in this  
14 subsection shall prevent any public agency or nonprofit entity from assisting  
15 eligible grant recipients in identifying available federal grant opportunities and  
16 preparing federal grant applications and Government Resources Accelerating  
17 Needed Transformation Program of 2024 applications.

18 (6) Upon request of the local area development districts, a local public institution in the  
19 postsecondary education system as defined in KRS 164.001 shall assist the eligible  
20 grant recipients in their area by including but not limited to:

- 21 (a) Identifying opportunities for federal grants;
- 22 (b) Rendering supplemental support for federal grant applications on behalf of the  
23 communities including but not limited to providing data and analysis for the  
24 federal grant application; or
- 25 (c) Acting as the contact person for the local public institution to the Kentucky  
26 Council of Area Development Districts and to the area development district in  
27 which the local public institution is located and updating the contact person

1 information.

2 ➔Section 3. KRS 154.14-060 is amended to read as follows:

- 3 (1) There is hereby established in the State Treasury a trust and agency account to be  
4 known as the Government Resources Accelerating Needed Transformation Program  
5 of 2024 fund. The fund shall consist of moneys received from state appropriations,  
6 gifts, grants, and federal funds.
- 7 (2) The fund shall be administered and maintained by the cabinet.
- 8 (3) Amounts deposited in the fund shall be used for awarding:
- 9 (a) Matching funds to applicants of the Government Resources Accelerating  
10 Needed Transformation Program of 2024 upon notification of award of the  
11 federal grant requiring matching funds. Up to twenty percent (20%) of the  
12 amounts deposited in the fund shall be used for match awards **to nonprofit**  
13 **corporations as specified in subsection (4)(b) of Section 1 of this Act**~~for~~  
14 ~~nonprofit charitable organizations organized under 26 U.S.C. sec. 501(c)(3)}~~;  
15 and
- 16 (b) Matching funds to applicants of the Government Resources Accelerating  
17 Needed Transformation Program of 2024 upon notification of award of the  
18 federal grant requiring matching funds. Up to eighty percent (80%) of the  
19 amounts deposited in the fund shall be used for match awards to county or  
20 city governing bodies **or nonprofit corporations created by governmental**  
21 **agencies as specified in subsection (4)(a) of Section 1 of this Act.**
- 22 (4) Notwithstanding KRS 45.229, moneys in the account not expended at the close of a  
23 fiscal year shall not lapse but shall be carried forward into the next fiscal year.
- 24 (5) Any interest earnings of the fund shall become a part of the fund and shall not  
25 lapse.
- 26 (6) Moneys deposited in the fund are hereby appropriated for the purposes set forth in  
27 this section and shall not be appropriated or transferred by the General Assembly

1 for any other purposes.

2 (7) Any match funds awarded under subsection (3) of this section shall be canceled  
3 upon denial of the federal award.

4 (8) On or after June 30, 2024, any unencumbered moneys in the fund established in  
5 KRS 147A.158 shall be transferred to the Government Resources Accelerating  
6 Needed Transformation Program of 2024 fund administered by the Cabinet for  
7 Economic Development created in this section.