

1 AN ACT relating to the abolition of eminent domain.

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

3 ➔SECTION 1. A NEW SECTION OF KRS CHAPTER 416 IS CREATED TO  
4 READ AS FOLLOWS:

5 *The power of eminent domain is hereby abolished in this Commonwealth.*  
6 *Notwithstanding any other law to the contrary, an entity operating within this*  
7 *Commonwealth, governmental in nature or otherwise, including but not limited to*  
8 *cities, counties, municipalities, localities, commissions, departments, school districts,*  
9 *mines, boards, railroad authorities, corporations, and public-private entities, shall not*  
10 *exercise the right of eminent domain to force property owners to sell or lose their*  
11 *property.*

12 ➔Section 2. KRS 3.070 is amended to read as follows:

13 (1) The United States is authorized to acquire, pursuant to ~~the provisions of~~ this  
14 section and, ~~as well as in pursuance to~~ KRS 148.111, ~~[148.121, ]~~148.141, and  
15 148.151, the lands, including the caves and caverns underlying the lands~~[same]~~,  
16 within the area ~~hereinafter~~ referred to in this section, as well as any ~~lands~~  
17 ~~contiguous or adjacent~~ lands~~[thereto]~~ which may hereafter be duly authorized for  
18 acquisition for national park purposes, for the purpose of converting the  
19 lands~~[same]~~ into, and for the establishment and maintenance thereon of, a national  
20 park as contemplated and provided for by the Act of Congress entitled "An Act to  
21 provide for the establishment of the Mammoth Cave National Park in the State of  
22 Kentucky, and for other purposes," approved May 25, 1926 (44 Stat. 635), as  
23 amended~~[and any amendments thereto]~~. The lands, consisting of approximately  
24 70,618 acres, are situated in the counties of Edmonson, Barren, and Hart, in  
25 Kentucky. The general boundaries of the land~~[thereof]~~ are set forth in the report of  
26 the Southern Appalachian National Park Commission to the Secretary of the  
27 Interior, dated~~[under the date of]~~ April 8, 1926.

1 (2) The jurisdiction of Kentucky is ceded to the United States over, within, and under  
 2 all the territory ~~so~~ acquired by the United States **under this section**. Kentucky  
 3 reserves the right to tax sales of gasoline and other motor conveyance fuels and oils  
 4 for use in motor conveyances, except to the extent that **any**~~such~~ gasoline and other  
 5 fuels and oils are used by the United States and its agents in the administration,  
 6 protection, improvement, maintenance, development, and operation of the land, and  
 7 the right to tax persons, their franchises, and properties, on the land so acquired.  
 8 Persons residing on the land shall have the right to vote at all elections within the  
 9 respective counties of their residence the same as if the land had not been acquired  
 10 by the United States. Jurisdiction shall not vest in the United States until the United  
 11 States, through the Secretary of the Interior, notifies the Governor of Kentucky that  
 12 the United States assumes police jurisdiction over the land ~~so~~ acquired **under this**  
 13 **section**.

14 ➔Section 3. KRS 6.741 is amended to read as follows:

15 **(1)** A legislator, his **or her** spouse, or any business in which **a legislator**~~he~~ or his **or**  
 16 **her** spouse own or control an interest of more than five percent (5%) shall not  
 17 intentionally lease or sell any facility, building, or other real property to a state  
 18 agency while the legislator is a member of the General Assembly.

19 **(2)** This **section**~~provision~~ shall not: ~~apply to sales or leases made under threat of or~~  
 20 ~~pursuant to KRS Chapter 416, relating to eminent domain, and does not~~

21 **(a)** Impair any lawful contract existing on September 16, 1993; **or** ~~This section~~  
 22 ~~shall not~~

23 **(b)** Apply to a lease or sale for a nominal consideration if the lease or sale is  
 24 preapproved by the commission.

25 **(3)** Violation of this section is a Class D felony, and the court upon conviction may  
 26 void any sale or lease violating this **section**~~provision~~.

27 ➔Section 4. KRS 11A.040 is amended to read as follows:

- 1 (1) A public servant, in order to further his or her own economic interests, or those of  
2 any other person, shall not knowingly disclose or use confidential information  
3 acquired in the course of his or her official duties.
- 4 (2) A public servant shall not knowingly receive, directly or indirectly, any interest or  
5 profit arising from the use or loan of public funds in his or her hands or to be raised  
6 through any state agency.
- 7 (3) A public servant shall not knowingly act as a representative or agent for the  
8 Commonwealth or any agency in the transaction of any business or regulatory  
9 action with himself or herself, or with any business in which he or she or a member  
10 of his or her family has any interest greater than five percent (5%) of the total value  
11 thereof.
- 12 (4) A public servant shall not knowingly himself or herself or through any business in  
13 which he or she owns or controls an interest of more than five percent (5%), or by  
14 any other person for his or her use or benefit or on his or her account, undertake,  
15 execute, hold, bid on, negotiate, or enjoy, in whole or in part, any contract,  
16 agreement, lease, sale, or purchase made, entered into, awarded, or granted by the  
17 agency by which he or she is employed or which he or she supervises, subject to  
18 ~~the provisions of~~ KRS 45A.340. This subsection~~provision~~ shall not apply to:
- 19 (a) ~~A contract, purchase, or good faith negotiation made pursuant to KRS~~  
20 ~~Chapter 416 relating to eminent domain; or~~
- 21 ~~(b)~~ Agreements which may directly or indirectly involve public funds disbursed  
22 through entitlement programs;~~or~~
- 23 ~~(b)~~~~(c)~~ A public servant's spouse or child doing business with any state agency  
24 other than the agency by which the public servant is employed or which he or  
25 she supervises;~~or~~
- 26 ~~(c)~~~~(d)~~ Purchases from a state agency that are available on the same terms to the  
27 general public or that are made at public auction; or



1 regulated by, the state in matters in which he or she was directly involved  
 2 during the last thirty-six (36) months of his or her tenure.

3 **(b)** This **subsection**~~[provision]~~ shall not prohibit:

4 **1.** An individual from returning to the same business, firm, occupation, or  
 5 profession in which he or she was involved prior to taking office or  
 6 beginning his or her term of employment, or for which he or she  
 7 received, prior to his or her state employment, a professional degree or  
 8 license, ~~if provided that,~~ for a period of one (1) year, he or she  
 9 personally refrains from working on any matter in which he or she was  
 10 directly involved during the last thirty-six (36) months of his or her  
 11 tenure in state government;~~[. This subsection shall not prohibit ]~~

12 **2.** The performance of ministerial functions, including but not limited to  
 13 filing tax returns, filing applications for permits or licenses, or filing  
 14 incorporation papers; ~~or,~~ **or**~~[, nor shall it prohibit ]~~

15 **3.** The former officer or public servant from receiving public funds  
 16 disbursed through entitlement programs.

17 (8) A former public servant shall not act as a lobbyist or lobbyist's principal in matters  
 18 in which he or she was directly involved during the last thirty-six (36) months of his  
 19 or her tenure for a period of one (1) year after the latter of:

20 (a) The date of leaving office or termination of employment; or

21 (b) The date the term of office expires to which the public servant was elected.

22 (9) A former public servant shall not represent a person or business before a state  
 23 agency in a matter in which the former public servant was directly involved during  
 24 the last thirty-six (36) months of his or her tenure, for a period of one (1) year after  
 25 the latter of:

26 (a) The date of leaving office or termination of employment; or

27 (b) The date the term of office expires to which the public servant was elected.

- 1 (10) (a) Without the approval of his or her appointing authority, a public servant shall  
2 not accept outside employment from any person or business that does  
3 business with or is regulated by the state agency for which the public servant  
4 works or which he or she supervises, unless the outside employer's  
5 relationship with the state agency is limited to the receipt of entitlement funds.
- 6 (b) The appointing authority shall review administrative regulations established  
7 under KRS Chapter 11A when deciding whether to approve outside  
8 employment for a public servant.
- 9 (c) The appointing authority shall not approve outside employment for a public  
10 servant if the public servant is involved in decision-making or  
11 recommendations concerning the person or business from which the public  
12 servant seeks outside employment or compensation.
- 13 (d) The appointing authority, if applicable, shall file quarterly with the Executive  
14 Branch Ethics Commission a list of all employees who have been approved  
15 for outside employment along with the name of the outside employer of each.
- 16 (11) The prohibitions imposed by subsection (5) or (10) of this section shall not apply to  
17 Professional Golfers' Association class A members who teach golf lessons and  
18 receive a fee or lesson charge at golf courses owned and operated by the Kentucky  
19 Department of Parks. Instruction provided by an employee of the Commonwealth  
20 shall only be given while the employee is on his or her own personal time. The  
21 commissioner of the Department of Parks shall promulgate administrative  
22 regulations *in accordance with KRS Chapter 13A* to establish guidelines for the  
23 process by which Professional Golfers' Association class A members are approved  
24 to teach golf lessons at Kentucky Department of Parks-owned golf courses. The  
25 exception granted by this subsection is in recognition of the benefits that will accrue  
26 to the Kentucky Department of Parks due to increased participation at state-owned  
27 golf courses.

1 (12) The prohibitions imposed by subsections (6) to (10) of this section shall not apply  
2 to members of the Kentucky Horse Racing and Gaming Corporation.

3 (13) (a) This section shall not be construed to prohibit employees of the Department of  
4 Agriculture who are not employed within the Kentucky Office of Agricultural  
5 Policy established in KRS 246.030 from participating in, applying for, or  
6 receiving funds, awards, or contracts administered by the Department of  
7 Agriculture through the Kentucky Office of Agricultural Policy.

8 (b) This subsection shall be retroactive to March 12, 2021.

9 ➔Section 5. KRS 29A.180 is amended to read as follows:

10 (1) The sheriff or city police, as appropriate, shall be responsible for meals, housing,  
11 and other incidental needs of grand jurors and petit jurors in Circuit Court and in  
12 District Court when the jurors are kept overnight or otherwise sequestered when  
13 ordered to do so by the judge of the court for which the jurors were summoned. The  
14 expenses for these services shall be borne by the Finance and Administration  
15 Cabinet and the officer shall be reimbursed in accordance with administrative  
16 regulations issued by the Finance and Administration Cabinet, in accordance  
17 with~~[pursuant to]~~ KRS Chapter 13A.

18 (2) The sheriff or city police, as appropriate, shall be responsible for the transportation  
19 of jurors and other authorized persons to views of the scene or other locations  
20 authorized by the court pursuant to KRS 29A.310. In criminal cases the expenses  
21 for these services shall be borne by the Finance and Administration Cabinet, and the  
22 sheriff shall be reimbursed in accordance with administrative regulations issued by  
23 the Finance and Administration Cabinet, in accordance with~~[pursuant to]~~ KRS  
24 Chapter 13A. ~~[Excepting views conducted under the Eminent Domain Act of~~  
25 ~~Kentucky,]~~ In civil cases, these expenses shall be paid by the party requesting the  
26 viewing.

27 (3) The sheriff or city police, as appropriate, shall be responsible for providing any

1 specialized security personnel, equipment, and services which the judge, with the  
2 consent of the Chief Justice, shall deem necessary for the conduct of a trial in which  
3 the judge believes that special security precautions are necessary or desirable. The  
4 expenses for these services shall be borne by the Finance and Administration  
5 Cabinet, and the officer shall be reimbursed in accordance with administrative  
6 regulations issued by the Finance and Administration Cabinet, in accordance  
7 with~~[pursuant to]~~ KRS Chapter 13A. In such cases, the judge may also request the  
8 Chief Justice to provide the services of the Department of Kentucky State Police to  
9 ensure proper security precautions relating to the case.

10 ➔Section 6. KRS 36.040 is amended to read as follows:

11 (1) The adjutant general shall:

- 12 (a) Represent the Governor in all military matters pertaining to the  
13 Commonwealth of Kentucky;
- 14 (b) Be the executive head of the Department of Military Affairs and exercise all  
15 functions vested by law in the department;
- 16 (c) Establish the internal organizational structure of the major organizations of  
17 the department;
- 18 (d) Organize and supervise all programs, functions, and personnel assigned to the  
19 department in accordance with all state and federal statutes and administrative  
20 regulations;
- 21 (e) Be responsible to the Governor for the proper carrying into effect of all laws,  
22 rules, and regulations of the United States and of this state affecting the militia  
23 and other military organizations established by law;
- 24 (f) Perform the duties prescribed for him or her by laws of the United States and  
25 regulations issued thereunder;
- 26 (g) Direct and supervise the chiefs of staff departments and supervise all troops  
27 and all departments, arms, and branches of the Kentucky Army and Air

- 1 National Guard;
- 2 (h) Supervise the preparation of all returns and reports of the Department of  
3 Military Affairs;
- 4 (i) Keep a register of all the officers of the Kentucky National Guard, and make a  
5 written report to the Governor for the annual period ending on June 30 of each  
6 year of the operations and conditions of the Department of Military Affairs;
- 7 (j) Cause to be prepared and issued all necessary blank books, forms, and notices  
8 required to carry into full effect matters assigned to the adjutant general under  
9 ~~[the provisions of ]~~KRS Chapters 36, 37, and 38;
- 10 (k) Direct and supervise the safekeeping and repairing of the ordnance, arms,  
11 accoutrements~~[accouterments]~~, equipment, and all other military property  
12 belonging to the state or issued to it by the United States;
- 13 (l) Notify the Finance and Administration Cabinet of all military property of the  
14 state which after inspection is found unsuitable for use of the cabinet;
- 15 (m) Keep an account of:
- 16 1. All expenses, including pay of officers and enlisted persons~~[men]~~,  
17 allowance to officers and organizations;
- 18 2. Any other moneys required to be disbursed by the adjutant  
19 general~~[him]~~ and through his or her office, including subsistence and  
20 transportation of the National Guard; and
- 21 3. All military property of the United States;
- 22 (n) Issue and make requisitions for military property under the direction of the  
23 Governor, but no military property shall be issued to persons or organizations  
24 other than those belonging to the National Guard, except to such portion of  
25 the Kentucky active militia as is called out by the Governor;
- 26 (o) Maintain as a part of his or her office a Bureau of War Records in which all  
27 records pertaining to wars and relics shall be kept, and be custodian of all

- 1           such records, relics, colors, standards, and battle flags now the property of the  
2           state, or in its possession, or which the state may hereafter acquire;
- 3           (p) Organize units of the National Guard at places designated by the Governor  
4           and have the members mustered into service under regulations prescribed by  
5           the Governor;
- 6           (q) Issue all regulations, orders, and directives for the proper functioning and  
7           utilization of the Department of Military Affairs and its divisions;
- 8           (r) Hire, discharge, and pay any personnel that the adjutant general deems  
9           necessary to fulfill defense contracts without regard to KRS Chapter 18A; and
- 10          (s) Make contracts, acquire real and personal property by gift ~~or~~ purchase, ~~for~~  
11          ~~by condemnation in the manner prescribed in the Eminent Domain Act of~~  
12          ~~Kentucky,~~ and do all things necessary to perform its duties under this section  
13          and KRS 36.080.
- 14       (2) The adjutant general, or his or her designee, may enter into any federal contracts,  
15       federal grants, and federal agreements with the United States of America, by and  
16       through the Department of Defense, Department of the Army, Department of the  
17       Air Force, National Guard Bureau, Federal Aviation Administration, United States  
18       Department of Homeland Security, ~~and~~ Federal Emergency Management Agency,  
19       and any other division, department, or agency of the federal government, as may be  
20       deemed necessary to carry out the general intent and purposes of the Department of  
21       Military Affairs.
- 22       ➔Section 7. KRS 36.080 is amended to read as follows:
- 23       (1) The facilities division shall provide adequate armories, buildings, and grounds for  
24       the Kentucky Army and Air National Guard for its purposes of drill, instruction,  
25       and administration and for the safekeeping of public property of the state and the  
26       United States issued to or for the use of the Kentucky National Guard.
- 27       (2) The facilities division may, either alone or in cooperation with the United States

1 government, counties, cities, private corporations, voluntary unincorporated  
 2 associations or individuals, construct, or acquire by purchase, contract, lease, gift,  
 3 or donation~~[donations, or by condemnation in the manner prescribed in the~~  
 4 ~~Eminent Domain Act of Kentucky]~~, armories, buildings, or grounds suitable for  
 5 drill, instruction, and administration and the safekeeping of public property, and  
 6 make additions and improvements in or to those~~[such]~~ armories and facilities. The  
 7 division may, either alone or with the ~~[like]~~ cooperation of others, provide heat,  
 8 light, water, telephone service, and other costs of operation and maintenance,  
 9 including insurance.

- 10 (3) The amounts to be spent for the construction, acquisition, maintenance, and rental  
 11 of armories shall be wholly within the discretion of the adjutant general.

12 ➔Section 8. KRS 39A.100 is amended to read as follows:

- 13 (1) In the event of the occurrence or threatened or impending occurrence of any of the  
 14 situations or events enumerated in KRS 39A.010, 39A.020, or 39A.030, the  
 15 Governor may declare~~[,]~~ in writing~~[,]~~ that a state of emergency exists. The  
 16 Governor shall have and may exercise the following emergency powers during the  
 17 period in which the state of emergency exists:

- 18 (a) To enforce all laws~~[,]~~ and administrative regulations relating to disaster and  
 19 emergency response and to assume direct operational control of all disaster  
 20 and emergency response forces and activities in the Commonwealth;
- 21 (b) To require state agencies and to request local governments, local agencies,  
 22 and special districts to respond to the emergency or disaster in the manner  
 23 directed;
- 24 (c) ~~[To seize, take, or condemn property, for the duration of the emergency, and~~  
 25 ~~only for public use as defined in KRS 416.675, excluding firearms and~~  
 26 ~~ammunition, components of firearms and ammunition, or a combination~~  
 27 ~~thereof, for the protection of the public or at the request of the President, the~~

1            ~~Armed Forces, or the Federal Emergency Management Agency of the United~~  
 2            ~~States, including:~~

3            ~~1.—All means of transportation and communication;~~

4            ~~2.—All stocks of fuel of whatever nature;~~

5            ~~3.—Food, clothing, equipment, materials, medicines, and all supplies; and~~

6            ~~4.—Facilities, including buildings and plants, but excluding houses of worship,~~  
 7            ~~except to the extent that such houses have become unsafe to a degree that~~  
 8            ~~would justify condemnation in the absence of a state of emergency.~~

9            ~~— Compensation for property seized, taken, or condemned under this paragraph~~  
 10           ~~shall be determined using the process in KRS 416.540 to 416.670 to~~  
 11           ~~determine value;~~

12           ~~(d) To sell, lend, give, or distribute any of the property under paragraph (c) of this~~  
 13           ~~subsection among the inhabitants of the Commonwealth and to account to the~~  
 14           ~~State Treasurer for any funds received for the property;~~

15           ~~(e) To make compensation for the property seized, taken, or condemned under~~  
 16           ~~paragraph (c) of this subsection;~~

17           ~~(f) To exclude all nonessential, unauthorized, disruptive, or otherwise~~  
 18           ~~uncooperative personnel from the scene of the emergency, and to command~~  
 19           ~~those persons or groups assembled at the scene to disperse. A person who~~  
 20           ~~refuses to leave an area in which a written order of evacuation has been issued~~  
 21           ~~in accordance with a written declaration of emergency or a disaster may be~~  
 22           ~~forcibly removed to a place of safety or shelter, or may, if this is resisted, be~~  
 23           ~~arrested by a peace officer. Forcible removal or arrest shall not be exercised as~~  
 24           ~~options until all reasonable efforts for voluntary compliance have been~~  
 25           ~~exhausted;~~

26           ~~(d)(g)~~ To declare curfews and establish their limits;

27           ~~(e)(h)~~ To prohibit or limit the sale or consumption of goods, in the event of a

1 shortage of goods, excluding firearms and ammunition, components of  
 2 firearms and ammunition, or a combination of those~~thereof~~, or commodities  
 3 for the duration of the emergency;

4 ~~(f)(i)~~ To grant emergency authority to pharmacists pursuant to KRS  
 5 315.500~~1~~ for the duration of the emergency;

6 ~~(g)(j)~~ To request any assistance from agencies of the United States as  
 7 necessary and appropriate to meet the needs of the people of the  
 8 Commonwealth;

9 ~~(h)(k)~~ Upon the recommendation of the Secretary of State, to declare by  
 10 executive order a different time or place for holding elections in an election  
 11 area for which a state of emergency has been declared for part or all of the  
 12 election area. The election shall be held within thirty-five (35) days from the  
 13 date of the suspended or delayed election. The executive order shall remain in  
 14 effect until the date of the suspended or delayed election regardless of the  
 15 time limitations in KRS 39A.090 and shall not be changed except by action of  
 16 the General Assembly. The State Board of Elections shall establish  
 17 procedures for election officials to follow. Any procedures established under  
 18 this paragraph shall be subject to the approval of the Secretary of State and the  
 19 Governor by respective executive orders; and

20 ~~(i)(l)~~ Except as prohibited by this section or other law, to take action  
 21 necessary to execute those powers enumerated in paragraphs (a) to ~~(h)(k)~~ of  
 22 this subsection.

23 (2) Within thirty (30) days of a declared emergency~~1~~ and every thirty (30) days  
 24 thereafter, the Governor shall report to the General Assembly~~1~~ if in session, or to  
 25 the Legislative Research Commission if the General Assembly is not in session, on  
 26 a form provided by the Commission detailing:

27 (a) All expenditures relating to contracts issued during the emergency under KRS

1           45A.085 or 45A.095, or under any provision for which a state agency does not  
2           solicit bids or proposals for a contract; and

3           (b) All revenues received from the federal government in response to the declared  
4           emergency, any expenditures or expenditure plan for the federal funds by  
5           federal program, the state agency or program that was allocated the federal  
6           funds, and any state fund expenditures required to match the federal funds.

7           (3) In the event of the occurrence or threatened or impending occurrence of any of the  
8           situations or events contemplated by KRS 39A.010, 39A.020, or 39A.030, which in  
9           the judgment of a local chief executive officer is of such severity or complexity as  
10          to require the exercise of extraordinary emergency measures, the county  
11          judge/executive of a county other than an urban-county government, or mayor of a  
12          city or urban-county government, or chief executive of other local governments or  
13          their designees as provided by ordinance of the affected county, city, or urban-  
14          county may declare in writing that a state of emergency exists, and thereafter,  
15          subject to any orders of the Governor, shall have and may exercise for the period as  
16          the state of emergency exists or continues, the following emergency powers:

17          (a) To enforce all laws and administrative regulations relating to disaster and  
18          emergency response and to direct all local disaster and emergency response  
19          forces and operations in the affected county, city, urban-county, or charter  
20          county;

21          (b) To exclude all nonessential, unauthorized, disruptive, or uncooperative  
22          personnel from the scene of the emergency, and to command persons or  
23          groups of persons at the scene to disperse. A person who refuses to leave an  
24          area in which a written order of evacuation has been issued in accordance  
25          with a written declaration of emergency or a disaster may be forcibly removed  
26          to a place of safety or shelter, or may, if this is resisted, be arrested by a peace  
27          officer. Forcible removal or arrest shall not be exercised as options until all

- 1 reasonable efforts for voluntary compliance have been exhausted;
- 2 (c) To declare curfews and establish their limits;
- 3 (d) To order immediate purchase or rental of, contract for, or otherwise procure,  
4 without regard to procurement codes or budget requirements, the goods and  
5 services essential for protection of public health and safety or to maintain or  
6 to restore essential public services; and
- 7 (e) To request emergency assistance from any local government or special district  
8 and, through the Governor, to request emergency assistance from any state  
9 agency and to initiate requests for federal assistance as are necessary for  
10 protection of public health and safety or for continuation of essential public  
11 services.
- 12 (4) ~~Nothing in~~ This section shall ***not*** be construed to allow any governmental entity to  
13 impose additional restrictions on:
- 14 (a) The lawful possession, transfer, sale, transport, carrying, storage, display, or  
15 use of firearms and ammunition or components of firearms and ammunition;
- 16 (b) The right of the people to exercise free speech, freedom of the press, to  
17 petition their government for redress of injuries, or to peaceably assemble; or
- 18 (c) The right of the people to worship, worship in person, or to act or refuse to act  
19 in a manner motivated by a sincerely held religious belief.
- 20 (5) ~~Nothing in~~ This section shall ***not*** be construed to allow any governmental entity to  
21 impose restrictions on the right of the people to:
- 22 (a) Peaceably assemble; or
- 23 (b) Worship, worship in person, or to act or refuse to act in a manner motivated  
24 by a sincerely held religious belief.
- 25 (6) (a) A governmental entity shall not prohibit or restrict a religious organization  
26 from operating or engaging in religious services during a declared emergency  
27 to the same or any greater extent than other organizations or businesses that

1 provide essential services necessary and vital to the health and welfare of the  
2 public are prohibited or restricted.

3 (b) Paragraph (a) of this subsection shall not prohibit the Governor from requiring  
4 religious organizations to comply with neutral health, safety, or occupancy  
5 requirements that are applicable to all organizations and businesses that  
6 provide essential services. However, ~~q[no]~~ health, safety, or occupancy  
7 requirement ***shall not***~~[may]~~ impose a substantial burden on a religious  
8 organization or its services unless applying the burden to the religion or  
9 religious service in the particular instance is essential to further a compelling  
10 governmental interest and is the least restrictive means of furthering that  
11 compelling governmental interest.

12 (c) A governmental entity shall not take any discriminatory action against a  
13 religious organization.

14 (7) As used in this section:

15 (a) "Discriminatory action" includes any action taken by a governmental entity  
16 wholly or partially on the basis that ~~an[such]~~ organization is religious,  
17 operates or seeks to operate during a state of emergency, or engages in the  
18 exercise of religion as protected under the First Amendment to the  
19 Constitution of the United States to:

- 20 1. Adversely alter in any way the tax treatment of, cause any tax, penalty,  
21 or payment to be assessed against, or deny, delay, or otherwise make  
22 unavailable an exemption from taxation;
- 23 2. Disallow, deny, or otherwise make unavailable a deduction for state tax  
24 purposes of any charitable contribution made to or by a religious  
25 organization;
- 26 3. Impose, levy, or assess a monetary fine, fee, civil or criminal penalty,  
27 damages award, or injunction; or

- 1           4. Withhold, reduce, exclude, terminate, adversely alter the terms or  
2           conditions of, or otherwise make unavailable or deny any:
- 3           a. State grant, contract, subcontract, cooperative agreement,  
4           guarantee, loan, scholarship, or other similar benefit from or to a  
5           religious organization;
- 6           b. Entitlement or benefit under a state benefit program from or to a  
7           religious organization; or
- 8           c. License, certification, accreditation, recognition, or other similar  
9           benefit, position, or status from or to any religious organization;
- 10       (b) "Governmental entity" means:
- 11           1. The Commonwealth or any of its political subdivisions;
- 12           2. Any agency of the state described in KRS 12.020;
- 13           3. Any person acting under color of state law; and
- 14           4. Any private person suing under or attempting to enforce a law, rule, or  
15           administrative regulation adopted by the state or any of its political  
16           subdivisions;
- 17       (c) "Religious organization" means:
- 18           1. A house of worship, including churches, synagogues, shrines, mosques,  
19           and temples;
- 20           2. A religious group, corporation, association, educational institution,  
21           ministry, order, society, or similar entity, regardless of whether it is  
22           integrated or affiliated with a church or other house of worship; or
- 23           3. Any officer, owner, employee, manager, religious leader, clergy, or  
24           minister of an entity or organization described in this paragraph; and
- 25       (d) "Religious services" means a meeting, gathering, or assembly of two (2) or  
26       more persons organized by a religious organization for the purpose of  
27       worship, teaching, training, providing educational services, conducting

1 religious rituals, or other activities that are deemed necessary by the religious  
2 organization for the exercise of religion.

3 (8) A religious organization may assert a violation of subsection (4)(c), (5)(b), or (6) of  
4 this section as a claim against a governmental entity in any judicial or  
5 administrative proceeding or as a defense in any judicial or administrative  
6 proceeding without regard to whether the proceeding is brought by or in the name  
7 of the governmental entity, any private person, or any other party. Sovereign,  
8 governmental, and qualified immunity are waived to the extent of liability created  
9 under this section. An action asserting a violation of this section may be  
10 commenced, and relief may be granted, without regard to whether the religious  
11 organization commencing the action has sought or exhausted administrative  
12 remedies.

13 (9) Remedies available to a religious organization under this section against a  
14 governmental entity include:

- 15 (a) Declaratory relief;
- 16 (b) Injunctive relief to prevent or remedy a violation of this section or the effects  
17 of ~~that~~<sup>such</sup> violation;
- 18 (c) Compensatory damages for pecuniary and nonpecuniary losses;
- 19 (d) Reasonable attorneys' fees and costs; and
- 20 (e) Any other appropriate relief.

21 (10) Remedies available to a religious organization under this section against a person  
22 not acting under color of state law shall be limited to declaratory and injunctive  
23 relief.

24 (11) This section:

- 25 (a) Shall be construed in favor of a broad protection of free exercise of religion;
- 26 (b) Shall be in addition to the protections provided under state and federal laws  
27 and constitutions;

1 (c) ~~Nothing in this section~~ shall **not** be construed to:

- 2 1. Preempt or repeal any state law or local ordinance that is equally or
- 3 more protective of free exercise of religion; or
- 4 2. Narrow the meaning or application of any state law or local ordinance
- 5 protecting free exercise of religion; and

6 (d)~~(e)~~ Applies to, and in cases of conflict, supersedes:

- 7 1. Each statute of the Commonwealth that infringes upon the free exercise
- 8 of religion protected by this section~~;~~ unless a conflicting statute is
- 9 expressly made exempt from the application of this section; and
- 10 2. Any ordinance, rule, administrative regulation, order, opinion, decision,
- 11 practice, or other exercise of a governmental entity's authority that
- 12 infringes upon the free exercise of religion protected by this section.

13 (12) A religious organization shall bring an action to assert a claim under this section no  
 14 later than two (2) years from the date the person knew or should have known that a  
 15 discriminatory action or other violation of this section was taken against that  
 16 religious organization.

17 ➔Section 9. KRS 39A.295 is amended to read as follows:

18 (1) ~~Nothing in KRS 39A.100, 39A.110, 39A.120, 39A.130, or 39A.140, or any other~~  
 19 ~~provision of~~ This chapter~~;~~ shall **not** authorize ~~a taking of property or~~ the taking  
 20 of any action which is in violation of KRS 237.102 or 237.104.

21 (2) If a person is relocated to temporary housing before, during, or after a disaster or  
 22 emergency, he or she shall still possess the rights guaranteed by KRS 237.102 and  
 23 237.104.

24 ➔Section 10. KRS 45A.045 is amended to read as follows:

25 (1) The Finance and Administration Cabinet shall serve as the central procurement and  
 26 contracting agency of the Commonwealth **and shall:**~~;~~

27 (a) ~~The cabinet shall~~ Require all agencies to furnish an estimate of specific

1 needs for supplies, materials, and equipment to be purchased by competitive  
2 bidding for the purpose of permitting scheduling of purchasing in large  
3 volume. The cabinet shall establish and enforce schedules for purchasing  
4 supplies, materials, and equipment. ~~In addition,~~ Prior to the beginning of  
5 each fiscal year, all agencies shall submit to the Finance and Administration  
6 Cabinet an estimate of all needs for supplies, materials, and equipment during  
7 that year which will ~~have to~~ be required through competitive bidding; ~~and~~

8 (b) ~~The Finance and Administration Cabinet shall~~ Have power, with the  
9 approval of the secretary of the Finance and Administration Cabinet, to  
10 transfer between departments, to salvage, **and** to exchange, ~~and to condemn~~  
11 ~~supplies, equipment, and real property; and~~

12 (c) ~~The Finance and Administration Cabinet shall attempt in every practicable~~  
13 ~~way to~~ Ensure that state agencies are fulfilling their business needs through  
14 the application of the best value criteria.

15 (2) The Finance and Administration Cabinet shall recommend regulations, rules, and  
16 procedures and shall have supervision over all purchases by the various spending  
17 agencies, except as otherwise provided by law, and, subject to the approval of the  
18 secretary of the Finance and Administration Cabinet, shall promulgate  
19 administrative regulations ***in accordance with KRS Chapter 13A*** to govern  
20 purchasing by or for all these agencies. The cabinet shall publish a manual of  
21 procedures which shall be incorporated by reference as an administrative regulation  
22 pursuant to KRS Chapter 13A. This manual shall be distributed to agencies and  
23 shall be revised upon issuance of amendments to these procedures. ~~A~~ ~~No~~ purchase  
24 or contract shall ***not*** be binding on the state or any ***state*** agency ~~thereof~~ unless  
25 approved by the Finance and Administration Cabinet or made under general  
26 administrative regulations promulgated by the cabinet.

27 (3) The Finance and Administration Cabinet shall purchase or otherwise acquire, or,

1 with the approval of the secretary, may delegate and control the purchase and  
2 acquisition of the combined requirements of all spending agencies of the state,  
3 including~~[,]~~ but not limited to~~[,]~~ interests in real property, contractual services,  
4 rentals of all types, supplies, materials, equipment, and services.

5 (4) The Finance and Administration Cabinet shall sell, trade, or otherwise dispose of  
6 any interest in real property of the state which is not needed, or has become  
7 unsuitable for public use, or would be more suitable to the public's interest if used  
8 in another manner, as determined by the secretary of the Finance and  
9 Administration Cabinet. The determination of the secretary of the Finance and  
10 Administration Cabinet shall be set forth in an order and shall be reached only after  
11 review of a written request by the agency desiring to dispose of the property. This  
12 request shall describe the property and state the reasons why the agency believes  
13 the property should be disposed. All instruments required by law to be recorded  
14 which convey any interest in any real property so disposed of shall be executed and  
15 signed by the secretary of the Finance and Administration Cabinet and approved by  
16 the Governor. Unless the secretary of the Finance and Administration Cabinet  
17 deems it in the best interest of the state to proceed otherwise, all interests in real  
18 property shall be sold either by invitation of sealed bids or by public auction. The  
19 selling price of any interest in real property shall not be less than ~~its~~~~the~~ appraised  
20 value ~~thereof~~ as determined by the cabinet~~[,]~~ or the Transportation Cabinet for the  
21 requirements of that cabinet.

22 (5) The Finance and Administration Cabinet shall sell, trade, or otherwise dispose of all  
23 personal property of the state that is not needed, ~~or~~ has become unsuitable for  
24 public use, or would be more suitable to the public's interest if used in another  
25 manner, or, with the approval of the secretary, may delegate the sale, trade, or other  
26 disposal of the personal property. In the event the authority is delegated, the method  
27 for disposal shall be determined by the agency head, in accordance with

- 1 administrative regulations promulgated by the Finance and Administration Cabinet  
2 *in accordance with KRS Chapter 13A*, and shall be set forth in a document  
3 describing the property and stating the method of disposal and the reasons why the  
4 agency believes the property should be disposed of. In the event the authority is not  
5 delegated, requests to the Finance and Administration Cabinet to sell, trade, or  
6 otherwise dispose of the property shall describe the property and state the reasons  
7 why the agency believes the property should be disposed of. The method for  
8 disposal shall be determined by the Division of Surplus Properties~~[,]~~ and approved  
9 by the secretary of the Finance and Administration Cabinet or his or her designee.
- 10 (6) The Finance and Administration Cabinet shall exercise general supervision and  
11 control over all warehouses, storerooms, and stores and of all inventories of  
12 supplies, services, and construction belonging to the Commonwealth. The cabinet  
13 shall promulgate administrative regulations *in accordance with KRS Chapter 13A*  
14 to require agencies to take and maintain inventories of plant property, buildings,  
15 structures, other fixed assets, and equipment. The cabinet shall conduct periodic  
16 physical audits of inventories.
- 17 (7) The Finance and Administration Cabinet shall establish and maintain programs for  
18 the development and use of purchasing specifications and for the inspection,  
19 testing, and acceptance of supplies, services, and construction.
- 20 (8) ~~Nothing in~~ This section shall ***not*** prevent the Finance and Administration Cabinet  
21 from negotiating with vendors who maintain a General Services Administration  
22 price agreement with the United States of America or any *of its agencies*~~[agency~~  
23 ~~thereof]~~. ~~A~~~~[No]~~ contract executed under this *section*~~[provision]~~ shall ***not*** authorize a  
24 price higher than is contained in the contract between the General Services  
25 Administration and the vendor affected.
- 26 (9) Except as provided in KRS Chapters 175, 176, 177, and 180, and subject to the  
27 provisions of this code, the Finance and Administration Cabinet shall purchase or

1 otherwise acquire all real property determined to be needed for state use, upon  
2 approval of the secretary of the Finance and Administration Cabinet as to the  
3 determination of need and as to the action of purchase or other acquisition. The  
4 amount paid for this real property shall not exceed the appraised value as  
5 determined by the cabinet or the Transportation Cabinet ~~{(}for the[such]~~  
6 ~~requirements of that cabinet{)}, or the value set by eminent domain procedure.~~  
7 Subject to the provisions of this code, real property or any interest in real  
8 property~~[therein]~~ may be purchased, leased, or otherwise acquired from any officer  
9 or employee of any agency of the state upon a finding by the Finance and  
10 Administration Cabinet, based upon a written application by the head of the agency  
11 requesting the purchase, and approved by the secretary of the Finance and  
12 Administration Cabinet and the Governor, that the employee has not either himself  
13 or herself, or through any other person, influenced or attempted to influence either  
14 the agency requesting the acquisition of the property or the Finance and  
15 Administration Cabinet in connection with the~~[such]~~ acquisition. Whenever such an  
16 acquisition is consummated, the request and finding shall be recorded and kept by  
17 the Secretary of State along with the other documents recorded pursuant to ~~the~~  
18 ~~provisions of~~ KRS Chapter 56.

19 (10) The Finance and Administration Cabinet shall maintain records of all purchases and  
20 sales made under its authority and shall make periodic summary reports of all  
21 transactions to the secretary of the Finance and Administration Cabinet, the  
22 Governor, and the General Assembly. The Finance and Administration Cabinet  
23 shall also report trends in costs and prices, including savings realized through  
24 improved practices, to the above authorities. The Finance and Administration  
25 Cabinet shall also compile an annual report of state purchases by all spending  
26 agencies in the state's statewide accounting and reporting system. The report format  
27 shall include, but not be limited to, dollar amount, volume, type of purchase, and

1 vendor.

2 (11) For capital construction projects, subject to the provisions of this code and KRS  
3 45A.180, the procurement may be on whichever of the following alternative project  
4 delivery methods, in the judgment of the secretary of the Finance and  
5 Administration Cabinet after first considering the traditional design-bid-build  
6 project delivery method, offers the best value to the taxpayer:

7 (a) A design-build basis; or

8 (b) A construction management-at-risk basis.

9 Proposals shall be reviewed by the engineering staff to assure quality and value, and  
10 compliance with procurement procedures. All specifications shall be written to  
11 promote competition. ~~Nothing in~~ This section shall ***not*** prohibit the procurement  
12 of phased bidding or construction manager-agency services.

13 (12) The Finance and Administration Cabinet shall have control and supervision over all  
14 purchases of energy-consuming equipment, supplies, and related equipment  
15 purchased or acquired by any agency of the state as provided in this code, and shall  
16 promulgate administrative regulations ***in accordance with KRS Chapter 13A*** to  
17 designate the manner in which an energy-consuming item will be purchased so as to  
18 promote energy conservation and acquisition of energy efficient products. Major  
19 energy components shall be amortized on a seven (7) to ten (10) years' recovery  
20 basis and shall take into consideration the projected cost of fuel. The Finance and  
21 Administration Cabinet, in consultation with the Cabinet for Economic  
22 Development, shall conduct a thorough economic feasibility analysis on any major  
23 energy-using component of at least three million (3,000,000) BTU's per hour heat  
24 input and shall issue a certificate of economic feasibility prior to the Finance and  
25 Administration Cabinet's purchasing or retrofitting any such component that utilizes  
26 any fuel other than coal. The economic feasibility analysis shall consist of life-cycle  
27 cost comparisons of a component that would utilize coal and ***components***~~[one(s)]~~

1 that would utilize any fuel other than coal. For the analysis, the Finance and  
 2 Administration Cabinet shall provide detailed estimates of equipment purchase  
 3 price, installation cost, annual operation and maintenance costs, and usage patterns  
 4 of energy-using components.

5 ➔Section 11. KRS 56.463 is amended to read as follows:

6 The cabinet shall have the power and duty to:

- 7 (1) ~~{To}~~ Determine the comparative needs and demands of the various state agencies  
 8 for acquiring real estate and for building projects;
- 9 (2) ~~{To}~~ Purchase or otherwise acquire all real property determined to be needed for  
 10 state use and upon the approval of the secretary of the Finance and Administration  
 11 Cabinet as to the determination of need and as to the action of purchase or other  
 12 acquisition, except as provided in KRS Chapters 175, 176, 177, and 180. All ~~{such}~~  
 13 ~~{acquisitions}~~ of real property or interests in real property under this  
 14 subsection~~{therein}~~ shall be made in accordance with KRS 45A.045;
- 15 (3) ~~{To}~~ Sell or otherwise dispose of all property, including any interest in real  
 16 property, of the state that is not needed or has become unsuitable for public use or  
 17 would be more suitable consistent with the public interest for some other use as  
 18 determined by the secretary of the Finance and Administration Cabinet. All ~~{such}~~  
 19 ~~{sales}~~ or other dispositions under this subsection~~{disposition}~~ shall be made in  
 20 accordance with KRS 45A.045;
- 21 (4) (a) ~~{To}~~ Control the use of any real property owned or otherwise held by the  
 22 Commonwealth, or any state agency, and to determine for what periods of  
 23 time and for what purposes any state agency may use the real property~~{same}~~,  
 24 including the agency for whose use it was initially acquired or improved, and  
 25 to determine what appropriate uses shall be made of the~~{such}~~ real property  
 26 during periods that the cabinet finds the property~~{same}~~ is not required for the  
 27 purposes of any particular state agency. The cabinet shall allocate to the

- 1           General Assembly and the Legislative Research Commission all space within  
2           the New State Capitol Annex in the basement and on the first, second, third,  
3           and fourth floors, excluding:
- 4           1.    Mechanical areas, public entrances, vestibules, and restrooms; and
  - 5           2.    The following additional space, as allocated on January 1, 2023:
    - 6           a.    Areas in the basement occupied by the Kentucky State Police and  
7                Facilities Security;
    - 8           b.    Areas in the basement operated as the snack bar and cafeteria, as  
9                well as storage areas related to the operation of the snack bar and  
10              cafeteria;
    - 11           c.    The area in the basement operated as a nurse's station;
    - 12           d.    The area in the basement used as an automated teller machine  
13                (ATM);
    - 14           e.    The office space in the basement occupied by the Secretary of  
15                State;
    - 16           f.    Utility spaces in the basement west wing and east wing  
17                northernmost hallways occupied by janitorial, maintenance, and  
18                mechanical staff;
    - 19           g.    The loading dock in the rear of the annex basement, along with the  
20                office space immediately adjacent to the loading dock on the back  
21                wall of the annex, provided that the General Assembly and the  
22                Legislative Research Commission shall be given access to and use  
23                of the loading dock and the receiving areas adjacent to the loading  
24                dock; and
    - 25           h.    Office and studio space on the first floor currently occupied and  
26                used for broadcasting purposes by Kentucky Educational  
27                Television.

- 1 All space assigned to the legislative branch and plans, uses, furnishings, and  
2 equipment for the space~~therefor~~ are subject to the specific approval of the  
3 Legislative Research Commission;
- 4 (b) All additional space in the New State Capitol Annex~~;~~ not specifically  
5 allocated for use by the General Assembly and the Legislative Research  
6 Commission in paragraph (a) of this subsection~~;~~ shall be allocated for the  
7 use of the legislative branch, with occupancy by the legislative branch to be  
8 determined by the Legislative Research Commission~~;~~ upon a vote of a  
9 majority of the entire membership of the Legislative Research Commission;
- 10 (c) In order for the General Assembly and the Legislative Research Commission  
11 to efficiently utilize the space provided by paragraphs (a) and (b) of this  
12 subsection, the cabinet shall enter into a memorandum of understanding with  
13 the Legislative Research Commission on or about February 1, 2024, and as  
14 often as every two (2) years thereafter at the request of the Legislative  
15 Research Commission, to establish tenancy terms, including but not limited to  
16 building maintenance, repairs, renovations, and upgrades; facility security;  
17 janitorial services; and applicable rental and utilities rates. The Legislative  
18 Research Commission shall at any time, and upon at least sixty (60) days'  
19 notice, be authorized to discontinue the cabinet's provision of janitorial  
20 services for the New State Capitol Annex and to enter into a separate contract  
21 for the provision of those services, with the applicable rental and utilities rates  
22 to be proportionately reduced to reflect that separate contract, provided that  
23 the Legislative Research Commission may also at any time, and upon at least  
24 sixty (60) days' notice, elect to have the cabinet continue or reinstate the  
25 provision of those janitorial services at the cabinet's expense; and
- 26 (d) For the purposes of this subsection, real property shall include the parking  
27 areas adjacent to the New State Capitol and the New State Capitol Annex, and

1 the cabinet shall allocate to the General Assembly and the Legislative  
2 Research Commission all parking spaces within the Capitol campus parking  
3 garage, all parking spaces in the east, south, and west parking lots of the New  
4 State Capitol Annex, and all parking spaces in the west parking lot of the New  
5 State Capitol, except for those spaces in the west parking lot of the New State  
6 Capitol allocated, as of January 1, 2023, to the Supreme Court of Kentucky,  
7 the Lieutenant Governor, the Attorney General, and the Secretary of State.  
8 Any further allocation of any parking spaces allocated pursuant to this  
9 paragraph shall be within the sole discretion of the Legislative Research  
10 Commission or its designee;~~and~~

11 ~~(5)(e)~~ ~~To~~ Determine the housing and furnishings needs of the various state  
12 agencies located in Frankfort and to establish and put into effect a permanent  
13 program for housing them. Subject to subsection (4)(a) and (b) of this  
14 section~~paragraphs (a) and (b) of this subsection~~, the cabinet is also authorized and  
15 directed to allocate office space and furnishings in existing public buildings located  
16 in Frankfort, exclusive of the third and fourth floors of the New State Capitol and  
17 the space in the New State Capitol Annex allocated to the legislative branch,  
18 according to the needs of the various agencies. When necessary, the cabinet is  
19 authorized to provide additional office space and furnishings in Frankfort under any  
20 building program the cabinet deems most advisable and economical for the state.  
21 The permanent housing program shall include provisions for housing the General  
22 Assembly and its related agencies, including the Legislative Research Commission,  
23 and its subcommittees, the executive offices, the Supreme Court and the clerk of the  
24 Supreme Court, the Department of Law and the law library, in the New State  
25 Capitol, provided the General Assembly and the Legislative Research Commission  
26 shall have complete control and exclusive use of the third and fourth floors of the  
27 New State Capitol and shall have exclusive use of the space in the New State

1 Capitol Annex allocated to them under subsection (4)(a) and (b) of this  
 2 section~~[paragraphs (a) and (b) of this subsection]. [If there be ]~~Any additional space  
 3 in the Capitol~~[, it]~~ shall be assigned to agencies whose activities are most closely  
 4 related to the agencies directed to be located permanently in the Capitol;

5 ~~(6)~~~~[(5)]~~ ~~[To acquire, by condemnation in the manner provided in the Eminent Domain~~  
 6 ~~Act of Kentucky, any real estate necessary for use by the state or by any state~~  
 7 ~~agency, when the cabinet is unable to agree with the owner thereof on a price for~~  
 8 ~~such real estate;~~

9 ~~(6)~~ ~~To ]~~Lease any real property~~[,]~~ or any interest in ~~[such ]~~real property~~[,]~~ owned by the  
 10 state or any state agency ~~[thereof, ]~~in accordance with KRS 45A.045;

11 (7) ~~[To ]~~Provide for and adopt plans and specifications as may be necessary, to provide  
 12 adequate public notice for and receive bids for any expenditures proposed to be  
 13 made, to award contracts for the purpose authorized, to supervise construction and  
 14 make changes and revisions in plans and specifications or in construction as may  
 15 become necessary, and generally to do any thing ~~[and all other things as may~~  
 16 ~~become necessary ]~~or expedient in order to effectively fulfill and carry out the  
 17 purposes of this chapter, including the right to employ clerks, engineers,  
 18 statisticians, architects, or other persons required to be employed in order to fulfill  
 19 the functions of the Commonwealth relating to state property and buildings  
 20 ~~[provided ]~~in KRS 56.450 to 56.550; and

21 (8) ~~[To ]~~Adopt rules and promulgate administrative regulations in accordance with  
 22 KRS Chapter 13A as may be necessary to govern the acquisition, control, and  
 23 disposition of the real property to which this section is applicable.

24 ➔Section 12. KRS 58.010 is amended to read as follows:

25 As used in KRS 58.010 to 58.130~~[58.140]~~, unless the context requires otherwise:

26 (1) "Governmental agency" means the Commonwealth of Kentucky as such acting  
 27 by or through any of its departments, instrumentalities, or agencies, any county

1 or city, or its agencies or instrumentalities, including a regional wastewater  
 2 commission established under KRS 65.8901 to 65.8923, or any other political  
 3 subdivision of the Commonwealth; and

4 ~~(2)(1)~~ "Public project":

5 (a) Means any lands, buildings, or structures, works or facilities:

6 1.(a) Suitable for and intended for use as public property for public  
 7 purposes or suitable for and intended for use in the promotion of the  
 8 public health, public welfare, or the conservation of natural resources,  
 9 including medical office buildings contiguous to hospital facilities, and  
 10 shall also include the planning of any such lands, buildings, structures,  
 11 works, or facilities; or

12 2.(b) Suitable for and intended for use for the purpose of creating or  
 13 increasing the public recreational, cultural, and related business facilities  
 14 of a community, including ~~such structures as~~ concert halls, museums,  
 15 stadiums, theaters, and other public facilities, together with related and  
 16 appurtenant parking garages, offices, and office buildings for rental, in  
 17 whole or in part, to private tenants, dwelling units and apartment  
 18 buildings for rental in whole or in part to private tenants, commercial  
 19 and retail businesses, stores or other establishments, and any ~~structure~~  
 20 ~~or structures or~~ combination of those~~the foregoing~~, or other structures  
 21 having as their primary purpose the creation, improvement,  
 22 revitalization, renewal, or modernization of a central business or  
 23 shopping community, and shall also include existing lands, buildings,  
 24 structures, works, and facilities, as well as improvements or additions to  
 25 those~~any such~~ lands, buildings, structures, works, or facilities; and~~;~~

26 (b) Includes~~(2) "Public project" as defined herein shall include~~ projects  
 27 intended for use as public property for public purposes by another

1 governmental agency, including the United States government, other than the  
2 governmental agency acquiring the land or constructing the building,  
3 structure, or facility.

4 ~~[(3) "Governmental agency" means the Commonwealth of Kentucky as such acting by  
5 or through any department, instrumentality or agency thereof, or any county, city,  
6 agency, or instrumentality, including a regional wastewater commission established  
7 under KRS 65.8901 to 65.8923, or other political subdivision of the  
8 Commonwealth.]~~

9 ➔Section 13. KRS 58.020 is amended to read as follows:

10 A governmental agency acting separately or jointly with one (1) or more  
11 governmental~~[of any such]~~ agency, may acquire, construct, maintain, add to, and  
12 improve any public project as defined in KRS 58.010, which public project may be  
13 located within or without or partly within and partly without the territorial limits of  
14 the~~[such]~~ governmental agency or agencies, and for the purpose of defraying the cost  
15 thereof may borrow money and issue negotiable revenue bonds. Before any department  
16 or agency of the state government shall borrow money and issue bonds under KRS  
17 58.010 to 58.130~~[58.140]~~, the head of the department or agency shall file with the  
18 Secretary of State a written order~~[,]~~ approved by the Governor, the Attorney General, and  
19 the secretary of the Finance and Administration Cabinet, setting forth the proposed public  
20 project, the amount of the bonds to be issued, and the maximum rate of interest the bonds  
21 are to bear. Any governmental agency other than agencies of the state government may  
22 borrow money and issue revenue bonds under KRS 58.010 to 58.130~~[58.140]~~ pursuant to  
23 an order, resolution, or ordinance of its legislative or administrative body, which order,  
24 resolution, or ordinance shall set forth the proposed public project, the amount of the  
25 revenue bonds to be issued, and the maximum rate of interest. In every instance the order,  
26 resolution, or ordinance shall provide that the public project is being undertaken under  
27 ~~[the provisions of]~~ KRS 58.010 to 58.130~~[58.140]~~.

1       ➔Section 14. KRS 58.030 is amended to read as follows:

- 2       (1) The bonds may be issued to bear interest at the rate or rates or method of  
3       determining rates, payable at least annually, and shall be executed in a[such]  
4       manner, and be payable at ~~[such]~~ times not exceeding forty (40) years from the date  
5       of issuance~~[thereof]~~ and at a[such] place or places as the governmental agency  
6       determines.
- 7       (2) The bonds may provide that they or any of them may be called for redemption prior  
8       to maturity, on any date not earlier than one (1) year from the date of issuance of  
9       the bonds, under conditions fixed by the governmental agency before issuing the  
10      bonds.
- 11      (3) Any governmental agency is authorized to rent, ~~or~~ lease, or establish a contract  
12      regarding a[such] public project or any portion of the project~~[thereof]~~ to or  
13      ~~[contract concerning same]~~ with any persons, partnerships, associations, or  
14      corporations either public or private, profit or nonprofit. Notwithstanding ~~[any of~~  
15      ~~the other provisions of]~~ KRS 58.010 to 58.130~~[58.140]~~ or any other laws, any ~~[such~~  
16      ~~]renting, leasing, or contracting~~ under this subsection may be accomplished  
17      without the necessity of awarding the~~[such]~~ lease or contract by advertisement or  
18      competitive bidding ~~if, provided]~~ the governmental agency ~~[so]~~ leasing or  
19      contracting regarding the~~[such]~~ project or any portion of the project~~[thereof or~~  
20      ~~contracting concerning same]~~ first makes a legislative determination that it is in the  
21      best interest of the~~[such]~~ governmental agency to enter into the~~[such]~~ lease or  
22      contract without the necessity for ~~[such]~~ advertisement or competitive bidding; and  
23      the~~[such]~~ lease may provide that the lessee ~~[therein]~~ is permitted or obligated to  
24      sublease the project or any portion of the project~~[thereof]~~ for the purpose of  
25      accomplishing the creation, improvement, revitalization, renewal, or modernization  
26      of a central business or shopping community.
- 27      (4) A governmental agency is empowered to accept donations or gifts to the public

1 project from any source and to accept appropriations and grants to the public  
2 project from the federal government or its agencies and appropriations from the  
3 state or any county, city, or other political subdivision and, at the option of the  
4 governmental agency, to pledge ~~the~~<sup>such</sup> donations, gifts, or appropriations to the  
5 payment of revenue bonds issued to finance the cost of a public project.

6 ➔Section 15. KRS 58.040 is amended to read as follows:

7 (1) Bonds issued pursuant to KRS 58.010 to 58.130~~58.140~~ shall be negotiable and  
8 shall not be subject to taxation.

9 (2) If any officer whose signature or countersignature appears on the bonds or coupons  
10 ceases to be an officer before delivery of the bonds, the officer's signature or  
11 countersignature shall be valid and sufficient for all purposes as if the officer had  
12 remained in office until delivery.

13 (3) The bonds shall be sold in a manner and upon the terms as the governmental agency  
14 determines and as provided in KRS 424.360. Any contract for the acquisition of a  
15 public project may provide that payment shall be made in bonds.

16 (4) The bonds shall be payable solely from the revenue derived from the public project  
17 and shall not constitute an indebtedness of the state, county, city, or political  
18 subdivision within the meaning of the Constitution.

19 (5) It shall be plainly stated on the face of each bond that the bond has been issued  
20 under ~~the provisions of~~ KRS 58.010 to 58.130~~58.140~~ and that the bond does not  
21 constitute an indebtedness of the governmental agency within the meaning of the  
22 Constitution.

23 ➔Section 16. KRS 58.060 is amended to read as follows:

24 (1) If there is any default in the payment of principal or interest of any bond, any court  
25 having jurisdiction of the action may appoint a receiver to administer the public  
26 project on behalf of the governmental agency, with power to charge and collect  
27 rents, royalties, fees, rates, and charges and to receive any other available revenue

1 sufficient to provide for the payment of any bonds or obligations outstanding  
2 against the public project, and for the payment of operating expenses, and to apply  
3 the income and revenue in conformity with KRS 58.010 to 58.130~~[58.140]~~ and the  
4 order, resolution, or ordinance referred to in KRS 58.020.

5 (2) Notwithstanding ~~[any of the other provisions of]~~ KRS 58.010 to 58.130~~[58.140]~~,  
6 inclusive, it may be provided in the proceedings authorizing bonds issued for the  
7 purpose of financing a project under subsection (2)(a)2. of KRS 58.010~~[(+)(b)]~~, as  
8 amended, that the governmental agency, in connection with the issuance of its  
9 bonds, execute a mortgage deed of trust in favor of a trustee, on the project acquired  
10 or constructed through the application of the proceeds of the bonds, providing that  
11 in the event of default by the agency in the payment of interest or principal of its  
12 bonds or in the event of default of any other covenant contained in the~~[such]~~  
13 mortgage deed of trust the trustee, on behalf of the bondholders, may institute and  
14 carry through foreclosure proceedings, with the property secured by the mortgage  
15 deed of trust put up for sale on foreclosure proceedings, the proceeds of the~~[such]~~  
16 sale to be used for the benefit of the bondholders. In connection with the~~[such]~~ plan  
17 of financing, ~~[such]~~ provisions may be inserted in the bonds themselves and in the  
18 mortgage deed of trust as may be necessary to protect the bondholders and in order  
19 to make the~~[such]~~ bonds salable with the lowest net interest cost to the agency. If  
20 the agency declares its intent by ordinance or resolution to follow the provisions of  
21 this section, and in doing so determines it cannot comply with any provision of  
22 KRS 58.010 to 58.130~~[58.140]~~, as that~~[such]~~ provision is inconsistent with the  
23 provisions of this section, the agency is not required to comply with the inconsistent  
24 provision of KRS 58.010 to 58.130~~[58.140]~~.

25 ➔Section 17. KRS 58.100 is amended to read as follows:

26 The governmental agency may issue new bonds to provide funds for the payment of any  
27 outstanding bonds, in accordance with the procedure prescribed by KRS 58.010 to

1 ~~58.130~~~~[58.140]~~. The new bonds shall be secured to the same extent and shall have the  
2 same source of payment as the bonds refunded. Furthermore, the maturity schedule of the  
3 new bonds shall not extend beyond the remaining life of the original bonds unless the  
4 original bonds were issued by a county, urban-county, city, or an agency or  
5 instrumentality of a county, urban-county, or city.

6 →Section 18. KRS 58.120 is amended to read as follows:

7 Any governmental agency acquiring any public project pursuant to ~~[the provisions of~~  
8 ~~]KRS 58.010 to 58.130~~[58.140]~~ may, at the time of issuing the bonds for the~~[such]~~  
9 acquisition, provide for additional bonds for extensions and permanent improvements to  
10 be placed in escrow and to be negotiated ~~[from time to time]~~ as proceeds for that purpose  
11 may be necessary. Bonds placed in escrow shall, when negotiated, have equal standing  
12 with bonds of the same issue.~~

13 →Section 19. KRS 58.130 is amended to read as follows:

14 Any governmental agency may use, for the purpose of acquiring, constructing,  
15 maintaining, extending, or improving a public project, or for the payment of interest or  
16 principal on any revenue bonds issued by the agency pursuant to KRS 58.010 to  
17 58.130~~[58.140]~~, any funds or tax revenues available for general purposes of the agency  
18 and not required by law to be devoted to some other purpose.

19 →Section 20. KRS 58.605 is amended to read as follows:

20 (1) Subject to the reporting and approval requirements in KRS 45A.352, 45A.353, and  
21 58.610, any local public agency may issue energy conservation revenue bonds to  
22 pay for the cost of energy conservation measures under guaranteed energy savings  
23 contracts for the purpose of reducing the cost of energy to buildings owned or  
24 operated by the local public agency by making energy-saving improvements to  
25 these buildings.

26 (2) A local public agency, or an agency acting on its behalf, may issue energy  
27 conservation revenue bonds to finance the energy conservation measures under

1 guaranteed energy savings contracts, with the following limitations:

2 (a) Any energy conservation measure, financed through bonds, shall comply with  
3 ~~[the provisions set forth in]~~ KRS 45A.345, 45A.352, and 45A.353;

4 (b) The term of the bonds shall run coterminous with the term of guaranteed  
5 energy savings contract;

6 (c) A local public agency shall not enter into a guaranteed energy savings  
7 contract where the total cost of the energy conservation measures exceeds the  
8 cost of the energy savings plus the operational costs plus the capital cost  
9 avoidance that is estimated for the term of the guaranteed energy savings  
10 contract commencing from the date of the energy conservation measure's  
11 installation; and

12 (d) The use of capital cost avoidance shall be subject to the following restrictions:

13 1. The amount expended shall not exceed fifty percent (50%) of the project  
14 cost; and

15 2. Capital cost avoidance shall be restricted to payment for permanent  
16 equipment replacement as follows:

17 a. Storm windows or doors, multiglazed windows or doors,  
18 additional glazing, and reduction in glass area;

19 b. Replacement of heating, ventilating, or air conditioning major  
20 components or systems;

21 c. New lighting fixtures where required to achieve Illuminating  
22 Engineering Society of North America (IES) standards, provided  
23 the existing light fixtures shall have been determined to be  
24 obsolete and incapable of achieving IES standards; and

25 d. Life safety system replacements or upgrades which shall have  
26 been determined to be necessary to conform with existing state  
27 and local codes and standards.

1 (3) Energy conservation revenue bonds shall be issued in accordance with ~~the~~  
2 ~~provisions of~~ KRS 58.010 to 58.130~~[58.140]~~ and shall be sold at a competitive sale  
3 preceded by adequate public notice and shall bear interest at an interest rate or rates  
4 determined by the local public agency at the time of the sale.

5 ➔Section 21. KRS 61.878 is amended to read as follows:

6 (1) The following public records are excluded from the application of KRS 61.870 to  
7 61.884 and shall be subject to inspection only upon order of a court of competent  
8 jurisdiction, except that ~~a~~~~no~~ court shall not authorize the inspection by any party  
9 of any materials pertaining to civil litigation beyond that which is provided by the  
10 Rules of Civil Procedure governing pretrial discovery:

11 (a) Public records containing information of a personal nature where ~~the~~ public  
12 disclosure ~~thereof~~ would constitute a clearly unwarranted invasion of  
13 personal privacy;

14 (b) Records confidentially disclosed to an agency and compiled and maintained  
15 for scientific research, unless ~~This exemption shall not, however, apply to~~  
16 ~~records~~ the disclosure or publication ~~of which~~ is directed by another statute;

17 (c) 1. Records confidentially disclosed to an agency or required by an agency  
18 to be disclosed to it, generally recognized as confidential or proprietary,  
19 which if openly disclosed would permit an unfair commercial advantage  
20 to competitors of the entity that disclosed the records; or

21 2. Records confidentially disclosed to an agency or required by an agency  
22 to be disclosed to it, generally recognized as confidential or proprietary,  
23 which are compiled and maintained:

24 a. In conjunction with an application for or the administration of a  
25 loan or grant;

26 b. In conjunction with an application for or the administration of  
27 assessments, incentives, inducements, and tax credits as described

- 1 in KRS Chapter 154;
- 2 c. In conjunction with the regulation of commercial enterprise,  
3 including mineral exploration records, unpatented, secret  
4 commercially valuable plans, appliances, formulae, or processes,  
5 which are used for the making, preparing, compounding, treating,  
6 or processing of articles or materials which are trade commodities  
7 obtained from a person; or
- 8 d. For the grant or review of a license to do business.
- 9 3. The exemptions ~~provided for in~~ subparagraphs 1. and 2. of this  
10 paragraph shall not apply to records the disclosure or publication of  
11 which is directed by another statute;
- 12 (d) Public records pertaining to a prospective location of a business or industry  
13 where no previous public disclosure has been made of the business' or  
14 industry's interest in locating in, relocating within, or expanding within the  
15 Commonwealth. This exemption shall not include those records pertaining to  
16 application to agencies for permits or licenses necessary to do business or to  
17 expand business operations within the state, except as provided in paragraph  
18 (c) of this subsection;
- 19 (e) Public records ~~which are~~ developed by an agency in conjunction with the  
20 regulation or supervision of financial institutions, including but not limited to  
21 banks, savings and loan associations, and credit unions, which disclose the  
22 agency's internal examining or audit criteria and related analytical methods;
- 23 (f) The contents of real estate appraisals, engineering or feasibility estimates, and  
24 evaluations made by or for a public agency relative to acquisition of property,  
25 until ~~such time as~~ all of the property has been acquired. ~~The law of eminent~~  
26 ~~domain shall not be affected by this provision~~;
- 27 (g) Test questions, scoring keys, and other examination data used to administer a

- 1           licensing examination, examination for employment, or academic  
2           examination before the exam is given or if it is to be given again;
- 3           (h) Records of law enforcement agencies or agencies involved in administrative  
4           adjudication that were compiled in the process of detecting and investigating  
5           statutory or regulatory violations if the disclosure of the information could  
6           pose an articulable risk of harm to the agency or its investigation by revealing  
7           the identity of informants or witnesses not otherwise known or by premature  
8           release of information to be used in a prospective law enforcement action or  
9           administrative adjudication. Unless exempted by other provisions of KRS  
10          61.870 to 61.884, public records exempted under this ~~paragraph~~<sup>provision</sup>  
11          shall be open after enforcement action is completed or a decision is made to  
12          take no action; however, records or information compiled and maintained by  
13          county attorneys or Commonwealth's attorneys pertaining to criminal  
14          investigations or criminal litigation shall be exempted from ~~the provisions of~~  
15          ~~KRS~~ 61.870 to 61.884 and shall remain exempted after enforcement action,  
16          including litigation, is completed or a decision is made to take no action. The  
17          exemptions ~~in~~<sup>provided by</sup> this subsection shall not be used by the custodian  
18          of the records to delay or impede the exercise of rights granted by KRS  
19          61.870 to 61.884;
- 20          (i) Preliminary drafts, notes, correspondence with private individuals, other than  
21          correspondence ~~which is~~ intended to give notice of final action of a public  
22          agency;
- 23          (j) Preliminary recommendations~~]~~ and preliminary memoranda in which  
24          opinions are expressed or policies formulated or recommended;
- 25          (k) All public records or information the disclosure of which is prohibited by  
26          federal law or regulation or state law;
- 27          (l) Public records or information the disclosure of which is prohibited or

1 restricted or otherwise made confidential by enactment of the General  
2 Assembly, including any information acquired by the Department of Revenue  
3 in tax administration that is prohibited from divulgence or disclosure under  
4 KRS 131.190;

5 (m) 1. Public records the disclosure of which would have a reasonable  
6 likelihood of threatening the public safety by exposing a vulnerability in  
7 preventing, protecting against, mitigating, or responding to a terrorist act  
8 and limited to:

9 a. Criticality lists resulting from consequence assessments;

10 b. Vulnerability assessments;

11 c. Antiterrorism protective measures and plans;

12 d. Counterterrorism measures and plans;

13 e. Security and response needs assessments;

14 f. Infrastructure records that expose a vulnerability referred to in this  
15 subparagraph through the disclosure of the location, configuration,  
16 or security of critical systems, including public utility critical  
17 systems. These critical systems shall include but not be limited to  
18 information technology, communication, electrical, fire  
19 suppression, ventilation, water, wastewater, sewage, and gas  
20 systems;

21 g. The following records when their disclosure will expose a  
22 vulnerability referred to in this subparagraph: detailed drawings,  
23 schematics, maps, or specifications of structural elements, floor  
24 plans, and operating, utility, or security systems of any building or  
25 facility owned, occupied, leased, or maintained by a public  
26 agency; and

27 h. Records when their disclosure will expose a vulnerability referred

- 1 to in this subparagraph and that describe the exact physical  
2 location of hazardous chemical, radiological, or biological  
3 materials.
- 4 2. As used in this paragraph, "terrorist act" means a criminal act intended  
5 to:
- 6 a. Intimidate or coerce a public agency or all or part of the civilian  
7 population;
- 8 b. Disrupt a system identified in subparagraph 1.f. of this paragraph;  
9 or
- 10 c. Cause massive destruction to a building or facility owned,  
11 occupied, leased, or maintained by a public agency.
- 12 3. On the same day that a public agency denies a request to inspect a public  
13 record for a reason identified in this paragraph, that public agency shall  
14 forward a copy of the written denial of the request, referred to in KRS  
15 61.880(1), to the executive director of the Kentucky Office of Homeland  
16 Security and the Attorney General.
- 17 4. ~~Nothing in~~ This paragraph shall ***not*** affect the obligations of a public  
18 agency with respect to disclosure and availability of public records  
19 under state environmental, health, and safety programs.
- 20 5. The exemption established in this paragraph shall not apply when a  
21 member of the Kentucky General Assembly seeks to inspect a public  
22 record identified in this paragraph under the Open Records Law;
- 23 (n) Public or private records, including books, papers, maps, photographs, cards,  
24 tapes, discs, diskettes, recordings, software, or other documentation regardless  
25 of physical form or characteristics, having historic, literary, artistic, or  
26 commemorative value accepted by the archivist of a public university,  
27 museum, or government depository from a donor or depositor other than a

- 1 public agency. This exemption shall apply to the extent that nondisclosure is  
2 requested in writing by the donor or depositor of ~~the~~[such] records, but shall  
3 not apply to records the disclosure or publication of which is mandated by  
4 another statute or by federal law;
- 5 (o) Records of a procurement process under KRS Chapter 45A or 56. This  
6 exemption shall not apply after:
- 7 1. A contract is awarded; or  
8 2. The procurement process is canceled without award of a contract and  
9 there is a determination that the contract will not be resolicited;
- 10 (p) Client and case files maintained by the Department of Public Advocacy or any  
11 person or entity contracting with the Department of Public Advocacy for the  
12 provision of legal representation under KRS Chapter 31;
- 13 (q) Except as provided in KRS 61.168, photographs or videos that depict the  
14 death, killing, rape, or sexual assault of a person. However, such photographs  
15 or videos shall be made available by the public agency to the requesting party  
16 for viewing on the premises of the public agency, or a mutually agreed upon  
17 location, at the request of:~~;~~[;]
- 18 1. a. Any victim depicted in the photographs or videos, his or her  
19 immediate family, or legal representative;  
20 b. Any involved insurance company or its representative; or  
21 c. The legal representative of any involved party;
- 22 2. Any state agency or political subdivision investigating official  
23 misconduct; or  
24 3. A legal representative for a person under investigation for, charged with,  
25 pled guilty to, or found guilty of a crime related to the underlying  
26 incident. The person under investigation for, charged with, pled guilty  
27 to, or found guilty of a crime related to the underlying incident or their

- 1           immediate family shall not be permitted to have access to the  
2           photographs or videos;
- 3       (r) Records confidentially maintained by a law enforcement agency in  
4           accordance with a wellness program, including an early intervention system,  
5           as described in KRS 15.409; and
- 6       (s) Communications of a purely personal nature unrelated to any governmental  
7           function.
- 8       (2) ~~An~~~~No~~ exemption in this section shall **not** be construed to prohibit disclosure of  
9           statistical information not descriptive of any readily identifiable person.
- 10      (3) ~~An~~~~No~~ exemption in this section shall **not** be construed to deny, abridge, or impede  
11           the right of a public agency employee, including a university ~~employee~~~~employees~~,  
12           an applicant for employment, or an eligible on a register to inspect and to copy any  
13           record including preliminary and other supporting documentation that relates to him  
14           or her. The records shall include but not be limited to work plans, job performance,  
15           demotions, evaluations, promotions, compensation, classification, reallocation,  
16           transfers, lay-offs, disciplinary actions, examination scores, and preliminary and  
17           other supporting documentation. A public agency employee, including a university  
18           ~~employee~~~~employees~~, applicant, or eligible shall not have the right to inspect or to  
19           copy any examination or any documents relating to ongoing criminal or  
20           administrative investigations by an agency.
- 21      (4) If any public record contains material ~~[which is]~~ not excepted under this section, the  
22           public agency shall separate the excepted and make the nonexcepted material  
23           available for examination.
- 24      (5) ~~[The provisions of]~~ This section shall **not**~~[in no]~~ way prohibit or limit the exchange  
25           of public records or the sharing of information between public agencies when the  
26           exchange is serving a legitimate governmental need or is necessary in the  
27           performance of a legitimate government function.

1 (6) When material is made available pursuant to a request under subsection (1)(q) of  
 2 this section, the public agency shall not be required to make a copy of the recording  
 3 except as provided in KRS 61.169, and the requesting parties shall not be limited in  
 4 the number of times they may view the material.

5 ➔Section 22. KRS 65.112 is amended to read as follows:

6 (1) ~~{The provisions of }~~Any other law, rule, or regulation notwithstanding, if any city,  
 7 county, public body corporate or politic, or special district or subdistrict furnishes  
 8 or proposes to furnish sewage treatment utility services to customers of another  
 9 sewage treatment utility by means of all or any part of the installations owned or  
 10 paid for by that other sewage treatment utility, then the city, county, public body,  
 11 district, or subdistrict taking over or proposing to take over the customers shall pay  
 12 just compensation for these installations prior to the time the customers are taken  
 13 over. ~~[If an agreement for compensation is not reached, then just compensation for~~  
 14 ~~the installations shall be payable by the city, county, public body, district, or~~  
 15 ~~subdistrict after condemnation as provided for in the Eminent Domain Act of~~  
 16 ~~Kentucky.]~~

17 (2) ~~{There is hereby granted to any city, county, public body corporate or politic, or~~  
 18 ~~special district or subdistrict the power of eminent domain with respect to sewage~~  
 19 ~~treatment plants, facilities, and installations owned by sewage treatment utilities.~~  
 20 ~~This power of eminent domain shall be exercisable in the manner prescribed by the~~  
 21 ~~Eminent Domain Act of Kentucky.~~

22 ~~(3) }~~Any city, county, public body corporate or politic, or special district or subdistrict  
 23 shall be entitled to surcharge customers so as to recover the amount of  
 24 compensation paid for installations acquired under this section by agreement ~~[or~~  
 25 ~~condemnation]~~.

26 ➔Section 23. KRS 65.206 is amended to read as follows:

27 (1) (a) Pursuant to KRS 65.205 to 65.209, the governing body of a local government

1           may establish a program to advance the conservation and efficient use of  
 2           energy and water resources within its jurisdiction, which program is hereby  
 3           declared to be a valid exercise of the powers of local government and is in the  
 4           best interest of the people of the Commonwealth, by allowing for energy  
 5           projects to be financed by assessments imposed upon the real property being  
 6           improved through the energy project.

7           **(b)** ~~Nothing in~~ KRS 65.205 to 65.209 shall **not** be interpreted to ~~fr~~  
 8           ~~(a) Expand the powers of eminent domain for a local government, state agency,~~  
 9           ~~or private entity or to allow a local government, state agency, or private entity~~  
 10           ~~to use the powers of eminent domain under this program; or~~  
 11           ~~(b) disregard or allow contravention of any net metering ordinance or policy, any~~  
 12           generator interconnection ordinance or policy, or any rate ordinance duly  
 13           adopted by the governing body.

14       (2) (a) To establish a program, the governing body of a local government shall adopt  
 15       a resolution or ordinance providing the terms and conditions of the program,  
 16       including but not limited to:

- 17           1. A statement that the local government intends to utilize assessments on  
 18           relevant real property to support private sector energy projects;
- 19           2. The designation of an EPAD~~[,]~~ and a description of ~~its[the]~~ boundaries~~[~~  
 20           ~~thereof]~~; and
- 21           3. A procedure for the owners of record of real property located within an  
 22           EPAD to petition the local government for participation in the program.

23       (b) Once a program is established, the governing body of a local government may  
 24       amend the terms and conditions of the program by resolution or ordinance;  
 25       except that no amendment shall be adopted to retroactively change the  
 26       conditions under which an existing assessment was imposed, unless the owner  
 27       of record of the affected real property consents to the amendment in writing.

- 1 (c) A local government may:
- 2 1. Hire program staff~~[,]~~ or contract with a third-party entity to administer a
- 3 program;
- 4 2. Impose fees on participating property owners to offset the costs of
- 5 administering the program, including assessment and collection
- 6 functions of various county offices; except that these fees shall not
- 7 exceed the cost of services performed; and
- 8 3. Engage financing for the purpose of administering the program from
- 9 financial institutions with a physical presence in Kentucky whose
- 10 deposits are insured by the Federal Deposit Insurance Corporation.
- 11 (d) Any combination of local governments may agree to jointly implement or
- 12 administer a program.
- 13 (3) (a) The geographic area designated by the governing body of a local government
- 14 as the EPAD:
- 15 1. May include the entire local government or any portion *of the local*
- 16 *government*~~[thereof]~~; and
- 17 2. Shall be wholly within the boundaries of the local government.
- 18 (b) A local government may designate more than one (1) separate EPAD within
- 19 its boundaries.
- 20 (4) An authorized official of a local government that has established a program may
- 21 approve a request from the owner of record of real property located within an
- 22 EPAD to impose an assessment upon the property, which shall be used to repay the
- 23 owner's financing of an energy project on that property and the costs of any
- 24 upgrades to the electrical or gas distribution system connected to that property
- 25 necessary to accommodate the energy improvement. The upgrade costs shall be
- 26 paid to the owner of the electrical distribution system. The financing may be
- 27 provided by a third party or, if authorized by the local government, by any local

1 government.

2 (5) Each energy project approved for participation in the program shall include a  
3 review of the property's baseline energy or water usage conditions and the energy or  
4 water savings projected to be achieved as a result of the energy project.

5 (6) A program may authorize a participating property owner to:

6 (a) Directly purchase; or

7 (b) Acquire by contract, through a lease, power purchase agreement, or other  
8 service contract;

9 the equipment and materials necessary for the installation or modification of an  
10 energy improvement.

11 (7) In addition to the authority provided in the Kentucky Revised Statutes for local  
12 governments to levy special assessments with the same lien status as a property tax,  
13 the governing body of a local government that establishes a program pursuant to  
14 this section may exercise powers granted under KRS 65.205 to 65.209.

15 ➔Section 24. KRS 65.355 is amended to read as follows:

16 (1) Any local government, the county or independent school district within the county,  
17 and the Commonwealth of Kentucky may enter into an interlocal cooperation  
18 agreement pursuant to KRS 65.210 to 65.300 for the purpose of establishing a land  
19 bank authority pursuant to KRS 65.350 to 65.375.

20 (2) The authority shall be a public body corporate and politic with the power to sue and  
21 be sued, issue deeds in its name, and any other powers necessary and convenient to  
22 carry out these powers or that may be granted to the authority by the parties.

23 (3) The authority shall be established to acquire the tax delinquent properties of the  
24 parties~~[, properties that have become blighted or deteriorated as defined by KRS~~  
25 ~~99.705]~~ and properties that have local government liens filed against them~~[,]~~ to  
26 facilitate the public purpose of returning property that is in a non-revenue  
27 generating, non-tax producing status to effective utilization, including but not

1 limited to providing housing, new industry, and jobs for the citizens of the county.  
2 The authority shall have the powers provided in KRS 65.370 and 65.375 and in the  
3 interlocal cooperation agreement.

4 ➔Section 25. KRS 65.430 is amended to read as follows:

5 To carry out the purposes of KRS 65.410 to ~~65.450~~~~[65.460]~~, local legislative bodies may  
6 acquire by purchase, gift, lease, bequest, or otherwise title to or any interests or rights in  
7 real property that will provide a means for the preservation or provision of permanent  
8 open space land.

9 ➔Section 26. KRS 65.440 is amended to read as follows:

10 (1) Local legislative bodies shall have all the powers necessary to carry out the  
11 purposes and provisions of KRS 65.410 to ~~65.450~~~~[65.460]~~, including the following  
12 powers in addition to others granted by KRS 65.410 to ~~65.450~~~~[65.460]~~:

13 (a) To borrow funds and make expenditures necessary to carry out the purposes  
14 of KRS 65.410 to ~~65.450~~~~[65.460]~~;

15 (b) To advance or accept advances of public funds;

16 (c) To apply for, accept, and utilize grants and any other assistance from the  
17 federal government and any other public or private sources; to give such  
18 security as may be required and to enter and carry out contracts or agreements  
19 in connection with the assistance; and to include in any contract for assistance  
20 from the federal government ~~any~~~~[such]~~ conditions imposed pursuant to  
21 federal laws as the local legislative body may deem reasonable and  
22 appropriate and which are not inconsistent with the purposes of KRS 65.410  
23 to ~~65.450~~~~[65.460]~~;

24 (d) To make and execute contracts and other instruments necessary to the  
25 exercise of its powers under KRS 65.410 to ~~65.450~~~~[65.460]~~;

26 (e) In connection with the real property acquired for the purposes of KRS 65.410  
27 to ~~65.450~~~~[65.460]~~, to provide or to arrange or contract for the provision,

1 construction, maintenance, operation, or repair by any person or agency,  
2 public or private, of services, privileges, works, streets, roads, public utilities,  
3 or other facilities or structures that may be necessary to the provision,  
4 preservation, maintenance, and management of the property as open space  
5 land;

6 (f) To insure or provide for the insurance of any real or personal property or  
7 operations of the public body against any risks or hazards, including the  
8 power to pay premiums on the insurance;

9 (g) To demolish or dispose of any structures or facilities which may be  
10 detrimental to or inconsistent with the use of real property as open space land;  
11 and

12 (h) To exercise any or all of its functions and powers under KRS 65.410 to  
13 ~~65.450~~~~65.460~~ jointly or cooperatively with one or more public bodies of this  
14 state, and to enter into agreements for joint or cooperative action.

15 (2) For the purposes of KRS 65.410 to ~~65.450~~~~65.460~~ the local legislative bodies may:

16 (a) Appropriate funds;

17 (b) Issue and sell their revenue bonds and general obligation bonds in the manner  
18 and within the limitations prescribed by the applicable laws of the  
19 Commonwealth; and

20 (c) Exercise their powers under KRS 65.410 to ~~65.450~~~~65.460~~ through a board  
21 or commission, or through such office or officers as the local legislative  
22 bodies by resolution determine.

23 ➔Section 27. KRS 65.450 is amended to read as follows:

24 Where an interest in real property less than the fee is held by the local legislative body for  
25 the purposes of KRS 65.410 to ~~65.450~~~~65.460~~, assessments made on the property for  
26 taxation shall reflect any change in the market value of the property which may result  
27 from the interest held by the local legislative body. The value of the interest held by the

1 local legislative body shall be exempt from property taxation to the same extent as other  
2 property owned by the local legislative body.

3 ➔Section 28. KRS 65.520 is amended to read as follows:

4 (1) Any governmental unit by act of its legislative body, or any two (2) or more  
5 governmental units acting jointly by acts of their legislative bodies, and with the  
6 approval of the Transportation Cabinet, Office of the Secretary, may establish a  
7 developmental riverport authority to be composed of six (6) members.

8 (2) The authority shall be a body politic and corporate with the usual corporate  
9 attributes, and in its corporate name may sue and be sued, contract and be  
10 contracted with, and do all things reasonable or necessary to effectively carry out  
11 the powers and duties prescribed by KRS 65.510 to 65.650. The authority may  
12 exercise all powers granted to governmental agencies by KRS 58.010 to  
13 ~~58.130~~~~[58.140]~~. The authority may exercise all powers, consistent with its powers  
14 and duties stated in this chapter, granted by KRS 273.171 to corporations governed  
15 by KRS 273.161 to 273.390.

16 (3) The responsibility for riverports shall be established within the Transportation  
17 Cabinet to provide oversight on development activities involving riverport  
18 authorities. The cabinet shall be responsible for managing a study that will develop  
19 a long-range capital improvements plan for Kentucky's riverports that shall  
20 include~~[,]~~ but not be limited to:

- 21 (a) Guidelines for ground transportation access to riverports;  
22 (b) A model for determining the economic impact of riverports; and  
23 (c) A blueprint for creating long-term funding mechanisms for riverports.

24 ➔Section 29. KRS 65.530 is amended to read as follows:

25 (1) The purposes of the authority shall be to establish, maintain, operate, and expand  
26 necessary and proper riverport and river navigation facilities, and to acquire and  
27 develop property, or rights to property~~[therein]~~ within the economic environs, the

1 home county, or any adjacent county~~[-adjacent thereto]~~, of the riverport or  
2 proposed riverport to attract directly or indirectly river-oriented industry. It shall  
3 have the duty and any~~[such]~~ powers ~~[as may be]~~ necessary or desirable to promote  
4 and develop navigation, river transportation, riverports, and riverport facilities, and  
5 to attract industrial or commercial operations to the property held as industrial  
6 parks.

7 (2) The authority may establish and fix reasonable rates, charges, and fees for the use  
8 of the riverport facilities which shall be published in a manner available to the  
9 general public in the county in which the riverport is located. In fixing rates,  
10 charges, or fees the authority may take into consideration, among other factors, the  
11 total capital investment of the authority, the revenue needed properly to maintain  
12 riverport~~[such]~~ facilities, the revenue needed properly to expand the riverport and  
13 its facilities, the portion of the facilities utilized by the licensee or contracting party  
14 and its customers, and the volume and type of business conducted. Any party  
15 aggrieved by the rates, charges, or fees may appeal from the action of the authority  
16 to the Circuit Court of the county within which the authority operates, within ninety  
17 (90) days from the date that the authority finally publishes the rates, charges, or fees  
18 and gives notice ~~[of same]~~ to the contracting party or licensee. The Circuit Court  
19 may hear evidence and determine whether or not the rates, charges, or fees are, or  
20 are not, reasonable in amount. Appeal from the judgment of the Circuit Court may  
21 be prosecuted as any other civil appeal.

22 (3) The authority shall also have power~~[-from time to time]~~ to fix rates, charges, or  
23 fees by contract, or by publishing general rates, charges, or fees for commercial  
24 vendors, concessionaires, or other persons for the use or occupancy of riverport  
25 facilities under the terms and conditions it deems to be in the best interest of  
26 maintaining, operating, or expanding necessary riverport facilities, and the public  
27 use of those facilities~~[thereof]~~.

- 1 (4) The authority may acquire by contract, lease, purchase, option, gift,  
2 ~~condemnation,~~ or otherwise any real or personal property, or rights *in the*  
3 *property*~~[therein]~~, necessary or suitable for establishing, developing, operating, or  
4 expanding riverports, riverport facilities, water navigation facilities, including  
5 spoilage areas for the disposal of materials dredged from river bottoms in an effort  
6 to improve the navigability of rivers, reserve storage areas and reserves of bulk  
7 materials utilized by the authority or any person acting as the authority's agent or  
8 licensee, and industrial parks or sites within the economic environs of the riverport  
9 or proposed riverport. The authority may erect, equip, operate, and maintain on the  
10 property buildings and equipment necessary and proper for riverport and water  
11 navigation facilities. The authority may dispose of any real or personal property, or  
12 rights *in the property*~~[therein]~~, which in the opinion of the authority is not needed  
13 for use as riverport or water navigation facilities, or use as industrial parks or sites.  
14 The authority may lease, sell, convey, or assign its interest in land owned, optioned,  
15 or otherwise held by it to any person for the purpose of constructing *or*~~[and/or]~~  
16 operating any industrial or commercial facility or for the purpose of acting as the  
17 authority's agent or licensee in effectively carrying out any of its powers and duties.
- 18 ~~(5) [With the consent of the legislative body of the governmental unit in which the~~  
19 ~~property to be condemned is located, the authority may by resolution, reciting that~~  
20 ~~the property cannot be acquired by purchase or agreement and is needed for~~  
21 ~~riverport, water navigation, or industrial purposes in accordance with the powers set~~  
22 ~~forth in subsection (4) of this section, direct the condemnation of any property. The~~  
23 ~~procedure for condemnation shall conform to the procedure set out in the Eminent~~  
24 ~~Domain Act of Kentucky.~~
- 25 ~~(6)~~ The authority may apply for, receive authorization for, establish, and operate a  
26 foreign trade zone, as permitted by 19 U.S.C. sec. 81, provided approval is obtained  
27 from the Cabinet for Economic Development.

1 ~~(6)~~~~(7)~~ The authority shall comply with the provisions of KRS 65A.010 to 65A.090.

2 →Section 30. KRS 66.517 is amended to read as follows:

3 The board may exercise all the powers granted to governmental agencies by KRS 58.010  
4 to 58.130~~58.140~~. The board may exercise all the powers granted to a county building  
5 commission by KRS 67.450 to 67.555. Furthermore, the board may use the procedures  
6 and powers of each of those sets of sections of the Kentucky Revised Statutes to obtain  
7 facilities and improvements for the matters of statewide concern described in KRS  
8 66.520.

9 →Section 31. KRS 66.527 is amended to read as follows:

10 (1) The board may incur indebtedness, buy, lease, rent, sell, operate, manage, accept  
11 gifts and grants, and do anything else necessary or proper to obtain for the county in  
12 accordance with the board's plan the public improvements described *in the*  
13 *plan*~~therein~~. To secure its obligations the board may pledge its assets subject to  
14 any prior pledges or charges against them. The board may incur indebtedness the  
15 security for the payment of which is a special fund rather than the unencumbered  
16 assets of the board. The board may pledge its expected receipts from one or more  
17 sources to secure payment of its various debts and obligations. The board may make  
18 ~~such~~ covenants and agreements with its creditors as may be necessary or proper to  
19 reduce the cost to the board of the indebtedness. Those covenants or agreements  
20 may include arrangements for the operation of public improvements by trustees for  
21 the benefit of creditors in the event of a default by the board in the timely payment  
22 of indebtedness.

23 (2) In addition to any method of refunding established by covenants in the board's  
24 obligations, the board may for any indebtedness refund it in advance of its maturity  
25 by borrowing against the same security as pledged for the original indebtedness and  
26 substituting as security for the original indebtedness general obligations of the  
27 United States or its agencies if:

1 (a) The principal and interest of the obligations of the United States ~~{(for its~~  
 2 agencies~~)} are payable in time and sufficient in amount to defray seasonably~~  
 3 and fully the board's outstanding obligation on the original indebtedness~~;~~  
 4 and

5 (b) The net annual interest cost of the indebtedness to the board will be reduced.

6 (3) Obligations of the board may be made negotiable. Except as otherwise provided *in*  
 7 *this section*~~herein~~, the board's obligations shall be in the form established by KRS  
 8 58.010 to 58.130~~58.140~~.

9 ➔Section 32. KRS 67.080 is amended to read as follows:

10 (1) The fiscal court may:

11 (a) Appropriate county funds according to ~~the provisions of~~ KRS 68.210 to  
 12 68.360 for lawful purposes;

13 (b) Sell and convey any real estate or personal property belonging to the county,  
 14 and buy land for the use of the county, when necessary, for the lawful  
 15 purposes of the county as provided for in this section and KRS 67.083. The  
 16 fiscal court may appoint one (1) or more commissioners to sell or buy real  
 17 estate under this subsection, subject to the approval of the fiscal court, and  
 18 convey it to the purchaser~~;~~ under the direction of the court~~;~~ or have it  
 19 conveyed to the court~~;~~ by deed properly executed and recorded.

20 1. When real property is purchased, the county shall pay no more than the  
 21 highest appraised value~~;~~ as determined by a Kentucky certified real  
 22 property appraiser as defined in KRS 324A.010~~, or the price~~  
 23 ~~determined through exercising the power of eminent domain, if that~~  
 24 ~~power is used~~. A valuation of the real property shall not be required if  
 25 the purchase price is forty thousand dollars (\$40,000) or less;

26 2. When real property is conveyed or sold, the county shall convey or sell  
 27 it in accordance with KRS 67.0802; and

- 1           3. When personal property is conveyed or sold, the county shall convey or  
2           sell it in accordance with KRS 67.0802;
- 3           (c) Regulate and control the fiscal affairs of the county;
- 4           (d) Cause correct accounts and records to be kept of all receipts and  
5           disbursements of the public funds of the county, employ a competent person  
6           to keep ~~such~~ accounts and records, pay that~~such~~ person a reasonable  
7           compensation for his or her~~such~~ services, and have the accounts of the  
8           county and all county officers audited, when necessary and in accordance with  
9           ~~the provisions of~~ KRS 43.070 and 64.810;
- 10          (e) Exercise all the corporate powers of the county unless otherwise provided by  
11          law;
- 12          (f) Establish all appointive offices, set the duties of those offices, and approve all  
13          appointments to those offices; and
- 14          (g) Investigate all activities of the county government.
- 15        (2) The fiscal court shall:
- 16          (a) Appropriate county funds~~[,]~~ according to ~~the provisions of~~ KRS 68.210 to  
17          68.360~~[,]~~ for purposes required by law;
- 18          (b) As needed, cause the construction, operation, and maintenance of all county  
19          buildings and other structures, grounds, roads, and other property;
- 20          (c) Adopt an administrative code for the county; and
- 21          (d) Provide for the incarceration of prisoners according to ~~the provisions of~~  
22          KRS Chapter 441.
- 23        (3) The fiscal court shall not exercise executive authority except as specifically  
24        assigned by statute.
- 25        ➔Section 33. KRS 67C.101 is amended to read as follows:
- 26        (1) The governmental and corporate functions vested in any city of the first class shall,  
27        upon approval by the voters of the county at a regular or special election, be

1 consolidated with the governmental and corporate functions of the county  
2 containing the city. This single government replaces and supersedes the  
3 governments of the pre-existing city of the first class and its county.

4 (2) (a) A consolidated local government shall have all powers and privileges that  
5 cities of the first class and their counties are, or may hereafter be, authorized  
6 to exercise under the Constitution and the general laws of the Commonwealth  
7 of Kentucky, including but not limited to those powers granted to cities of the  
8 first class and their counties under their respective home rule powers.

9 (b) A consolidated local government shall continue to exercise these powers and  
10 privileges notwithstanding repeal or amendment of any of the laws upon  
11 which the powers and privileges are based unless expressly repealed or  
12 amended for consolidated local governments.

13 (c) In addition, a consolidated local government shall have other powers and  
14 privileges as the government may be authorized to exercise under the  
15 Constitution and general laws of the Commonwealth of Kentucky.

16 (d) A consolidated local government is neither a city government nor a county  
17 government as those forms of government exist on July 15, 2002, but it is a  
18 separate classification of government which possess the greater powers  
19 conferred upon, and is subject to the lesser restrictions applicable to, county  
20 government and cities of the first class under the Constitution and general  
21 laws of the Commonwealth of Kentucky.

22 (e) A consolidated local government shall be accorded the same sovereign  
23 immunity granted counties, their agencies, officers, and employees.

24 (3) A consolidated local government shall have power and authority to:

25 (a) Levy and collect taxes upon all property taxable for state purposes within the  
26 territorial limits of the consolidated local government not exempt by law from  
27 taxation;

- 1 (b) License, tax, and regulate privileges, occupations, trades, and professions  
2 authorized by law, to be uniform throughout the jurisdiction;
- 3 (c) Make appropriations for the support of the consolidated local government and  
4 provide for the payment of all debts and expenses of the consolidated local  
5 government and the debts and expenses of the county and city of which it is  
6 the successor;
- 7 (d) Issue or cause to be issued bonds and other debt instruments that counties  
8 containing a city of the first class are authorized to issue or enter into all other  
9 financial transactions ~~as may be~~ permitted by law;
- 10 (e) Purchase, lease, construct, maintain, or otherwise acquire, hold, use, and  
11 operate any property, real or personal, for any public purpose, and sell, lease,  
12 or otherwise dispose of any property, real or personal, belonging to a  
13 consolidated local government;
- 14 (f) ~~Exercise the power of eminent domain for any public purpose subject to the~~  
15 ~~limitations and exceptions prescribed by the Constitution and the general laws~~  
16 ~~of the Commonwealth of Kentucky;~~
- 17 ~~(g)~~ Accept federal or state funds and other sources of revenue that are applicable  
18 to counties and cities of the first class;
- 19 ~~(g)~~~~(h)~~ Establish, erect, maintain, and operate facilities for the confinement,  
20 detention, and rehabilitation of persons convicted of the violation of the  
21 ordinances and laws of a consolidated local government or the  
22 Commonwealth of Kentucky;
- 23 ~~(h)~~~~(i)~~ Pass and enforce by fines and penalties, if necessary, all ordinances, not  
24 inconsistent with law, as are expedient in maintaining the peace, good  
25 government, health, and welfare of the inhabitants of the county and prevent,  
26 abate, and remove nuisances;
- 27 ~~(i)~~~~(j)~~ Collect and dispose of garbage, junk, and other refuse, and regulate the

- 1 collection and disposal of garbage, junk, and other refuse by others;
- 2 ~~(j)(k)~~ Provide for the redevelopment, renewal, or rehabilitation of blighted,
- 3 deteriorated, or dilapidated areas;
- 4 ~~(k)(4)~~ Enforce zoning regulations;
- 5 ~~(L)(m)~~ Enter into contracts and agreements with other governmental entities
- 6 and with private persons, firms, and corporations;
- 7 ~~(m)(n)~~ Adopt procedures for collective bargaining with its employees and for
- 8 the certification of exclusive bargaining agents for groups of employees in
- 9 accordance with the Constitution and general laws of the Commonwealth of
- 10 Kentucky and its ordinances; and
- 11 ~~(n)(o)~~ Exercise all other powers and authorities granted to counties and cities
- 12 of the first class by the general laws of the Commonwealth of Kentucky.

13 (4) The powers of the consolidated local government shall be construed broadly in

14 favor of the consolidated local government. The specific mention *of*, or failure to

15 mention, ~~of~~ particular powers in this section shall not be construed as limiting in

16 any way the general or specific powers of a consolidated local government.

17 (5) A consolidated local government shall have power and jurisdiction throughout the

18 total area embraced by the official jurisdictional boundaries of the county.

19 (6) A consolidated local government shall be known as...../.....County

20 Metro Government, which shall be the combination of the names of the largest city

21 in existence on the date of the adoption of the consolidated local government and

22 the county.

23 ➔Section 34. KRS 74.410 is amended to read as follows:

24 Water districts may, in addition to all other methods provided by law, acquire and

25 develop water systems, systems for the distribution of natural, artificial, or mixed gas and

26 sewage disposal systems through the issuance of revenue bonds under ~~the terms and~~

27 ~~provisions of~~ KRS 58.010 to 58.130~~58.140~~.

1           ➔Section 35. KRS 76.080 is amended to read as follows:

2       The district created under ~~the provisions of~~ KRS 76.010 to 76.210 is empowered:

3       (1) To have jurisdiction, control, possession, and supervision of the existing sewer and  
4       drainage system of the city forming a district pursuant to KRS 76.010; to maintain,  
5       operate, reconstruct, and improve the same as a comprehensive sewer and drainage  
6       system; to make additions, betterments, and extensions to the system~~thereto~~  
7       within the district area; and to have all the rights, privileges, and jurisdiction  
8       necessary or proper for carrying such powers into execution. ~~Any~~~~No~~ enumeration  
9       of powers in KRS 76.010 to 76.210 shall not operate to restrict the meaning of this  
10      general grant of power or to exclude other powers comprehended within this  
11      general grant:~~;~~

12      (2) To prepare or cause to be prepared and to be thereafter revised and adopted, plans,  
13      designs, and estimates of costs~~;~~ of a system of trunk, intercepting, connecting,  
14      lateral, and outlet sewers, storm water drains, pumping and ventilating stations,  
15      disposal and treatment plants and works, and all other appliances and structures  
16      which in the judgment of the board will provide an effective and advantageous  
17      means for relieving the district area from inadequate sanitary and storm water  
18      drainage and from inadequate sanitary disposal and treatment of ~~the~~ sewage  
19      ~~thereof~~, or any~~such~~ sections or parts of a~~such~~ system of the district area as the  
20      board deems~~may from time to time deem~~ proper or convenient to construct,  
21      consistent with the plans and purposes of KRS 76.010 to 76.210, and may take all  
22      steps the board deems proper and necessary to effect the purposes of KRS 76.010 to  
23      76.210:~~;~~

24      (3) (a) To construct any additions, betterments, and extensions to the facilities of the  
25      district, within or without the district area, and to construct any construction  
26      subdistrict facilities or additions, betterments, and extensions~~thereto~~, within  
27      or without the district area, by contract or under, through, or by means of its

1 own officers, agents, and employees.

2 **(b)**  ~~[No]~~ Construction or extensions shall **not** be started:

3 **1.** Within the city forming a district pursuant to KRS 76.010 until, firstly,  
4 the city's director of works, and secondly, its board of aldermen have  
5 approved the plans;  ~~[No Construction or extensions shall be started]~~

6 **2.** In any city with a population greater than three thousand (3,000) but less  
7 than one hundred thousand (100,000) based upon the most recent federal  
8 decennial census until the governing authorities of  ~~the~~  ~~[such]~~ city or  
9 cities have approved the plans; **or**  ~~[No construction or extensions shall~~  
10  ~~be started]~~

11 **3.** In any other part of the county until the plans have been approved,  
12 firstly, by the county engineer and, secondly, by the fiscal court;  ~~[ ]~~

13 (4) To establish, construct, operate, and maintain, as a part of the sewer and drainage  
14 system of the district, sewage treatment and disposal plants and systems and all the  
15 appurtenances and appliances thereunto belonging. The sewage treatment and  
16 disposal plants may be located in the city, or beyond the limits of the city in the  
17 county in which the city is located, as the board deems expedient;  ~~[ ]~~

18 (5) To acquire and hold the personal property the board deems necessary and proper for  
19 carrying out the corporate purposes of the district and to dispose of personal  
20 property when the district has no further need **for the property**;  ~~[therefor.]~~

21 (6) To acquire by purchase, gift, **or** lease  ~~[ , or by condemnation, ]~~ real property or any  
22 interest, right, easement, or privilege **in real property**  ~~[therein, ]~~ as the board  
23 determines necessary, proper, and convenient for the corporate purposes of the  
24 district, and to use the **property**  ~~[same]~~ so long as its corporate existence continues  ~~[ ]~~  
25 and  ~~[same]~~ is necessary or useful for the corporate purposes of the district.  
26  ~~[Condemnation proceedings may be instituted in the name of the district pursuant to~~  
27  ~~a resolution of the board declaring the necessity for the taking, and the method of~~

- 1       ~~condemnation shall be the same as provided in the Eminent Domain Act of~~  
2       ~~Kentucky.~~ When the board by resolution declares that any real property ***or interest***  
3       ***in real property*** which it has acquired~~, or any interest therein,~~ is no longer  
4       necessary or useful for the corporate purposes of the district, the real property  
5       ***or***~~and~~ interest ***in the property***~~therein~~ may be disposed of:~~[-]~~
- 6       (7) To make bylaws and agreements for the management and regulation of its affairs  
7       and for the regulation of the use of property under its control and for the  
8       establishment and collection of sewer rates, rentals, and charges, which sewer rates,  
9       rentals and charges, applicable within the limits of a city forming a district pursuant  
10      to KRS 76.010, shall be subject to the approval, supervision and control of the  
11      legislative body of the city as ~~hereinafter~~ provided ***in KRS 76.010 to 76.210***~~;~~~~[-]~~
- 12      (8) To make contracts and execute all instruments necessary or convenient in the  
13      premises:~~[-]~~
- 14      (9) To borrow money and to issue negotiable bonds and to provide for the rights of  
15      ***their***~~the~~ holders:~~[- thereof.]~~
- 16      (10) To fix and collect sewer rates, rentals, and other charges, for services rendered by  
17      the facilities of the district, which sewer rates, rentals, and other charges, applicable  
18      within the limits of a city forming a district pursuant to KRS 76.010, shall be  
19      subject to the approval, supervision, and control of the legislative body of ***the***~~such~~  
20      city as ~~hereinafter~~ provided ***in KRS 76.010 to 76.210***~~;~~~~[-]~~
- 21      (11) To enter on any lands, waters, and premises for the purpose of making surveys,~~f~~  
22      ~~and~~ soundings, and examinations:~~[-]~~
- 23      (12) To approve or revise the plans and designs of all trunk, intercepting, connecting,  
24      lateral and outlet sewers, storm water drains, pumping and ventilating stations,  
25      disposal and treatment plants and works proposed to be constructed, altered or  
26      reconstructed by any other person or corporation, private or public, in the whole  
27      county, ~~in order to~~ ***ensure***~~insure~~ that ***the***~~such~~ proposed construction, alteration,

1 or reconstruction shall conform to and be a part of a comprehensive sewer and  
 2 drainage system for the ~~said~~ county. ~~No~~ Sewers, drains, pumping and ventilating  
 3 stations, or disposal and treatment plants or works shall **not** be constructed, altered,  
 4 or reconstructed without approval by the board of the district **and** ~~Any such work~~  
 5 shall be subject to inspection and supervision of the district; **and** ~~;~~

6 (13) To enter into agreements with another entity or entities to acquire by purchase or  
 7 lease ~~;~~ any real or personal property, or any interest, right, easement, or privilege  
 8 **in property** ~~therein~~, outside of the district's jurisdictional boundaries, in connection  
 9 with the acquisition, construction, operation, repair, or maintenance of any sewage,  
 10 wastewater, or storm water facilities, notwithstanding any other provision of the  
 11 Kentucky Revised Statutes restricting, qualifying, or limiting their authority to do  
 12 so, except as set forth in KRS Chapter 278.

13 ➔Section 36. KRS 76.110 is amended to read as follows:

14 (1) The district shall have the power to acquire by purchase **or** ~~;~~ gift ~~or eminent~~  
 15 ~~domain proceedings,~~ the fee or **other** ~~such~~ right, title, interest, or easement ~~;~~ in  
 16 ~~such~~ lands ~~as may be~~ deemed by the district necessary for any of the purposes  
 17 mentioned in KRS 76.010 to 76.295, whether within or without the district area or  
 18 within or without a construction subdistrict and any personal property necessary for  
 19 the purpose of the district. ~~Such~~ Lands, **interests** ~~or interest therein~~, or personal  
 20 property may be ~~so~~ acquired **under this section** whether or not ~~the same are~~  
 21 ~~owned or held for public use by corporations~~ **or** ~~;~~ associations, ~~for other persons~~  
 22 ~~having the power of eminent domain,~~ or otherwise held or used for public  
 23 purposes. ~~Nothing in~~

24 **(2)** This chapter shall **not** be construed to confer upon or recognize in the district any  
 25 power to acquire by agreement, purchase, or gift ~~or by eminent domain~~  
 26 ~~proceedings,~~ any fee, right, title, interest, or easement in property under the  
 27 jurisdiction of the Department of Highways or included within the boundaries of

1 any sanitation district organized under KRS Chapter 220, except necessary rights of  
2 way for trunk sewers through such sanitation districts.

3 **(3) Immediately**~~[Forthwith]~~ upon the acquisition of any ~~[such]~~ fee, right, title, interest,  
4 ~~[or]~~ easement, or personal property, the **property**~~[same]~~ shall become dedicated to  
5 the uses and purposes of the district.

6 ~~[(2) The method of condemnation of such property shall be pursuant to the Eminent  
7 Domain Act of Kentucky.~~

8 ~~(3) When a district has filed a proceeding to condemn land or any interest therein or  
9 personal property, pursuant to the provisions of the Eminent Domain Act of  
10 Kentucky, and the board of such district shall determine that the necessity for  
11 procuring possession of the property is urgent, it may pass a resolution, at the time  
12 that said condemnation is authorized or at any time thereafter for a declaration of  
13 taking, declaring that said lands are to be taken for the use of a metropolitan sewer  
14 district. Said declaration of taking shall contain, or have annexed thereto, the  
15 following:~~

16 ~~(a) A statement of the authority under which and, the public use for which, said  
17 lands are taken;~~

18 ~~(b) A description of the lands taken sufficient for identification thereof;~~

19 ~~(c) A statement of the estate or interest in said lands taken for said public use;~~

20 ~~(d) A plat showing the lands taken.~~

21 ~~(4) At any time after the report of the commissioners has been made, the district may  
22 file said declaration of taking and make a deposit with the clerk of the court of the  
23 sum of money stated in the award of the commissioners appointed. Title to said  
24 lands in fee simple or such lesser estate as is specified in said declaration or to said  
25 personal property shall then vest in such metropolitan sewer district, and the right to  
26 just compensation for said land or interest therein or personal property shall vest in  
27 the persons entitled thereto. Said compensation shall be ascertained and awarded in~~

1 ~~said proceeding as otherwise provided in the Eminent Domain Act of Kentucky.~~

2 ➔Section 37. KRS 80.500 is amended to read as follows:

3 An authority shall constitute a public body corporate and politic, exercising public and  
4 essential governmental functions~~[,]~~ and having all the powers necessary or convenient to  
5 carry out and effectuate the purposes ~~and provisions~~ of KRS 80.320 to 80.610,  
6 including the following powers in addition to others herein granted:

7 (1) To sue and be sued; to have a seal and to alter the seal~~same~~ at pleasure; to have  
8 perpetual succession; to make and execute contracts and other instruments  
9 necessary or convenient to the exercise of the powers of the authority; and to make,  
10 ~~and from time to time~~ amend, and repeal bylaws, rules, and regulations~~[,]~~ not  
11 inconsistent with KRS 80.320 to 80.610~~[,]~~ to carry into effect the powers and  
12 purposes of the authority;~~[,]~~

13 (2) Within its area of operation, to prepare, carry out, acquire, lease, and operate  
14 housing; to provide for the construction, reconstruction, improvement, alteration, or  
15 repair of any housing project or any part of a housing project~~thereof.~~

16 (3) To arrange or contract for the furnishing by any person or agency, public or private,  
17 of services, privileges, works, or facilities for, or in connection with, a housing  
18 development or its~~the~~ occupants~~thereof~~; and, ~~notwithstanding anything to the~~  
19 ~~contrary contained in~~ KRS 80.320 to 80.610 or in any other provision of law,~~[,]~~ to  
20 include in any contract let in connection with a development, stipulations requiring  
21 that the contractor and any subcontractors comply with requirements as to  
22 minimum wages and maximum hours of labor, and comply with any conditions  
23 which the federal government may have attached to its financial aid of the ~~project.~~  
24 project;

25 (4) To lease or rent any dwellings, houses, accommodations, lands, buildings,  
26 structures, or facilities embraced in any housing project, and ~~subject to the~~  
27 limitations ~~contained in~~ KRS 80.320 to 80.610,~~[,]~~ to establish and revise the rents

1 or charges for the housing projects~~[therefor]~~; to own, hold, and improve real or  
 2 personal property; to purchase, lease, obtain options upon, acquire by gift, grant,  
 3 bequest, devise, or otherwise any real or personal property or any interest in  
 4 property~~[therein]~~; ~~[to acquire by the exercise of the power of eminent domain or~~  
 5 ~~condemnation any real property;]~~ to sell, lease, exchange, transfer, assign, pledge,  
 6 or dispose of any real or personal property or any interest in property~~[therein]~~; to  
 7 insure or provide for the insurance of any real or personal property or operations of  
 8 the authority against any risks or hazards;~~[-]~~

9 (5) To invest any funds held in reserves or sinking funds, or any funds not required for  
 10 immediate disbursement, in property or securities in which savings banks may  
 11 legally invest funds subject to their control; to purchase its bonds at a price not  
 12 more than the principal amount ~~[thereof]~~ and accrued interest, all bonds so  
 13 purchased to be canceled; and~~[-]~~

14 (6) To exercise all or any part or combination of powers ~~[herein]~~ granted in KRS  
 15 80.320 to 80.610.

16 ➔Section 38. KRS 82.082 is amended to read as follows:

17 (1) A city may exercise any power and perform any function within its boundaries~~[-~~  
 18 ~~including the power of eminent domain in accordance with the provisions of the~~  
 19 ~~Eminent Domain Act of Kentucky,]~~ that is in furtherance of a public purpose of the  
 20 city and not in conflict with a constitutional provision or statute.

21 (2) A power or function is in conflict with a statute if it is expressly prohibited by a  
 22 statute or there is a comprehensive scheme of legislation on the same general  
 23 subject embodied in the Kentucky Revised Statutes.

24 ➔Section 39. KRS 82.105 is amended to read as follows:

25 As used in KRS 82.105 to 82.175~~[82.180]~~, unless the context otherwise requires~~[the~~  
 26 ~~following words and terms have the following respective meanings unless it shall clearly~~  
 27 ~~appear from the context that another meaning is intended]~~:

1 (1) "Bonds" or "bond proceeds," if unaccompanied by other designation, refer to  
 2 either revenue bonds or general obligation bonds, or both of them, and their  
 3 proceeds, as the context may indicate;

4 ~~(2)(1)~~ "City" means a city of any class;

5 (3) "Contract of inducement" means any contract, agreement, or offer and  
 6 acceptance, whereby a city agrees to provide an inducement to a governmental  
 7 agency, under authority of KRS 82.105 to 82.175, either to establish or locate:

8 (a) In the city or its environs a governmental project which might, but for that  
 9 inducement, be established elsewhere or not at all; or

10 (b) Upon one (1) or more particular sites deemed by the city, acting through its  
 11 governing body, to be best situated in the interests of future city planning  
 12 and development, or otherwise in the best interests of the public health,  
 13 safety, welfare, or convenience of the citizens and inhabitants of the city  
 14 and its environs, a governmental project otherwise chosen or under  
 15 consideration for establishment or location upon one (1) or more other sites  
 16 in or near the same city;

17 ~~(4)(2)~~ "Governing body" means the legislative body of a city;

18 ~~(5)(3)~~ "Governmental agency" means the Commonwealth, the United States, or any  
 19 division, department, agency, or instrumentality of either of them, including  
 20 agencies and instrumentalities in corporate form, whether created by legislative  
 21 enactment or organized as nonprofit corporations under general corporation laws  
 22 for the purpose of serving as agencies or instrumentalities of either of them;

23 ~~(6)(4)~~ "Governmental project" means any building, structure, installation, activity,  
 24 undertaking, or program proposed by a governmental agency in furtherance of any  
 25 lawful governmental or proprietary function of a governmental agency;

26 ~~(5) "Contract of inducement" means any contract, agreement, or offer and acceptance,~~  
 27 ~~whereby a city agrees to provide an inducement to a governmental agency, under~~

1 authority of KRS 82.105 to 82.180, either (i) to establish or locate in the city or its  
 2 environs a governmental project which might, but for such inducement, be  
 3 established elsewhere, or not at all; or (ii) to establish or locate upon one or more  
 4 particular sites deemed by the city, acting through its governing body, to be best  
 5 situated in the interests of future city planning and development, or otherwise in the  
 6 best interests of the public health, safety, welfare or convenience of the citizens and  
 7 inhabitants of the city and its environs, a governmental project otherwise chosen or  
 8 under consideration for establishment or location upon one or more other sites in or  
 9 near the same city;]

10 ~~(7)~~<sup>(6)</sup> "Inducement" or "municipal inducement" means appropriation of public funds  
 11 derived from any source and not required by law to be applied, reserved, or  
 12 appropriated to some other purpose, issuance of bonds and application of bond and  
 13 application of bond proceeds, and provision of any lands, improvements or  
 14 appurtenances authorized in KRS 82.105 to 82.175~~[82-180]~~ to be acquired,  
 15 constructed, installed, or undertaken by a city as an inducement for a purpose  
 16 authorized to be accomplished or promoted under ~~[the provisions of]~~ a contract of  
 17 inducement; and

18 ~~(8)~~<sup>(7)</sup> "Revenue bonds" and "general obligation bonds" mean, respectively, the  
 19 bonds which a city is authorized in KRS 82.105 to 82.175~~[82-180]~~ to issue under  
 20 those~~[such]~~ designations;

21 ~~(8)~~ "Bonds" or "bond proceeds," if unaccompanied by other designation, refer to either  
 22 revenue bonds or general obligation bonds, or both of them, and the proceeds  
 23 thereof, as the context may indicate].

24 ➔Section 40. KRS 82.110 is amended to read as follows:

25 (1) A city may acquire by purchase, ~~[exercise of the power of eminent domain,]~~ option,  
 26 or lease, and may accept by way of grant, gift, devise, or otherwise, a fee simple  
 27 unencumbered title to, or any lesser interest in, lands which are suitable for and

1 acceptable to a governmental agency as a site or sites for one or more governmental  
2 projects.

3 (2) In addition to ~~an~~<sup>[such]</sup> acquisition of lands under subsection (1) of this section, a  
4 city may improve ~~the~~<sup>[such]</sup> lands in any manner which in the discretion of the  
5 governing body may be necessary or desirable to place the ~~lands~~<sup>[same]</sup> in condition  
6 suitable and acceptable for use and occupancy, including, but not by way of  
7 limitation, demolition of existing buildings or structures, removal of debris,  
8 grading, provision of proper drainage, closure of public ways, establishment and  
9 improvement of new public ways, relocation and improvement of existing public  
10 ways, relocation of publicly or privately owned utility installations, erection of  
11 buildings, structures, and other improvements, and extension of the services and  
12 facilities of any city-owned utility system to any such site or sites.

13 ➔Section 41. KRS 82.120 is amended to read as follows:

14 A city may exercise all or any of the powers conferred upon it in KRS 82.105 to  
15 ~~82.175~~<sup>[82.180]</sup> as incidents to the exercise of its urban renewal ~~and~~<sup>[and/or]</sup> urban  
16 redevelopment functions authorized and contemplated in and by KRS Chapter 99, or  
17 otherwise. In the event a city has elected or may hereafter elect to perform and carry out  
18 its permissible urban renewal ~~and~~<sup>[and/or]</sup> urban redevelopment functions through, or without  
19 the intervention of, an independent corporate agency or instrumentality, ~~the~~<sup>[such]</sup> city  
20 may lawfully raise funds from any source or sources authorized or permitted by law, and  
21 by those means ~~thereof~~ <sup>[such]</sup> acquire ~~such~~ lands in its own name and pay for the  
22 lands<sup>[therefor]</sup> the resale or lease value established as provided in KRS Chapter 99, and  
23 thereby redeem and perform obligations and commitments to the United States or others  
24 within the meaning, intent, and purpose of federal or Kentucky statutes relating to ~~such~~  
25 urban renewal and urban redevelopment programs.

26 ➔Section 42. KRS 82.125 is amended to read as follows:

27 Municipal inducements are hereby declared as a matter of legislative determination of the

1 General Assembly to be lawful public purposes and public uses for which cities may  
2 exercise all powers authorized by ~~the provisions of~~ KRS 82.105 to 82.175~~[82.180]~~, or  
3 otherwise provided by law.

4 ➔Section 43. KRS 82.140 is amended to read as follows:

5 The revenue bonds and interest on them~~[thereon]~~ shall be payable solely from a special  
6 fund or account of the city, and from ~~such~~ revenues as may be pledged to be set aside  
7 therein from permissible sources, as authorized and provided in KRS 82.140 to 82.165,  
8 and shall not constitute indebtedness of the city. It shall be stated plainly on the face of  
9 each bond that it has been issued under ~~the provisions of~~ KRS 82.105 to  
10 82.175~~[82.180]~~, and that it does not constitute an indebtedness of the city within the  
11 meaning of the Constitution.

12 ➔Section 44. KRS 82.165 is amended to read as follows:

13 (1) All moneys received pursuant to ~~the provisions of~~ KRS 82.140 to 82.165, whether  
14 as proceeds from the sale of bonds or as revenues, shall be deemed to be trust funds  
15 to be held and applied solely as provided in KRS 82.140 to 82.165. The  
16 proceedings or the trust indenture shall provide that any officer with whom, or any  
17 bank or trust company with which, those~~[such]~~ moneys shall be deposited shall act  
18 as trustee of the~~[such]~~ moneys and shall hold and apply them~~[the same]~~ for the  
19 purposes of KRS 82.140 to 82.165, subject to ~~such~~ regulations as KRS 82.105 to  
20 82.175~~[82.180]~~ and ~~such~~ proceedings or trust indenture may provide.

21 (2) Any holder of bonds issued under ~~the provisions of~~ KRS 82.140 to 82.165 or any  
22 of the coupons appertaining to the bonds~~[thereto]~~, and the trustee under any trust  
23 indenture, except to the extent the rights in KRS 82.140 to 82.165 given may be  
24 restricted by the~~[such]~~ trust indenture, may, either at law or in equity, by suit,  
25 action, mandamus, or other proceedings, protect and enforce any and all rights  
26 under the laws of the Commonwealth or granted under KRS 82.140 to 82.165 or  
27 under the~~[such]~~ trust indenture or the proceedings authorizing the issuance of

1 ~~the~~<sup>such</sup> bonds, and may enforce and compel the performance of all duties  
2 required by KRS 82.140 to 82.165 or by ~~the~~<sup>such</sup> trust indenture or proceedings to  
3 be performed by the city or by any of its officers~~officer~~ or employees~~thereof~~.

4 ➔Section 45. KRS 82.170 is amended to read as follows:

5 The exercise of the powers granted by KRS 82.105 to ~~82.175~~<sup>82.180</sup> will be in all  
6 respects for the benefit of the people of the Commonwealth and its political subdivisions,  
7 for the increase of their commerce and prosperity, and for the promotion of employment  
8 and the alleviation of unemployment; and as the acquisition of a governmental project or  
9 projects by a city will constitute the performance of essential governmental functions,  
10 and will aid in the performance of other governmental functions by the Commonwealth  
11 and by the United States, the bonds issued under ~~the provisions of~~ KRS 82.105 to  
12 ~~82.175~~<sup>82.180</sup>, whether general obligation or revenue bonds, their transfer and the  
13 income therefrom, ~~(including any profit made on~~ their~~the~~ sale ~~thereof)~~ shall ~~at all~~  
14 ~~times~~ be free from taxation within the Commonwealth.

15 ➔Section 46. KRS 82.175 is amended to read as follows:

16 Bonds issued by a city under ~~the provisions of~~ KRS 82.105 to ~~82.175~~<sup>82.180</sup> are  
17 hereby made securities in which all public officers and public bodies, agencies and  
18 instrumentalities of the Commonwealth and its political subdivisions, all insurance  
19 companies, trust companies, banking associations, investment companies, executors,  
20 administrators, trustees and other fiduciaries, and all other persons whatsoever who are  
21 now or may hereafter be authorized to invest in bonds or other obligations of a similar  
22 nature, may properly and legally invest funds, including capital in their control or  
23 belonging to them. These~~Such~~ bonds are hereby made securities which may properly  
24 and legally be deposited with and received by any state or municipal officer or any  
25 agency or political subdivision of the Commonwealth for any purpose for which the  
26 deposit of bonds or other obligations of the Commonwealth is now or may hereafter be  
27 authorized by law.

1        ➔Section 47. KRS 82.405 is amended to read as follows:

2        (1) If a legislative body of a city determines that a public way located within the city  
3        should be closed in whole or in part, and that all property owners in or abutting the  
4        public way or a portion ***of the public way***~~[thereof]~~ agree to ***its***~~[the]~~ closing~~[of the~~  
5        ~~public way]~~, the legislative body may proceed to close the public way or a portion  
6        ***of the public way***~~[thereof]~~ as provided in subsection (2) of this section. If that  
7        determination is not made, a public way or a portion ***of the public way***~~[thereof]~~  
8        may be closed only as provided in subsections (3) and (4) of this section.

9        (2) The legislative body of a city may close a public way~~[,]~~ in whole or in part~~[,]~~ as  
10       provided in this subsection~~[,]~~ if it makes the following findings of fact:

11       (a) Identification of all property owners in or abutting the public way or ***the***  
12       portion ***of it***~~[thereof]~~ to be closed;

13       (b) Written notice of the proposed closing was given to all property owners in or  
14       abutting the public way or ***the*** portion ***of it***~~[thereof]~~ being closed; and

15       (c) All property owners in or abutting the public way or ***the*** portion ***of it***~~[thereof]~~  
16       being closed have given their written notarized consent to the closing, and  
17       copies of the consent shall be attached thereto.

18       If the legislative body makes the findings of fact in subsections (2)(a), (b), and (c)  
19       of this section, it may enact an ordinance reciting the findings of fact and declaring  
20       the public way or a portion ***of it***~~[thereof]~~ closed without any further action. The  
21       ordinance shall be recorded in the office of the county clerk of the county in which  
22       the city is located.

23       (3) Unless the findings of fact required in subsection (2) of this section are made, upon  
24       the adoption of an ordinance by the city legislative body closing the whole or any  
25       portion of a public way, the city shall institute an action in the Circuit Court to have  
26       it closed. All the owners of property in or abutting that public way, or the portion  
27       proposed to be closed, shall be made defendants.

1 (4) If all defendants fail to object to the closing within twenty (20) days after the date  
 2 of service, the court shall render a decree accordingly, but if any defendant objects  
 3 within that time, the court shall award damages, if any, ~~in the same manner as~~  
 4 ~~prescribed by the Eminent Domain Act of Kentucky~~ and shall direct that the public  
 5 way be closed upon payment into court of the amount awarded. The court shall give  
 6 these proceedings precedence over other cases.

7 ➔Section 48. KRS 91.285 is amended to read as follows:

8 (1) Any city of the first class which finds and declares that there exists abandoned  
 9 urban property as defined in KRS 132.012(1) within the city ~~or which finds that~~  
 10 ~~there exists blighted or deteriorated property pursuant to KRS 99.700 to 99.730~~  
 11 may levy a separate rate of taxation on abandoned urban property pursuant to KRS  
 12 132.012(2).

13 (2) (a) Prior to levying a tax upon abandoned urban property, the legislative body of  
 14 a city of the first class shall delegate to ~~the vacant properties review~~  
 15 ~~commission, if established pursuant to KRS 99.700 to 99.730 or~~ another  
 16 department or agency of city government ~~;~~ the responsibility of determining  
 17 which properties within the city are abandoned urban properties.

18 (b) A list of abandoned urban properties shall be furnished to the county property  
 19 valuation administrator prior to the date fixed for the annual assessment of  
 20 real property within the county. If a property classified as abandoned urban  
 21 property is repaired, rehabilitated, or otherwise returned to productive use, the  
 22 owner shall notify the city which shall, if it finds the property is no longer  
 23 abandoned urban property, notify the property valuation administrator to  
 24 strike the property from the list of abandoned urban properties.

25 ➔Section 49. KRS 92.305 is amended to read as follows:

26 (1) Any urban-county government or city of the home rule class which finds and  
 27 declares that there exists abandoned urban property as defined in KRS 132.012

1 within the urban-county government or city~~[, or which finds that there exists~~  
 2 ~~blighted or deteriorated property pursuant to KRS 99.700 to 99.730,]~~ may levy a  
 3 separate rate of taxation on abandoned urban property pursuant to KRS 132.012.

4 (2) **(a)** Prior to levying a tax upon abandoned urban property, the legislative body of  
 5 the urban-county government or the city of the home rule class shall delegate  
 6 to~~[ the vacant properties review commission, if established pursuant to KRS~~  
 7 ~~99.710, or]~~ another department or agency of the urban-county or city  
 8 government~~[,]~~ the responsibility of determining which properties within the  
 9 urban-county government or city are abandoned urban properties.

10 **(b)** A list of abandoned urban properties shall be furnished to the county property  
 11 valuation administrator prior to the date fixed for the annual assessment of  
 12 real property within the county. If a property classified as abandoned urban  
 13 property is repaired, rehabilitated, or otherwise returned to productive use, the  
 14 owner shall notify the urban-county government or city which shall, if it finds  
 15 the property is no longer abandoned urban property, notify the property  
 16 valuation administrator to strike the property from the list of abandoned urban  
 17 properties.

18 ➔Section 50. KRS 96.045 is amended to read as follows:

19 (1) ~~A~~~~[No]~~ municipality~~[,]~~ in which there is located an existing electric, water, or gas  
 20 public utility plant or facility shall **not** construct or cause to be constructed any  
 21 similar utility plant or any similar public utility facility duplicating **the**~~[such]~~  
 22 existing plant or facility or to obtain or acquire any similar public utility plant or  
 23 facility other than by the purchase of the existing plant or facility~~[ or by the~~  
 24 ~~acquisition of such existing plant or facility by the exercise of the power of eminent~~  
 25 ~~domain].~~

26 (2) **As used in this section,** "municipality" means any county, city, and municipal  
 27 corporation in the Commonwealth of Kentucky, and any board, commission or

1 agency thereof.

2 (3) All laws and parts of laws in conflict with this section~~herewith to the extent of~~  
3 ~~such conflict~~ are repealed to the extent of the conflict.

4 ➔Section 51. KRS 96.150 is amended to read as follows:

5 (1) Any city that owns or operates a water supply or sanitary sewer system may extend  
6 the system into, and furnish and sell water and provide sanitary sewers to any  
7 person within, any territory contiguous to the city, and may install within that  
8 territory necessary apparatus.~~;~~ ~~provided,~~ However, ~~that~~ the extension of a water  
9 supply or sanitary sewer system shall not enter into any territory served by an  
10 existing water supply or sanitary sewer district unless the~~such~~ district requests the  
11 extension of water or sewer services from a city. ~~For these purposes the city or~~  
12 ~~sanitation authority established by an interlocal agreement may condemn or~~  
13 ~~otherwise acquire franchises, rights, and rights of way, as private corporations may~~  
14 ~~do.~~

15 (2) When extending the system to any person, water district, or water association, the  
16 city may consider the installation of fire hydrants on the extended lines. The city  
17 may extend water lines which are incapable of servicing fire hydrants only if the  
18 city determines that servicing hydrants is not feasible. The determination shall  
19 include consideration of the incremental costs of adequately sized pipe and  
20 associated pumps and towers, and the benefits of real estate development, water  
21 sales, the availability of fire protection insurance, and the reduction in fire insurance  
22 premiums which may result from the installation of hydrants at specified intervals.  
23 When extending lines to a water district or water association, the determination may  
24 be made in consultation with the district or association, taking into consideration  
25 its~~their~~ fiscal capacity.

26 ➔Section 52. KRS 96.175 is amended to read as follows:

27 Any board operating under ~~the provisions of~~ KRS 96.171 to 96.188 shall have the legal

1 power and capacity to perform any act not repugnant to law and shall have the express  
2 power and capacity to do any and all acts or things necessary or convenient for the  
3 carrying out of the purposes of KRS 96.171 to 96.188, including, but not by way of  
4 limitation, the following express powers:

5 (1) Acquire property, real and personal, tangible and intangible, necessary or incident  
6 to the proper conduct of its business;[-]

7 (2) Operate, maintain, improve, and extend the electric and water plant, and provide  
8 electric and water service to any user or consumer within and without the  
9 boundaries of any municipality, and charge and collect reasonable rates therefor;[-]

10 (3) Fix and determine classifications, rates, and charges for services;[- provided,  
11 however, the rates and charges so fixed and determined at all times shall be]  
12 sufficient to produce revenues sufficient to pay all operating expenses, interest, and  
13 bond requirements, sinking fund requirements, adequate depreciation reserves,  
14 taxes, or payments in lieu of taxes, and reserves for contemplated extensions and  
15 improvements;[-]

16 (4) Construct, lease, operate, and control any and all works, lines, buildings, and other  
17 facilities across, along, or under any street or public highway, and over any lands  
18 which are now or may be the property of the Commonwealth or of any county or  
19 municipality within this Commonwealth. The board shall, however, at its own  
20 expense, restore a[any such] street or highway to its former condition and state as  
21 nearly as may be possible and shall not use the same in a manner as to impair its  
22 usefulness or to interfere with or obstruct its[the] maintenance[- thereof]. Before  
23 exercising these powers, the board shall obtain a permit or consent or approval in  
24 writing from the governing authority of the municipality, ~~for~~the fiscal court, or the  
25 Department of Highways, having appropriate jurisdiction over the[any and all of  
26 such] respective streets or public highways;[-]

27 (5) Accept gifts, grants of property, real or personal, including money, from any

1 person, municipality, or federal agency, and to accept voluntary and uncompensated  
2 services. ~~[-; provided,]~~ However, ~~[that]~~ when engineering services are required by the  
3 board, ~~an~~ ~~[no]~~ engineer or firm with which he or she is associated who is engaged in  
4 whole or in part in the business of buying or selling any electric or water  
5 equipment, machinery, fixtures, materials, supplies, or the sale or purchase of bonds  
6 shall not be eligible for employment or for any service ~~[whatsoever]~~ under ~~[the~~  
7 ~~provisions of]~~ KRS 96.171 to 96.188. ~~[-;]~~

8 (6) Contract debts and borrow money for the improvement and extension of any  
9 electric and water plant or for the refinancing of any existing bonded indebtedness  
10 on the property or any portion of the property ~~[thereof]~~, issue bonds therefor,  
11 provide for the rights of holders of the bonds and to secure the bonds as ~~hereinafter~~  
12 ~~]~~ provided in this section, and pledge all or any of the net revenue derived from the  
13 electric and water plant to the payment of ~~[such]~~ debts or repayment of money  
14 borrowed. ~~[-;]~~

15 (7) The title to any property, real or personal, which the board may acquire shall vest in  
16 the municipality for the use and benefit of the electric and water system. The board  
17 shall have the power to sell or otherwise dispose of any personal property used or  
18 useful in the operation of the electric and water system which may be or become  
19 obsolete or otherwise determined by the board not to be necessary in the operation  
20 of the electric and water system. Any bill of sale or other instrument of conveyance  
21 shall be executed by the chairman of the board and attested by the secretary of the  
22 board. ~~[-;]~~

23 (8) Make contracts and execute instruments containing ~~[such]~~ covenants, terms and  
24 conditions that ~~[as]~~ in the discretion of the board may be proper, necessary, or  
25 advisable for the purpose of obtaining loans from any source, or grants, loans, or  
26 other financial assistance from any governmental agency; make all other contracts  
27 and execute all other instruments as in the discretion of the board may be advisable

- 1 in or for the furtherance of the operation, maintenance, improvement, or extension  
2 of any electric and water plant and the furnishing of service; and carry out and  
3 perform the covenants, terms, and conditions of all such contracts or instruments, as  
4 well as all contracts and instruments in existence and effect at the time of the  
5 transfer of the property to the board as ~~herein~~ provided **in this section;**~~;~~
- 6 (9) Enter on any lands, waters, and premises for the purpose of making surveys,  
7 soundings, and examinations in connection with the operation, maintenance,  
8 improvement, or extension of any electric and water plant and the furnishing of  
9 service.~~;~~
- 10 (10) Do all acts and things necessary or convenient to carry out the powers expressly  
11 given in KRS 96.171 to 96.188, except sell, convey, or mortgage the real property.
- 12 (11) Make any contracts necessary or convenient for the full exercise of the powers  
13 ~~herein~~ granted **in this section,** including, but not limited to, contracts for either the  
14 purchase or sale or both the purchase and sale of electric energy or power; and, in  
15 connection with any such contract with a governmental agency, the board may  
16 stipulate and agree to ~~such~~ covenants, terms, and conditions as it deems  
17 appropriate, including, but without limitation, covenants, terms, and conditions with  
18 respect to the resale rate, financial and accounting methods, and the manner of  
19 disposing of the revenues or any part **of revenues**~~thereof~~ derived from the  
20 operation of the plant as ~~herein~~ provided **in this section;**~~;~~
- 21 (12) Acquire by purchase ~~for the exercise of eminent domain all~~ lands, easements,  
22 rights of way, either upon or under or above the ground, reasonably necessary or  
23 desirable in connection with the operation, maintenance or extension of an electric  
24 and water plant.
- 25 (13) ~~The board shall have the power to~~ Accept ~~the provisions of~~ and conduct its  
26 operations under the ~~provisions of the~~ Kentucky Workers' Compensation Act;  
27 **and**~~;~~

1 (14) ~~{The board shall have the power to }~~Establish, create, provide, and maintain a  
 2 pension plan for its employees, and to pay out of operating revenues, as an  
 3 operating expense, ~~a~~such portion of the cost of the creation and maintenance of  
 4 ~~the~~such pension plan as may be properly payable by the board.

5 ➔Section 53. KRS 96.182 is amended to read as follows:

6 (1) Subject to the provisions of outstanding bonds and contracts, the board shall apply  
 7 all funds derived from operations to:

8 (a) ~~{(1) to }~~The payment of operating expenses;~~{, }~~

9 (b) ~~{(2) to }~~The payment of bond interest and retirement;~~{, }~~

10 (c) ~~{(3) to }~~Sinking fund requirements;~~{, }~~

11 (d) ~~{(4) to }~~The maintenance of a fund to meet depreciation and the improvements  
 12 and extension of the plant in an amount equal to six percent (6%) of the  
 13 undepreciated book value of its property;~~{, }~~

14 (e) ~~{(5) to }~~The maintenance of a cash working fund equal to one (1) month's  
 15 revenue;~~{, }~~

16 (f) ~~{(6) to }~~The payment of other obligations incurred in the operation and  
 17 maintenance of the plant and the furnishing of service;~~{, }~~and

18 (g) ~~{(7) such }~~Taxes, if any, as the board may elect to pay under ~~{the provisions of }~~  
 19 ~~{KRS 96.179, and }~~

20 (2) Any surplus revenues at the end of any twelve (12) months ending June 30 shall be  
 21 transferred to the sinking fund~~{, }~~ and used by the board only for the redemption or  
 22 purchase of outstanding bonds, in which case those~~such~~ bonds shall be canceled,  
 23 or for the creation and maintenance of a cash working fund, or the creation and  
 24 maintenance of a fund for improvement and extension of the system, or for the  
 25 reduction of rates, or the board, after the original cost of the property has~~shall~~  
 26 ~~have~~ been fully paid and satisfied may, in its sole discretion, use, apply, and pledge  
 27 all or a part of the~~such~~ surplus revenues for the acquisition, construction,

1 maintenance, improvement, addition to, and operation of any ~~["]public project["]~~ as  
 2 ~~[the same is ]~~defined in ~~[subsection (1) of]~~ KRS 58.010, or for the purpose of  
 3 purchasing, paying, retiring, guaranteeing the payment of, or underwriting revenue  
 4 bonds issued by the city or any of its agencies~~[agency thereof]~~ to finance the  
 5 acquisition, construction, maintenance, improvement, addition to, and operation of  
 6 any ~~[such "]~~public project,~~["]~~ which ~~["public project"]~~ shall be located within the  
 7 territory served by the board.~~["];~~

8 **(3)** The board is hereby vested with all of the powers, duties, and responsibilities  
 9 delegated and granted to a ~~["]governmental agency["]~~ under KRS 58.020 to  
 10 58.130~~[58.140]~~, both inclusive.~~["; provided,]~~ However, ~~[that ]~~the acquisition or  
 11 construction of any ~~["]public project[" as above defined,]~~ shall be first approved by  
 12 the common council before the ~~[such "]~~public project~~["]~~ is undertaken.

13 ➔Section 54. KRS 96.537 is amended to read as follows:

14 **(1)** The legislative body of any city operating a municipal system for the acquisition  
 15 and distribution of natural gas may~~["]~~ by ordinance~~["]~~ authorize the issuance of  
 16 revenue bonds to pay all or any part of the costs of any project for the improvement  
 17 or extension of the system, or for obtaining new sources of supply.

18 **(2)** The revenue bonds may be sold and issued in the manner provided for the sale and  
 19 issuance of revenue bonds under ~~[the provisions of]~~ KRS 58.010 to 58.130~~[58.140]~~,  
 20 58.150, 58.155, and 58.180, including by negotiated sale, or, upon a determination  
 21 of a legislative body, acting upon the advice of the city attorney or city solicitor,  
 22 that the proposed bonds will be industrial development bonds within the meaning of  
 23 federal statutes, the revenue bonds, whether or not exempt from federal income  
 24 taxation, may be sold in any manner provided for the sale of industrial building  
 25 revenue bonds under ~~[the terms of ]~~KRS 103.200 to 103.285, inclusive; provided,  
 26 however, that:

27 **(a)** The contract with the private corporation which is deemed to give rise to the

1 federal classification of industrial development bonds need not take the form  
2 of a lease agreement; ~~and~~

3 **(b)** ~~A~~ ~~No~~ request in writing from any contracting private corporation shall **not** be  
4 required for any negotiated sale; ~~and~~ ~~provided, further, that~~

5 **(c)** In the event of a negotiated sale, a report of negotiations shall be made to a  
6 consultant ~~who shall be~~ employed by the city to make a recommendation to  
7 the legislative body on the adequacy of ~~the~~ ~~such~~ negotiations and of the  
8 terms of sale in the light of market conditions.

9 **(3)** ~~The provisions of~~ KRS 424.360 shall not apply to any negotiated sale under this  
10 section.

11 ➔Section 55. KRS 96.5375 is amended to read as follows:

12 (1) Subject to the limitations of subsection **(3)** ~~(4)~~ of this section and KRS 96.045 and  
13 96.538, any city that owns and operates a municipal system for the acquisition,  
14 distribution, or transmission of natural gas may extend the system into and furnish  
15 and sell natural gas to any person or entity within the boundaries of the city or  
16 within any territory outside of the city's boundaries. In exercising the authority  
17 provided by this subsection, the city may install the necessary apparatus to provide  
18 natural gas distribution or transmission service and may also ~~condemn or otherwise~~  
19 ~~acquire rights-of-way as private utilities may do.~~ ~~The provisions of~~ This  
20 subsection shall apply to all cities of this Commonwealth transporting or  
21 distributing natural gas as well as any **of its boards, commissions, or**  
22 **agencies** ~~board, commission, or agency thereof~~.

23 (2) ~~A city, other than a city of the first class or a consolidated local government, may~~  
24 ~~acquire the entire plant of an existing natural gas distribution system only under the~~  
25 ~~same process and subject to the same limitations established by KRS 96.580,~~  
26 ~~96.590, and 96.600.~~

27 ~~(3) No~~ Property owned or operated by an existing natural gas distribution system

1 located within the Commonwealth shall not~~may~~ be condemned by a city from  
2 another state.

3 ~~(3)~~~~(4)~~ A natural gas utility, which~~,~~ for purposes of this subsection~~,~~ means a  
4 public, private, or municipally owned gas utility distributing or transporting natural  
5 gas to customers within this Commonwealth, shall not:

- 6 (a) Extend its system for the purposes of furnishing or selling natural gas to any  
7 person or entity that is currently being served by another natural gas utility; or  
8 (b) Extend its system to furnish or sell natural gas to any person or entity when  
9 there is another natural gas utility in closer proximity to the person or entity to  
10 be served, unless the natural gas utility in closer proximity has declined to  
11 provide service.

12 ~~(4)~~~~(5)~~ ~~[The provisions of ]~~Subsection ~~(3)~~~~(4)~~ of this section shall only apply to  
13 extension of service issues between a municipally owned natural gas utility  
14 servicing customers located outside its municipal boundaries and a private or  
15 investor-owned natural gas utility. The term "municipally owned" shall include  
16 systems distributing or transporting natural gas that are owned by a city from  
17 another state.

18 ➔Section 56. KRS 96.541 is amended to read as follows:

19 As used in KRS 96.542 to 96.546, the term "acquire" means constructing or  
20 acquiring~~[shall mean and include construct, acquire]~~ by purchase, ~~[by ]~~lease, devise, gift,  
21 or ~~[the exercise of the right of eminent domain in the manner now or hereafter provided~~  
22 ~~by law for the exercise thereof and acquisition by ]~~any other mode.

23 ➔Section 57. KRS 96.542 is amended to read as follows:

24 ~~[(1) ]~~Any city may acquire, maintain, and operate an artificial gas system, together with  
25 extensions and necessary appurtenances thereto within or without the limits of the city.~~]~~

26 ~~(2) If any such artificial gas system is acquired from a company having a franchise,~~  
27 ~~such system may be acquired under the provisions of the Eminent Domain Act of~~

1 Kentucky, except as otherwise provided in ~~KRS 96.543 to 96.546 and 96.600.~~

2 ➔Section 58. KRS 96.550 is amended to read as follows:

3 As used in KRS 96.550 to 96.900, unless the context requires otherwise:

- 4 (1) "Acquire" **means constructing or acquiring**~~[shall mean and include construct,~~  
5 ~~acquire]~~ by purchase, ~~[by ]~~lease, devise, gift, or ~~[the exercise of the right of eminent~~  
6 ~~domain in the manner now or hereafter provided by law for the exercise thereof and~~  
7 ~~acquisition by ]~~any other mode;~~[-]~~
- 8 (2) "Board" **means**~~[shall mean]~~ a board of public utilities established pursuant to KRS  
9 96.740;~~[-]~~
- 10 (3) "Bonds" **means**~~[shall mean]~~ either general obligation bonds or revenue bonds;~~[-]~~
- 11 (4) "Constitution" **means**~~[shall mean]~~ the Constitution of Kentucky;~~[-]~~
- 12 (5) "Electric plant" **means**~~[shall mean and include]~~ any plant, works, systems, facilities,  
13 and properties, ~~[ (including poles, wires, stations, transformers, and any and all~~  
14 ~~equipment and machinery)]~~, together with all parts thereof and appurtenances  
15 thereto, used or useful in the generation, production, transmission, or distribution of  
16 energy;~~[-]~~
- 17 (6) "Energy" **means**~~[shall mean and include]~~ any and all electric energy no matter  
18 where or how generated, produced, transmitted, or conveyed;~~[-]~~
- 19 (7) "Electric service" **means**~~[shall mean]~~ the furnishing of electric power and energy  
20 for any purpose for which electric power and energy can be used;~~[-]~~
- 21 (8) "General obligation bonds" **means**~~[shall mean]~~ direct or general obligations of any  
22 municipality, issued within the limits and subject to~~[ the provisions of]~~ Sections 157  
23 and 158 of the Constitution;~~[-]~~
- 24 (9) "Governing body" **means**~~[shall mean]~~ the board, council, commission, fiscal court,  
25 or other general governing body of the municipality;~~[-]~~
- 26 (10) "Governmental agency" includes the United States, the President, the federal works  
27 agency, the federal lending agency, Tennessee Valley Authority, or any other

- 1 similar agency, instrumentality, or corporation of the United States, or of Kentucky  
 2 or any political subdivision thereof, created by or pursuant to any Act of Congress  
 3 or by state legislation;[.]
- 4 (11) "Improve" ***means to***[~~shall mean and include~~] construct, reconstruct, improve,  
 5 extend, enlarge, alter, better, and repair;[.]
- 6 (12) "Improvement" ***means***[~~shall mean~~] any improvement, extension, betterment, or  
 7 addition to any electric plant;[.]
- 8 (13) "Law" ***means***[~~shall mean~~] any statute of this state;[.]
- 9 (14) "Mayor" ***means:***[~~shall mean~~]
- 10 ***(a)*** The mayor of:
- 11 ***1.*** Any class city unless there ~~is~~<sup>be</sup> a city manager, ***in which case***[~~then~~] it  
 12 ***means the***[~~shall mean~~] city manager;[.] or
- 13 ***2. A consolidated local government; or***
- 14 ***(b)*** The county judge/executive of any county;[. "~~Mayor~~" shall also mean the  
 15 ~~mayor of a consolidated local government.~~]
- 16 (15) "Municipality" ***means***[~~shall mean~~] any county, city, consolidated local government,  
 17 or municipal corporation of any and every class in the Commonwealth of  
 18 Kentucky;[.]
- 19 (16) "Revenue bonds" ***means***[~~shall mean~~] obligations payable solely from the revenues  
 20 derived from the operation of an electric plant, and ***those***[~~such~~] bonds shall not  
 21 constitute an indebtedness of any municipality within the meaning [~~of the~~  
 22 ~~provisions~~] or limitations of the Constitution; ***and***[.]
- 23 (17) "Net revenues" ***means***[~~shall mean~~] revenues remaining after payments of:
- 24 (a) All payments provided for herein to be made to the state, county, school or  
 25 other taxing district;
- 26 (b) The payments of salaries[.] and premiums on bonds of officers and employees  
 27 of the board; and

1 (c) All other ordinary and necessary operating expenses of the board in the  
2 operation of the electric plant, including reserves for depreciation.

3 ➔Section 59. KRS 96.640 is amended to read as follows:

4 (1) Before any municipality shall have authority to:  
5 (a) Construct or cause to be constructed an electric plant;~~;~~  
6 (b) Acquire an electric plant by purchase;or~~;~~  
7 (c) ~~institute condemnation proceedings for acquiring by eminent domain an~~  
8 ~~electric plant, or~~  
9 (d) ~~Issue revenue bonds for the construction, purchase, or acquisition of an electric~~  
10 ~~plant;~~  
11 the question shall be submitted to the qualified voters of the municipality as  
12 ~~hereinafter in this section~~ provided ***in this section***.

13 (2) **(a)** Before any municipality shall be authorized or empowered to purchase or  
14 establish and thereafter operate an electric plant, or to issue bonds therefor,  
15 the legislative body of **the**~~such~~ municipality shall pass an ordinance  
16 declaring it desirable that the municipality shall purchase or construct and  
17 operate a municipal electric plant, and if it is proposed to construct **an**~~such~~  
18 electric plant, the board shall cause an engineer or engineers duly qualified  
19 and licensed under the laws of this Commonwealth ~~(a)~~ to:  
20 **1.** Prepare the necessary and proper plans and specifications for the  
21 construction of the electric plant;~~;~~~~(b)~~  
22 **2.** Select the location therefor;~~;~~~~(c)~~  
23 **3.** Determine the size, type, and method of construction;~~;~~~~thereof,~~~~(d)~~  
24 **4.** Make the necessary estimates of the cost of construction and of the  
25 acquisition of the land and rights of way;~~;~~ and~~;~~~~(e)~~ a  
26 **5.** Survey ~~of~~ all lands, structures, rights of way, franchises, and  
27 easements, the acquisition of which is deemed necessary by **the**~~said~~

1           ]engineers and the board for the construction and operation of the[such]  
2           municipal electric plant, all of which shall be approved by the board[;]  
3           and, ~~Provided further, That ]~~

4           **(b)** The question of whether or not revenue bonds shall be issued to provide for  
5           the payment of the cost of the electric plant[thereof] shall be submitted to the  
6           qualified voters of the[such] municipality at the next regular November  
7           election to be held in that[said] municipality if the ordinance is certified to the  
8           county clerk not later than the second Tuesday in August preceding the next  
9           regular election. The mayor shall certify the[such] ordinance to the county  
10          clerk, who shall have prepared to be placed before the voters in the general  
11          November election, the question: "Are you in favor of the city constructing  
12          and operating a municipal electric plant in accordance with the plans and  
13          specifications adopted by the Electric Plant Board of \_\_\_\_\_ (here insert  
14          name of municipality) and the issuance of revenue bonds in the maximum  
15          amount of \$\_\_\_\_\_ (here insert maximum total face amount of bonds  
16          estimated by the board to be necessary to pay the cost of such plant, based  
17          upon the estimate hereinabove provided)." The voters shall respond to the  
18          question by voting "Yes" or "No".

19       (3) The mayor of the[such] municipality shall advertise the[such] election and its[the]  
20       object [thereof ]by publication pursuant to KRS Chapter 424, and also by printed  
21       handbills posted in not less than four (4) conspicuous places in each voting precinct  
22       in the municipality and at the courthouse door. All legal voters of such municipality  
23       shall be privileged to vote at the[such] election. The city shall have no authority to  
24       construct a municipal electric plant[, ] or to issue revenue bonds unless a majority of  
25       all the qualified voters voting in the[said] election on this question vote in favor of  
26       construction[thereof].

27       (4) Any contract of a municipality for the purchase of an electric plant shall be

1 conditioned upon the approval of the qualified voters of the municipality at an  
 2 election held at the time and in the manner provided in subsections (2)(**b**) and (3) of  
 3 this section, except that the clerk shall have prepared to be placed before the voters  
 4 the following question: "Are you in favor of the City of \_\_\_\_\_ purchasing from  
 5 \_\_\_\_\_ (insert the name of owner or owners) an electric plant at the price of  
 6 \$\_\_\_\_\_ (herein insert the amount of the agreed purchase price) and the  
 7 issuance of revenue bonds in the amount of \$\_\_\_\_\_ (herein insert total face  
 8 amount of bonds required to pay the agreed purchase price)." The voters shall  
 9 respond to the question by voting "Yes" or "No".

10 (5) ~~Before any municipality shall be authorized or empowered to institute~~  
 11 ~~condemnation or eminent domain proceedings to acquire an electric plant, the~~  
 12 ~~legislative body of such city shall pass an ordinance declaring it desirable that the~~  
 13 ~~municipality shall acquire by condemnation an electric plant, and shall describe in~~  
 14 ~~the ordinance the property which it deems necessary to be acquired, and there shall~~  
 15 ~~be submitted, in the manner provided in subsections (2) and (3) of this section, to~~  
 16 ~~the qualified voters of the municipality at the next regular November election, the~~  
 17 ~~following question: "Are you in favor of the City of \_\_\_\_\_ (here insert name~~  
 18 ~~of city) acquiring an electric plant by the exercise of the power of eminent domain~~  
 19 ~~and the issuance of revenue bonds in an amount sufficient to pay the entire damages~~  
 20 ~~and costs of such acquisition." The voters shall respond to the question by voting~~  
 21 ~~"Yes" or "No".~~

22 (6) ~~No~~ 1A municipality or board shall ***not*** have authority to purchase, construct, or  
 23 acquire~~[, or to institute condemnation proceedings for acquiring]~~ an electric plant,  
 24 or to issue revenue bonds or other obligations or evidences of indebtedness for the  
 25 payment of the costs ***of the electric plant***~~[thereof]~~ unless a majority of all the  
 26 qualified voters voting in ***the***~~[said]~~ election on the question vote in favor ***of***  
 27 ***construction***~~[thereof]~~. Elections held pursuant to ~~[the provisions of]~~ KRS 96.550 to

1 96.900 shall be governed by the laws of this state relative to elections to the extent  
2 that such laws are not inconsistent with this section~~herewith~~.

3 ➔Section 60. KRS 96A.060 is amended to read as follows:

4 (1) Regular meetings of the board shall be held at least once in each calendar month, at  
5 a~~such~~ time and place ~~as may be~~ fixed by the board as a matter of record. Special  
6 meetings of the board may be called by the chairman or any two (2) members of the  
7 board upon oral or written notice to all members at least forty-eight (48) hours in  
8 advance. Each notice of a special meeting shall state the time, place, and purpose or  
9 purposes of the meeting~~thereof~~. Notice may be waived by any member, orally or  
10 in writing, before, at, or after a~~such~~ special meeting; and the presence of any  
11 member at any ~~such~~ special meeting shall constitute a waiver of any defect of  
12 notice, unless the~~such~~ member shall cause it to appear of record that his or her  
13 attendance is only for the purpose of objecting to any deficiency in the notice or the  
14 time or manner of giving the notice~~same~~.

15 (2) A majority of the members of the board shall constitute a quorum for the  
16 transaction of business, but a smaller number may adjourn ~~from time to time,~~ and  
17 may compel the attendance of absent members in a~~such~~ manner and under ~~such~~  
18 ~~penalties~~ as the authority may provide for in~~previously have provided for,~~  
19 ~~according to~~ its bylaws. The affirmative vote of a majority of a quorum shall be  
20 necessary for the adoption of any motion, measure, or resolution. Passage of any  
21 motion, measure, or resolution may be by voice vote, provided:

22 (a) At the request of any member the yea and nay votes shall be recorded upon  
23 call of the roll;~~;~~ and

24 (b) A voting~~Such~~ record shall be made in all proceedings involving any  
25 adjustment of rates and charges for use of the services and facilities of the  
26 mass transportation system of the authority,~~authorization of proceedings to~~  
27 ~~acquire property through exercise of the power of eminent domain,~~ the

1 issuance of revenue bonds or mortgage bonds of the authority, a request that  
2 general obligation bonds be issued by any public body for the benefit of the  
3 authority, or approval and authorization of any lease agreement wherein the  
4 authority is the lessor and a public body or public bodies, ~~{(}or any~~  
5 combination of those,~~{thereof}~~ may be the lessee or lessees, as provided in  
6 this chapter.

7 ➔Section 61. KRS 96A.080 is amended to read as follows:

- 8 (1) A transit authority may establish mass transportation within its transit area and  
9 adjoining areas~~{,}~~ but may not inaugurate service in direct competition with any  
10 existing certificated carrier.
- 11 (2) In addition to the power conferred upon an authority by this chapter, an authority  
12 may acquire real or personal property, easements, franchises, bus certificates, or  
13 other rights by any lawful means necessary to its operation of any existing mass  
14 transit system within its transit area and adjoining areas, provided that having  
15 acquired an existing transit system it shall not thereafter inaugurate service in direct  
16 competition with any other existing certificated carrier.
- 17 (3) ~~{An authority may, if unable to contract or agree with the owner or owners thereof,~~  
18 ~~acquire real and personal property, franchises, bus certificates, easements and other~~  
19 ~~rights when necessary in and to the accomplishments of the public purposes of the~~  
20 ~~authority, through exercise of the power of eminent domain; provided, however,~~  
21 ~~that in acquiring any private bus company pursuant to this section, the authority~~  
22 ~~may not do so piecemeal but shall acquire the entire system including that which~~  
23 ~~may be outside the area then included within the authority. An authority shall not~~  
24 ~~condemn any real and personal property, franchises, bus certificates, easements and~~  
25 ~~other rights of a private bus company the majority of whose passengers move~~  
26 ~~between termini without the transit area. Any exercise of such power shall be~~  
27 ~~initiated by resolution of the board of the authority identifying the properties or~~

1        ~~rights to be acquired, reciting the board's determination that acquisition by such~~  
2        ~~means is necessary, and authorizing initiation of proceedings as required by law;~~  
3        ~~and such resolution of the board of the authority shall not be conclusive of such~~  
4        ~~determination but shall be subject to the approval of the fiscal court or courts of the~~  
5        ~~county or counties in which the property sought to be condemned is located.~~

6        ~~(4) Proceedings in the exercise of the power of eminent domain herein vested in an~~  
7        ~~authority shall, except where inconsistent with this chapter, be such as are~~  
8        ~~prescribed for the Department of Highways by the Eminent Domain Act of~~  
9        ~~Kentucky, and as the same may be amended and supplemented from time to time.~~  
10       ~~All such proceedings shall be governed by the provisions of the Rules of Civil~~  
11       ~~Procedure except where the provisions of this chapter or of the Eminent Domain~~  
12       ~~Act of Kentucky specifically or by necessary implication provide otherwise. If a~~  
13       ~~privately owned mass transportation system, or other property sought to be acquired~~  
14       ~~by an authority, shall have been acquired or improved in whole or in part at the~~  
15       ~~expense of the authority, the cost and value of such acquisitions and improvements~~  
16       ~~shall be excluded in any proceedings to establish the fair value thereof.~~

17       ~~(5) ]~~During any period when negotiations for the purchase of a mass transit system are  
18       in progress, ~~[ and/or during any period when proceedings for acquisition of a mass~~  
19       ~~transportation system through exercise of the power of eminent domain may be~~  
20       ~~pending, ]~~ an authority may make reasonable subsidy payments to the owner or  
21       owners of ~~the~~the~~[such]~~ mass transit system if ~~[, ]~~ in the judgment of the board of the  
22       authority ~~[, such]~~ subsidy payments are necessary in order to give reasonable  
23       assurance that there will be no substantial reduction of transportation service to the  
24       public. ~~[Such]~~ Subsidy payments may be made by an authority from any resources  
25       available to it, or from appropriations made or agreed to be made to it by any public  
26       body having an interest in the preservation of mass transit service to the public; and  
27       if bonds are ultimately issued for the purchase or other acquisition of ~~the~~the~~[such]~~

1 mass transit system, the aggregate amount of ~~the~~<sup>such</sup> subsidy payments may be  
2 included as a part of the cost of acquisition and made payable from the proceeds of  
3 ~~the~~<sup>such</sup> bonds. ~~An~~<sup>In no event, however, shall any</sup> action on the part of a board  
4 of an authority in this connection **shall not** create an indebtedness of the authority  
5 beyond its available resources or ~~the~~<sup>such</sup> appropriations or ~~the~~ proceeds of  
6 ~~such~~ bonds, if and when bonds are issued.

7 ➔Section 62. KRS 97.250 is amended to read as follows:

- 8 (1) The department of public parks and recreation of any city of the first class shall  
9 exercise all of the powers and perform all of the functions and duties of any former  
10 board of park commissioners of the city, except as otherwise provided by law or by  
11 KRS 97.250 to ~~97.255~~<sup>97.257</sup>. The agents and employees of the department of  
12 public parks and recreation, except as provided herein, shall be employed and  
13 governed in accordance with the merit system, as provided by any law or  
14 amendments thereof, and any rules and regulations issued pursuant thereto,  
15 authorizing, creating and governing any city board or commission empowered to  
16 administer and enforce civil service laws, rules and regulations in and for the city.
- 17 (2) The department of public parks and recreation of any city of the first class shall be  
18 under the supervision and direction of a director to be designated director of parks  
19 and recreation, and shall have exclusive direction, supervision and control of all  
20 park property, as herein defined, except as otherwise provided by law or by KRS  
21 97.250 to ~~97.255~~<sup>97.257</sup> or by ordinance of the legislative body of said city; and  
22 shall provide for and supervise all public amusements and recreation in parks,  
23 playgrounds, and community centers. The director of the department may adopt  
24 rules and regulations for the reasonable and proper use, management and control of  
25 public park, playground and community center property, and may organize the  
26 department for administrative purposes into the divisions necessary for the proper  
27 conduct of the business of said department, and appoint heads or chiefs of the

1 divisions, who, under the supervision and control of the director, shall have the  
2 direction of such divisions.

3 ➔Section 63. KRS 97.253 is amended to read as follows:

4 (1) The employees of any former board of park commissioners in any city of the first  
5 class, except the special park police, shall be employed by and continued in the  
6 service of the department of public parks and recreation. The employees, except as  
7 ~~herein~~ provided ***in this section***, are subject to any law or amendments thereof, or  
8 any rules and regulations issued pursuant thereto, governing any city board or  
9 commission empowered to administer and enforce civil service laws, rules, and  
10 regulations in and for the city, it being the intent and purpose of KRS 97.250 to  
11 **97.255**~~[97.257]~~ to make ***those***~~[such]~~ laws, rules, and regulations applicable to the  
12 offices, positions, and places of employment in the department of public parks and  
13 recreation.

14 (2) The following offices, positions, and places of employment in the department of  
15 public parks and recreation, to wit: director of parks and recreation, private  
16 secretary to the director, golf professionals, golf greensmen, checkers, countermen,  
17 locker attendants, caretakers, janitors, janitresses, laundresses, cleaners, tractor and  
18 truck drivers, teamsters and stablemen, and laborers, are hereby specifically  
19 excepted from the ~~provisions of the~~ civil service law, rules, and regulations. The  
20 foregoing excepted offices, positions, and places of employment, except the office  
21 of director, may hereafter be placed in the classified service, under the law, by the  
22 legislative body of the city by ordinance.

23 ➔Section 64. KRS 97.680 is amended to read as follows:

24 The commission may acquire, by gift, purchase, ***or*** lease~~[or condemnation]~~, any real or  
25 personal property situated wholly within the city or county, or any interest, franchise,  
26 easement, right, or privilege in the city or county, of any buildings, tools, machinery,  
27 materials, or supplies that may be required for the purpose of furnishing, maintaining or

1 operating the memorial. ~~The proceedings for condemnation shall be conducted in the~~  
2 ~~name of the commission in the method prescribed by the Eminent Domain Act of~~  
3 ~~Kentucky.~~ All property acquired by the commission shall be held, used, and controlled  
4 by it for the purposes named in KRS 97.630 to 97.780.

5 ➔Section 65. KRS 98.090 is amended to read as follows:

6 (1) The commission may:

7 (a) Make ~~such~~ preliminary investigations and do ~~such~~ preliminary work as  
8 should ~~in~~ its judgment ~~precede~~ the actual construction of the building or  
9 improvement; ~~in~~

10 (b) Determine upon a proper site for the building or improvement. If the city  
11 owns a public building, that site, as it exists or as enlarged by the acquisition  
12 of adjacent property recommended by the commission, shall be used unless  
13 the commission determines that it is unsuitable for the purpose and  
14 recommends to the mayor the acquisition of another site. The mayor shall  
15 submit the recommendation to the legislative body for approval. The new site  
16 shall be adopted only upon the approval of the change by legislative  
17 resolution approved by the mayor. In the event the existing building on the old  
18 site is to be abandoned, the old site may be sold and the proceeds applied to  
19 the purchase of the new site; ~~in~~

20 (c) Provide accommodations for patients or inmates of the existing public  
21 building while the new building is in course of erection and furnishing. The  
22 legislative body may, out of its levy for the department having supervision of  
23 public ~~such~~ buildings, assume the whole or part of the expense of providing  
24 ~~such~~ temporary accommodations; ~~in~~

25 (d) Establish and enforce reasonable rules and regulations for its own government  
26 and for the supervision, protection, management, and conduct of its work and  
27 the payment therefor as it deems expedient; ~~in~~

1 (e) Purchase, hire, or otherwise obtain the use of any~~such~~ lands, buildings,  
2 machinery, supplies, materials and working agencies as it needs for its  
3 purposes;~~[-]~~

4 (f) Acquire by gift, purchase, or lease~~[-or- condemnation]~~, any property situated  
5 within the city or county where the city is located, or any interest or privilege  
6 in the property, required for the building or improvement.~~[-The method of~~  
7 ~~condemnation shall be the same as in the Eminent Domain Act of Kentucky.]~~

8 (2) The enumeration of special powers in this section does not restrict the general  
9 powers of the commission to carry out the purposes of KRS 98.040 to 98.170.

10 ➔Section 66. KRS 99.010 is amended to read as follows:

11 ~~(1)~~ The following terms, whenever used or referred to in KRS 99.010 to 99.310 shall,  
12 unless a different intent clearly appears from the context, be construed as follows:

13 ~~(1)(a)~~ "Area" means a portion of a city which a planning commission has found or  
14 shall find to be substandard or insanitary, so that its~~the~~ clearance, replanning,  
15 rehabilitation, or reconstruction ~~thereof~~ is necessary or advisable to effectuate the  
16 public purposes declared in KRS 99.020. An area may include any buildings or  
17 improvements not in themselves substandard or insanitary, and any real property,  
18 whether improved or unimproved, the inclusion of which is deemed necessary for  
19 the effective clearance, replanning, reconstruction, or rehabilitation of the area of  
20 which those~~such~~ buildings, improvements, or real property form a part;

21 ~~(2)(b)~~ "City" means and is deemed to relate to any city of the first class, a city with a  
22 population of fifteen thousand (15,000) or more based upon the most recent federal  
23 decennial census, or urban-county government in the Commonwealth of Kentucky;

24 ~~(3)(c)~~ "Development" means a specific work, repair, or improvement to put into  
25 effect a development plan. The term includes the real property, buildings, and  
26 improvements owned, constructed, managed, or operated by a redevelopment  
27 corporation;

1 ~~(4)~~~~(d)~~ "Development area" means that portion of an area to which a development  
2 plan is applicable;

3 ~~(5)~~~~(e)~~ "Development cost" means the amount determined by the supervising agency  
4 to be the actual cost of the development, or of the part *of the amount*~~thereof~~ for  
5 which *the*~~such~~ determination is made, and includes, among other costs, the  
6 reasonable costs of planning the development, including preliminary studies and  
7 surveys, neighborhood planning, and architectural and engineering services, the  
8 reasonable value of the services performed by or for the incorporators of a  
9 redevelopment corporation in connection with the development plan prior to the  
10 time when the redevelopment corporation was incorporated or became a  
11 redevelopment corporation, fees for acquisition costs, the costs of financing the  
12 development, including carrying charges during construction, working capital in an  
13 amount not exceeding five percent (5%) of development cost, the actual cost of real  
14 property or any part *of a property*~~thereof~~ where acquired partly or wholly in  
15 exchange for securities, then, an amount which shall be approved by the supervising  
16 agency as being equal to the reasonable value of the real property acquired~~f~~  
17 ~~therefor~~, the actual cost of demolition of existing structures, the actual cost of  
18 utilities, landscaping, and roadways, the actual cost of construction, equipment, and  
19 furnishing of buildings and improvements, including architectural, engineering and  
20 builder's fees, the actual cost of reconstruction, rehabilitation, remodeling, or initial  
21 repair of existing buildings and improvements, reasonable management~~,~~ and  
22 operation costs until the development is ready for use, and the actual cost of  
23 improving that portion of the development area which is to remain as open space,  
24 together with *any*~~such~~ additions to development cost *that*~~as shall~~ equal the  
25 actual cost of additions to or changes in the development in accordance with the  
26 original development plan or after approved changes in or amendments *to the*  
27 *plan*~~thereto~~;

- 1 ~~(6)(f)~~ "Development plan" means a plan for the redevelopment of all or any part of  
2 an area, and includes any amendments ~~thereto~~ approved in accordance with ~~the~~  
3 ~~requirements of~~ KRS 99.070;
- 4 ~~(7)(g)~~ "Local legislative body" means the board of aldermen or other board or body  
5 vested by the charter of the city or other law with jurisdiction to adopt or enact  
6 ordinances or local laws;
- 7 ~~(8)(h)~~ "Mortgage" means a mortgage, trust indenture, deed of trust, building and  
8 loan contract, or other instrument creating a lien on real property, and the  
9 indebtedness secured by each of them;
- 10 ~~(9)(i)~~ "Neighborhood unit" means a primarily residential district having the  
11 facilities necessary for well-rounded family living, such as schools, parks,  
12 playgrounds, parking areas, and local shopping districts;
- 13 ~~(10)(j)~~ "Planning commission" means the official bureau, board, planning and zoning  
14 or other commission, or agency of the city or city and county authorized to prepare,  
15 adopt, and amend or modify plans for the development and improvement of the city  
16 generally;
- 17 ~~(11)(k)~~ "Supervising agency" means the director of finance or any ~~such~~ other person  
18 or city agency ~~as may be~~ authorized by the local legislative body under KRS  
19 99.090;
- 20 ~~(12)(l)~~ "Real property" includes lands, buildings, improvements, land under water,  
21 waterfront property, and any and all easements, franchises, and hereditaments,  
22 corporeal or incorporeal, and every estate, interest, privilege, easement, franchise,  
23 and right in ~~therein,~~ or appurtenant to real property ~~thereto,~~ legal or equitable,  
24 including rights-of-way, terms for years and liens, charges, or encumbrances by  
25 mortgage, judgment, or otherwise;
- 26 ~~(13)(m)~~ "Redevelopment" means the clearance, replanning, reconstruction, or  
27 rehabilitation of a substandard or insanitary area, and the provision of ~~such~~

1 industrial, commercial, residential, or public structures and spaces ~~that~~<sup>as</sup> may be  
 2 appropriate, including recreational and other facilities incidental or appurtenant  
 3 thereto;

4 ~~(14)(a)~~ "Redevelopment corporation" means a corporation organized pursuant to the  
 5 corporation laws of the Commonwealth of Kentucky whose articles of  
 6 incorporation shall comply with ~~the requirements of~~ KRS 99.100 to 99.130; and

7 ~~(15)(a)~~ "State" means the Commonwealth of Kentucky.

8 ~~(2) "Owner" as used in KRS 99.220 to 99.240, includes a person having an estate,~~  
 9 ~~interest, or easement in the real property to be acquired or a lien, charge, or~~  
 10 ~~encumbrance thereon.~~

11 ➔Section 67. KRS 99.210 is amended to read as follows:

12 (1) A redevelopment corporation may, whether before or after the certificates of  
 13 approval of its development plan required by KRS 99.040 to 99.060 have been  
 14 issued, acquire real property or secure options in its own name or in the name of  
 15 nominees to acquire real property, by gift, grant, lease, purchase or otherwise.

16 ~~(2) [Such city may, upon request by a redevelopment corporation, and after a certificate~~  
 17 ~~of approval of condemnation with respect to the real property in question has been~~  
 18 ~~issued pursuant to KRS 99.220, acquire, or obligate itself to acquire, for such~~  
 19 ~~redevelopment corporation, any real property included in such certificate of~~  
 20 ~~approval of condemnation, by condemnation. Real property acquired by such city~~  
 21 ~~for a redevelopment corporation shall be conveyed by such city to the~~  
 22 ~~redevelopment corporation upon payment to the city of all sums expended or~~  
 23 ~~required to be expended by the city in the acquisition of such real property.~~

24 ~~(3) [In connection with the activities and projects of redevelopment corporations, the~~  
 25 ~~city may apply for, receive, and accept grants-in-aid, gifts, credits, and all other aid~~  
 26 ~~and in all forms, whether similar to or dissimilar from those particularly~~  
 27 ~~enumerated, from the federal government, which embraces the United States of~~

1 America, its agencies and instrumentalities, or from the Commonwealth of  
 2 Kentucky, its agencies and instrumentalities or from both, under any[such] lawful  
 3 contracts, terms, and conditions, as may be agreed upon.

4 ~~(3)(4)~~ In order to further the accomplishment of the purposes of KRS 99.010 to  
 5 99.310, and in addition to the powers heretofore or which may hereafter be granted  
 6 to it, the city may, as an alternate method of acquiring by gift[-] or purchase,[-~~or~~  
 7 ~~condemnation,~~] and selling and transferring real property to a redevelopment  
 8 corporation, by ordinance or ordinances, proceed as follows:

9 (a) ~~[From time to time ]~~Designate an area within the[such] city as under  
 10 consideration for development under ~~[the provisions of ]~~KRS 99.010 to  
 11 99.310 and provide for consultation with and aid from any and all city  
 12 departments, commissions, officers, employees, agencies, and  
 13 instrumentalities, relating to the initiation of the project;[-]

14 (b) Apply for and receive gifts, grants, credits, and obtain loans for the  
 15 accomplishment of each development or developments generally, and obligate  
 16 the[such] city to supervise the application of those[such] funds for that[such]  
 17 purpose or purposes, and also accept gifts, grants, conveyances, and  
 18 leaseholds within the[such] area or areas, and to provide funds, where  
 19 necessary, to obtain gifts, grants, credits, or loans from the federal  
 20 government, its agencies and instrumentalities, or from the Commonwealth of  
 21 Kentucky, its agencies and instrumentalities, or from both or any other agency  
 22 under any[such] lawful contracts, terms and conditions as may be agreed  
 23 upon;[-]

24 (c) Appropriate funds acquired under paragraph (b) of this subsection or by  
 25 taxation for the acquisition of all or any part or parts of the property in each  
 26 ~~[such ]~~area for development under KRS 99.010 to 99.310 by purchase[-~~and by~~  
 27 ~~condemnation,~~] and for the clearance of all or any part or parts of the property

1 owned by or thus acquired by the~~[such]~~ city;~~[- Such condemnation shall be~~  
 2 ~~under the provisions of KRS 99.010 to 99.310, but the city may waive request~~  
 3 ~~for condemnation or deposit or obligation to furnish the funds, as set out in~~  
 4 ~~KRS 99.230.]~~

5 (d) 1. Advertise for the submission of development plans for a~~[such]~~  
 6 designated area by a redevelopment corporation under ~~[the provisions of~~  
 7 ~~]KRS 99.010 to 99.310, the application for which shall~~[therefor to]~~ be~~  
 8 accompanied by a bid for the~~[such]~~ lands and estates in the designated  
 9 area that~~[therein as]~~ the city owns or may obligate itself to purchase, or  
 10 otherwise acquire and lease, sublease, sell, or convey to the  
 11 redevelopment corporation, provided a plan is submitted and is finally  
 12 accepted and approved under ~~[the provisions of ]~~KRS 99.010 to 99.310.

13 2. If more than one (1) plan and bid is submitted for any one (1) project  
 14 ~~[thus ]~~advertised under subparagraph 1. of this paragraph, then the  
 15 plan and bid that together would prove most beneficial to the city in  
 16 accomplishing the purposes of KRS 99.010 to 99.310 shall be submitted  
 17 for approval under the terms of KRS 99.010 to 99.310, but the city may  
 18 reject any and all applications, bids, and plans. The~~[Said]~~ city shall be  
 19 the sole judge as to which plan is the most beneficial. The~~[Such]~~  
 20 advertisement shall clearly describe the area under consideration for  
 21 development, the part or parts of the area~~[thereof]~~ owned by the city or  
 22 which it will acquire, ~~[and ]~~the estates in each parcel that is being  
 23 offered for sale, and the terms and conditions, and shall be published  
 24 pursuant to KRS Chapter 424.

25 (e) The terms of the bid for ~~[such ]~~land or lands or leaseholds may be for all cash,  
 26 or part cash and part on time, or all on time, with or without interest, and with  
 27 or without lien retained. Any term of payment shall not be for a period

1 exceeding five (5) years from the date of completion of the project.

2 (f) As a further inducement, the terms of the bid may provide for a discount not  
 3 exceeding ten percent (10%) a year on the[such] bid for each year, not  
 4 exceeding five (5) years, if in event the development during each of those  
 5 years[such year] is in accordance with the development plan.

6 ➔Section 68. KRS 99.250 is amended to read as follows:

7 (1) When title to real property has vested in a redevelopment corporation or city by  
 8 gift, grant, devise, purchase, or otherwise, ~~for in the city by condemnation~~  
 9 ~~proceedings or otherwise,~~ the redevelopment corporation or city, as the case may  
 10 be, may agree with the previous owners of the[such] property, or any tenants  
 11 continuing to occupy or use it, or any other persons who may occupy or use or seek  
 12 to occupy or use the[such] property, that the[such] former owner, tenant, or other  
 13 person may occupy or use the[such] property upon the payment of a fixed sum of  
 14 money for a definite term or upon the payment periodically of an agreed sum of  
 15 money. The[Such] occupation or use shall not be construed as a tenancy from  
 16 month to month, nor require the giving of notice by the redevelopment corporation  
 17 or the city, as the case may be, for the termination of the[such] occupation or use or  
 18 the right to the[such] occupation or use, but immediately upon the expiration of the  
 19 term for which payment has been made the redevelopment corporation or city, as  
 20 the case may be, shall be entitled to possession of the real property and may  
 21 maintain summary proceedings by forcible detainer or otherwise, and shall be  
 22 entitled to any[such] other remedy ~~as may be~~ provided by law for obtaining  
 23 immediate possession of the real property[thereof]. A former owner, tenant or other  
 24 person occupying or using the[such] property shall not be required to give notice to  
 25 the redevelopment corporation or city, as the case may be, at the expiration of the  
 26 term for which he or she has made payment for the[such] occupation or use, as a  
 27 condition to his or her cessation of occupation or use and termination of liability

1 for the occupation or use~~[therefor]~~.

2 (2) In the event that a city has acquired real property for a redevelopment corporation,  
3 the city shall, in transferring title to the redevelopment corporation, deduct from the  
4 consideration or other moneys which the redevelopment corporation has become  
5 obligated to pay to the city for that~~[such]~~ purpose, and credit the redevelopment  
6 corporation with, the amounts received by the city as payment for temporary  
7 occupation and use of the real property by a former owner, tenant, or other person,  
8 as in this section provided, less the cost and expense incurred by the city for the  
9 maintenance and operation of the~~[such]~~ real property.

10 ➔Section 69. KRS 99.350 is amended to read as follows:

11 (1) If the council of any community by resolution finds and declares:

12 (a) That there exist in the community slum areas or blighted areas;

13 (b) That there is need in the community for the exercise of powers, functions, and  
14 duties conferred by KRS 99.330 to 99.510; and

15 (c) That the exercise of those~~[such]~~ powers, functions, and duties by an agency  
16 created and established pursuant to this section would be more efficient and  
17 more in the public interest than the exercise of those~~[such]~~ powers, functions,  
18 and duties by the community or the housing commission of the community  
19 pursuant to KRS 99.490, an agency, to be known as the urban renewal and  
20 community development agency of the city or county, as the case may be,  
21 shall thereupon exist for that~~[such]~~ community with the powers, duties, and  
22 functions provided for in KRS 99.330 to 99.510.

23 (2) An urban renewal and community development agency created pursuant to  
24 subsection (1) of this section may be dissolved at any time by the council which  
25 created it by a three-fifths (3/5) vote of the legislative body.

26 (3) Upon adoption of a resolution creating an agency, the mayor shall be promptly  
27 notified and ~~he~~ shall appoint, with the approval of a majority of the council, five

- 1 (5) resident electors of the community as members of the agency.
- 2 (4) Three (3) of the members who are first appointed shall be designated to serve for  
3 terms of one (1), two (2) and three (3) years respectively, and the remaining two (2)  
4 of ~~the~~<sup>[such]</sup> members shall be designated to serve for terms of four (4) years each,  
5 from the date of their appointment. Any appointments ~~heretofore~~ made for a term  
6 of five (5) years are hereby confirmed and declared to be appointments for a term of  
7 four (4) years from the date of ~~each~~<sup>[such]</sup> appointment. Thereafter, members shall  
8 be appointed as aforesaid for a term of office of four (4) years, except that all  
9 vacancies occurring during a term shall be filled for the unexpired term. A member  
10 shall hold office until his ~~or her~~ successor has been appointed and qualified.
- 11 (5) The agency shall elect a ~~chairperson~~<sup>[chairman]</sup> from among its members. The term  
12 of office as ~~chairperson~~<sup>[chairman]</sup> of the agency, unless otherwise prescribed by  
13 the council, shall be for the calendar year, or for that portion ~~of the year~~<sup>[thereof]</sup>  
14 remaining after ~~the chairperson~~<sup>[each such chairman]</sup> is designated or elected.
- 15 (6) The powers of each agency shall be vested in ~~its~~<sup>[the]</sup> members ~~thereof~~ then in  
16 office. Members of an agency or their staff shall receive their actual and necessary  
17 expenses, including traveling expenses, ~~provided,~~ However, ~~that such~~ other  
18 compensation<sup>[,]</sup> if prescribed<sup>[,]</sup> shall be paid exclusively from community funds.
- 19 (7) For inefficiency, neglect of duty, or misconduct in office, a member of an agency  
20 may be removed by the council, but the member may be removed only after he ~~or~~  
21 ~~she has~~<sup>[shall have]</sup> been given a copy of the charges at least ten (10) days prior to a  
22 public hearing ~~for removal~~<sup>[thereon]</sup> and has had an opportunity to be heard in  
23 person or by counsel.
- 24 (8) ~~An~~<sup>[No]</sup> officer or employee of the community or of the agency, who in the course  
25 of his ~~or her~~ duties is required to participate in the formulation of plans or policies  
26 for the redevelopment of a development area, or to approve ~~those~~<sup>[such]</sup> plans or  
27 policies, shall ~~not~~ acquire any interest in any property included within a

1 development area within the community. If any ~~such~~ officer or employee owns or  
 2 has financial interest, direct or indirect, in any property included within ~~such~~ a  
 3 development area, he ***or she*** shall immediately disclose~~,~~ in writing~~,~~ ***the***~~such~~  
 4 interest to the agency and to the council, ***which*** ~~and such disclosure~~ shall be  
 5 entered in the minutes of the agency and of the council. Failure to so disclose  
 6 ***an***~~such~~ interest shall constitute misconduct in office. ~~A~~~~No~~ payment shall ***not*** be  
 7 made to any member or officer of an agency for any property or interest ~~therein~~  
 8 ~~acquired by the agency from~~ ***the***~~such~~ member or officer unless the ~~amount of~~  
 9 ~~such payment is fixed by court order in eminent domain proceedings, or unless such~~  
 10 ~~payment is unanimously approved by the council.~~

11 (9) When an agency is created for any community, the council may ~~at that time, and~~  
 12 ~~from time to time thereafter,~~ appropriate ~~such~~ amounts of money to the agency as  
 13 it deems necessary for the administrative purposes of the agency. The  
 14 administrative purposes of the agency may include staff and consultants for  
 15 research, studies and surveys, designation of development areas, preparation of  
 16 development plans, estimates of the cost of acquisition, clearance and conditioning  
 17 of land for redevelopment, estimates of the fair use value of the land, and any other  
 18 administrative expenses considered necessary by the council.

19 (10) Each ~~such~~ agency shall file with the council a detailed report of all its  
 20 transactions, including a statement of all revenues and expenditures, at ~~such~~  
 21 ~~intervals as the council may prescribe.~~

22 ➔Section 70. KRS 99.360 is amended to read as follows:

23 (1) Each agency created for the purpose of KRS 99.330 to 99.510 shall constitute a  
 24 public body~~,~~ corporate and politic~~,~~ exercising public and essential governmental  
 25 functions, and shall have the following powers in addition to the others granted:

26 (a) To sue and be sued; to have a seal; to make and execute contracts and other  
 27 instruments necessary or convenient to the exercise of its powers;

- 1 (b) To make, ~~[and from time to time]~~ amend, and repeal bylaws, rules, and  
2 regulations not inconsistent with KRS 99.330 to 99.510 to carry into effect the  
3 powers and purposes of those provisions~~[thereof]~~;
- 4 (c) To select and appoint ~~[such]~~ officers, agents, counsel and employees,  
5 permanent and temporary, as it may require, and determine their  
6 qualifications, duties, and compensation, subject, however, to the provision of  
7 its budget;
- 8 (d) Within its area of operation, for purposes of redevelopment within the  
9 development area, to purchase, lease, obtain option upon, acquire by gift,  
10 grant, bequest, devise, or otherwise, any real or personal property, or any  
11 interest in property~~[therein]~~, together with any improvements on the  
12 property~~[thereon]~~; ~~[to acquire by the exercise of the power of eminent domain~~  
13 ~~any real property;]~~ to clear any and all buildings, structures, or other  
14 improvements from any real property so acquired and to dispose of any  
15 personal property resulting from the acquisition or sale~~[therefrom]~~; to sell,  
16 lease, exchange, subdivide, transfer, assign, pledge, encumber ~~[(by mortgage,~~  
17 deed of trust, or otherwise)], or otherwise to dispose of any real or personal  
18 property or any interest in property~~[therein]~~ at its fair value for uses in  
19 accordance with the development plan, irrespective of the cost of acquiring  
20 and preparing real property for redevelopment; to insure or provide for the  
21 insurance of any real or personal property or operation of the agency against  
22 risks or hazards; and pursuant to ~~[the provisions of]~~ KRS 99.450 to rent,  
23 maintain, manage, operate, and repair the~~[such]~~ real property;
- 24 (e) To borrow from and to accept loans and grants from the federal government  
25 or any of its agencies~~[agency thereof]~~, or from any sources, public or private,  
26 for the purposes of KRS 99.330 to 99.510, and to pledge any~~[such]~~ security  
27 that~~[as]~~ may be required; an agency, notwithstanding the provisions of any

1 other law, may include in any contract for financial assistance with the federal  
 2 government any conditions which the federal government may attach to its  
 3 financial aid of a redevelopment project, not inconsistent with the purposes of  
 4 KRS 99.330 to 99.510;

5 (f) Within its area of operation, to develop as a building site or sites, any real  
 6 property owned or acquired by it, and in this connection to cause streets and  
 7 highways to be laid out and graded, and pavements or other road surfacing,  
 8 sidewalks and curbs, and public utilities of every kind to be constructed and  
 9 installed, or to close any streets according to the development plan;

10 (g) Within its area of operation, to prepare ~~from time to time~~ plans for the  
 11 improvement or rehabilitation of slum and blighted areas; to make,  
 12 periodically, investigations and surveys pertaining to slum clearance and  
 13 urban redevelopment;

14 (h) To invest any funds held in reserves or sinking funds or any funds not  
 15 required for immediate disbursement, in property or securities in which  
 16 savings banks may legally invest funds subject to their control; to purchase its  
 17 bonds at a price not more than the principal amount ~~thereof~~ and accrued  
 18 interest, all bonds so purchased to be canceled;

19 (i) To obligate lessees or purchasers of land acquired in a redevelopment project  
 20 to:

21 1. ~~To~~ Use the~~such~~ land for the purpose designated in the development  
 22 plan;

23 2. ~~to~~ Begin the building of specified improvements within a period of  
 24 time which the agency fixes as reasonable; and ~~to~~

25 3. Comply with any~~such~~ other conditions that~~as~~ in the opinion of the  
 26 agency are necessary to carry out the purposes of KRS 99.330 to  
 27 99.510. ~~;~~ The agency, by provision in the contract, deed, or lease may

1                   make any of the purchaser's obligations covenants or conditions running  
2                   with the land, whose breach shall cause the fee to revert to the agency;

3           (j) To exercise all or any part or combination of the powers ~~herein~~ granted ***in***  
4                   ***this section***; and

5           (k) To expend public funds for the rehabilitation of private property within the  
6                   agency's area of operation through loans or grants to the owners or occupants  
7                   of ~~the~~<sup>[such]</sup> property.

8           (2) ~~Nothing contained in~~ This section shall ***not*** authorize ~~an~~<sup>[such]</sup> agency to  
9                   construct any of the buildings for residential, commercial, industrial, or other use  
10                  contemplated by the development plan.

11           ➔Section 71. KRS 99.420 is amended to read as follows:

12 Whenever in the opinion of the agency, land or other property, right of way, or easement  
13 over or through any property is needed by the agency in order to accomplish the purposes  
14 of KRS 99.330 to 99.510, it may by resolution authorize the purchase ~~or condemnation~~  
15 in the name of the agency, of the land or other property, or right of way or easement  
16 necessary for the purpose~~, and may proceed to condemn and acquire the property~~  
17 ~~pursuant to the Eminent Domain Act of Kentucky~~.

18           ➔Section 72. KRS 99.565 is amended to read as follows:

19 The council of any community~~,~~ whose agency has received certification of availability  
20 of federal funds pursuant to section 101(c) of the National Housing Act of 1949, as  
21 amended, may authorize the agency to:

22 ***(1)*** Acquire~~,~~ by ~~eminent domain,~~ purchase, gift, grant, devise, or otherwise, any real  
23 property in the development area or urban renewal area without regard to ~~the~~  
24 ~~conditions, restrictions, or provisions set forth in~~ KRS 99.370~~,~~ or any other  
25 section of this chapter~~;~~ if it finds by resolution that it is desirable and feasible to  
26 obtain federal financial assistance authorized by section 403 of the Housing Act of  
27 1959 in acquiring ~~the~~<sup>[such]</sup> real property~~;~~ and ~~to~~

1 (2) Sell, grant, and convey ~~any such~~ real property if by resolution the agency consents  
2 to its~~the~~ disposal~~thereof~~.

3 ➔Section 73. KRS 99.650 is amended to read as follows:

- 4 (1) Each agency created under the terms of KRS 99.610 to 99.680 shall constitute a  
5 public body corporate and politic~~;~~ exercising public and essential governmental  
6 functions~~;~~ and shall have all of the powers necessary and convenient to carry out  
7 and effectuate the purposes and provisions of KRS 99.610 to 99.680 including but  
8 without limiting the generality of the foregoing, the following powers in addition to  
9 other powers granted herein and by other statutory authority:
- 10 (a) To sue and be sued; to have a seal; to make and execute contracts and other  
11 instruments necessary or convenient to the exercise of its powers;
- 12 (b) To make, ~~and from time to time~~ amend, and repeal bylaws, rules, and  
13 regulations not inconsistent with KRS 99.610 to 99.680, to carry into effect  
14 the powers and purposes of those sections~~thereof~~, subject to approval,  
15 amendment, or modification by the governing board;
- 16 (c) To select and appoint ~~such~~ officers, agents, counsel, and employees,  
17 permanent and temporary, as it may require, and determine their  
18 qualifications, duties, and compensation, subject, however, to the provisions  
19 of its budget;
- 20 (d) Within the jurisdiction of the city in which it is established, and for the  
21 purpose of developing a project area or areas, to purchase, lease, obtain option  
22 upon, acquire by gift, grant, bequest, devise, or otherwise, any real or personal  
23 property or any interest in property~~therein~~, together with any improvements  
24 on the property~~thereon~~; to clear any and all buildings, structures, or other  
25 improvements from any real property so acquired; to renovate or rehabilitate  
26 any improvements to such real property so acquired and to dispose of any  
27 personal property resulting from the acquisition or sale~~therefrom~~; to

1 develop and construct residential housing for persons and families of lower  
2 income; to sell, lease, exchange, subdivide, transfer, assign, pledge, encumber  
3 by mortgage, deed of trust or otherwise, or otherwise to dispose of any real or  
4 personal property or any interest in property~~[therein]~~ at its fair value for uses  
5 in accordance with the development plan, irrespective of the cost of acquiring  
6 and preparing the~~[said]~~ property; to insure or provide for the insurance of any  
7 real or personal property or operation of the agency against risks or hazards;  
8 and pursuant to ~~[the provisions of]~~ KRS 99.610 to 99.680, to rent, maintain,  
9 manage, operate, and repair any~~[such]~~ real property and any improvements to  
10 the property~~[thereto]~~;

- 11 (e) Within the jurisdiction of the city in which it is established, and for the  
12 purpose of developing a project area or areas: to make or participate in the  
13 making of construction, land development, mortgage, and rehabilitation loans  
14 and to purchase or participate in the purchase of construction, land  
15 development, mortgage, and rehabilitation loans for residential housing  
16 projects;~~;~~ provided, however, that those~~[such]~~ loans shall be made only  
17 upon the determination by the agency that the~~[such]~~ loans are not otherwise  
18 available, wholly or in part, from a private lender upon reasonably equivalent  
19 terms and conditions; to insure or reinsure construction, land development,  
20 mortgage, and rehabilitation loans on residential housing projects;~~;~~ provided,  
21 however, that any such insurance or reinsurance shall be made only upon the  
22 determination by the agency that such insurance or reinsurance is not  
23 otherwise available wholly or in part from private insurers upon reasonably  
24 equivalent terms and conditions; to make grants from appropriated funds, and  
25 any other funds from any source available to the agency, to builders,  
26 developers, and owners of residential housing for the development,  
27 construction, rehabilitation, or maintenance of residential housing and such

1 facilities related thereto as the agency shall deem important for a proper living  
2 environment, all on such terms and conditions as may be deemed appropriate  
3 by the agency; to sell, at public or private sale, all or any part of any mortgage  
4 or other instrument or document securing a construction land development, or  
5 rehabilitation loan for residential housing projects of any type, appropriate to  
6 the purpose of the agency; to consent, whenever it deems it necessary or  
7 desirable in the fulfillment of its corporate purposes, to the modification of the  
8 rate of interest, time of payment of any installment of principal or interest, or  
9 any other terms, of any mortgage loan, mortgage loan commitment,  
10 construction or land development loan, rehabilitation loan, contract, or  
11 agreement of any kind relating to residential housing projects to which the  
12 agency is a party;

13 (f) Within a project area, to cause streets and highways to be laid out and graded,  
14 and pavements or other road surfacing, sidewalks, curbs, gutters, storm  
15 sewers, and public utilities of every kind to be improved, constructed, and  
16 installed and to close any streets according to the development plan;

17 (g) To invest any funds held in reserves or sinking funds or any funds not  
18 required for immediate disbursement, in property or securities in which banks  
19 or insurance companies may legally invest funds subject to their control; to  
20 purchase its bonds at a price not more than the principal amount ~~thereof~~ and  
21 accrued interest, all bonds so purchased to be canceled;

22 (h) To obligate lessees or purchasers of land acquired in a project to:

23 1. ~~{(1) to }~~Use such land for the purpose designated in the development  
24 plan;

25 2. ~~{(2) to }~~Begin the building of specified improvements or renovation of  
26 existing improvement within a period of time which the agency fixes as  
27 reasonable; and

- 1           **3.**   ~~[(3) to ]~~Comply with any~~[such]~~ other conditions that~~[as]~~ in the opinion  
2           of the agency are necessary to carry out the purposes of KRS 99.610 to  
3           99.680.~~[;]~~ The agency, by provision in the contract, deed, or lease may  
4           make any of the purchaser's obligations, covenants, or conditions  
5           running with the land, whose breach shall cause the fee to revert to the  
6           agency;
- 7           (i) To contract as, and to accept the obligations of, an owner of benefited  
8           property under ~~[the terms of ]~~KRS 107.010 to 107.220, inclusive;
- 9           (j) To exercise all powers granted to governmental agencies under proposed  
10          legislation which deals with the use of "tax increment" revenues and financing  
11          of public purpose projects through the use of the revenues and  
12          financing~~[thereof]~~;
- 13          (k) To exercise all powers granted to governmental agencies by KRS 58.010 to  
14          58.130~~[58.140]~~, inclusive;
- 15          (l) To make periodic grants to reduce principal and interest payments on  
16          mortgages or rentals payable by persons and families of low income;
- 17          (m) To rehabilitate, acquire, establish, and operate, lease, and sublease, residential  
18          housing for persons and families of lower income and to enter into agreements  
19          or other transactions with any federal, state, or local government agency for  
20          the purpose of providing adequate living quarters for those~~[such]~~ persons and  
21          families and to contract to assume the rights, powers, duties, and obligations  
22          of any local housing authority or similar agency of the federal, state, city, or  
23          urban-county governments;
- 24          (n) To borrow from and to accept loans and grants from the federal, state, city, or  
25          urban-county governments or any of their agencies~~[agency thereof]~~, or from  
26          any sources, public or private, for the purposes of KRS 99.610 to 99.680, and  
27          to pledge any~~[such]~~ security that~~[as]~~ may be required.~~[;]~~ An agency,

1           notwithstanding the provisions of any other law, may include in any contract  
 2           for financial assistance with the federal, state, city, or urban-county  
 3           government any conditions which the federal, state, city, or urban-county  
 4           government may attach to its financial aid not inconsistent with the purposes  
 5           of KRS 99.610 to 99.680; and

6           (o) To exercise all or any part or combination of the powers ~~herein~~ granted ***in***  
 7           ***this section.***

8           (2) ~~Nothing contained in~~ This section shall ***not*** authorize ~~an~~~~[such]~~ agency to  
 9           construct any of the buildings for residential, commercial, industrial, or other use  
 10          contemplated by the development plan, except as to the development and  
 11          construction of residential housing for persons and families of lower income and  
 12          except insofar as any industrial building may be authorized to be constructed by a  
 13          lessee, on behalf of the agency, under ~~the provisions of~~ KRS 103.200 to 103.285,  
 14          inclusive.

15          ➔Section 74. KRS 99.785 is amended to read as follows:

16          As used in KRS 99.780 to 99.855, unless the context otherwise requires:

17          (1) "Abandoned and blighted property" means a residential, commercial, or industrial  
 18          building that has been continuously vacant for at least one (1) year with repeated  
 19          housing, building, or nuisance code citations and at least three (3) of the following  
 20          conditions:

21          (a) The building has not been brought into compliance with the housing, building,  
 22          or nuisance code requirements of the local government in which it is located  
 23          within time constraints placed upon the owner by the appropriate code  
 24          enforcement agency or agencies;

25          (b) The building is unfit for human habitation, occupancy, or use;

26          (c) The condition and vacancy of the building materially increases the risk of fire  
 27          to the building and to adjacent properties;

- 1 (d) The building, by reason of neglect or lack of maintenance, has become a place  
2 for the accumulation of substantial trash and debris or a haven for rodents or  
3 other vermin that create potential health and safety hazards;
- 4 (e) The building is subject to unauthorized entry leading to potential health and  
5 safety hazards, and either the owner has failed to take reasonable and  
6 necessary measures to secure the building or the local government has secured  
7 the building in order to prevent such hazards after the owner has failed to do  
8 so;
- 9 (f) The building is an attractive nuisance to children or for illicit purposes,  
10 including drug use and vagrancy; or
- 11 (g) The building, because of its dilapidated appearance or other conditions,  
12 substantially negatively affects the economic well-being of residents or  
13 businesses in close proximity to the building;
- 14 (2) "Actively marketed" means:
- 15 (a) A "for sale" sign has been placed on the property with accurate contact  
16 information;
- 17 (b) The owner has engaged the services of a licensed real estate agent, placed  
18 weekly or more frequent advertisements in print, or listed the property for sale  
19 in electronic media via a website~~[Web site]~~ specifically designed for  
20 that~~[such]~~ activity; and
- 21 (c) The owner has made a good-faith effort to sell the property at a price that  
22 reflects the circumstances and market conditions;
- 23 (3) "Building" means a residential, commercial, or industrial building or structure and  
24 the land appurtenant thereto;
- 25 (4) "Competent entity" means a person or entity, including a nonprofit corporation,  
26 with experience in the rehabilitation of residential, commercial, or industrial  
27 buildings and the ability to provide or obtain the necessary financing for the~~[such]~~

- 1 rehabilitation;
- 2 (5) "Conservator" means a competent entity appointed by a court to take possession of  
3 and undertake the rehabilitation of an abandoned and blighted building;
- 4 (6) "Conservator's fee" for rehabilitation or demolition of an abandoned and blighted  
5 building means a fee equal to the greater of:
- 6 (a) A reasonable amount not to exceed twenty percent (20%) of the actual costs  
7 incurred by a conservator for rehabilitation or demolition of the building as  
8 described in the plan for rehabilitation or demolition approved by the court; or
- 9 (b) Fifteen percent (15%) of the sale price of the property;
- 10 (7) "Costs of rehabilitation" means costs and expenses for construction, stabilization,  
11 rehabilitation, maintenance, or demolition, including reasonable nonconstruction  
12 costs associated with the project, including but not limited to architectural,  
13 engineering, legal fees and costs, permits, financing fees, and a conservator's fee;
- 14 (8) "Historic structure" means a property which is listed on the National Register of  
15 Historic Places, is a contributing property in a national register historic district, or is  
16 designated an historic property by the Kentucky Heritage Council;
- 17 (9) "Immediate family" means a parent, spouse, child, brother, or sister;
- 18 (10) "Local government" means any city, county, urban-county government,  
19 consolidated local government, unified local government, or charter county ~~has~~  
20 ~~the same meaning as in KRS 99.705~~];
- 21 (11) "Nonprofit corporation" means a corporation recognized by the United States  
22 Internal Revenue Service as being tax exempt under 26 U.S.C. sec. 501(c) that has,  
23 as one (1) of its purposes, remediation of blight, economic development, historic  
24 preservation, or the promotion or enhancement of affordable housing opportunities;
- 25 (12) "Owner":
- 26 (a) Means the holder or holders of title to, or of a legal or equitable interest in, a  
27 residential, commercial, or industrial building for six (6) months or more; and

1 (b) Includes an heir, assignee, trustee, beneficiary, and lessee, provided the  
2 ownership interest is a matter of public record;

3 (13) "Party in interest" means a person or entity that has a direct and immediate interest  
4 in a residential, commercial, or industrial building, including:

5 (a) The owner;

6 (b) Any lienholder with a recorded interest in the property; and

7 (c) The city and county in which the building is located;

8 (14) "Rehabilitation" means improvements to a building in order to bring it into  
9 compliance with all applicable housing, building, and nuisance code requirements;  
10 and

11 (15) "Vacant" means abandoned, unoccupied, or empty continuously for at least one (1)  
12 year, excluding unauthorized or illegal occupancies.

13 ➔Section 75. KRS 103.2101 is amended to read as follows:

14 (1) It shall be the duty of the state local debt officer to review only those projects  
15 authorized by KRS 103.200(1) (k), (l), (m), and (n), and only off-street parking  
16 facilities, cable television, and mass communication facilities as authorized by KRS  
17 103.200(1)(b), whether by cities, counties, urban-county governments, air boards,  
18 or riverport authorities. The Kentucky Private Activity Bond Allocation Committee  
19 shall review only those projects to be issued by the Kentucky Economic  
20 Development Finance Authority and authorized by KRS 103.200(1) (k), (l), (m),  
21 and (n). ~~Such~~ Review shall include but need not be limited to the following:

22 (a) Whether the project creates long-term economic growth, creates or retains  
23 jobs in a previously designated empowerment or enterprise zone, or aids in  
24 the prevention or elimination of slums or blight;

25 (b) Whether there is substantiating documentation to demonstrate that the project  
26 places an unjustified competitive disadvantage on existing business in the  
27 area;

- 1 (c) Whether there is substantiating documentation to demonstrate that normal  
2 commercial financing is unavailable for this project or, if available, at what  
3 rates it must be secured and under what terms and conditions;
- 4 (d) If the project is in accord with the intent of KRS 103.200 to 103.285 and ~~and~~  
5 this section ~~and KRS 103.2451~~; and
- 6 (e) The project's economic soundness.
- 7 (2) If the committee or the state local debt officer finds that the project does not meet  
8 all of the above listed criteria, it shall deny approval of the project until the  
9 objections to the project ~~thereof~~ have been met.
- 10 (3) The committee and the state local debt officer may require the submission of  
11 testimony, project data, or any other information deemed appropriate with regard to  
12 any project submitted to it for approval.
- 13 (4) The committee and the state local debt officer, within fourteen (14) days of  
14 receiving an application, shall notify in writing the agency or unit of government  
15 proposing the issuance of bonds, the appropriate county judge/executive, mayor,  
16 and school superintendent, and the developers of the project of the date on which  
17 the project will be considered by the committee at a public hearing. Any person  
18 may attend the hearing and may personally, or through counsel, address the  
19 committee with regard to the project and make recommendations to the committee  
20 about the project ~~thereon~~. Notice shall be given to the agency or unit of  
21 government proposing to issue the bonds and the developers of the project not less  
22 than forty-five (45) days before the date the committee has set for the hearing on  
23 the project. The agency or unit of government proposing the issuance of the bonds  
24 shall publish notice of the hearing in the manner required by KRS Chapter 424. The  
25 agency or unit of government proposing the issuance of the bonds shall require the  
26 developer of the project, ~~{if it is other than the agency or unit of government,}~~ to  
27 reimburse the agency or unit of government for the cost of the advertising required

1        by this subsection~~herein~~. A hearing officer may conduct the hearing with a  
2        proposed order to the committee or the state local debt officer.

3        (5) The committee and the state local debt officer shall have the right to approve or  
4        disapprove any project submitted to it, and over which it has jurisdiction as  
5        described in subsection (1) of this section, and no bonds or other evidence of  
6        indebtedness for any ~~such~~ project shall be issued until the project has been  
7        approved by the committee.

8        (6) When the revenues of the respective local government or school district are  
9        negatively impacted by the project, the committee and the state local debt officer  
10       shall require submission of a written statement of assurance that the appropriate  
11       county judge/executive, mayor, and school superintendent are in agreement with the  
12       negotiated financial arrangement. This written statement of assurance shall be used  
13       for advisory purposes.

14       (7) The maximum length of any bond authorization under this section shall not exceed  
15       the anticipated useful life of the building or equipment purchased or forty (40)  
16       years, whichever is shorter.

17       ➔Section 76. KRS 103.210 is amended to read as follows:

18       (1) In order to promote the economic development of the Commonwealth, to relieve  
19       conditions of unemployment, to encourage the increase of industry in this state, and  
20       to aid in the retention of existing industry through improved energy efficiency in  
21       manufacturing facilities, or through conversion of energy facilities to more readily  
22       available fuels, any city or county may borrow money and issue negotiable bonds  
23       for the purpose of defraying the cost of acquiring any industrial building or  
24       pollution control facility, either by purchase or construction, but only after an  
25       ordinance or resolution has been adopted by the legislative body of the city or the  
26       fiscal court of the county, or by the Kentucky Economic Development Finance  
27       Authority, if requested by the legislative body of the city or the fiscal court of the

1 county, as the case may be, specifying the proposed undertaking, the maximum  
2 amount of bonds to be outstanding at any one (1) time, and the maximum rate of  
3 interest the bonds are to bear. This section shall not be deemed to require, however,  
4 that ~~the~~<sup>[such]</sup> ordinance or resolution be adopted prior to interim financing of the  
5 project, if ~~the~~<sup>[such]</sup> interim financing was undertaken by the proposed lessee  
6 corporation upon the basis of discussions between the corporation and responsible  
7 officials of the issuer which were later formally ratified by the appropriate  
8 governing body of the issuer.

9 (2) The ordinance or resolution shall further provide that the industrial building or the  
10 pollution control facility is to be acquired pursuant to ~~the provisions of~~ KRS  
11 103.200 to 103.285. Each ~~such~~ bond-authorizing ordinance or resolution shall be  
12 effective only after publication, in a newspaper authorized to publish official  
13 advertisements for the issuer, of the title to ~~the~~<sup>[said]</sup> ordinance or resolution,  
14 together with a statement signed by the clerk of the issuer setting forth the  
15 maximum amount of bonds to be outstanding at any one (1) time, the name of the  
16 lessee corporation, and the fact that the bonds are to be retired from the proceeds of  
17 either the lease payments as set forth in KRS 103.200 to 103.285, inclusive, or the  
18 loan payments or sale payments in the event the industrial building financing  
19 transaction is carried out pursuant to a loan agreement, sale agreement, or other tax  
20 incentive agreement. ~~A~~<sup>[No]</sup> publication of the complete ordinance or resolution  
21 shall **not** be required, but ~~the~~<sup>[said]</sup> ordinance or resolution shall be entered upon the  
22 records of the issuer and shall be available for public inspection.

23 (3) Any industrial buildings financed by bonds pursuant to KRS 103.200 to 103.285  
24 and leased in connection with the bond financing from a tax-exempt governmental  
25 unit~~[,]~~ or tax-exempt statutory authority~~[,]~~ shall require the prior approval by the  
26 Kentucky Economic Development Finance Authority of the reduced ad valorem tax  
27 for industrial buildings under KRS 132.020, the standards for which the Kentucky

1 Economic Development Finance Authority shall establish through its operating  
 2 procedures, or by the promulgation of administrative regulations in accordance with  
 3 KRS Chapter 13A. The authority shall consider~~[,]~~ along with other indicators~~[,]~~  
 4 when establishing standards~~[,]~~ the number of jobs to be created, the amount of  
 5 capital to be invested, and the wages and benefits to be paid.

- 6 (4) The Kentucky Economic Development Finance Authority, any air board established  
 7 pursuant to KRS 183.132, and any riverport authority established as provided in  
 8 KRS 65.510 to 65.650, inclusive, shall have and possess all power and authority  
 9 granted to cities and counties by ~~[the provisions of ]~~KRS 103.200 to 103.285~~[,~~  
 10 ~~excluding condemnation powers under KRS 103.245,]~~ for the financing of  
 11 industrial buildings. For ~~those~~~~[such]~~ purposes, the terms "city," "county," and  
 12 "issuer" as used in KRS 103.200 to 103.285, inclusive, shall also mean and refer to  
 13 the Kentucky Economic Development Finance Authority, any air board established  
 14 pursuant to KRS 183.132, and any riverport authority established as provided in  
 15 KRS 65.510 to 65.650. The power and authority granted to the Kentucky Economic  
 16 Development Finance Authority, any air board, and any riverport authority shall be  
 17 and constitute an additional and alternative grant of power and authority to such  
 18 governmental agencies, and shall not be construed as being in derogation of any  
 19 other powers vested in each of such governmental agencies.

20 ➔Section 77. KRS 103.245 is amended to read as follows:

- 21 (1) *As used in this section*~~[For purposes of the exercise of the power of eminent~~  
 22 ~~domain]~~, "building" or "industrial building" shall be deemed to include only the  
 23 following: coal conversion facilities, hospitals, primary medical centers, health  
 24 care clinics, convention centers, or any industrial building as defined in KRS  
 25 103.200, which is to be located in a blighted area as defined in KRS 99.010(1)(a),  
 26 or any of these things, to be rented or leased to a domestic or foreign corporation by  
 27 the Kentucky Economic Development Finance Authority, the city or the county by

1 which it is acquired.

2 (2) An industrial building ~~[within the meaning of subsection (1) of this section]~~ may be  
 3 acquired by a city or a county by purchase or ~~[,]~~ gift ~~[, or condemnation]~~. Whenever  
 4 a city or a county determines ~~[shall determine]~~ that land or other property, right of  
 5 way, or easement over or through any property is needed ~~[by such city or county, as~~  
 6 ~~the case may be,]~~ to accomplish the purposes of KRS 103.210 to 103.285, inclusive,  
 7 it may by ordinance or resolution authorize the purchase ~~[or condemnation, in the~~  
 8 ~~name of such city or county,]~~ of that ~~[said]~~ land or other property, ~~[or]~~ right of way,  
 9 or easement in the name of the city or county ~~[necessary for such purposes, and~~  
 10 ~~may proceed to condemn and acquire such property in the manner set forth in the~~  
 11 ~~Eminent Domain Act of Kentucky. All property, rights of way and easements~~  
 12 ~~already held by its owner or lessee for industrial development shall be exempt from~~  
 13 ~~condemnation under this section].~~

14 ➔Section 78. KRS 104.550 is amended to read as follows:

15 (1) If no suit is filed against the secretary under KRS 104.540, or if suit is filed and  
 16 final judgment in the Circuit Court or on appeal is in favor of the secretary, the  
 17 secretary shall immediately ~~[forthwith]~~ declare the district organized into a flood  
 18 control district and give it a corporate name as provided in KRS 104.490, by which  
 19 in all proceedings it shall thereafter be known.

20 (2) The secretary shall certify his or her act to the county clerk of each county in which  
 21 any part of the district is located ~~[,]~~ and to the Secretary of State, each of whom shall  
 22 record the certificate as articles of incorporation. The secretary shall also certify his  
 23 or her act to the county judge/executive of each county in which any part of the  
 24 district is located.

25 (3) The district shall then be a political subdivision and shall have perpetual existence,  
 26 with power to sue and be sued, contract and be contracted with, incur liabilities and  
 27 obligations, ~~[exercise the right of eminent domain,]~~ assess, tax, issue bonds, and do

1 and perform all acts expressly authorized in KRS 104.450 to 104.680 and all acts  
 2 necessary and proper for the carrying out of the purpose for which the district was  
 3 created, and for executing the powers with which it is invested.

4 ➔Section 79. KRS 107.370 is amended to read as follows:

5 **(1)** In addition to its general powers specified in KRS 107.310 to 107.500, the board,  
 6 after approval of any proposed project by resolution of the fiscal court, shall have  
 7 power to finance and construct buildings and related facilities for the joint or  
 8 separate use of any one (1) or more of the governmental units within the territorial  
 9 limits of the county, or of federal agencies, and to convey or lease ~~those~~<sup>said</sup>  
 10 buildings and facilities in whole or in part, or space therein, to ~~said~~ governmental  
 11 units or federal agencies in accordance with ~~the provisions of~~ KRS 107.310 to  
 12 107.500. The board may cause any ~~such~~ building and related facilities to be  
 13 designed in anticipation of reasonably foreseeable future needs; and to the extent  
 14 the capacity ***of the building or facilities***~~thereof~~ may be surplus to needs existing  
 15 at the time of occupancy, ~~any~~<sup>such</sup> surplus capacity may be leased to  
 16 nongovernmental persons or parties, subject to cancellation upon reasonable notice  
 17 when ~~the~~<sup>such</sup> capacity or facilities shall be required for the purposes of  
 18 governmental units.

19 **(2)** ~~The~~<sup>Said</sup> board shall have the government, management, regulation, control and  
 20 operation of any buildings financed, constructed, and leased pursuant to ~~the~~  
 21 ~~provisions of~~ KRS 107.310 to 107.500 and shall have the power to improve,  
 22 reconstruct, repair, and maintain ~~the~~<sup>said</sup> buildings and all additions ***to them.***~~[~~  
 23 ~~thereto; provided,~~ However, ~~that~~ the board may contract with the lessee of any  
 24 building for the maintenance and operation of ~~the~~<sup>such</sup> building.

25 **(3)** The board shall also have power, acting in the name of the district, as follows:

26 **(a)**~~(1)~~ To ~~condemn,~~ appropriate, lease, rent, purchase, and hold any real  
 27 estate, regardless of whether ~~the same be then~~ held for a governmental or

1 public use, and materials or personal property needed or deemed useful in  
2 connection with buildings constructed or to be constructed pursuant to KRS  
3 107.310 to 107.500;

4 ~~(b)(2)~~ To enter upon any lots or lands for the purpose of surveying or  
5 examining them~~[the same]~~ for a proper public purpose under KRS 107.310 to  
6 107.500;

7 ~~(c)(3)~~ To design, order, contract for, ~~and~~ construct, reconstruct, and maintain  
8 ~~[such]~~ buildings and related facilities and to make all necessary or desirable  
9 improvements to the grounds and premises under its control;

10 ~~(d)(4)~~ To determine, allocate, and adjust space in ~~[said]~~ buildings to be used by  
11 any governmental unit;

12 ~~(e)(5)~~ To construct, maintain, and operate auditoriums, public meeting places,  
13 and parking facilities in conjunction with or as a part of the~~[said]~~ buildings;

14 ~~(f)(6)~~ To operate any ~~[such]~~ buildings, to receive and collect any moneys due  
15 on account of their~~[such]~~ operation or otherwise relating to the~~[such]~~  
16 buildings and to expend ~~[such]~~ moneys for proper purposes; and in connection  
17 with operations~~[therewith]~~ to let concessions for the operation of restaurants,  
18 cafeterias, public telephones, news and cigar stands, and vending machines,  
19 which~~[the above concessions for operations of said restaurants, cafeterias,~~  
20 ~~public telephones, news and cigar stands and vending machines]~~ shall be let  
21 on open and competitive bidding, and to employ any~~[such]~~ managers,  
22 superintendents, architects, engineers, attorneys, auditors, clerks,  
23 forepersons~~[foremen]~~, custodians, and other employees, as it may deem  
24 necessary for the proper carrying on and operation of any ~~[such]~~ buildings and  
25 to fix compensation of all ~~[such]~~ employees; provided, however, that no  
26 contract of employment shall be made for a longer fixed period than four (4)  
27 years, but may be extended or renewed ~~[from time to time]~~ thereafter; and

1        ~~(g)(7)~~ To make and enter into all leases, contracts, and other agreements  
 2                necessary or incidental to the performance of its duties and the execution of  
 3                its powers under KRS 107.310 to 107.500.

4        ➔Section 80. KRS 107.450 is amended to read as follows:

5        The district is authorized to defray the cost of acquiring any real or personal property for  
 6        the purposes contemplated by KRS 107.310 to 107.500 through the issuance of revenue  
 7        bonds, and for that purpose the district shall have all the powers and duties that are  
 8        granted to or imposed upon governmental units by law, including specifically *those*  
 9        *in* ~~the terms and provisions of~~ KRS 58.010 to 58.130~~58.140~~.

10       ➔Section 81. KRS 108.010 is amended to read as follows:

11       To serve the public interest and provide a means of meeting problems of local  
 12       government in urban areas, there may be established and operated under ~~the provisions~~  
 13       ~~of~~ this chapter an urban services district. Such a district shall be a public body corporate  
 14       and political subdivision, with power to adopt and use a corporate seal, sue and be sued,  
 15       contract and be contracted with, and in other ways to function as a municipal corporation  
 16       or a natural person within the purview of this chapter. In addition to the general grants of  
 17       power of this chapter, *an urban services* ~~such a~~ district shall have the specific authority  
 18       provided for in KRS Chapters 58, 66, 79 and 107. ~~The district shall have the power of~~  
 19       ~~eminent domain and shall follow the procedures outlined in the Eminent Domain Act of~~  
 20       ~~Kentucky.~~

21       ➔Section 82. KRS 109.041 is amended to read as follows:

22       (1) In addition to all other powers enumerated in Chapter 67 and other sections of the  
 23       Kentucky Revised Statutes, counties, acting by and through their fiscal courts, may  
 24       own and hold the permit for, plan, initiate, acquire, construct, and maintain solid  
 25       waste management facilities, enter into contracts or leases with private parties for  
 26       the design, construction, or operation of a publicly-owned solid waste management  
 27       facility, and adopt administrative regulations with respect thereto in accordance

1 with this chapter. It is hereby determined and declared that in the implementation,  
2 acquisition, financing, and maintenance of solid waste management facilities, and  
3 in the enforcement of their use, counties will be performing state functions duly  
4 delegated to them for the public welfare. In ~~that~~~~[such]~~ regard, the right of counties~~[~~  
5 ~~to condemn land necessary for the acquisition of solid waste management facilities~~  
6 ~~pursuant to the Eminent Domain Act of Kentucky and]~~ to exercise the police power  
7 in respect thereto is confirmed. Any county may contract with third parties for the  
8 management by public or private means of solid waste within the county.

9 (2) ~~A~~~~[No]~~ solid waste management facility shall **not** be acquired and constructed until  
10 ~~its~~~~[the]~~ construction ~~[thereof]~~ has been approved in writing by the cabinet. Planning  
11 for a solid waste management facility shall be conducted in accordance with the  
12 policy ~~[set forth]~~ in KRS 109.011(7) and KRS Chapter 224.

13 (3) ~~A~~~~[No]~~ county or waste management district shall **not** prohibit or otherwise restrict  
14 materials recovery by:

15 (a) Any materials recovery operation in existence in the county or district on the  
16 effective date of the mandatory program;

17 (b) Any person supplying material to materials recovery operations on the  
18 effective date of the mandatory program;

19 (c) Any new materials recovery operation that reclaims the same type of  
20 materials as materials recovery operations included in paragraph (a) of this  
21 subsection;

22 (d) Any new suppliers to materials recovery operations included in paragraphs (a)  
23 and (c) of this subsection;

24 (e) Any materials recovery operation for glass, plastic, or metal beverage  
25 containers, unless a commitment has been made by a local government or  
26 other political subdivision of the state, by ordinance or contract, to a solid  
27 waste project consistent with ~~[the provisions of]~~ this chapter, that is dependent

- 1 upon the materials recovery of glass, plastic, or metal beverage containers to  
2 meet its financial obligations for ~~the~~<sub>[said]</sub> project, and ~~the~~<sub>[such]</sub> commitment  
3 has been made prior to the operation of any other ~~[such]~~ materials recovery  
4 facility in the county or district;
- 5 (f) Any other materials recovery operation within the county or district not  
6 included in paragraphs (a) through (e) of this subsection, or the supply of  
7 materials to such operation, unless it is established that ~~the~~<sub>[such]</sub> operation  
8 would jeopardize the ability of a local government or other political  
9 subdivision of the state to meet financial obligations incurred in the  
10 maintenance, operation, or amortization of capital acquisition costs for a solid  
11 waste management facility; or
- 12 (g) In a county containing a consolidated local government, any municipality  
13 located within the geographic area of the county or waste management district  
14 created to serve that county.
- 15 (4) Notwithstanding any other provision of the Kentucky Revised Statutes to the  
16 contrary, ~~a~~<sub>[no]</sub> county or waste management district shall **not** regulate special  
17 wastes as defined in KRS 224.50-760, other than sludge from water and waste  
18 water treatment facilities as it pertains to landfarming, or solid waste from  
19 agricultural or mining operations.
- 20 (5) Any county undertaking the planning, implementation, construction, installation,  
21 acquisition, and financing of a solid waste management facility pursuant to this  
22 chapter shall have the authority ~~[set forth]~~ in Chapter 58 of the Kentucky Revised  
23 Statutes concerning the financing of ~~a~~<sub>[such]</sub> solid waste management facility,  
24 including the authority to promulgate, enforce, and collect reasonable rates, rentals,  
25 and charges for the use of ~~a~~<sub>[such]</sub> solid waste management facility.
- 26 (6) Bonds authorized to be issued by any county pursuant to ~~[the authority of]~~ this  
27 chapter for the financing of solid waste management facilities may be sold at either

- 1 private or public sale as may in the sound discretion of the county be in the best  
2 interests of the county.
- 3 (7) Any county undertaking solid waste management pursuant to ~~the provisions of~~  
4 ~~this chapter~~ may contract with any person for the provision of solid waste  
5 management services. A county may contract with any city to provide solid waste  
6 management services or may delegate the responsibility for solid waste  
7 management within incorporated areas to a city when the city agrees to assume  
8 ~~that~~~~such~~ responsibility. In connection with solid waste management, any county  
9 may enter into contracts with any person for any term of years.
- 10 (8) Counties are authorized to charge a reasonable fee to transporters for the handling  
11 of their waste at a solid waste management facility approved by the cabinet.
- 12 (9) Counties are authorized to sell or market materials and energy recovered from solid  
13 waste and to enter into long-term contracts guaranteeing supply to insure markets  
14 for the sale of recovered products.
- 15 (10) In carrying out the provisions of this chapter, counties shall be subject to standards  
16 set by regulations adopted by the cabinet on waste management pursuant to KRS  
17 Chapter 224.
- 18 (11) ~~A~~~~No~~ county or waste management district shall **not** prohibit long-term contracts  
19 by ordinance or other means.
- 20 (12) Counties are expressly authorized in addition to the powers enumerated in KRS  
21 Chapter 65 and this chapter to contract with one another in order to regionalize  
22 solid waste management to the maximum extent practicable.
- 23 (13) Notwithstanding any other provision of law, a fiscal court may~~[-]~~ by ordinance~~[-]~~  
24 create a solid waste district to exercise the powers of the county pursuant to this  
25 chapter, except that a district created for this purpose shall not levy or collect ad  
26 valorem property taxes.
- 27 (14) If a city within a county containing a consolidated local government is in

1 conformity with the Resource Conservation and Recovery Act of 1976, 42 U.S.C.  
 2 secs. 6901 et seq., and is in conformity with all state statutes and administrative  
 3 regulations applicable to the collection, management, and treatment of solid waste  
 4 and resource recovery therefrom, the consolidated local government or waste  
 5 management district serving the county containing the consolidated local  
 6 government shall not~~[,]~~ directly or indirectly~~[,]~~ hinder, delay, impair, prohibit, or  
 7 impede any city or its contractors and agents from accessing, utilizing, and  
 8 otherwise using any solid waste management facility for the disposal of solid waste.  
 9 The consolidated local government or waste management district shall not charge a  
 10 city within the county containing the consolidated local government, or the city's  
 11 contractors and agents, directly or indirectly, any fee that is based, directly or  
 12 indirectly, on the composition of the solid waste stream of that city if the solid  
 13 waste stream is in conformity with state and federal law for the use of the solid  
 14 waste management facility receiving the waste.

15 ➔Section 83. KRS 141.019 is amended to read as follows:

16 In the case of taxpayers other than corporations:

- 17 (1) Adjusted gross income shall be calculated by subtracting from the gross income of  
 18 those taxpayers the deductions allowed individuals by Section 62 of the Internal  
 19 Revenue Code and adjusting as follows:
- 20 (a) Exclude income that is exempt from state taxation by the Kentucky  
 21 Constitution and the Constitution and statutory laws of the United States;
  - 22 (b) Exclude income from supplemental annuities provided by the Railroad  
 23 Retirement Act of 1937 as amended and which are subject to federal income  
 24 tax by Pub. L. No. 89-699;
  - 25 (c) Include interest income derived from obligations of sister states and *their*  
 26 political subdivisions~~[thereof]~~;
  - 27 (d) Exclude employee pension contributions picked up as provided for in KRS

- 1           6.505, 16.545, 21.360, 61.523, 61.560, 65.155, 67A.320, 67A.510, 78.610,  
2           and 161.540 upon a ruling by the Internal Revenue Service or the federal  
3           courts that these contributions shall not be included as gross income until such  
4           time as the contributions are distributed or made available to the employee;
- 5           (e) Exclude Social Security and railroad retirement benefits subject to federal  
6           income tax;
- 7           (f) Exclude any money received because of a settlement or judgment in a lawsuit  
8           brought against a manufacturer or distributor of "Agent Orange" for damages  
9           resulting from exposure to Agent Orange by a member or veteran of the  
10          Armed Forces of the United States or any dependent of such person who  
11          served in Vietnam;
- 12          (g) 1.    a.    For taxable years beginning after December 31, 2005, but before  
13                      January 1, 2018, exclude up to forty-one thousand one hundred ten  
14                      dollars (\$41,110) of total distributions from pension plans, annuity  
15                      contracts, profit-sharing plans, retirement plans, or employee  
16                      savings plans; and
- 17                      b.    For taxable years beginning on or after January 1, 2018, exclude  
18                      up to thirty-one thousand one hundred ten dollars (\$31,110) of  
19                      total distributions from pension plans, annuity contracts, profit-  
20                      sharing plans, retirement plans, or employee savings plans.
- 21          2.    As used in this paragraph:
- 22                      a.    "Annuity contract" has the same meaning as ~~set forth~~ in Section  
23                      1035 of the Internal Revenue Code;
- 24                      b.    "Distributions" includes but is not limited to any lump-sum  
25                      distribution from pension or profit-sharing plans qualifying for the  
26                      income tax averaging provisions of Section 402 of the Internal  
27                      Revenue Code; any distribution from an individual retirement

- 1 account as defined in Section 408 of the Internal Revenue Code;  
2 and any disability pension distribution; and
- 3 c. "Pension plans, profit-sharing plans, retirement plans, or employee  
4 savings plans" means any trust or other entity created or organized  
5 under a written retirement plan and forming part of a stock bonus,  
6 pension, or profit-sharing plan of a public or private employer for  
7 the exclusive benefit of employees or their beneficiaries and  
8 includes plans qualified or unqualified under Section 401 of the  
9 Internal Revenue Code and individual retirement accounts as  
10 defined in Section 408 of the Internal Revenue Code;
- 11 (h) 1. a. Exclude the portion of the distributive share of a shareholder's net  
12 income from an S corporation subject to the franchise tax imposed  
13 under KRS 136.505 or the capital stock tax imposed under KRS  
14 136.300; and
- 15 b. Exclude the portion of the distributive share of a shareholder's net  
16 income from an S corporation related to a qualified subchapter S  
17 subsidiary subject to the franchise tax imposed under KRS  
18 136.505 or the capital stock tax imposed under KRS 136.300.
- 19 2. The shareholder's basis of stock held in an S corporation where the S  
20 corporation or its qualified subchapter S subsidiary is subject to the  
21 franchise tax imposed under KRS 136.505 or the capital stock tax  
22 imposed under KRS 136.300 shall be the same as the basis for federal  
23 income tax purposes;
- 24 (i) Exclude income received for services performed as a precinct worker for  
25 election training or for working at election booths in state, county, and local  
26 primaries or regular or special elections;
- 27 ~~(j) Exclude any capital gains income attributable to property taken by eminent~~

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~~domain;~~

~~(k)~~ 1. Exclude all income from all sources for members of the Armed Forces who are on active duty and who are killed in the line of duty, for the year during which the death occurred and the year prior to the year during which the death occurred.

2. For the purposes of this paragraph, "all income from all sources" shall include all federal and state death benefits payable to the estate or any beneficiaries;

~~(k)~~~~(4)~~ Exclude all military pay received by members of the Armed Forces while on active duty;

~~(l)~~~~(m)~~ 1. Include the amount deducted for depreciation under 26 U.S.C. sec. 167 or 168; and

2. Exclude the amounts allowed by KRS 141.0101 for depreciation;

~~(m)~~~~(n)~~ Include the amount deducted under 26 U.S.C. sec. 199A;

~~(n)~~~~(o)~~ Ignore any change in the cost basis of the surviving spouse's share of property owned by a Kentucky community property trust occurring for federal income tax purposes as a result of the death of the predeceasing spouse;

~~(o)~~~~(p)~~ Allow the same treatment allowed under Pub. L. No. 116-260, secs. 276 and 278, related to the tax treatment of forgiven covered loans, deductions attributable to those loans, and tax attributes associated with those loans for taxable years ending on or after March 27, 2020, but before January 1, 2022; and

~~(p)~~~~(q)~~ For taxable years beginning on or after January 1, 2020, but before March 11, 2023, allow the same treatment of restaurant revitalization grants in accordance with Pub. L. No. 117-2, sec. 9673 and 15 U.S.C. sec. 9009c, related to the tax treatment of the grants, deductions attributable to those grants, and tax attributes associated with those grants; and

- 1 (2) Net income shall be calculated by subtracting from adjusted gross income all the  
2 deductions allowed individuals by Chapter 1 of the Internal Revenue Code, as  
3 modified by KRS 141.0101, except:
- 4 (a) Any deduction allowed by 26 U.S.C. sec. 164 for taxes;
  - 5 (b) Any deduction allowed by 26 U.S.C. sec. 165 for losses, except wagering  
6 losses allowed under Section 165(d) of the Internal Revenue Code;
  - 7 (c) Any deduction allowed by 26 U.S.C. sec. 213 for medical care expenses;
  - 8 (d) Any deduction allowed by 26 U.S.C. sec. 217 for moving expenses;
  - 9 (e) Any deduction allowed by 26 U.S.C. sec. 67 for any other miscellaneous  
10 deduction;
  - 11 (f) Any deduction allowed by the Internal Revenue Code for amounts allowable  
12 under KRS 140.090(1)(h) in calculating the value of the distributive shares of  
13 the estate of a decedent, unless there is filed with the income return a  
14 statement that the deduction has not been claimed under KRS 140.090(1)(h);
  - 15 (g) Any deduction allowed by 26 U.S.C. sec. 151 for personal exemptions and  
16 any other deductions in lieu thereof;
  - 17 (h) Any deduction allowed for amounts paid to any club, organization, or  
18 establishment which has been determined by the courts or an agency  
19 established by the General Assembly and charged with enforcing the civil  
20 rights laws of the Commonwealth, not to afford full and equal membership  
21 and full and equal enjoyment of its goods, services, facilities, privileges,  
22 advantages, or accommodations to any person because of race, color, religion,  
23 national origin, or sex, except nothing shall be construed to deny a deduction  
24 for amounts paid to any religious or denominational club, group, or  
25 establishment or any organization operated solely for charitable or educational  
26 purposes which restricts membership to persons of the same religion or  
27 denomination in order to promote the religious principles for which it is

1 established and maintained; and

2 (i) A taxpayer may elect to claim the standard deduction allowed by KRS  
3 141.081 instead of itemized deductions allowed pursuant to 26 U.S.C. sec. 63  
4 and as modified by this section.

5 ➔Section 84. KRS 141.900 is amended to read as follows:

6 The definitions in this section are the same as the definitions appearing in KRS 141.010  
7 prior to its repeal and reenactment in Section 53 of 2018 Ky. Acts chs. 171 and 207. For  
8 taxable years beginning prior to January 1, 2018, as used in this chapter, unless the  
9 context requires otherwise:

- 10 (1) "Commissioner" means the commissioner of the department;
- 11 (2) "Department" means the Department of Revenue;
- 12 (3) "Internal Revenue Code" means the Internal Revenue Code in effect on December  
13 31, 2015, exclusive of any amendments made subsequent to that date, other than  
14 amendments that extend provisions in effect on December 31, 2015, that would  
15 otherwise terminate, and as modified by KRS 141.0101;
- 16 (4) "Dependent" means those persons defined as dependents in the Internal Revenue  
17 Code;
- 18 (5) "Fiduciary" means ~~fiduciary~~ as defined in Section 7701(a)(6) of the Internal  
19 Revenue Code;
- 20 (6) "Fiscal year" means ~~fiscal year~~ as defined in Section 7701(a)(24) of the  
21 Internal Revenue Code;
- 22 (7) "Individual" means a natural person;
- 23 (8) "Modified gross income" means the greater of:
- 24 (a) Adjusted gross income as defined in Section 62 of the Internal Revenue Code  
25 of 1986, including any subsequent amendments in effect on December 31 of  
26 the taxable year, and adjusted as follows:
- 27 1. Include interest income derived from obligations of sister states and

- 1 political subdivisions thereof; and
- 2 2. Include lump-sum pension distributions taxed under the special
- 3 transition rules of Pub. L. No. 104-188, sec. 1401(c)(2); or
- 4 (b) Adjusted gross income as defined in subsection (10) of this section and
- 5 adjusted to include lump-sum pension distributions taxed under the special
- 6 transition rules of Pub. L. No. 104-188, sec. 1401(c)(2);
- 7 (9) "Gross income," in the case of taxpayers other than corporations, means ~~gross~~gross
- 8 income~~gross~~ as defined in Section 61 of the Internal Revenue Code;
- 9 (10) "Adjusted gross income," in the case of taxpayers other than corporations, means
- 10 gross income as defined in subsection (9) of this section minus the deductions
- 11 allowed individuals by Section 62 of the Internal Revenue Code and as modified by
- 12 KRS 141.0101 and adjusted as follows, except that deductions shall be limited to
- 13 amounts allocable to income subject to taxation under the provisions of this chapter,
- 14 and except that nothing in this chapter shall be construed to permit the same item to
- 15 be deducted more than once:
- 16 (a) Exclude income that is exempt from state taxation by the Kentucky
- 17 Constitution and the Constitution and statutory laws of the United States and
- 18 Kentucky;
- 19 (b) Exclude income from supplemental annuities provided by the Railroad
- 20 Retirement Act of 1937 as amended and which are subject to federal income
- 21 tax by Public Law 89-699;
- 22 (c) Include interest income derived from obligations of sister states and political
- 23 subdivisions thereof;
- 24 (d) Exclude employee pension contributions picked up as provided for in KRS
- 25 6.505, 16.545, 21.360, 61.523, 61.560, 65.155, 67A.320, 67A.510, 78.610,
- 26 and 161.540 upon a ruling by the Internal Revenue Service or the federal
- 27 courts that these contributions shall not be included as gross income until such

- 1 time as the contributions are distributed or made available to the employee;
- 2 (e) Exclude Social Security and railroad retirement benefits subject to federal  
3 income tax;
- 4 (f) Include, for taxable years ending before January 1, 1991, all overpayments of  
5 federal income tax refunded or credited for taxable years;
- 6 (g) Deduct, for taxable years ending before January 1, 1991, federal income tax  
7 paid for taxable years ending before January 1, 1990;
- 8 (h) Exclude any money received because of a settlement or judgment in a lawsuit  
9 brought against a manufacturer or distributor of "Agent Orange" for damages  
10 resulting from exposure to Agent Orange by a member or veteran of the  
11 Armed Forces of the United States or any dependent of such person who  
12 served in Vietnam;
- 13 (i) 1. For taxable years ending prior to December 31, 2005, exclude the  
14 applicable amount of total distributions from pension plans, annuity  
15 contracts, profit-sharing plans, retirement plans, or employee savings  
16 plans. The "applicable amount" shall be:
- 17 a. Twenty-five percent (25%), but not more than six thousand two  
18 hundred fifty dollars (\$6,250), for taxable years beginning after  
19 December 31, 1994, and before January 1, 1996;
- 20 b. Fifty percent (50%), but not more than twelve thousand five  
21 hundred dollars (\$12,500), for taxable years beginning after  
22 December 31, 1995, and before January 1, 1997;
- 23 c. Seventy-five percent (75%), but not more than eighteen thousand  
24 seven hundred fifty dollars (\$18,750), for taxable years beginning  
25 after December 31, 1996, and before January 1, 1998; and
- 26 d. One hundred percent (100%), but not more than thirty-five  
27 thousand dollars (\$35,000), for taxable years beginning after

- 1 December 31, 1997.
- 2 2. For taxable years beginning after December 31, 2005, exclude up to  
3 forty-one thousand one hundred ten dollars (\$41,110) of total  
4 distributions from pension plans, annuity contracts, profit-sharing plans,  
5 retirement plans, or employee savings plans.
- 6 3. As used in this paragraph:
- 7 a. "Distributions" includes but is not limited to any lump-sum  
8 distribution from pension or profit-sharing plans qualifying for the  
9 income tax averaging provisions of Section 402 of the Internal  
10 Revenue Code; any distribution from an individual retirement  
11 account as defined in Section 408 of the Internal Revenue Code;  
12 and any disability pension distribution;
- 13 b. "Annuity contract" has the same meaning as ~~set forth~~ in Section  
14 1035 of the Internal Revenue Code; and
- 15 c. "Pension plans, profit-sharing plans, retirement plans, or employee  
16 savings plans" means any trust or other entity created or organized  
17 under a written retirement plan and forming part of a stock bonus,  
18 pension, or profit-sharing plan of a public or private employer for  
19 the exclusive benefit of employees or their beneficiaries and  
20 includes plans qualified or unqualified under Section 401 of the  
21 Internal Revenue Code and individual retirement accounts as  
22 defined in Section 408 of the Internal Revenue Code;
- 23 (j) 1. a. Exclude the portion of the distributive share of a shareholder's net  
24 income from an S corporation subject to the franchise tax imposed  
25 under KRS 136.505 or the capital stock tax imposed under KRS  
26 136.300; and
- 27 b. Exclude the portion of the distributive share of a shareholder's net

1 income from an S corporation related to a qualified subchapter S  
2 subsidiary subject to the franchise tax imposed under KRS  
3 136.505 or the capital stock tax imposed under KRS 136.300.

4 2. The shareholder's basis of stock held in a S corporation where the S  
5 corporation or its qualified subchapter S subsidiary is subject to the  
6 franchise tax imposed under KRS 136.505 or the capital stock tax  
7 imposed under KRS 136.300 shall be the same as the basis for federal  
8 income tax purposes;

9 (k) Exclude, to the extent not already excluded from gross income, any amounts  
10 paid for health insurance, or the value of any voucher or similar instrument  
11 used to provide health insurance, which constitutes medical care coverage for  
12 the taxpayer, the taxpayer's spouse, and dependents, or for any person  
13 authorized to be provided excludable coverage by the taxpayer pursuant to the  
14 federal Patient Protection and Affordable Care Act of 2010, Pub. L. No. 111-  
15 148, or the Health Care and Education Reconciliation Act of 2010, Pub. L.  
16 No. 111-152, during the taxable year. Any amounts paid by the taxpayer for  
17 health insurance that are excluded pursuant to this paragraph shall not be  
18 allowed as a deduction in computing the taxpayer's net income under  
19 subsection (11) of this section;

20 (l) Exclude income received for services performed as a precinct worker for  
21 election training or for working at election booths in state, county, and local  
22 primary, regular, or special elections;

23 (m) Exclude any amount paid during the taxable year for insurance for long-term  
24 care as defined in KRS 304.14-600;

25 (n) ~~Exclude any capital gains income attributable to property taken by eminent~~  
26 ~~domain;~~

27 ~~(o) Exclude any amount received by a producer of tobacco or a tobacco quota~~

1 owner from the multistate settlement with the tobacco industry, known as the  
2 Master Settlement Agreement, signed on November 22, 1998;

3 ~~(o)~~~~(p)~~ Exclude any amount received from the secondary settlement fund,  
4 referred to as "Phase II," established by tobacco companies to compensate  
5 tobacco farmers and quota owners for anticipated financial losses caused by  
6 the national tobacco settlement;

7 ~~(p)~~~~(q)~~ Exclude any amount received from funds of the Commodity Credit  
8 Corporation for the Tobacco Loss Assistance Program as a result of a  
9 reduction in the quantity of tobacco quota allotted;

10 ~~(q)~~~~(r)~~ Exclude any amount received as a result of a tobacco quota buydown  
11 program that all quota owners and growers are eligible to participate in;

12 ~~(r)~~~~(s)~~ Exclude state Phase II payments received by a producer of tobacco or a  
13 tobacco quota owner;

14 ~~(s)~~~~(t)~~ Exclude all income from all sources for active duty and reserve  
15 members and officers of the Armed Forces of the United States or National  
16 Guard who are killed in the line of duty, for the year during which the death  
17 occurred and the year prior to the year during which the death occurred. For  
18 the purposes of this paragraph, "all income from all sources" shall include all  
19 federal and state death benefits payable to the estate or any beneficiaries; and

20 ~~(t)~~~~(u)~~ For taxable years beginning on or after January 1, 2010, exclude all  
21 military pay received by active duty members of the Armed Forces of the  
22 United States, members of reserve components of the Armed Forces of the  
23 United States, and members of the National Guard, including compensation  
24 for state active duty as described in KRS 38.205;

25 (11) "Net income," in the case of taxpayers other than corporations, means adjusted  
26 gross income as defined in subsection (10) of this section, minus:

27 (a) The deduction allowed by KRS 141.0202 as it existed prior to January 1,

1           2018;

2           (b) Any amount paid for vouchers or similar instruments that provide health  
3           insurance coverage to employees or their families;

4           (c) For taxable years beginning on or after January 1, 2010, the amount of  
5           domestic production activities deduction calculated at six percent (6%) as  
6           allowed in Section 199(a)(2) of the Internal Revenue Code for taxable years  
7           beginning before 2010; and

8           (d) 1. All the deductions allowed individuals by Chapter 1 of the Internal  
9           Revenue Code as modified by KRS 141.0101 except:

10           a. Any deduction allowed by the Internal Revenue Code for state or  
11           foreign taxes measured by gross or net income, including state and  
12           local general sales taxes allowed in lieu of state and local income  
13           taxes under the provisions of Section 164(b)(5) of the Internal  
14           Revenue Code;

15           b. Any deduction allowed by the Internal Revenue Code for amounts  
16           allowable under KRS 140.090(1)(h) in calculating the value of the  
17           distributive shares of the estate of a decedent, unless there is filed  
18           with the income return a statement that such deduction has not  
19           been claimed under KRS 140.090(1)(h);

20           c. The deduction for personal exemptions allowed under Section 151  
21           of the Internal Revenue Code and any other deductions in lieu  
22           thereof;

23           d. For taxable years beginning on or after January 1, 2010, the  
24           domestic production activities deduction allowed under Section  
25           199 of the Internal Revenue Code;

26           e. Any deduction for amounts paid to any club, organization, or  
27           establishment which has been determined by the courts or an

1 agency established by the General Assembly and charged with  
2 enforcing the civil rights laws of the Commonwealth, not to afford  
3 full and equal membership and full and equal enjoyment of its  
4 goods, services, facilities, privileges, advantages, or  
5 accommodations to any person because of race, color, religion,  
6 national origin, or sex, except nothing shall be construed to deny a  
7 deduction for amounts paid to any religious or denominational  
8 club, group, or establishment or any organization operated solely  
9 for charitable or educational purposes which restricts membership  
10 to persons of the same religion or denomination in order to  
11 promote the religious principles for which it is established and  
12 maintained;

13 f. Any deduction directly or indirectly allocable to income which is  
14 either exempt from taxation or otherwise not taxed under this  
15 chapter;

16 g. The itemized deduction limitation established in 26 U.S.C. sec. 68  
17 shall be determined using the applicable amount from 26 U.S.C.  
18 sec. 68 as it existed on December 31, 2006; and

19 h. A taxpayer may elect to claim the standard deduction allowed by  
20 KRS 141.081 instead of itemized deductions allowed pursuant to  
21 26 U.S.C. sec. 63 and as modified by this section; and

22 2. Nothing in this chapter shall be construed to permit the same item to be  
23 deducted more than once;

24 (12) "Gross income," in the case of corporations, means ~~gross income~~ as defined in  
25 Section 61 of the Internal Revenue Code and as modified by KRS 141.0101 and  
26 adjusted as follows:

27 (a) Exclude income that is exempt from state taxation by the Kentucky

- 1 Constitution and the Constitution and statutory laws of the United States;
- 2 (b) Exclude all dividend income received after December 31, 1969;
- 3 (c) Include interest income derived from obligations of sister states and political  
4 subdivisions thereof;
- 5 (d) Exclude fifty percent (50%) of gross income derived from any disposal of  
6 coal covered by Section 631(c) of the Internal Revenue Code if the  
7 corporation does not claim any deduction for percentage depletion, or for  
8 expenditures attributable to the making and administering of the contract  
9 under which such disposition occurs or to the preservation of the economic  
10 interests retained under such contract;
- 11 (e) Include the amount calculated under KRS 141.205;
- 12 (f) Ignore the provisions of Section 281 of the Internal Revenue Code in  
13 computing gross income;
- 14 (g) Exclude income from "safe harbor leases" (Section 168(f)(8) of the Internal  
15 Revenue Code);
- 16 (h) Exclude any amount received by a producer of tobacco or a tobacco quota  
17 owner from the multistate settlement with the tobacco industry, known as the  
18 Master Settlement Agreement, signed on November 22, 1998;
- 19 (i) Exclude any amount received from the secondary settlement fund, referred to  
20 as "Phase II," established by tobacco companies to compensate tobacco  
21 farmers and quota owners for anticipated financial losses caused by the  
22 national tobacco settlement;
- 23 (j) Exclude any amount received from funds of the Commodity Credit  
24 Corporation for the Tobacco Loss Assistance Program as a result of a  
25 reduction in the quantity of tobacco quota allotted;
- 26 (k) Exclude any amount received as a result of a tobacco quota buydown program  
27 that all quota owners and growers are eligible to participate in;

- 1 (l) For taxable years beginning after December 31, 2004, and before January 1,  
2 2007, exclude the distributive share income or loss received from a  
3 corporation defined in subsection (24)(b) of this section whose income has  
4 been subject to the tax imposed by KRS 141.040. The exclusion provided in  
5 this paragraph shall also apply to a taxable year that begins prior to January 1,  
6 2005, if the tax imposed by KRS 141.040 is paid on the distributive share  
7 income by a corporation defined in subparagraphs 2. to 8. of subsection  
8 (24)(b) of this section with a return filed for a period of less than twelve (12)  
9 months that begins on or after January 1, 2005, and ends on or before  
10 December 31, 2005. This paragraph shall not be used to delay payment of the  
11 tax imposed by KRS 141.040; and
- 12 (m) Exclude state Phase II payments received by a producer of tobacco or a  
13 tobacco quota owner;
- 14 (13) "Net income," in the case of corporations, means ~~gross income~~ as defined in  
15 subsection (12) of this section minus:
- 16 (a) The deduction allowed by KRS 141.0202 as it existed prior to January 1,  
17 2018;
- 18 (b) Any amount paid for vouchers or similar instruments that provide health  
19 insurance coverage to employees or their families;
- 20 (c) For taxable years beginning on or after January 1, 2010, the amount of  
21 domestic production activities deduction calculated at six percent (6%) as  
22 allowed in Section 199(a)(2) of the Internal Revenue Code for taxable years  
23 beginning before 2010; and
- 24 (d) All the deductions from gross income allowed corporations by Chapter 1 of  
25 the Internal Revenue Code and as modified by KRS 141.0101, except:
- 26 1. Any deduction for a state tax which is computed, in whole or in part, by  
27 reference to gross or net income and which is paid or accrued to any

- 1 state of the United States, the District of Columbia, the Commonwealth  
2 of Puerto Rico, any territory or possession of the United States, or to any  
3 foreign country or political subdivision thereof;
- 4 2. The deductions contained in Sections 243, 245, and 247 of the Internal  
5 Revenue Code;
- 6 3. The provisions of Section 281 of the Internal Revenue Code shall be  
7 ignored in computing net income;
- 8 4. Any deduction directly or indirectly allocable to income which is either  
9 exempt from taxation or otherwise not taxed under the provisions of this  
10 chapter, and nothing in this chapter shall be construed to permit the  
11 same item to be deducted more than once;
- 12 5. Exclude expenses related to "safe harbor leases" (Section 168(f)(8) of  
13 the Internal Revenue Code);
- 14 6. Any deduction for amounts paid to any club, organization, or  
15 establishment which has been determined by the courts or an agency  
16 established by the General Assembly and charged with enforcing the  
17 civil rights laws of the Commonwealth, not to afford full and equal  
18 membership and full and equal enjoyment of its goods, services,  
19 facilities, privileges, advantages, or accommodations to any person  
20 because of race, color, religion, national origin, or sex, except nothing  
21 shall be construed to deny a deduction for amounts paid to any religious  
22 or denominational club, group, or establishment or any organization  
23 operated solely for charitable or educational purposes which restricts  
24 membership to persons of the same religion or denomination in order to  
25 promote the religious principles for which it is established and  
26 maintained;
- 27 7. Any deduction prohibited by KRS 141.205;

- 1           8. Any dividends-paid deduction of any captive real estate investment  
2           trust; and
- 3           9. For taxable years beginning on or after January 1, 2010, the domestic  
4           production activities deduction allowed under Section 199 of the  
5           Internal Revenue Code;
- 6 (14) (a) "Taxable net income," in the case of corporations that are taxable in this state,  
7           means ~~{}net income{}~~ as defined in subsection (13) of this section;
- 8           (b) "Taxable net income," in the case of corporations that are taxable in this state  
9           and taxable in another state, means ~~{}net income{}~~ as defined in subsection  
10          (13) of this section and as allocated and apportioned under KRS 141.901. A  
11          corporation is taxable in another state if, in any state other than Kentucky, the  
12          corporation is required to file a return for or pay a net income tax, franchise  
13          tax measured by net income, franchise tax for the privilege of doing business,  
14          or corporate stock tax;
- 15          (c) "Taxable net income," in the case of homeowners' associations as defined in  
16          Section 528(c) of the Internal Revenue Code, means ~~{}taxable income{}~~ as  
17          defined in Section 528(d) of the Internal Revenue Code. Notwithstanding the  
18          provisions of subsection (3) of this section, the Internal Revenue Code  
19          sections referred to in this paragraph shall be those code sections in effect for  
20          the applicable tax year; and
- 21          (d) "Taxable net income," in the case of a corporation that meets the requirements  
22          established under Section 856 of the Internal Revenue Code to be a real estate  
23          investment trust, means ~~{}real estate investment trust taxable income{}~~ as  
24          defined in Section 857(b)(2) of the Internal Revenue Code, except that a  
25          captive real estate investment trust shall not be allowed any deduction for  
26          dividends paid;
- 27 (15) "Person" means ~~{}person{}~~ as defined in Section 7701(a)(1) of the Internal

- 1 Revenue Code;
- 2 (16) "Taxable year" means the calendar year or fiscal year ending during such calendar  
3 year, upon the basis of which net income is computed, and in the case of a return  
4 made for a fractional part of a year under the provisions of this chapter or under  
5 administrative regulations prescribed by the commissioner, "taxable year" means  
6 the period for which the return is made;
- 7 (17) "Resident" means an individual domiciled within this state or an individual who is  
8 not domiciled in this state, but maintains a place of abode in this state and spends in  
9 the aggregate more than one hundred eighty-three (183) days of the taxable year in  
10 this state;
- 11 (18) "Nonresident" means any individual not a resident of this state;
- 12 (19) "Employer" means ~~{}employer{}~~ as defined in Section 3401(d) of the Internal  
13 Revenue Code;
- 14 (20) "Employee" means ~~{}employee{}~~ as defined in Section 3401(c) of the Internal  
15 Revenue Code;
- 16 (21) "Number of withholding exemptions claimed" means the number of withholding  
17 exemptions claimed in a withholding exemption certificate in effect under KRS  
18 141.325, except that if no such certificate is in effect, the number of withholding  
19 exemptions claimed shall be considered to be zero (0);
- 20 (22) "Wages" means ~~{}wages{}~~ as defined in Section 3401(a) of the Internal Revenue  
21 Code and includes other income subject to withholding as provided in Section  
22 3401(f) and Section 3402(k), (o), (p), (q), and (s) of the Internal Revenue Code;
- 23 (23) "Payroll period" means ~~{}payroll period{}~~ as defined in Section 3401(b) of the  
24 Internal Revenue Code;
- 25 (24) (a) For taxable years beginning before January 1, 2005, and after December 31,  
26 2006, "corporation" means ~~{}corporation{}~~ as defined in Section 7701(a)(3)  
27 of the Internal Revenue Code; and

- 1 (b) For taxable years beginning after December 31, 2004, and before January 1,  
2 2007, "corporations" means:
- 3 1. ~~[""]~~Corporations~~[""]~~ as defined in Section 7701(a)(3) of the Internal  
4 Revenue Code;
  - 5 2. S corporations as defined in Section 1361(a) of the Internal Revenue  
6 Code;
  - 7 3. A foreign limited liability company as defined in KRS 275.015;
  - 8 4. A limited liability company as defined in KRS 275.015;
  - 9 5. A professional limited liability company as defined in KRS 275.015;
  - 10 6. A foreign limited partnership as defined in KRS 362.2-102(9);
  - 11 7. A limited partnership as defined in KRS 362.2-102(14);
  - 12 8. A limited liability partnership as defined in KRS 362.155(7) or in 362.1-  
13 101(7) or (8);
  - 14 9. A real estate investment trust as defined in Section 856 of the Internal  
15 Revenue Code;
  - 16 10. A regulated investment company as defined in Section 851 of the  
17 Internal Revenue Code;
  - 18 11. A real estate mortgage investment conduit as defined in Section 860D of  
19 the Internal Revenue Code;
  - 20 12. A financial asset securitization investment trust as defined in Section  
21 860L of the Internal Revenue Code; and
  - 22 13. Other similar entities created with limited liability for their partners,  
23 members, or shareholders.

24 For purposes of this paragraph, "corporation" shall not include any publicly  
25 traded partnership as defined by Section 7704(b) of the Internal Revenue  
26 Code that is treated as a partnership for federal tax purposes under Section  
27 7704(c) of the Internal Revenue Code or its publicly traded partnership

1 affiliates. As used in this paragraph, "publicly traded partnership affiliates"  
2 shall include any limited liability company or limited partnership for which at  
3 least eighty percent (80%) of the limited liability company member interests  
4 or limited partner interests are owned directly or indirectly by the publicly  
5 traded partnership;

6 (25) "Doing business in this state" includes but is not limited to:

- 7 (a) Being organized under the laws of this state;  
8 (b) Having a commercial domicile in this state;  
9 (c) Owning or leasing property in this state;  
10 (d) Having one (1) or more individuals performing services in this state;  
11 (e) Maintaining an interest in a pass-through entity doing business in this state;  
12 (f) Deriving income from or attributable to sources within this state, including  
13 deriving income directly or indirectly from a trust doing business in this state,  
14 or deriving income directly or indirectly from a single-member limited  
15 liability company that is doing business in this state and is disregarded as an  
16 entity separate from its single member for federal income tax purposes; or  
17 (g) Directing activities at Kentucky customers for the purpose of selling them  
18 goods or services.

19 ~~Nothing in~~ This subsection shall ***not*** be interpreted in a manner that goes beyond  
20 the limitations imposed and protections provided by the United States Constitution  
21 or Pub. L. No. 86-272;

22 (26) "Pass-through entity" means any partnership, S corporation, limited liability  
23 company, limited liability partnership, limited partnership, or similar entity  
24 recognized by the laws of this state that is not taxed for federal purposes at the  
25 entity level, but instead passes to each partner, member, shareholder, or owner their  
26 proportionate share of income, deductions, gains, losses, credits, and any other  
27 similar attributes;

1 (27) "S corporation" means ~~{}S corporation{}~~ as defined in Section 1361(a) of the  
2 Internal Revenue Code;

3 (28) "Limited liability pass-through entity" means any pass-through entity that affords  
4 any of its partners, members, shareholders, or owners, through function of the laws  
5 of this state or laws recognized by this state, protection from general liability for  
6 actions of the entity; and

7 (29) "Captive real estate investment trust" means a real estate investment trust as defined  
8 in Section 856 of the Internal Revenue Code that meets the following requirements:

9 (a) 1. The shares or other ownership interests of the real estate investment  
10 trust are not regularly traded on an established securities market; or

11 2. The real estate investment trust does not have enough shareholders or  
12 owners to be required to register with the Securities and Exchange  
13 Commission; and

14 (b) 1. The maximum amount of stock or other ownership interest that is owned  
15 or constructively owned by a corporation equals or exceeds:

16 a. Twenty-five percent (25%), if the corporation does not occupy  
17 property owned, constructively owned, or controlled by the real  
18 estate investment trust; or

19 b. Ten percent (10%), if the corporation occupies property owned,  
20 constructively owned, or controlled by the real estate investment  
21 trust.

22 The total ownership interest of a corporation shall be determined by  
23 aggregating all interests owned or constructively owned by a  
24 corporation;

25 2. For the purposes of this paragraph:

26 a. "Corporation" means a corporation taxable under KRS 141.040,  
27 and includes an affiliated group as defined in KRS 141.200, that is

1 required to file a consolidated return pursuant to the provisions of  
2 KRS 141.200; and

3 b. "Owned or constructively owned" means owning shares or having  
4 an ownership interest in the real estate investment trust, or owning  
5 an interest in an entity that owns shares or has an ownership  
6 interest in the real estate investment trust. Constructive ownership  
7 shall be determined by looking across multiple layers of a  
8 multilayer pass-through structure; and

9 (c) The real estate investment trust is not owned by another real estate investment  
10 trust.

11 ➔Section 85. KRS 146.280 is amended to read as follows:

12 (1) Within the boundaries of a designated stream area~~[,]~~ as established and authorized  
13 by the Kentucky General Assembly, the office shall be authorized and empowered  
14 to acquire by purchase,~~[exercise of the rights of eminent domain,]~~ grant, gift,  
15 devise, or otherwise~~[,]~~ the fee simple title, an easement, or any acceptable lesser  
16 interest in any lands, and by lease or conveyance, contract for the right to use and  
17 occupy any lands. Where property within those~~[such]~~ boundaries is owned by the  
18 federal government, the office may~~[can]~~ enter into agreements with the landowning  
19 agency concerning use of the property consistent with the objectives of KRS  
20 146.200 to 146.360.~~[Nothing in KRS 146.200 to 146.360 shall be construed to~~  
21 ~~deprive a landowner of the fee simple title to or lesser interest in his property~~  
22 ~~without just compensation.]~~

23 (2) The office shall~~[may]~~ not exercise authority to acquire lands or interests in lands  
24 located within any incorporated city or county when those~~[such]~~ entities have in  
25 force a duly adopted, valid ordinance or plan for the management, zoning and  
26 protection of the~~[such]~~ lands in accordance with ~~[the provisions of]~~ KRS 146.200 to  
27 146.360.

1       ➔Section 86. KRS 146.290 is amended to read as follows:

2       (1) ~~{The provisions of }~~This section shall not apply to those uses existing at the~~{such}~~  
3       time ~~{as }~~a stream is included in the system.

4       (2) Land uses to be allowed within the boundaries of a designated stream area shall be  
5       as follows:

6               New roads, structures, or buildings may be constructed only where necessary  
7       to effect a use permitted under ~~{the other provisions of }~~KRS 146.200 to 146.360.  
8       Utility lines or pipelines may be constructed as approved by the office in writing  
9       and under provision that the affected land be restored as nearly as possible to its  
10       former state. This provision, however, shall not~~{in no way}~~ affect the rights  
11       between a landowner and a utility company or pipeline company. There shall be no  
12       strip mining as defined in KRS 350.010, and select cutting of timber or other  
13       resource removal and agricultural use~~{, }~~ may be allowed pursuant to administrative  
14       regulations promulgated by the secretary in accordance with KRS Chapter 13A  
15       upon the granting of a permit under ~~{the other provisions of }~~KRS 146.200 to  
16       146.360. All instream disturbances such as dredging~~{, }~~ shall be prohibited. Except  
17       for the management agency and any existing uses which do not conform to the  
18       purposes and intent of KRS 146.200 to 146.360, travel upon a wild river or any  
19       public lands within its~~{the}~~ designated boundaries~~{ thereof, }~~ shall be by foot,  
20       horseback, canoe, boat, or other nonmechanical modes of transportation. If there are  
21       existing agricultural areas within the boundaries of the area, those~~{such}~~ areas may  
22       continue to be used for agricultural purposes.

23       (3) Any landowner within the boundaries of the area may apply to the office for a  
24       change of use to permit the select cutting of timber, a resource removal, or an  
25       agricultural use upon his or her property located within the area. The office shall  
26       provide public notice within thirty (30) days of the receipt of the permit application,  
27       and the landowner or any interested person may, within thirty (30) days of the

1 public notice, request a public hearing and provide any evidence or information as  
2 to whether the proposed use by the applying landowner is in accordance with the  
3 management plan developed pursuant to KRS 146.270, the purpose and intent of  
4 the Wild Rivers Act as expressed in KRS 146.220, and other applicable law.

5 (4) The office shall, within thirty (30) days of the close of the comment period, or  
6 public hearing, if one is requested~~[, either]:~~

7 (a) Issue an order, with accompanying opinion, denying the permit;~~[or]~~

8 (b) Issue an order, with accompanying opinion, granting the permit with  
9 any~~[such]~~ restrictions, terms, and conditions ~~[as are]~~ appropriate to protect to  
10 the fullest extent possible the wild rivers area and the public trust therein  
11 within the intent of KRS 146.220; or

12 (c) Recommend an alternate use to which the land may be put under KRS  
13 146.200 to 146.360 which is more consistent with the purposes and intent of  
14 KRS 146.200 to 146.360 than the use for which application was made~~[; or]~~

15 ~~(d) Institute condemnation proceedings in the circuit court of the county in which  
16 the land is located or else negotiate a purchase of the land affected, or any  
17 interest therein].~~

18 (5) On or before thirty (30) days from the date of the office's determination, the  
19 landowner may file with the office a written objection to the determination. If,  
20 within the next sixty (60) days the landowner and the secretary are unable to reach  
21 an agreement with respect to a modification of the determination, the office must  
22 either permit the use applied for~~[, condemn the property,]~~ or petition the Franklin  
23 Circuit Court for an order restraining the proposed use. The order shall be entered  
24 immediately upon the filing of the petition and the execution of a bond without  
25 surety by the Commonwealth in an amount satisfactory to the court to indemnify  
26 the landowner against loss of profits from any wrongful restraint of the use of his or  
27 her property during the period from the filing of the petition until ~~[such time as]~~ the

1 matter is concluded by the courts. The court shall review the decision as to both law  
2 and fact; but no factual finding shall be reversed unless clearly erroneous or else  
3 arbitrary, capricious, or an abuse of discretion.

4 ➔Section 87. KRS 146.475 is amended to read as follows:

5 The fee simple estates, ~~for~~ lesser interests, or other contractual rights held as nature  
6 preserves are hereby declared to be held in trust~~[,]~~ in the name of the Commonwealth~~[,]~~  
7 for those uses and purposes expressed in KRS 146.410 to 146.530 which are not  
8 prohibited by the articles of dedication, for the benefit of the people of the  
9 Commonwealth of Kentucky of present and future generations and are declared to be put  
10 to their highest, best, and most important use for the public benefit. ~~[Said] Estates,~~  
11 ~~interests, or rights held as nature preserves shall be managed and protected in the manner~~  
12 ~~approved by~~[,]~~ and subject to the rules and regulations established by the office~~[,] and they~~~~  
13 ~~shall not be taken by another public body through eminent domain or otherwise for any~~  
14 ~~other use, except after a finding by the office of the existence of an imperative and~~  
15 ~~unavoidable public necessity for such other public use].~~ Except as may otherwise be  
16 provided in the articles of dedication, the office may grant or dispose of an estate,  
17 interest, or right held in a nature preserve only after a finding by the office of the  
18 existence of an imperative and unavoidable public necessity for the~~such~~ grant or  
19 disposition; provided however, that where less than a fee simple interest has been  
20 dedicated, the~~such~~ disposition or grant shall also require the written consent of the  
21 owner or owners of the other interests *in the property~~therein~~*.

22 ➔Section 88. KRS 146.485 is amended to read as follows:

23 In furtherance of the purposes of KRS 146.410 to 146.530, the office shall have the  
24 following additional powers and duties:

- 25 (1) To seek and approve the dedication of nature preserves as part of the system;
- 26 (2) To make and publish policies and rules, and to recommend to the secretary the  
27 promulgation of administrative regulations *in accordance with KRS Chapter 13A*

- 1 for the selection, acquisition, management, protection, and use of natural areas and  
2 nature preserves, and for the conduct of office affairs;
- 3 (3) To cooperate with and to contract with any public body of this state, any public  
4 body of any other state, any private organization, any individual, and the federal  
5 government and its agencies;
- 6 (4) To purchase land from a willing seller~~[ without the use of the powers of~~  
7 ~~condemnation or eminent domain, which said powers are expressly denied to the~~  
8 ~~office]~~;
- 9 (5) To make reasonable investigations as to the ownership of any lands which it judges  
10 may be appropriate for acquisition;
- 11 (6) To maintain a state registry of natural areas, an inventory of natural types, flora, and  
12 fauna, and other records of natural areas and nature preserves within the  
13 Commonwealth;
- 14 (7) To promote the coordination of all departments, divisions, and branches of state,  
15 county, and city governments within the Commonwealth which relate to nature  
16 preserves;
- 17 (8) To study the operation of all laws, rules, regulations, orders, and governmental  
18 policies affecting conservation of natural resources pertaining to natural areas, and  
19 to recommend to the Governor, and to the General Assembly, new legislation, rules,  
20 regulations, orders, and policies in the interest of correcting natural resource  
21 conservation problems pertaining to natural areas and nature preserves;
- 22 (9) To provide a central clearing house of information for environmental and  
23 conservation matters and to promote educational programs pertaining to natural  
24 areas and nature preserves;
- 25 (10) To conduct research, investigations, public hearings, and interpretative programs  
26 and to publish and disseminate information to the general public pertaining to  
27 natural areas and nature preserves;

- 1 (11) To supervise the protection, management, and use of nature preserves and to  
 2 enforce and administer rules and regulations pertaining thereto;
- 3 (12) To promote, study, investigate, recommend, encourage, advise and assist in the  
 4 preservation, protection, and management of natural areas;
- 5 (13) To report to the Governor and General Assembly on proposed legislation, policies,  
 6 regulations, or actions, public or private, which may significantly affect the quality  
 7 of the natural ecology or the human environment in the Commonwealth. ~~The~~  
 8 ~~Such~~ report shall include an evaluation of environmental and ecological effects,  
 9 and shall compare any adverse effects of the proposed action against possible social  
 10 benefits. The report shall describe and recommend appropriate alternatives ~~that~~,  
 11 ~~which~~ avoid significant adverse effects on the quality of the natural ecology of  
 12 natural areas;
- 13 (14) To submit to the Governor and members of the General Assembly ~~]~~ a report on or  
 14 before October 1 of each even-numbered year, detailing the condition of each  
 15 nature preserve in the system, and each registered natural area, and make other  
 16 reports and recommendations as it may deem advisable.

17 ➔Section 89. KRS 147A.080 is amended to read as follows:

18 Each board of directors shall have the power and authority to:

- 19 (1) Adopt and have a common seal and alter the ~~seal~~~~[same]~~ at pleasure;
- 20 (2) Sue and be sued;
- 21 (3) Adopt bylaws and make rules and regulations for the conduct of its business;
- 22 (4) Make and enter into all contracts or agreements necessary or incidental to the  
 23 performance of its duties;
- 24 (5) Provide upon request basic administrative, research, and planning services for any  
 25 planning and development body located within the district;
- 26 (6) Accept, receive, and administer loans, grants, or other funds or gifts from public  
 27 and private agencies including the Commonwealth and the federal government for

- 1 the purpose of carrying out the functions of the district;
- 2 (7) Expend ~~[such]~~ funds it deems~~[as may be considered by it to be]~~ advisable or  
3 necessary in the performance of its duties;
- 4 (8) Acquire, hold as may be necessary and convenient, encumber, or dispose of real  
5 and personal property~~[, except that no board shall have the power of eminent~~  
6 ~~domain]~~;
- 7 (9) Charge fees, rents, and otherwise charge for services provided by the board, except  
8 that no board shall have any power to levy taxes;
- 9 (10) Enter into interlocal agreements or interstate compacts to the extent authorized by  
10 laws of the Commonwealth. An area development district organization shall be  
11 deemed a "public agency" as defined by the Interlocal Cooperation Act in KRS  
12 Chapter 65;
- 13 (11) Promote, organize, and advise special districts or other authorities in accordance  
14 with laws of the Commonwealth and act as the regional clearinghouse for  
15 related~~[such]~~ programs and projects ~~[as]~~ prescribed by federal regulation;
- 16 (12) Perform any~~[such]~~ other and further acts~~[ as may be]~~ necessary to carry out the  
17 duties and responsibilities created by KRS 147A.050 to 147A.120.
- 18 ➔Section 90. KRS 148.0223 is amended to read as follows:
- 19 (1) The KMRA shall:
- 20 (a) Supervise the design and construction of trail systems within the KMRA and  
21 provide all management functions for the trails and for any other property  
22 built, acquired, or leased pursuant to its powers under KRS 148.0221 to  
23 148.0225;
- 24 (b) Construct, develop, manage, maintain, operate, improve, renovate, finance, or  
25 otherwise provide for recreational and trail-related activities and facilities on  
26 designated public lands and private lands of participating landowners who  
27 have voluntarily entered into use agreements with the board;

- 1 (c) Promote the growth and development of the trail system, tourism, and the  
2 hotel, restaurant, and entertainment industry within the KMRA and the  
3 Commonwealth, through marketing KMRA to enhance local economic and  
4 tourism development;
- 5 (d) Establish agreements with other persons, businesses, agencies, organizations,  
6 or any other entity to levy a surcharge on tickets for events, activities,  
7 festivals, or functions that are cosponsored with other entities and contribute  
8 to the authority's operating revenue; and
- 9 (e) Procure insurance against any losses in connection with its property, licenses,  
10 easements, or contracts, including hold-harmless agreements, operations, or  
11 assets in ~~such~~ amounts and from ~~such~~ insurers that~~as~~ the board considers  
12 desirable.
- 13 (2) The board's management program shall prioritize contractual arrangements with  
14 private landowners to use land for recreational purposes, which shall not diminish  
15 the participating landowner's interest, control, or profitability of the land. If  
16 necessary to implement a comprehensive trail system, the board may also contract  
17 with public landowners through contractual agreements that recognize the primary  
18 mission for which the public entity controls and manages the land.
- 19 (3) The board may carry out any of the following to accomplish the purposes of KRS  
20 148.0221 to 148.0225:
- 21 (a) Acquire, own, and hold property, and all interests in the property~~therein~~, by  
22 deed, purchase, gift, devise, bequest, or lease, or by transfer from the State  
23 Property and Buildings Commission~~, except that the authority shall not~~  
24 ~~acquire property through the exercise of the power of eminent domain~~];
- 25 (b) Dispose of any property acquired in any manner provided by law;
- 26 (c) Lease property, whether as lessee or lessor, and acquire or grant through  
27 easement, license, or other appropriate legal form, the right to develop and use

- 1 property and open it to the use of the public;
- 2 (d) Mortgage or otherwise grant security interests in its property;
- 3 (e) Maintain sinking funds and reserves as the board determines appropriate for  
4 the purposes of meeting future monetary obligations and needs of the  
5 authority; however, contributions to a sinking fund during a fiscal year shall  
6 not exceed ten percent (10%) of the total fees collected during the prior year;
- 7 (f) Sue and be sued, plead and be impleaded, and complain and defend in any  
8 court;
- 9 (g) Make contracts and execute instruments necessary for carrying on its  
10 business, including contracts with any Kentucky state agency, the federal  
11 government, or any person, individual, partnership, or corporation to effect  
12 any or all of the purposes of KRS 148.0221 to 148.0225, as follows:
- 13 1. Contracts shall go through a public bidding process;
- 14 2. Contracts for one thousand dollars (\$1,000) or more shall be sent, with  
15 at least three (3) bids from separate entities, to the Department for Local  
16 Government for review and final approval;
- 17 3. Bids from entities within KMRRRA participating counties are to be given  
18 preference over competing bidders from outside of KMRRRA  
19 participating counties; and
- 20 4. If the Department for Local Government has not given a response in the  
21 form of an approval or rejection after five (5) business days from the  
22 date the department received the contract to be reviewed, it shall be  
23 considered approved;
- 24 (h) Accept grants and loans from and enter into contracts and other transactions  
25 with any federal agency, regional commission, or state agency for  
26 accomplishing the purposes of KRS 148.0221 to 148.0225;
- 27 (i) Borrow money and issue bonds, security interests, or notes;

- 1 (j) Provide for and secure the payment of the bonds, security interests, or notes;
- 2 (k) Provide for the rights of the holders of the bonds, security interests, or notes;
- 3 (l) Purchase, hold, and dispose of any of its bonds, security interests, or notes;
- 4 (m) Accept gifts or grants of property, security interests, money, labor, supplies,  
5 or services from any governmental unit or from any person, firm, or  
6 corporation;
- 7 (n) Establish a regional recreational trail system based upon contracts and  
8 agreements with participating landowners. The board may enter into contracts  
9 with landowners, and other persons holding an interest in the land being used  
10 for its recreational facilities, to hold those landowners harmless with respect  
11 to any claim in tort growing out of the use of the land for public recreation or  
12 growing out of the recreational activities operated or managed by the board  
13 from any claim, except a claim for damages proximately caused by the willful  
14 or malicious conduct of the landowner or any of his or her agents or  
15 employees;
- 16 (o) 1. Establish a fee-based system of permits, user registrations, or other trail  
17 or facility access mechanisms.
- 18 2. The fees may be imposed for access to and use of the trails, parking  
19 facilities, visitor centers, or other trail-related recreational purpose  
20 facilities or recreation activities that are part of the KMRA or as an  
21 admission to an event.
- 22 3. The fees shall be decided by the board.
- 23 4. The KMRRA shall retain and use the revenue from fees for any  
24 purposes consistent with KRS 148.0221 to 148.0225 and within the  
25 guidelines in subsection (4) of this section;
- 26 (p) Promulgate administrative regulations in accordance with KRS Chapter 13A  
27 to govern use and maintenance of the KMRA and any other matters for

- 1 effective management of the KMRA;
- 2 (q) Cooperate and contract with the regional recreation authorities of Tennessee,  
3 Virginia, West Virginia, and other contiguous states to connect the trails in  
4 Kentucky with similar recreation facilities in those states; and
- 5 (r) Exercise all of the powers that a corporation may lawfully exercise under the  
6 laws of the Commonwealth.
- 7 (4) The fees collected by the KMRRRA are to be used within the following guidelines:
- 8 (a) To pay the salary of the executive director and all staff of the KMRRRA;
- 9 (b) To reimburse travel expenses of board members including lodging, subject to  
10 Finance and Administration Cabinet administrative regulations;
- 11 (c) To fund the construction, maintenance, and all necessary expenses of the  
12 KMRRRA trail system;
- 13 (d) To maintain a sinking fund with contributions to the fund during a fiscal year  
14 not to exceed ten percent (10%) of the total fees collected during the prior  
15 year and the total fund not to exceed a balance of one million dollars  
16 (\$1,000,000) at the end of any fiscal year; and
- 17 (e) Any remaining moneys not already appropriated in accordance with KRS  
18 148.0221 to 148.0225 at the end of the fiscal year are to be sent to the  
19 Department for Local Government to be placed into an account to be used  
20 exclusively for economic development grants in KMRRRA participating  
21 counties. These grants shall give preference to projects in economically  
22 distressed counties, then to at-risk counties, and then to transitional counties,  
23 as defined by the Appalachian Regional Commission.
- 24 (5) ~~Nothing in~~ This section shall **not** be construed as a waiver of sovereign immunity.
- 25 ➔ Section 91. KRS 148.031 is amended to read as follows:
- 26 (1) The cost of acquiring, equipping, ~~park~~ and constructing improvements and  
27 facilities in parks ~~therein and equipping same~~ may be defrayed by funds received

1 from general expenditure fund appropriations, gifts, the use of money received as  
2 fees and charges for the use of ~~the~~<sup>[said]</sup> parks and facilities, or by the issuance of  
3 revenue bonds, or by a combination of ~~those~~<sup>[such]</sup> sources of funds.

4 (2) In the event revenue bonds are issued to defray all or any part of ~~those~~<sup>[such]</sup> costs,  
5 ~~the~~<sup>[said]</sup> revenue bonds shall be issued pursuant to ~~the terms of~~ KRS 58.010 to  
6 ~~58.130~~<sup>[58.140]</sup>.

7 (3) The Department of Parks may unite into one (1) project for financing purposes all  
8 or as many parks, and the improvements therein, or to be constructed, enlarged or  
9 improved, as it deems practicable, so that the fees and charges and other revenue or  
10 receipts from every source whatsoever from the parks thus united shall be used for  
11 the payment of the principal and interest of all bonds which may be issued.  
12 ~~The~~<sup>[Such]</sup> united receipts shall continue until all bonds issued have been paid in  
13 full. The lien of the bonds for ~~a~~<sup>[such]</sup> united project shall be a lien upon the gross  
14 income and revenue of all parks thus united into a project.

15 (4) All parks in which improvements and facilities are constructed and equipped by the  
16 issuance of revenue bonds shall be maintained and operated by the Department of  
17 Parks until the bonds are paid, and the cost of operation and maintenance shall be  
18 paid out of appropriations and receipts received by the Department of Parks.

19 ➔Section 92. KRS 148.036 is amended to read as follows:

20 (1) The KORRRA shall:

21 (a) Supervise the design and construction of trail systems within the RA and  
22 provide all management functions for the trails and for any other property  
23 built, acquired, or leased pursuant to its powers under KRS 148.033 to  
24 148.039;

25 (b) Construct, develop, manage, maintain, operate, improve, renovate, finance, or  
26 otherwise provide for recreational and trail-related activities and facilities on  
27 designated public lands and private lands of participating landowners who

- 1           have voluntarily entered into use agreements with the board;
- 2           (c) Promote the growth and development of the trail system, tourism, and the
- 3           hotel, restaurant, and entertainment industry within the RA and the
- 4           Commonwealth, through marketing RA to enhance local economic and
- 5           tourism development;
- 6           (d) Establish agreements with other persons, businesses, agencies, organizations,
- 7           or any other entity to levy a surcharge on tickets for events, activities,
- 8           festivals, or functions that are cosponsored with other entities and contribute
- 9           to the authority's operating revenue; and
- 10          (e) Procure insurance against any losses in connection with its property, licenses,
- 11          easements, or contracts, including hold-harmless agreements, operations, or
- 12          assets in such amounts and from such insurers as the board considers
- 13          desirable.
- 14       (2) The board's management program shall prioritize contractual arrangements with
- 15       private landowners to use land for recreational purposes, which shall not diminish
- 16       the participating landowner's interest, control, or profitability of the land. If
- 17       necessary to implement a comprehensive trail system, the board may also contract
- 18       with public landowners through contractual agreements that recognize the primary
- 19       mission for which the public entity controls and manages the land.
- 20       (3) The board may carry out any of the following to accomplish the purposes of KRS
- 21       148.033 to 148.039:
- 22           (a) Acquire, own, and hold property, and all interests therein, by deed, purchase,
- 23           gift, devise, bequest, or lease, or by transfer from the State Property and
- 24           Buildings Commission~~[-except that the authority shall not acquire property~~
- 25           ~~through the exercise of the power of eminent domain];~~
- 26           (b) Dispose of any property acquired in any manner provided by law;
- 27           (c) Lease property, whether as lessee or lessor, and acquire or grant through

- 1            easement, license, or other appropriate legal form, the right to develop and use  
2            property and open it to the use of the public;
- 3            (d) Mortgage or otherwise grant security interests in its property;
- 4            (e) Maintain sinking funds and reserves as the board determines appropriate for  
5            the purposes of meeting future monetary obligations and needs of the  
6            authority; however, contributions to a sinking fund during a fiscal year shall  
7            not exceed ten percent (10%) of the total fees collected during the prior year;
- 8            (f) Sue and be sued, plead and be impleaded, and complain and defend in any  
9            court;
- 10           (g) Make contracts and execute instruments necessary for carrying on its  
11           business, including contracts with any Kentucky state agency, the federal  
12           government, or any person, individual, partnership, or corporation to effect  
13           any or all of the purposes of KRS 148.033 to 148.039 as follows:
- 14           1. Contracts shall go through a public bidding process;
- 15           2. Contracts for one thousand dollars (\$1,000) or more shall be sent, with  
16           at least three (3) bids from separate entities, to the Department for Local  
17           Government for review and final approval;
- 18           3. Bids from entities with KORRRA participating counties are to be given  
19           preference over competing bidders from outside of KORRRA  
20           participating counties; and
- 21           4. If the Department for Local Government has not given a response in the  
22           form of an approval or rejection after five (5) business days from the  
23           date the department received the contract to be reviewed, it shall be  
24           considered approved;
- 25           (h) Accept grants and loans from and enter into contracts and other transactions  
26           with any federal agency, regional commission, or state agency for  
27           accomplishing the purposes of KRS 148.033 to 148.039;

- 1 (i) Borrow money and issue bonds, security interests, or notes;
- 2 (j) Provide for and secure the payment of the bonds, security interests, or notes;
- 3 (k) Provide for the rights of the holders of the bonds, security interests, or notes;
- 4 (l) Purchase, hold, and dispose of any of its bonds, security interests, or notes;
- 5 (m) Accept gifts or grants of property, security interests, money, labor, supplies,  
6 or services from any governmental unit or from any person, firm, or  
7 corporation;
- 8 (n) Establish a regional recreational trail system based upon contracts and  
9 agreements with participating landowners. The board may enter into contracts  
10 with landowners, and other persons holding an interest in the land being used  
11 for its recreational facilities, to hold those landowners harmless with respect  
12 to any claim in tort growing out of the use of the land for public recreation or  
13 growing out of the recreational activities operated or managed by the board  
14 from any claim, except a claim for damages proximately caused by the willful  
15 or malicious conduct of the landowner or any of his or her agents or  
16 employees;
- 17 (o) 1. Establish a fee-based system of permits, user registrations, or other trail  
18 or facility access mechanisms.
- 19 2. The fees may be imposed for access to and use of the trails, parking  
20 facilities, visitor centers, or other trail-related recreational purpose  
21 facilities or recreation activities that are part of the RA or as an  
22 admission to an event.
- 23 3. The fees shall be decided by the board.
- 24 4. The KORRRA shall retain and use the revenue from fees for any  
25 purposes consistent with KRS 148.033 to 148.039 and within the  
26 guidelines in subsection (4) of this section;
- 27 (p) Promulgate administrative regulations in accordance with KRS Chapter 13A

1 to govern use and maintenance of the RA and any other matters for effective  
2 management of the RA;

3 (q) Cooperate and contract with the regional recreation authorities of Illinois,  
4 Indiana, Ohio, West Virginia, and other contiguous states to connect the trails  
5 in Kentucky with similar recreation facilities in those states; and

6 (r) Exercise all of the powers that a corporation may lawfully exercise under the  
7 laws of the Commonwealth.

8 (4) The fees collected by the KORRRA are to be used within the following guidelines;

9 (a) To pay the salary of the executive director and all staff of the KORRRA;

10 (b) To reimburse travel expenses of board members including lodging, subject to  
11 Finance and Administration Cabinet administrative regulations;

12 (c) To fund the construction, maintenance, and all necessary expenses of the  
13 KORRRA trail system;

14 (d) To maintain a sinking fund with contributions to the fund during a fiscal year  
15 not to exceed ten percent (10%) of the total fees collected during the prior  
16 year and the total fund not to exceed a balance of one million dollars  
17 (\$1,000,000) at the end of any fiscal year; and

18 (e) Any remaining moneys not already appropriated in accordance with KRS  
19 148.033 to 148.039 at the end of the fiscal year are to be sent to the  
20 Department for Local Government to be placed into an account to be used  
21 exclusively for economic development grants in KORRRA participating  
22 counties. These grants shall give preference to projects in economically  
23 distressed counties, then to at-risk counties, then to transitional counties, as  
24 defined by Kentucky Council of Area Development Districts.

25 (5) ~~Nothing in~~ This section shall ***not*** be construed as a waiver of sovereign immunity.

26 ➔ Section 93. KRS 148.874 is amended to read as follows:

27 (1) There is hereby designated a linear state park, the boundaries of which shall be

1 determined by the department in accordance with this section known as the Pine  
2 Mountain State Scenic Trail, a trail of approximately one hundred twenty (120)  
3 miles in length~~[,]~~ located exclusively within the boundaries of Kentucky beginning  
4 along the border of Kentucky and Virginia at or near Breaks Interstate Park, and  
5 extending generally south-southwest along the crest of Pine Mountain to the  
6 vicinity of Pine Mountain State Resort Park and continuing south to the  
7 Cumberland Gap National Park on the vicinity thereof. Insofar as practicable, the  
8 boundaries of the trail from the Breaks Interstate Park to Bad Branch State Nature  
9 Preserve shall be a one thousand (1,000) foot corridor, the center of which shall be  
10 the crest of Pine Mountain, to the extent that the corridor does not encroach upon  
11 the territory of the Commonwealth of Virginia. Insofar as practicable, the  
12 boundaries of the trail from the Bad Branch State Nature Preserve to the Pine  
13 Mountain State Resort Park shall be a corridor one hundred (100) to two hundred  
14 fifty (250) feet along the level top of Pine Mountain. The route of the trail from  
15 Pine Mountain State Resort Park to Cumberland Gap National Park shall be a  
16 corridor no wider than two hundred fifty (250) feet to be determined by the  
17 department. Notwithstanding these boundary limitations, the department may  
18 through negotiations with the land owner acquire additional land outside the  
19 boundary limitations. The trail shall be depicted on the "Pine Mountain State Scenic  
20 Trail Map," which shall be on file and available for public inspection in the office  
21 of the commissioner of the department. The trail map shall delineate those portions  
22 of the trail that are owned or leased by the Commonwealth or on which the  
23 Commonwealth has obtained an easement and shall be updated periodically solely  
24 for the purpose of reflecting additions to those specific areas.

25 (2) The department may designate connecting or side paths which shall provide  
26 additional points of public access to the trail or access to points of interest, and  
27 which shall be of the same scenic nature as the trail~~[, except that connecting or side~~

1 ~~paths shall not be acquired through eminent domain].~~

2 (3) Because of its extended length, the department may supplement the trail by support  
3 facilities located on certain designated parts of the trail or outside the trail. These  
4 support facilities may include, as the department deems necessary and feasible,  
5 primitive shelters, fireplaces, safe water supplies, and other related public-use  
6 facilities that shall meet department standards. ~~[No ]~~Open wood fires shall ***not*** be  
7 permitted on the trail except in areas with support facilities specifically designated  
8 for that purpose.

9 (4) The trail shall be a state scenic trail, so chosen because of its unique location. It  
10 shall be limited to foot use and other nonmotorized uses as permitted on segments  
11 where deemed appropriate by the department, and as set forth in KRS 148.878.

12 (5) The department shall, no later than June 30, 2003, determine the boundaries of the  
13 trail. In determining the boundaries of the trail, the department shall not encroach  
14 upon any privately owned dwelling, or areas designated for residential structures  
15 and their surrounding properties, but shall route the trail around a privately owned  
16 dwelling or areas designated for a residential structure. {

17 ~~(6) The department shall not acquire through eminent domain any cemetery or its~~  
18 ~~surrounding property which is designated as a cemetery or burial ground on July 15,~~  
19 ~~2002.]~~

20 ➔Section 94. KRS 148.876 is amended to read as follows:

21 ~~{(1) The power of eminent domain may only be exercised to acquire land in fee within~~  
22 ~~the boundaries of the trail, except that the power of eminent domain shall not be~~  
23 ~~exercised to acquire any privately owned dwelling, areas designated for residential~~  
24 ~~structures and their surrounding properties, or property owned or leased, including~~  
25 ~~adjacent or contiguous tracts of land leased or owned or which may be acquired, for~~  
26 ~~the purposes of operating an oil or gas well, surface or underground coal mine~~  
27 ~~operation, or surface or underground mineral quarrying operation, if the person~~

1       ~~holds a state permit or license issued by the Energy and Environment Cabinet,~~  
2       ~~Division of Mine Permits or Division of Mine Safety.~~

3       ~~(2)~~ Within the boundaries of the trail, the department may acquire, on behalf of the  
4 Commonwealth, fee title or lesser interests in land. Acquisition of land may be by gift, by  
5 purchase with donated funds, by funds appropriated by the General Assembly, by the use  
6 of proceeds from the sale of bonds, by exchange, by assumption of property tax  
7 payments, or by other authorized means. Notwithstanding ~~the provisions in~~ KRS  
8 350.085(3) and 353.610, in acquiring any interests the Commonwealth or its agencies  
9 shall waive the three hundred (300) foot restriction ~~contained in~~ KRS 350.085(3) and  
10 boundary restrictions for a well ~~set forth in~~ KRS 353.610.

11       ➔ Section 95. KRS 148.878 is amended to read as follows:

12       (1) Within the boundaries of the trail, as designated by the department and once  
13 acquired:

14       (a) The natural vegetation shall be kept undisturbed except for any clearing  
15 required for construction of the trail, occasional vistas, or trail-use facilities  
16 described in KRS 148.870 to 148.892, except as provided under ~~paragraph~~  
17 ~~(e) of~~ subsection (3)(c) of this section. Development and management of  
18 each segment of the trail shall be designed to harmonize with and complement  
19 any established multiple-use plans for that specific area in order to ensure  
20 continual maximum benefits from the land;

21       (b) Hunting of wild game shall be permitted only on or along areas as identified  
22 and permitted in administrative regulations as promulgated by the Department  
23 of Fish and Wildlife Resources after consultation with the Department of  
24 Parks, and as permitted under ~~paragraph (e) of~~ subsection (3)(c) of this  
25 section; and

26       (c) The use of motorized vehicles by the general public within the boundaries of  
27 the trail shall be limited, and ~~nothing in~~ KRS 148.870 to 148.892 shall ***not***

1 be construed as authorizing the use of motorized vehicles in this area, except  
2 upon existing or newly constructed public roadways within the boundaries of  
3 the trail and as provided under ~~paragraph (e) of~~ subsection (3)(c) of this  
4 section.

5 (2) The department may promulgate administrative regulations *in accordance with*  
6 *KRS Chapter 13A* authorizing the use of motorized vehicles on areas other than  
7 public roadways, when these vehicles are required to meet emergencies where life  
8 or health is at risk, or to enable adjacent landowners to have access to their lands or  
9 mineral rights, as provided under subsection~~paragraphs (a) and (e) of subsection~~  
10 (3)(a) and (c) of this section.

11 (3) (a) Except as expressly authorized in KRS 148.870 to 148.892 or in the  
12 administrative regulations promulgated by the department, or as may be  
13 allowed under a change of use permit issued by the department, permissible  
14 land uses within the boundaries of the trail as designated by the department  
15 shall be as set forth in this section. Uses that lawfully existed on July 15,  
16 2002, may continue. After the trail boundaries are designated, new or  
17 additional uses shall be in compliance with the policy and purposes of KRS  
18 148.870 to 148.892 and shall minimize disturbance to the trail. Above-ground  
19 blasting operations authorized under ~~the provisions of~~ KRS 351.315 to  
20 351.375, except those operations conducted on sites utilizing no more than a  
21 total of ten thousand (10,000) pounds of explosives or the equivalent on the  
22 site, shall be prohibited for new or additional uses within an area of one  
23 thousand two hundred fifty (1,250) feet outward from the crest of Pine  
24 Mountain on the portion of the trail from Breaks Interstate Park to Bad  
25 Branch State Nature Preserve and within an area of five hundred (500) feet  
26 outward from the boundary of the trail on the portion of the trail from Bad  
27 Branch State Nature Preserve to Pine Mountain State Resort Park. Select

1 cutting of timber or other resources removal may be allowed pursuant to KRS  
2 148.870 to 148.892 and administrative regulations promulgated by the  
3 department *in accordance with KRS Chapter 13A* upon the issuance of a  
4 change of use permit. Unless the property is purchased by the department, any  
5 net revenue from the cutting of timber or other resources removal shall inure  
6 to the benefit of the owner of the property or property rights from which the  
7 Commonwealth acquired the property. In promulgating administrative  
8 regulations related to KRS 148.870 to 148.892 and in developing the  
9 management plan as set forth in KRS 148.882, the department shall schedule  
10 public hearings in the county in which the trail lies that is affected by the  
11 administrative regulations and management plan.

12 (b) In the development of management plans as set forth in KRS 148.882, the  
13 department shall include provisions to allow for means of ingress and egress  
14 as provided in paragraph (c) of this subsection by owners of property rights  
15 affected by the creation of the trail, and for the construction of new roads,  
16 utility facilities, and pipelines that would encroach upon the trail. The  
17 department shall promulgate administrative regulations *in accordance with*  
18 *KRS Chapter 13A* setting forth the procedures required to establish means of  
19 ingress and egress relating to obtaining rights-of-way, easements, and permits  
20 necessary for the construction of new roads, utility facilities, and pipelines  
21 that encroach upon the trail.

22 (c) When the Commonwealth acquires land for the trail authorized by KRS  
23 148.870, regardless of whether the trail property is acquired by purchase,  
24 ~~[eminent domain, ]~~donation, or otherwise restricted, the person from whom  
25 the property is acquired or restricted or their successor in title shall have the  
26 following rights with regard to the property which has been acquired or  
27 restricted by the Commonwealth:

- 1           1.    Ingress, egress, and access to trail property for purposes specified in this  
2                    section or any other provision of law;
- 3           2.    An easement to use trail property for the purpose of access to adjacent  
4                    land of the same property owner or their successor, including but not  
5                    limited to motorized travel;
- 6           3.    To hunt, fish, or trap on that portion of trail property formerly owned, in  
7                    accordance with applicable law and administrative regulations;
- 8           4.    To gather and remove edible, medicinal, or ornamental plants and herbs  
9                    from that portion of the trail property formerly owned, in accordance  
10                  with applicable law and administrative regulations; and
- 11          5.    To access and maintain a cemetery and burial grounds on that portion of  
12                  trail property formerly owned.
- 13          (d)   The rights specified in this section or other provisions of law or administrative  
14                  regulation shall be included in ~~any judgment when property or an interest~~  
15                  ~~therein is taken or restricted by eminent domain and shall be included in~~ any  
16                  contract for purchase, donation, or other acquisition of the property or an  
17                  interest in the property~~therein~~ unless voluntarily waived in that document.
- 18          (4)   Any person owning property or property rights within the boundaries of the trail  
19                  may apply to the department for a change of use permit. The secretary or the  
20                  secretary's designee shall hold a public hearing after public notice on the  
21                  application within sixty (60) days. Any person shall be allowed to present evidence  
22                  as to whether the use proposed by the applicant is in accordance with the  
23                  management plan developed pursuant to ~~the provisions of~~ KRS 148.870 to  
24                  148.892, the administrative regulations promulgated pursuant to KRS 148.870 to  
25                  148.892, and other applicable law.
- 26          (5)   The secretary shall, within sixty (60) days after a hearing, issue an order and  
27                  accompanying opinion granting the permit, denying the permit, or recommending

1 an alternative use to which the land may be put that is more consistent with ~~the~~  
2 ~~provisions of~~ KRS 148.870 to 148.892 than the use for which the application was  
3 made. Any aggrieved party to the hearing shall have the right to petition the local  
4 Circuit Court in which the property lies within thirty (30) days after issuance of the  
5 secretary's order.

6 ➔Section 96. KRS 150.024 is amended to read as follows:

7 The department shall have the right to acquire ~~such~~ property ~~as may be~~ necessary to  
8 carry out the purpose of this chapter, ~~and it shall have the right of eminent domain as~~  
9 ~~provided in the Eminent Domain Act of Kentucky~~.

10 ➔Section 97. KRS 150.610 is amended to read as follows:

11 The commissioner of the Department of Fish and Wildlife Resources, with approval of  
12 the commission, may call for the issuance of revenue bonds pursuant to the entire terms  
13 of KRS 58.010 to 58.130~~through 58.140~~ for the purpose of establishing public shooting  
14 areas, waterfowl or other wildlife refuges, public fishing lakes or the establishment of  
15 other projects of public benefit in the interest of fish and game and may unite into one (1)  
16 project for financing purposes all revenue as may be pledged by the commissioner. From  
17 every source whatsoever these revenues thus united shall be used for the payment of the  
18 principal and interest of all bonds which may be issued. ~~These~~Such united receipts,  
19 unless otherwise agreed upon by the commissioner and bonding company, shall continue  
20 until all bonds issued have been paid in full. The lien of the bonds from ~~a~~a ~~such~~  
21 project shall be a lien upon the united gross income and revenue as specified in the  
22 original terms ascribed to by the commissioner with the concurrence of the commission.

23 ➔Section 98. KRS 151.611 is amended to read as follows:

24 (1) A Stream Restoration and Mitigation Authority may be established for any HUC 10  
25 watershed in the Commonwealth. Each authority formed under this section shall be  
26 a public body corporate and politic with the authority to:

27 (a) Sue and be sued;

- 1 (b) Enter into contracts with public and private individuals and corporations and  
2 engage in cooperative agreements with federal, state, and local governments  
3 or agencies, utilities, special districts, and nonprofit organizations for the  
4 performance of its duties and functions under KRS 151.610 to 151.615;
- 5 (c) Employ personnel as needed, as its fiscal resources may allow, and use the  
6 services of volunteers individually or through agreement with governmental  
7 agencies, nonprofit organizations, or foundations;
- 8 (d) Receive and expend funds from any source, including but not limited to  
9 private donations, charitable contributions, public grants, 404 In-lieu Fee  
10 Program, and appropriations from the General Assembly; and
- 11 (e) Acquire, sell, and hold real interests in property.
- 12 (2) ~~Nothing in~~ KRS 151.610 to 151.615 shall ***not*** be construed to empower or  
13 authorize an authority established under KRS 151.610 to 151.615 to exercise  
14 regulatory powers with respect to water resources or water quality. ~~An authority~~  
15 ~~established under KRS 151.610 to 151.615 shall not be vested with the power of~~  
16 ~~eminent domain.~~
- 17 (3) It is the preference of the General Assembly that funds contributed by a permittee  
18 under a Section 404 Permit into an in-lieu fund for a project designed for stream  
19 restoration and mitigation be utilized within the watershed where the adverse  
20 effects occur. The General Assembly recognizes that conservation and protection of  
21 the water resources of the Commonwealth, including streams, rivers, wetlands, and  
22 riparian habitats, may involve, in addition to restoration and enhancement of  
23 aquatic and riparian habitat, proper management of wastewater and stormwater, and  
24 abatement of pre-existing sources of pollution. Where an authority has been  
25 qualified by the USACE to manage an in-lieu fee or other compensatory mitigation  
26 arrangement that is approved after July 15, 2008, under Section 404, and to the  
27 extent that the USACE and the Mitigation Review Team has approved the use of

1 ~~such~~ funds for elimination of pre-existing sources of pollution, the authority may  
 2 expend a portion of the funds for those purposes, provided that the:

3 (a) Funds spent on water quality improvements are a component of a stream or  
 4 wetland restoration plan for replacement of aquatic resource functions and  
 5 values;

6 (b) Project has been reviewed and approved by the USACE and the Division of  
 7 Water as being consistent with Sections 404 and 401 of the Clean Water Act;  
 8 and

9 (c) In-lieu fees shall be available statewide, to all one hundred twenty (120)  
 10 counties, subject to federal and state regulatory requirements.

11 (4) ~~Nothing in~~ KRS 151.610 to 151.615 shall ***not*** preclude the authority, when acting  
 12 as an approved qualified organization managing an in-lieu fee arrangement  
 13 approved after July 15, 2008, from combining funding from other sources with in-  
 14 lieu fees in order to achieve efficiencies in stream restoration or mitigation.

15 ➔Section 99. KRS 151.720 is amended to read as follows:

16 The Kentucky River Authority is authorized and empowered to:

17 (1) Construct, reconstruct, provide for the major maintenance, or repair the locks and  
 18 dams on the Kentucky River and all real and personal property pertaining ***to the***  
 19 ***locks and dams***~~there to~~, as well as maintain the channel;

20 (2) Acquire by purchase,~~exercise of the rights of eminent domain,~~ grant, gift, devise,  
 21 or otherwise~~,~~ the fee simple title to or any acceptable lesser interest in any real or  
 22 personal property and by lease or other conveyance, contract for the right to use and  
 23 occupy any real or personal property selected in the discretion of the authority as  
 24 constituting necessary, desirable, or acceptable sites to fulfill its statutory authority  
 25 and power;

26 (3) Lease its real or personal property to other state agencies, political subdivisions of  
 27 the Commonwealth, corporations, partnerships, associations, foundations, or

- 1 persons as the authority deems necessary to carry out the purposes of this section;
- 2 (4) Sell or otherwise dispose of its real or personal property in accordance with KRS  
3 56.463 and 45A.045;
- 4 (5) Collect water use fees from all facilities using water from the Kentucky River basin,  
5 except those facilities using water primarily for agricultural purposes. Facilities  
6 charged with the~~[such a]~~ fee may pass on all or any part of the fee;
- 7 (6) Issue revenue bonds in accordance with KRS 151.730;
- 8 (7) Employ persons to carry out the authority's responsibilities with revenue from the  
9 water use fees, including an executive director who shall serve at the pleasure of the  
10 authority;
- 11 (8) Contract for services with other state agencies, political subdivisions of the  
12 Commonwealth, corporations, partnerships, associations, foundations, or persons to  
13 perform its duties;
- 14 (9) Promulgate administrative regulations in accordance with KRS Chapter 13A  
15 providing for clean water, which shall not be less stringent than the state and federal  
16 regulations for clean water;
- 17 (10) Exercise all other powers necessary to perform its public purpose to implement and  
18 enforce the plans developed by the authority pursuant to this section and KRS  
19 151.727 and 151.728, and to enforce administrative regulations promulgated by the  
20 authority. The long-range water resource plan and drought response plan shall be  
21 implemented for the basin upon the direction of the authority;
- 22 (11) Develop comprehensive plans for the management of the Kentucky River within  
23 the basin, including a long-range water resource plan and a drought response plan.  
24 Each county within the basin shall develop a long-range water resource plan and  
25 submit it to the authority. The authority, after consultation with the Energy and  
26 Environment Cabinet, shall develop a unified long-range water resource plan for the  
27 basin. The unified long-range water resource plan shall be implemented over short-

1 range and long-range time periods. The short-range plan shall be for a period of six  
2 (6) years and the long-range plan shall be for a period of twenty (20) years. The  
3 authority shall conduct a public hearing on the plan prior to its adoption and amend  
4 the plan as appropriate based on the comments received. The Energy and  
5 Environment Cabinet shall review the draft unified plan and provide comment  
6 during the public comment period concerning the consistency of the plan with the  
7 state requirements under KRS Chapters 224 and 151. A drought response plan for  
8 the basin shall be developed by the authority and shall be coordinated with the  
9 Energy and Environment Cabinet to assure consistency with KRS Chapters 224 and  
10 151, and this plan shall be implemented for the basin upon the direction of the  
11 authority;

12 (12) Develop and promote a plan for the protection and use of groundwater within the  
13 basin. Administrative regulations may be promulgated implementing the plan, and  
14 these regulations shall not be less stringent than state and federal regulations  
15 protecting groundwater;

16 (13) Promote private investment in the installation of hydroelectric generating units on  
17 all existing constructed and reconstructed Kentucky River dams under the  
18 jurisdiction of the authority, by developing a standard lease, establishing reasonable  
19 financial responsibility requirements, verifying that the proposed installation of the  
20 hydroelectric unit will not adversely affect the structural integrity of the dam, and  
21 adopting a schedule of reasonable fees for water used in the generation of  
22 hydroelectric power;

23 (14) Develop recreational areas within the basin. These recreational areas may be  
24 operated and funded by the state Department of Parks, Office of Kentucky Nature  
25 Preserves, or other governmental entity as specifically authorized or permitted  
26 within the biennial executive budget. There is hereby created the Kentucky River  
27 Park to be located as determined by the authority;

- 1 (15) Utilize funds provided for recreational purposes within the biennial executive  
2 budget for major or minor maintenance if the authority certifies to the secretary of  
3 the Finance and Administration Cabinet that a significant need exists for the repairs  
4 and no other funds are available for the maintenance;
- 5 (16) Coordinate the Kentucky River basin water resources activities among state  
6 agencies;
- 7 (17) Report quarterly on all of its activities to the legislative Committee on  
8 Appropriations and Revenue;
- 9 (18) Receive reports from state agencies on litigation concerning the Kentucky River,  
10 which agencies are hereby directed to report to the authority;
- 11 (19) Credit to the authority any income derived from the interest earned on the  
12 investment of the water use fees collected, which shall be available for the  
13 authority's expenditure; and
- 14 (20) Accomplish the watershed management mission of the authority, which is to fulfill  
15 the provisions of this section for the Kentucky River basin, the boundary of which  
16 shall be defined by a hydrologic map promulgated in an administrative regulation.

17 ➔Section 100. KRS 152.590 is amended to read as follows:

18 The Energy and Environment Cabinet shall have the following general powers:

- 19 (1) To acquire by purchase,~~exercise of the right of eminent domain,~~ grant, gift,  
20 devise, or otherwise~~,~~ the fee simple title to or any acceptable lesser interest in any  
21 lands, and by lease or other contract the right to use and occupy any lands, selected  
22 in the discretion of the secretary of the Energy and Environment Cabinet as  
23 constituting necessary, desirable, or acceptable sites for projects of the cabinet,  
24 including any and all lands adjacent to a project site as in the discretion of the  
25 secretary may be necessary or suitable for satellite projects or restricted areas; but  
26 in all instances lands which are to be designated as radioactive waste material sites  
27 shall be acquired in fee simple absolute and dedicated in perpetuity to ***that[such]***

- 1           purpose;
- 2       (2) To convey to private enterprise, or to lease to private enterprise for ~~a~~<sup>a</sup> ~~such~~ term ~~as~~  
3       ~~in the discretion of~~ the secretary of the Finance and Administration Cabinet **deems**  
4       ~~to~~<sup>may</sup> be in the public interest, any lands so acquired, either for a fair and  
5       reasonable consideration or solely or partly as an inducement to the establishment  
6       or location in the Commonwealth of any scientific or technological facility, project,  
7       satellite project, or nuclear storage area; but subject to ~~such~~ restraints ~~as may be~~  
8       ~~deemed proper to bring about a reversion of title or termination of any lease in the~~  
9       event the grantee or lessee, as the case may be, **ceases** ~~shall cease~~ to use the  
10      premises or facilities in the conduct of business or activities consistent with laws  
11      and regulations of the Commonwealth; provided, however, radioactive waste  
12      material sites may be leased but may not otherwise be disposed of except to the  
13      Commonwealth, or to the United States;
- 14      (3) To construct, reconstruct, maintain, repair, operate, and regulate projects at ~~such~~  
15      ~~locations within the Commonwealth as may be~~ determined by the secretary;
- 16      (4) To fix by contract, or to establish, ~~and~~ revise, ~~from time to time and~~ charge, and  
17      collect revenues, rentals, rates, and charges for use of the services and facilities of  
18      projects;
- 19      (5) To combine for financing purposes any two (2) or more projects;
- 20      (6) To establish and enforce rules and regulations for the use of any project;
- 21      (7) Without reference to KRS Chapter 56, to acquire and hold real and personal  
22      property in the exercise of its powers and the performance of its functions and  
23      duties under this section, and to dispose of **property** ~~the same~~ with due regard for  
24      public health and safety, except in the case of radioactive waste material sites,  
25      which may be disposed of only to the Commonwealth itself, or to the United States,  
26      except as provided in subsection (2) **of this section**;
- 27      (8) To designate the locations and establish, limit, and control ~~such~~ points of ingress

- 1 to and egress from each project as the secretary determines~~[may determine]~~ to be  
 2 necessary or desirable to ensure the proper operation and maintenance of the~~[such]~~  
 3 project, and to prohibit entrance to the~~[such]~~ project from any point or points not so  
 4 designated;
- 5 (9) To make and enter into ~~[such]~~ contracts and agreements with governmental  
 6 agencies and private enterprise ~~[as may be]~~ necessary or incidental to the  
 7 performance of its duties and the execution of its powers under this section;
- 8 (10) To employ scientists, consulting engineers, health officers, attorneys, accountants,  
 9 construction and financial experts, superintendents, managers, and ~~[such]~~ other  
 10 employees and agents ~~[as may be]~~ necessary in the judgment of the secretary and to  
 11 fix their compensation;
- 12 (11) To receive and accept from any governmental agency, or from private enterprise,  
 13 appropriations, grants, or contributions in money, property, labor, or other things of  
 14 value, to be held, used and applied for or in aid of any project; and
- 15 (12) To do all acts and things necessary or convenient to carry out the powers expressly  
 16 granted in this section.

17 ➔Section 101. KRS 153.420 is amended to read as follows:

18 The Kentucky Center for the Arts Corporation:

- 19 (1) Shall supervise construction of the Kentucky Center for the Arts in conjunction  
 20 with the Finance and Administration Cabinet, and shall provide all management  
 21 functions for the facility and for any other property acquired or leased pursuant to  
 22 its powers under this section;
- 23 (2) May ~~[take,]~~ acquire and hold property, and all interests in property~~[therein]~~, by  
 24 deed, purchase, gift, devise, bequest, or lease~~[or eminent domain]~~, or by transfer  
 25 from the State Property and Buildings Commission, and may dispose of any  
 26 property so acquired in any manner provided by law~~[. In the exercise of its power of~~  
 27 ~~eminent domain, it shall proceed in the manner provided in the Eminent Domain~~

- 1        ~~Act of Kentucky, KRS 416.540 to 416.680~~];
- 2        (3) May consult or enter into agreements with other segments of the arts and  
3        entertainment industry to provide technical, professional, or management support or  
4        assistance, consistent with its purpose and mission;
- 5        (4) May issue revenue bonds, subject to procedures which shall be established by the  
6        Finance and Administration Cabinet, solely payable from the charges, revenues,  
7        rentals, and other funds pledged for their payment for the purpose of paying all or  
8        any part of the cost of any project or for the acquisition of property;
- 9        (5) Shall promote the growth and development of the arts, convention trade, tourism  
10       and the hotel industry within Jefferson County and the Commonwealth, through  
11       utilization of the Kentucky center and activities authorized in this section to  
12       enhance these and the public interest;
- 13       (6) May adopt administrative regulations, as provided in KRS Chapter 13A, governing  
14       the operation, maintenance or use of property under its custody and control;
- 15       (7) May levy a surcharge on tickets for all functions held within the center to contribute  
16       to operating revenue;
- 17       (8) May receive tax revenues from any governmental unit, and financial contributions  
18       of local governments, private persons and foundations;
- 19       (9) Shall have exclusive control of all exhibitions, performances, and concessions in  
20       the Center for the Arts. The corporation shall have a prior lien upon the property of  
21       any private exhibitor, concessionaire, or other person holding an exhibition or  
22       performance or operating a concession in the center, and may sell ~~the~~<sup>[such]</sup>  
23       property upon ten (10) days' notice to satisfy any indebtedness;
- 24       (10) Shall develop in conjunction with local hotels, and the arts and entertainment  
25       industry, tourist packages including performance and group plans, and shall  
26       participate with local hotels and convention bureaus in attracting non-arts related  
27       conferences and conventions;

- 1 (11) May establish an executive committee from among its membership with full  
2 authority to act between its meetings to the extent delegated by the corporation;
- 3 (12) May sue and be sued and maintain and defend legal actions in its corporate name;
- 4 (13) May, if the corporation elects, be exempt from ~~the provisions of~~ KRS 56.065 to  
5 56.180, and, with the approval of the secretary of the Finance and Administration  
6 Cabinet and the Department of Insurance, purchase from the funds allotted to the  
7 corporation property insurance for buildings and contents from responsible  
8 insurance companies doing business in this state; and
- 9 (14) May purchase liability insurance for the protection of the corporation and its  
10 employees from liability arising in the operation of the center.

11 ➔Section 102. KRS 154.20-228 is amended to read as follows:

- 12 (1) The authority shall not approve a proposed data center project that otherwise meets  
13 the requirements of KRS 154.20-220 to 154.20-229 if the proposed data center  
14 project will result in the replacement of facilities existing in the state, except as  
15 provided in this section.
- 16 (2) The authority may approve a proposed data center project that:
- 17 (a) Rehabilitates an existing data center used for activities of an eligible  
18 company, if:
- 19 1. The data center to be rehabilitated has not been in operation for a period  
20 of ninety (90) or more consecutive days;
- 21 2. a. The current occupant of the data center to be rehabilitated has  
22 advertised a notice of closure; and
- 23 b. The eligible company proposing the data center project is not an  
24 affiliate of the current occupant of the data center to be  
25 rehabilitated; or
- 26 3. a. The data center to be rehabilitated is sold or transferred pursuant to  
27 a foreclosure ordered by a court of competent jurisdiction or an

- 1 order of a bankruptcy court of competent jurisdiction; and
- 2 b. The title to the data center to be rehabilitated prior to the sale is
- 3 not vested in the eligible company;
- 4 (b) Replaces an existing data center of an eligible company if:
- 5 1. a. Title to the data center to be replaced:
- 6 i. Is held by exercise of the power of eminent domain; or
- 7 ii. May be taken pursuant to a nonappealable judgment granting
- 8 authority to exercise the power of eminent domain;
- 9 **b. The title or judgment under subdivision a. of this subparagraph**
- 10 **was obtained prior to the effective date of this Act;** and
- 11 ~~c. b.~~ Normal operations at the data center to be replaced cannot be
- 12 resumed within twelve (12) months; or
- 13 2. The data center to be replaced has been damaged or destroyed by fire or
- 14 other casualty to the extent that normal operations cannot be resumed at
- 15 the facility within twelve (12) months; or
- 16 (c) Replaces an existing data center located in the same county if the existing data
- 17 center cannot be expanded due to the unavailability of real estate at or
- 18 adjacent to the data center to be replaced. Any qualifying data center project
- 19 satisfying the requirements of this paragraph shall be eligible for incentives
- 20 under this subchapter only to the extent of the expansion. ~~[No]~~ Incentives
- 21 shall ***not*** be available for the equivalent of the facility to be replaced or
- 22 rehabilitated.
- 23 (3) The authority shall not approve a proposed data center project under this section
- 24 which results in a lease abandonment or lease termination by the eligible company
- 25 without the consent of the lessor.

26 ➔ Section 103. KRS 154.22-040 is amended to read as follows:

- 27 (1) Each year, the authority shall, under its Rural Economic Development Assistance

1 Program, on the basis of the final unemployment figures calculated by the  
2 Department of Workforce Development in the Education and Labor Cabinet,  
3 determine which counties have had a countywide rate of unemployment exceeding  
4 the statewide unemployment rate of the Commonwealth in the most recent five (5)  
5 consecutive calendar years, or which have had an average countywide rate of  
6 unemployment exceeding the statewide unemployment rate of the Commonwealth  
7 by two hundred percent (200%) in the most recent calendar year, and shall certify  
8 those counties as qualified counties. A county not certified on the basis of final  
9 unemployment figures may also be certified as a qualified county if the authority  
10 determines the county is one (1) of the sixty (60) most distressed counties in the  
11 Commonwealth based on the following criteria with equal weight given to each  
12 criterion:

- 13 (a) The average countywide rate of unemployment in the most recent three (3)  
14 consecutive calendar years, on the basis of final unemployment figures  
15 calculated by the Department of Workforce Development in the Education  
16 and Labor Cabinet;
- 17 (b) In each county the percentage of adults twenty-five (25) years of age and  
18 older who have attained at least a high school education or equivalent, on the  
19 basis of the most recent data available from the United States Department of  
20 Commerce, Bureau of the Census; and
- 21 (c) Road quality, as quantified by the access within a county to roads ranked in  
22 descending order from best quality to worst quality as follows: two (2) or  
23 more interstate highways, one (1) interstate highway, a state four (4) lane  
24 parkway, four (4) lane principal arterial access to an interstate highway, state  
25 two (2) lane parkway and none of the preceding road types, as certified by the  
26 Kentucky Transportation Cabinet to the authority.

27 If the authority determines that a county which has previously been certified as a

1 qualified county no longer meets the criteria of this subsection, the authority shall  
2 decertify that county. The authority shall not provide inducements for any facilities  
3 in that county and an approved company shall not be eligible for the inducements  
4 offered by KRS 154.22-010 to 154.22-070 unless the tax incentive agreements  
5 required herein are entered into by all parties prior to July 1 of the year following  
6 the calendar year in which the authority decertified that county. In addition, the  
7 authority shall certify coal-producing counties, not otherwise certified as qualified  
8 counties in this subsection, for economic development projects involving the new  
9 construction of electric generation facilities. A coal-producing county shall mean a  
10 county in the Commonwealth of Kentucky that has produced coal upon which the  
11 tax imposed under KRS 143.020 was paid at any time. For economic development  
12 projects undertaken in a regional industrial park, as defined in KRS 42.4588, or in  
13 an industrial park created pursuant to an interlocal agreement in which revenues are  
14 shared as provided in KRS 65.210 to 65.300, where the physical boundaries of the  
15 industrial park lie within two (2) or more counties of which at least one (1) of the  
16 counties is a qualified county under this section, an eligible company undertaking  
17 an economic development project within the physical boundaries of the industrial  
18 park may be approved for the inducements under KRS 154.22-010 to 154.22-080.

19 (2) The authority shall establish the procedures and standards for the determination and  
20 approval of eligible companies and their economic development projects by the  
21 promulgation of administrative regulations in accordance with KRS Chapter 13A.  
22 The criteria for approval of eligible companies and economic development projects  
23 shall include but not be limited to the creditworthiness of eligible companies; the  
24 number of new jobs to be provided by an economic development project to  
25 residents of the Commonwealth; and the likelihood of the economic success of the  
26 economic development project.

27 (3) The economic development project shall involve a minimum investment of one

1 hundred thousand dollars (\$100,000) by the eligible company and shall result in the  
2 creation by the eligible company, within two (2) years from the date of the final  
3 approval authorizing the economic development project, of a minimum of fifteen  
4 (15) new full-time jobs at the site of the economic development project for  
5 Kentucky residents to be employed by the eligible company and to be held by  
6 persons subject to the personal income tax of the Commonwealth. The authority  
7 may extend this two (2) year period upon the written application of an eligible  
8 company requesting an extension.

9 (4) (a) Within six (6) months after the activation date, the approved company shall  
10 compensate a minimum of ninety percent (90%) of its full-time employees  
11 whose jobs were created with base hourly wages equal to either:

- 12 1. Seventy-five percent (75%) of the average hourly wage for the  
13 Commonwealth; or
- 14 2. Seventy-five percent (75%) of the average hourly wage for the county in  
15 which the project is to be undertaken.

16 (b) If the base hourly wage calculated in paragraph (a)1. or 2. of this subsection is  
17 less than one hundred fifty percent (150%) of the federal minimum wage, then  
18 the base hourly wage shall be one hundred fifty percent (150%) of the federal  
19 minimum wage. However, for projects receiving preliminary approval of the  
20 authority prior to July 1, 2008, the base hourly wage shall be one hundred  
21 fifty percent (150%) of the federal minimum wage existing on January 1,  
22 2007. In addition to the applicable base hourly wage calculated above, the  
23 eligible company shall provide employee benefits equal to at least fifteen  
24 percent (15%) of the applicable base hourly wage; however, if the eligible  
25 company does not provide employee benefits equal to at least fifteen percent  
26 (15%) of the applicable base hourly wage, the eligible company may qualify  
27 under this section if it provides the employees hired by the eligible company

1 as a result of the economic development project total hourly compensation  
2 equal to or greater than one hundred fifteen percent (115%) of the applicable  
3 base hourly wage through increased hourly wages combined with employee  
4 benefits.

5 (c) The requirements of this subsection shall not apply to eligible companies  
6 which are nonprofit corporations established under KRS 273.163 to 273.387  
7 and whose employees are handicapped and sheltered workshop workers  
8 employed at less than the established minimum wage as authorized by KRS  
9 337.295.

10 For an eligible company, within a regional industrial park which lies within two (2)  
11 or more counties, the calculation of the wage and benefit requirement shall be  
12 determined by averaging the average county hourly wage for all counties within the  
13 regional industrial park.

14 (5) ~~An~~No economic development project which will result in the replacement of  
15 agribusiness, manufacturing, or electric generation facilities existing in the state  
16 shall ***not*** be approved by the authority; however, the authority may approve an  
17 economic development project that:

18 (a) Rehabilitates an agribusiness, manufacturing, or electric generation facility:

- 19 1. Which has not been in operation for a period of ninety (90) or more  
20 consecutive days;
- 21 2. For which the current occupant of the facility has published a notice of  
22 closure so long as the eligible company intending to acquire the facility  
23 is not an affiliate of the current occupant; or
- 24 3. The title to which is vested in other than the eligible company or an  
25 affiliate of the eligible company and that is sold or transferred pursuant  
26 to a foreclosure ordered by a court of competent jurisdiction or an order  
27 of a bankruptcy court of competent jurisdiction;

- 1 (b) Replaces an agribusiness, manufacturing, or electric generation facility  
2 existing in the Commonwealth ~~that~~:
- 3 1. The title to which shall have been taken under the exercise of the power  
4 of eminent domain, or the title to which shall be the subject of a  
5 nonappealable judgment granting the authority to exercise the power of  
6 eminent domain, if the title or judgment was obtained prior to the  
7 effective date of this Act, and in either event to the extent that normal  
8 operations cannot be resumed at the facility within twelve (12) months;  
9 or
- 10 2. Which has been damaged or destroyed by fire or other casualty to the  
11 extent that normal operations cannot be resumed at the facility within  
12 twelve (12) months; or
- 13 (c) Replaces an existing agribusiness, manufacturing, or electric generation  
14 facility located in the same qualified county, and the existing agribusiness,  
15 manufacturing, or electric generation facility to be replaced cannot be  
16 expanded due to the unavailability of real estate at or adjacent to the  
17 agribusiness, manufacturing, or electric generation facility to be replaced. Any  
18 economic development project satisfying the requirements of this subsection  
19 shall only be eligible for inducements to the extent of the expansion, and ~~no~~  
20 ~~inducements~~ shall not be available for the equivalent of the agribusiness,  
21 manufacturing, or electric generation facility to be replaced. An~~No~~  
22 economic development project otherwise satisfying the requirements of this  
23 subsection shall not be approved by the authority if the project would  
24 result~~which results~~ in a lease abandonment or lease termination by the  
25 approved company without the consent of the lessor.
- 26 (6) With respect to each eligible company making an application to the authority for  
27 inducements, and with respect to the economic development project described in

1 the application, the authority shall request materials and make inquiries of the  
 2 applicant as necessary or appropriate. Upon review of the application and  
 3 completion of initial inquiries, the authority may, by resolution, give its preliminary  
 4 approval by designating an eligible company as a preliminarily approved company  
 5 and authorizing the undertaking of the economic development project. After  
 6 preliminary approval, the authority may by final approval designate an eligible  
 7 company to be an approved company.

8 ➔Section 104. KRS 154.27-095 is amended to read as follows:

9 ~~An~~~~Not~~ application for incentives found in KRS 154.27-010 to ~~154.27-100~~154.27-095  
 10 shall ***not*** be accepted by the authority for alternative fuel facilities, gasification facility,  
 11 energy-efficient facility, renewable energy facility, or a carbon dioxide transmission  
 12 pipeline after August 1, 2018. All outstanding projects with preliminary or final approval  
 13 shall continue to be governed by ~~the provisions of~~ this subchapter.

14 ➔Section 105. KRS 154.28-080 is amended to read as follows:

- 15 (1) The authority shall promulgate standards for the determination and approval of  
 16 eligible companies and their economic development projects in accordance with  
 17 KRS Chapter 13A.
- 18 (2) The standards for approval of eligible companies and economic development  
 19 projects shall include but not be limited to:
- 20 ***(a)*** The creditworthiness of eligible companies;
- 21 ***(b)*** The number of new jobs to be provided by an economic development project  
 22 to the residents of the Commonwealth; and
- 23 ***(c)*** The likelihood of the economic success of the economic development project.
- 24 (3) The economic development project shall involve a minimum investment of one  
 25 hundred thousand dollars (\$100,000) by the eligible company and shall result in the  
 26 creation by the eligible company, within two (2) years from the date of the final  
 27 resolution authorizing the economic development project, of a minimum of fifteen

1 (15) new full-time jobs at the site of the economic development projects for  
2 Kentucky residents to be employed by the eligible company and to be held by  
3 persons subject to the personal income tax of the Commonwealth. The authority  
4 may extend this two (2) year period upon the written application of an eligible  
5 company requesting an extension.

6 (4) (a) Within six (6) months after the activation date, the approved company shall  
7 compensate a minimum of ninety percent (90%) of its full-time employees  
8 whose jobs were created with base hourly wages equal to either:

9 1. Seventy-five percent (75%) of the average hourly wage for the  
10 Commonwealth; or

11 2. Seventy-five percent (75%) of the average hourly wage for the county in  
12 which the project is to be undertaken.

13 (b) If the base hourly wage calculated in paragraph (a)1. or 2. of this subsection is  
14 less than one hundred fifty percent (150%) of the federal minimum wage, then  
15 the base hourly wage shall be one hundred fifty percent (150%) of the federal  
16 minimum wage. However, for projects receiving preliminary approval of the  
17 authority prior to July 1, 2008, the base hourly wage shall be one hundred  
18 fifty percent (150%) of the federal minimum wage existing on January 1,  
19 2007. In addition to the applicable base hourly wage calculated above, the  
20 eligible company shall provide employee benefits equal to at least fifteen  
21 percent (15%) of the applicable base hourly wage; however, if the eligible  
22 company does not provide employee benefits equal to at least fifteen percent  
23 (15%) of the applicable base hourly wage, the eligible company may qualify  
24 under this section if it provides the employees hired by the eligible company  
25 as a result of the economic development project total hourly compensation  
26 equal to or greater than one hundred fifteen percent (115%) of the applicable  
27 base hourly wage through increased hourly wages combined with employee

1 benefits.

2 (5) ~~An~~<sup>No</sup> economic development project which will result in the replacement of a  
3 manufacturing or agribusiness facility existing within the Commonwealth shall ***not***  
4 be approved by the authority; however, the authority may approve an economic  
5 development project that:

6 (a) Rehabilitates a manufacturing or agribusiness facility:

- 7 1. Which has not been in operation for a period of ninety (90) or more  
8 consecutive days;
- 9 2. For which the current occupant of the facility has published a notice of  
10 closure so long as the eligible company intending to acquire the facility  
11 is not an affiliate of the current occupant; or
- 12 3. To which the title is vested in other than the eligible company or an  
13 affiliate of the eligible company and that is sold or transferred pursuant  
14 to a foreclosure ordered by a court of competent jurisdiction or an order  
15 of a bankruptcy court of competent jurisdiction;

16 (b) Replaces a manufacturing or agribusiness facility existing in the  
17 Commonwealth:

- 18 1. To which the title shall have been taken under the exercise of the power  
19 of eminent domain, or to which the title shall be the subject of a  
20 nonappealable judgment granting the authority to exercise the power of  
21 eminent domain, ***provided that the title or judgment was obtained prior***  
22 ***to the effective date of this Act, and*** in either event to the extent that  
23 normal operations cannot be resumed at the facility within twelve (12)  
24 months; or
- 25 2. Which has been damaged or destroyed by fire or other casualty to the  
26 extent that normal operations cannot be resumed at the facility within  
27 twelve (12) months; or

- 1 (c) Replaces an existing manufacturing or agribusiness facility located in the  
2 same county that cannot be expanded due to the unavailability of real estate at  
3 or adjacent to the manufacturing or agribusiness facility to be replaced. Any  
4 economic development project satisfying the requirements of this subsection  
5 shall be eligible only for inducements to the extent of the expansion, and ~~no~~  
6 ~~inducements~~ shall **not** be available for the equivalent of the manufacturing or  
7 agribusiness facility to be replaced. ~~An~~~~No~~ economic development project  
8 otherwise satisfying the requirements of this subsection shall **not** be approved  
9 by the authority **if the project would result**~~[that results]~~ in a lease  
10 abandonment or lease termination by the eligible company without the  
11 consent of the lessor.
- 12 (6) With respect to each eligible company making an application to the authority for  
13 inducements, and with respect to these economic development projects described in  
14 the application which do not involve an expansion, the authority shall make  
15 inquiries and request materials of the applicant, including but not limited to written  
16 evidence that except for the receipt of inducements authorized by KRS 154.28-015  
17 to 154.28-090 and KRS 141.400, the eligible company will not locate its economic  
18 development project within the Commonwealth. Upon the review of the application  
19 and completion of initial inquiries, the authority may, by resolution, give its  
20 preliminary approval by designating an eligible company as a preliminarily  
21 approved company and authorizing the undertaking of the economic development  
22 project.
- 23 (7) After a diligent review of the relevant materials and completion of its inquiries, the  
24 authority, by resolution of its board of directors, may designate an eligible company  
25 to be an approved company.
- 26 (8) All meetings of the board of directors of the authority shall be held in accordance  
27 with KRS 61.805 to 61.850. The board of directors of the authority may, pursuant

1 to KRS 61.815, hold closed sessions of its meetings to discuss matters exempt from  
2 the open meetings law and pertaining to an eligible company.

3 ➔Section 106. KRS 154.32-060 is amended to read as follows:

4 (1) The authority shall not approve an economic development project that otherwise  
5 meets the requirements of this subchapter if the economic development project will  
6 result in the replacement of facilities existing in the state, except as provided in this  
7 section.

8 (2) The authority may approve an economic development project that:

- 9 (a) Rehabilitates an existing facility used for activities of an eligible company, if:
- 10 1. The facility has not been in operation for a period of ninety (90) or more  
11 consecutive days; or
  - 12 2. a. The current occupant of the facility has advertised a notice of  
13 closure; and  
14 b. The eligible company proposing the economic development  
15 project is not an affiliate of the current occupant of the facility; or
  - 16 3. a. The facility is sold or transferred pursuant to a foreclosure ordered  
17 by a court of competent jurisdiction or an order of a bankruptcy  
18 court of competent jurisdiction; and  
19 b. The title to the facility prior to the sale is not vested in the eligible  
20 company or an affiliate of the eligible company; or
  - 21 4. The existing facility is rehabilitated to enable a business to produce vital  
22 medications, personal protective equipment, or equipment necessary to  
23 produce personal protective equipment;
- 24 (b) Replaces an existing facility of an eligible company if:
- 25 1. a. Title to the facility:
    - 26 i. Is held by exercise of the power of eminent domain; or
    - 27 ii. May be taken pursuant to a nonappealable judgment

1 granting authority to exercise the power of eminent  
2 domain;

3 **b. The title or judgment under subdivision (a) of this subparagraph**  
4 **was obtained prior to the effective date of this Act;** and

5 ~~c. [b.]~~ Normal operations at the facility cannot be resumed within twelve  
6 (12) months; ~~[or]~~

7 2. The facility has been damaged or destroyed by fire or other casualty to  
8 the extent that normal operations cannot be resumed at the facility  
9 within twelve (12) months; or

10 3. The existing facility is replaced to enable a business to produce vital  
11 medications, personal protective equipment, or equipment necessary to  
12 produce personal protective equipment; or

13 (c) Replaces an existing facility located in the same county if the existing facility  
14 cannot be expanded due to the unavailability of real estate at or adjacent to the  
15 facility to be replaced. Any economic development project satisfying the  
16 requirements of this paragraph shall be eligible for incentives under this  
17 subchapter only to the extent of the expansion. No incentives shall be  
18 available for the equivalent of the facility to be replaced or rehabilitated.

19 (3) The authority shall not approve an economic development project under this section  
20 which results in a lease abandonment or lease termination by the approved company  
21 without the consent of the lessor.

22 ➔Section 107. KRS 154.50-320 is amended to read as follows:

23 ~~{(1)}~~ The purpose, duties, and powers of the authority shall be to:

24 ~~(1)~~ ~~{(a)}~~ Acquire, retain, and develop land for industrial and commercial purposes in  
25 Kentucky; aid in the development and promotion of industrial sites, parks, and  
26 subdivisions to meet industrial and commercial needs in Kentucky; ~~[;]~~

27 ~~(2)~~ ~~{(b)}~~ Encourage the acquisition, retention, and development of land for industrial

1 and commercial needs in Kentucky by other local development organizations, both  
2 public and private;[-]

3 ~~(3)(e)~~ Cooperate with the United States Army Corps of Engineers and other federal  
4 agencies in formulating development plans and in acquiring and developing land  
5 for industrial and commercial purposes in accordance with these plans; and[-]

6 ~~(4)(d)~~ Acquire by contract, lease, purchase, gift, ~~condemnation,~~ or otherwise any  
7 real or personal property, or rights in property~~therein~~, necessary or suitable for  
8 establishing industrial sites, parks, or subdivisions. The authority may dispose of  
9 any real or personal property, or rights in property~~therein~~, which in the opinion of  
10 the authority are no longer needed to carry out the purposes of KRS 154.50-301 to  
11 154.50-346. The authority may lease, sell, or convey any or all industrial sites,  
12 parks, and subdivisions owned or optioned by it to any public or private  
13 organization, governmental unit, or industry for the purpose of constructing ~~and~~ or  
14 operating any manufacturing, industrial, or commercial facility. ~~Provided,~~  
15 ~~However,~~ at that no sale or conveyance of any land shall not be made to a private  
16 organization or industry without that~~such~~ organization or industry first having  
17 executed a written contract with the authority providing that if no actual  
18 construction of a manufacturing, industrial, or commercial facility, as set forth in  
19 the executed contract, is commenced within ten (10) years, the organization or  
20 industry shall offer to reconvey the land, free and clear of liens and encumbrances,  
21 to the authority, and should the authority accept the offer of reconveyance, it shall  
22 return to the organization or industry ninety-five percent (95%) of the purchase  
23 price paid~~therefor~~.[-]

24 ~~(2) Upon the adoption by the authority of a resolution reciting that property is needed~~  
25 ~~for industrial sites, parks, and subdivisions and cannot be acquired by negotiation~~  
26 ~~and purchase at its fair market value, the governmental units in which such land is~~  
27 ~~located may direct and institute condemnation proceedings in the name of such~~

1 ~~governmental units, for the use and benefit of the authority. The procedure for~~  
2 ~~condemnation shall conform to the procedure set out in the Eminent Domain Act of~~  
3 ~~Kentucky. Upon acquisition of the property, the governmental unit shall convey the~~  
4 ~~property to the authority upon payment by the authority to the governmental unit of~~  
5 ~~an amount of money equal to the judgment and costs paid by the governmental~~  
6 ~~unit.]~~

7 ➔Section 108. KRS 160.1597 is amended to read as follows:

- 8 (1) Upon the approval of a charter contract by a public charter school authorizer, the  
9 applicant shall be permitted to operate a public charter school for a term of five (5)  
10 years.
- 11 (2) The board of directors of the public charter school shall negotiate and execute a  
12 charter contract with the governing body of the authorizer.
- 13 (3) A public charter school shall have all corporate powers necessary and desirable for  
14 carrying out a public charter school program in accordance with this section and the  
15 terms of the charter contract, including all of the powers of a local board of  
16 education and of a local school district, except as otherwise provided in KRS  
17 160.1590 to 160.1599.
- 18 (4) The powers granted to a public charter school under this section constitute the  
19 performance of essential public purposes and governmental purposes of this state. A  
20 public charter school shall be exempt to the same extent as other public schools  
21 from all taxation, fees, assessments, and special ad valorem levies on its earnings  
22 and its property. Instruments of conveyance to or from a public charter school and  
23 any bonds or notes issued by a public charter school, together with the income  
24 received, shall at all times be exempt from taxation.
- 25 (5) A public charter school shall not have the power to levy taxes~~[or to acquire~~  
26 ~~property by eminent domain]~~, but shall have police powers to the same extent and  
27 under the same requirements as a local school district.

1 (6) The board of directors of the public charter school shall have final authority over  
2 policy and operational decisions of the public charter school, although the decision-  
3 making authority may be delegated to the administrators and staff of the school in  
4 accordance with the provisions of the charter contract.

5 (7) Notwithstanding any other statute to the contrary, ~~no~~ civil liability shall **not** attach  
6 to any public charter school authorizer or to any of its members or employees,  
7 individually or collectively, for any acts or omissions of the public charter school.  
8 Neither the local school district nor the Commonwealth shall be liable for the debts  
9 or financial obligations of a public charter school or any person or corporate entity  
10 who operates a public charter school.

11 ➔Section 109. KRS 164.260 is amended to read as follows:

12 The board of trustees may acquire additional lands or other property or material under  
13 KRS 45.750(1)(f) and 164A.575 for the purpose of expanding its plant and extending its  
14 usefulness. ~~When unable to contract with the owner of land or other property or material~~  
15 ~~necessary for the purposes of the university, it may acquire the same by condemnation~~  
16 ~~proceedings in the manner provided in the Eminent Domain Act of Kentucky.]~~

17 ➔Section 110. KRS 164.410 is amended to read as follows:

18 (1) The governing board of a postsecondary education institution may purchase or lease  
19 land under KRS 164A.575 for the purpose of securing the erection of buildings and  
20 may receive by any legal mode of conveyance **or** ~~or~~ purchase, and hold property  
21 under KRS 164A.575 of any description that the board deems necessary for the  
22 purposes of the school, and may build and construct improvements for such  
23 purposes and hold or sell the same. ~~If a governing board is unable to agree with the~~  
24 ~~owner of the real estate as to its value, or to its purchase, it may proceed in its own~~  
25 ~~name to condemn the real estate in the manner provided in the Eminent Domain Act~~  
26 ~~of Kentucky.]~~Real estate acquired by purchase ~~or condemnation~~ shall be paid for  
27 out of money appropriated to the institution.

1 (2) The governing board of each institution shall periodically review the assets of the  
 2 institution and shall sell and convey under KRS 164A.575 those assets not  
 3 necessary for implementing the institutional mission. Proceeds from the disposition  
 4 shall be deposited in the unexpended plant fund account or in the fund for  
 5 excellence authorized by KRS 164A.620.

6 (3) Any real property acquired under this section shall be in name of the  
 7 Commonwealth for the use and benefit of the institution.

8 ➔Section 111. KRS 164A.575 is amended to read as follows:

9 (1) The governing boards of each institution may elect to purchase interest in real  
 10 property, contractual services, rentals of all types, supplies, materials, equipment,  
 11 printing, and services, except that competitive bids may not be required for:

12 (a) Contractual services where no competition exists;

13 (b) Food, clothing, equipment, supplies, or other materials to be used in  
 14 laboratory and experimental studies;

15 (c) Instructional materials available from only one (1) source;

16 (d) Where rates are fixed by law or ordinance;

17 (e) Library books;

18 (f) Commercial items that are purchased for resale;

19 (g) Professional, technical, scientific, or artistic services, but contracts shall be  
 20 submitted in accordance with KRS 45A.690 to 45A.725;

21 (h) All other commodities, equipment, and services which, in the reasonable  
 22 discretion of the board, are available from only one (1) source; and

23 (i) Interests in real property.

24 (2) ~~Nothing in~~ This section shall **not** deprive the boards from negotiating with  
 25 vendors who maintain a General Services Administration price agreement with the  
 26 United States of America or any agency thereof. ~~provided,~~ However, ~~at that no~~  
 27 contract executed under this ~~section~~ provision shall **not** authorize a price higher

- 1 than is contained in the contract between General Services Administration and the  
2 vendor affected.
- 3 (3) The governing board shall require the institution to take and maintain inventories of  
4 plant and equipment.
- 5 (4) The governing board shall establish procedures to identify items of common  
6 general usage among all departments to foster volume purchasing. It shall establish  
7 and enforce schedules for purchasing supplies, materials, and equipment.
- 8 (5) The governing board shall have power to salvage and to exchange, ~~and to~~  
9 ~~condemn~~ supplies, equipment, and real property.
- 10 (6) Upon the approval of the secretary of the Finance and Administration Cabinet, the  
11 governing board may purchase or otherwise acquire all real property determined to  
12 be needed for the institution's use. The amount paid shall not exceed the fair market  
13 value as determined by a qualified appraiser ~~or the value set by the eminent~~  
14 ~~domain procedure~~. Any real property acquired under this section shall be in name  
15 of the Commonwealth for the use and benefit of the institution.
- 16 (7) (a) Notwithstanding KRS 56.806, the governing board may renegotiate the cost  
17 of a lease after the expiration of the lease term and any renewal terms  
18 provided in the lease prior to any renewal not provided for in the terms of the  
19 lease.
- 20 (b) Except when a lease incorporates a lease-purchase under KRS 56.806, the  
21 governing board shall reserve the right to cancel a lease upon at least thirty  
22 (30) days' written notice.
- 23 (c) Notwithstanding KRS 56.823(2) and (3), any lease renewals, except automatic  
24 renewals permitted under KRS 56.803, 56.805(2), and 56.806(1), for which  
25 the annual rental cost will exceed two hundred thousand dollars (\$200,000)  
26 shall be reported to the Capital Projects and Bond Oversight Committee in the  
27 same format as set out in KRS 56.823(2).

- 1 (d) Notwithstanding KRS 56.813, a public college or university may pay for  
2 improvements to leased property costing in excess of ten thousand dollars  
3 (\$10,000) but less than one million dollars (\$1,000,000) in a lump sum upon  
4 approval of its board using non-general fund appropriations and without  
5 incurring debt.
- 6 (8) The governing board shall sell or otherwise dispose of all real or personal property  
7 of the institution which is not needed or has become unsuitable for public use, or  
8 would be more suitable consistent with the public interest for some other use, as  
9 determined by the board. The determination of the board shall be set forth in an  
10 order, and shall be reached only after review of a written request by the institution  
11 desiring to dispose of the property. ~~The~~~~Such~~ request shall describe the property  
12 and state the reasons why the institution believes disposal should be effected. All  
13 instruments required by law to be recorded which convey any interest in any ~~such~~  
14 ~~real property~~ ~~so~~ disposed of shall be executed and signed by the appropriate  
15 officer of the board. Unless the board deems it in the best interest of the institution  
16 to proceed otherwise, all such real or personal property shall be sold either by  
17 invitation of sealed bids or by public auction. ~~;~~ ~~provided,~~ However, ~~that~~ the  
18 selling price of any interest in real property shall not be less than ~~its~~~~the~~ fair market  
19 value ~~thereof~~ as determined by the Finance and Administration Cabinet or the  
20 Transportation Cabinet for ~~the~~~~such~~ requirements of that department.
- 21 (9) Real property or any interest in real property~~therein~~ may, subject to ~~the~~  
22 ~~provisions of~~ KRS Chapter 45A, be purchased, leased, or otherwise acquired from  
23 any officer or employee of any board of the institution, based upon a written  
24 application by the grantor or lessor approved by the board, that the employee has  
25 not either himself or herself or through any other person influenced or attempted to  
26 influence either the board requesting the purchase of the property. In any case in  
27 which such an acquisition is consummated, the ~~said~~ request and finding shall be

1 recorded and kept by the Secretary of State along with the other documents  
2 recorded pursuant to ~~the provisions of~~ KRS Chapter 56.

3 (10) (a) As used in this section, "construction manager-agency," "construction  
4 management-at-risk," "design-bid-build," "design-build," and "construction  
5 manager-general contractor" ~~shall~~ have the same meaning as in KRS  
6 45A.030.

7 (b) For capital construction projects, the procurement may be on a total design-  
8 bid-build basis, a design-build basis, construction manager-general contractor  
9 basis, or construction management-at-risk basis, whichever in the judgment of  
10 the board offers the best value to the taxpayer. Best value shall be determined  
11 in accordance with KRS 45A.070. Proposals shall be reviewed by the  
12 institution's engineering staff to assure quality and value, and compliance with  
13 procurement procedures. All specifications shall be written to promote  
14 competition. Services for projects delivered on the design-build basis,  
15 construction manager-general contractor basis, or construction management-  
16 at-risk basis shall be procured in accordance with KRS 45A.180, KRS  
17 45A.183, and the regulations promulgated in accordance with KRS 45A.180.  
18 ~~Nothing in~~ This section shall **not** prohibit the procurement of construction  
19 manager-agency services.

20 (c) Notwithstanding KRS 45A.185, for all capital construction projects, bidder  
21 security for competitive sealed bidding for construction contracts shall only be  
22 required when the price is estimated to exceed one million dollars  
23 (\$1,000,000).

24 (11) The governing board shall attempt in every practicable way to **ensure**~~insure~~ the  
25 institution's supplying its real needs at the lowest possible cost. To accomplish this  
26 the board may enter into cooperative agreements with other public or private  
27 institutions of education or health care.

- 1 (12) The governing board shall have control and supervision over all purchases of  
2 energy consuming equipment, supplies, and related equipment purchased or  
3 acquired by the institution, and shall designate by regulation the manner in which  
4 an energy-consuming~~[energy-consuming]~~ item will be purchased so as to promote  
5 energy conservation and acquisition of energy efficient products.
- 6 (13) The governing board may negotiate directly for the purchase of contractual  
7 services, supplies, materials, or equipment in bona fide emergencies regardless of  
8 estimated costs. The existence of the emergency must be fully explained, in writing,  
9 by the vice president responsible for business affairs, and the~~[such]~~ explanation  
10 shall~~[must]~~ be approved by the institution president. The letter and approval shall  
11 be filed with the record of all such purchases. Where practical, standard  
12 specifications shall be followed in making emergency purchases. A good-  
13 faith~~[good-faith]~~ effort shall be made to effect a competitively established price for  
14 emergency purchases.
- 15 (14) (a) All governing boards that purchase agricultural products~~[,]~~ as defined by KRS  
16 45A.630~~[,]~~ shall, on or before January 1 of each year, provide a report to the  
17 Legislative Research Commission and to the Department of Agriculture  
18 describing the types, quantities, and costs of each product purchased. The  
19 report shall be completed on a form provided by the department.
- 20 (b) If purchasing agricultural products, a governing board shall encourage the  
21 purchase of Kentucky-grown agricultural products in accordance with KRS  
22 45A.645. If a governing board purchases agricultural products through a  
23 contract with a vendor or food service provider, the contract shall require that  
24 if Kentucky-grown agricultural products are purchased, the products shall be  
25 purchased in accordance with KRS 45A.645. Only contracts entered into or  
26 renewed after July 15, 2008, shall be required to comply with ~~[the provisions~~  
27 ~~of]~~ this subsection.

1 (c) All governing boards that purchase Kentucky-grown agricultural products  
2 shall, on or before January 1 of each year, provide a report to the Legislative  
3 Research Commission and to the Department of Agriculture describing the  
4 types, quantities, and costs of each product purchased. The report shall be  
5 completed on a form provided by the department.

6 (15) Notwithstanding KRS 45.760, the governing board may authorize a capital  
7 construction project or a major item of equipment even though it is not specifically  
8 listed in any branch budget bill, subject to the following conditions and procedures:

9 (a) The full cost shall be funded solely by non-general fund appropriations;

10 (b) Moneys specifically budgeted and appropriated by the General Assembly for  
11 another purpose shall not be allotted or reallocated for expenditure on the  
12 project or major item of equipment. Moneys utilized shall not jeopardize any  
13 existing program and shall not require the use of any current general funds  
14 specifically dedicated to existing programs; and

15 (c) The institution's president, or designee, shall submit the project or major item  
16 of equipment to the Capital Projects and Bond Oversight Committee for  
17 review as provided by KRS 45.800.

18 (16) Governing boards shall apply the reciprocal resident bidder preference described in  
19 KRS 45A.494 prior to the award of any contract.

20 (17) Governing boards may authorize the use of reverse auctions as defined in KRS  
21 45A.070 for the procurement of goods and leases.

22 ➔Section 112. KRS 165.070 is amended to read as follows:

23 The board of trustees of a municipal university in a city of the first class may acquire, by  
24 purchase or gift, lands and improvements for the purpose of expanding the plant and  
25 extending the usefulness of the university~~], and when unable to agree with the owner of~~  
26 ~~land and improvements necessary for the purposes of the university may proceed to~~  
27 ~~condemn the land and improvements. The condemnation proceedings shall be conducted~~

1 ~~in the manner provided in the Eminent Domain Act of Kentucky].~~

2       ➔Section 113. KRS 165.195 is amended to read as follows:

3 The board of trustees of a municipal college established pursuant to KRS 165.160 may  
4 acquire, by purchase or gift, lands and improvements for the purpose of expanding the  
5 plant and extending the usefulness of the college~~[, and when unable to agree with the~~  
6 ~~owner of land and improvements necessary for the purposes of the college may proceed~~  
7 ~~to condemn the land and improvements. The condemnation proceedings shall be~~  
8 ~~conducted in the manner provided in the Eminent Domain Act of Kentucky].~~

9       ➔Section 114. KRS 168.100 is amended to read as follows:

10 The authority shall have no power of taxation, nor is it vested with the police power of  
11 the Commonwealth~~[, except insofar as the exercise of the power of eminent domain may~~  
12 ~~be deemed a part thereof].~~ Otherwise, in general terms, it shall have and is hereby given  
13 all ~~[such]~~ constitutional powers ~~[as are]~~ necessary to its accomplishment of the purpose  
14 and implementation of the public policy ~~[set forth]~~ in KRS 168.010. Without limiting the  
15 generality of the foregoing, but only for assurance to parties transacting business with the  
16 authority, and who may demand and be entitled to assurance, the following specific  
17 powers are hereby vested in the authority:

18 (1) To receive and use in the furtherance of its lawful objectives state funds ~~[as may be~~  
19 ~~]appropriated or allotted to it, any funds received for services rendered under~~  
20 ~~contract or from the sale of property owned by it, and contributions, matching~~  
21 ~~funds, gifts, bequests, and devises from any source, whether state or federal, and~~  
22 ~~whether public or private,[-]~~ unless ~~[the same be]~~ tendered subject to one (1) or  
23 more conditions which are inconsistent with KRS 168.010 to 168.100, or otherwise  
24 unlawful;

25 (2) To make contracts and agreements whereunder the authority may undertake to  
26 provide educational television facilities and related functions and facilities to or for  
27 any public body of the state or federal government in furtherance of educational

1 television or in aid of any other public function. However, it shall be an express  
2 provision of every such contract that the authority will not undertake to transmit or  
3 relay, and will not permit any other party to transmit or relay, in the use of the  
4 authority's television facilities, any subversive matter, any political propaganda, or  
5 any image or message in the interests of any political party or candidate for public  
6 office; or be used by, or in aid of, any church, sectarian, or denominational school;  
7 but this proviso is not intended and shall not be construed to be a limitation upon  
8 dissemination by the authority of legitimate objective instructional material which  
9 is properly related to the study of history or of current events, or which is no more  
10 than factually informative, of current issues of government, or of various political  
11 ideologies;

12 (3) To produce, prepare, transmit, and relay, either from life or by recording on tape or  
13 films, educational television programs and related services coordinated with the  
14 curricula prescribed or approved for the public schools of the Commonwealth by  
15 the department or the board pursuant to KRS 158.6451;

16 (4) To purchase or lease from others, or to contract with others for the use of, or the  
17 right to transmit or relay, similar educational television programs and related  
18 services, whenever in the opinion of the authority the programs or services~~[same]~~  
19 are suitable and cannot be produced as effectively or economically through the use  
20 of its own facilities;

21 (5) To purchase, lease, or otherwise acquire, and to operate, television and related  
22 facilities deemed by the authority to be necessary in the furtherance of its lawful  
23 objectives~~]; and in this connection to acquire property by the exercise of the power~~  
24 ~~of eminent domain, in the manner authorized for the Department of Highways by~~  
25 ~~the Eminent Domain Act of Kentucky, whenever the same cannot be purchased,~~  
26 ~~leased, or otherwise acquired at a reasonable price after reasonable negotiations~~  
27 ~~with the owner or owners]. In all such matters, the authority shall be subject to [the~~

1 ~~provisions of ]KRS Chapters 45A and 56;~~

2 (6) To prescribe standards for receiving instruments which are purchased in the future  
 3 for use in the public schools, in order that reception of educational television  
 4 programs and related services may be acceptable and in conformity with the manner  
 5 of ***their*** transmission~~[ thereof];~~ and to disseminate ***those***~~[such]~~ standards, together  
 6 with technical information with regard to installations and use of receiving  
 7 instruments, to all of the public school districts, or to such as may request the  
 8 ***information***~~[same];~~

9 (7) In its discretion and within the limitation of availability of funds from any sources,  
 10 to:

11 (a) Establish a program of matching funds as an inducement to public school  
 12 districts to purchase and install proper facilities for receiving and utilizing  
 13 educational television programs and related services, especially in situations  
 14 where by reason of topographical difficulties of reception, special antennas~~]~~  
 15 or other equipment may be required, and

16 (b) If ~~[so ]~~requested by the boards of education of a sufficient number of public  
 17 school districts, to purchase through the Finance and Administration Cabinet,  
 18 subject to ~~[the provisions of ]KRS Chapter 45A,~~ receiving instruments on  
 19 their behalf on a wholesale basis for the purposes of economy, any such  
 20 purchases to be on a public competitive basis after due advertisement  
 21 according to law, but restricted to ~~[such ]~~receiving instruments ***that***~~[as]~~ meet  
 22 the standards prescribed by the authority.

23 ➔Section 115. KRS 173.600 is amended to read as follows:

24 Public library districts may, in addition to all other methods provided by law, acquire,  
 25 construct, and improve library facilities through the issuance of revenue bonds under the  
 26 terms and provisions of KRS 58.010 to **58.130**~~[58.140].~~

27 ➔Section 116. KRS 173.785 is amended to read as follows:

1 Public library districts may, in addition to all other methods provided by law, acquire,  
 2 construct, and improve library facilities through the issuance of revenue bonds under the  
 3 terms and provisions of KRS 58.010 to 58.130~~[58.140]~~.

4 →Section 117. KRS 175.590 is amended to read as follows:

5 ~~{(1)}~~The authority is hereby authorized and empowered to acquire by purchase,  
 6 whenever it shall deem a~~[such]~~ purchase expedient, solely from funds provided pursuant  
 7 to this chapter, any~~[such]~~ lands, structures, property, rights, rights of way, franchises,  
 8 easements, and other interests in lands, including lands lying under water and riparian  
 9 rights, which are located within the Commonwealth, as it may deem necessary or  
 10 convenient for the construction and operation of any project, upon ~~[such]~~ terms and at  
 11 ~~[such]~~ prices it considers~~[as may be considered by it to be]~~ reasonable and can be agreed  
 12 upon between it and the owner of the property~~[thereof]~~, and to take title to the  
 13 property~~[thereto]~~ in the name of the authority. {

14 ~~(2) Whenever a reasonable price cannot be agreed upon, or whenever the owner~~  
 15 ~~is legally incapacitated or is absent, unknown or unable to convey valid title, the authority~~  
 16 ~~is hereby authorized and empowered to acquire by condemnation or by the exercise of the~~  
 17 ~~power of eminent domain any lands, property, rights, rights of way, franchises, easements~~  
 18 ~~and other property, including public lands, parks, playgrounds, reservations, highways or~~  
 19 ~~parkways, or parts thereof or rights therein, of any person, copartnership, association,~~  
 20 ~~railroad, public service, public utility or other corporation, or municipality or political~~  
 21 ~~subdivision, deemed necessary or convenient for the construction or the efficient~~  
 22 ~~operation of any project or necessary in the restoration of public or private property~~  
 23 ~~damaged or destroyed. Any such proceedings shall be conducted, and the compensation~~  
 24 ~~to be paid shall be ascertained and paid, in the manner provided by the Constitution and~~  
 25 ~~laws of the Commonwealth then applicable which relate to condemnation or to the~~  
 26 ~~exercise of the power of eminent domain by the department. Title to any property~~  
 27 ~~acquired by the authority shall be taken in the name of the authority. In any~~

1 condemnation proceedings the court having jurisdiction of the suit, action or proceeding  
2 may make such orders as may be just to the authority and to the owners of the property to  
3 be condemned and may require an undertaking or other security to secure such owners  
4 against any loss or damage by reason of the failure of the authority to accept and pay for  
5 the property, but neither such undertaking or security nor any act or obligation of the  
6 authority shall impose any liability upon the Commonwealth except as may be paid from  
7 the funds provided under this chapter.

8 (3) ~~If the owner, lessee or occupier of any property to be condemned shall refuse~~  
9 ~~to remove his personal property therefrom or give up his possession thereof, the authority~~  
10 ~~may proceed to obtain possession in any manner now or hereafter provided by law.~~

11 (4) ~~With respect to any railroad property or right of way upon which railroad~~  
12 ~~tracks are located, any powers of condemnation or of eminent domain may be exercised~~  
13 ~~to acquire only an easement interest therein which shall be located either sufficiently far~~  
14 ~~above or sufficiently far below the grade of any railroad track or tracks upon such~~  
15 ~~railroad property so that neither the proposed project nor any part thereof, including any~~  
16 ~~bridges, abutments, columns, supporting structures and appurtenances, nor any traffic~~  
17 ~~upon it, shall interfere in any manner with the use, operation or maintenance of the trains,~~  
18 ~~tracks, works or appurtenances or other property of the railroad nor endanger the~~  
19 ~~movement of the trains or traffic upon the tracks of the railroad. Prior to the institution of~~  
20 ~~condemnation proceedings for such easement over or under such railroad property or~~  
21 ~~right of way, plans and specifications of the proposed project showing compliance with~~  
22 ~~the above mentioned above or below grade requirements and showing sufficient and safe~~  
23 ~~plans and specifications of such overhead or undergrade structure and appurtenances~~  
24 ~~shall be submitted to the railroad for examination and approval. If the railroad fails or~~  
25 ~~refuses within thirty (30) days to approve the plans and specifications so submitted, the~~  
26 ~~matter shall be submitted to the Public Service Commission of Kentucky whose decision~~  
27 ~~arrived at after due consideration in accordance with its usual procedure, shall be final as~~

1 ~~to the sufficiency and safety of such plans and specifications and as to such elevations or~~  
2 ~~distances above or below the tracks. Said overhead or undergrade structure and~~  
3 ~~appurtenances shall be constructed only in accordance with such plans and specifications~~  
4 ~~and in accordance with such elevations or distances above or below the tracks so~~  
5 ~~approved by the railroad or the Public Service Commission as the case may be. A copy of~~  
6 ~~the plans and specifications approved by the railroad or the Public Service Commission~~  
7 ~~shall be filed as an exhibit with the petition for condemnation.]~~

8       ➔Section 118. KRS 175B.090 is amended to read as follows:

9 (1) Each project constructed or operated under this chapter shall be maintained and  
10 kept in good condition and repair by the developing authority, which may contract  
11 with the department or with any local highway department for maintenance of a  
12 project.

13 (2) All private property damaged or destroyed in carrying out the powers granted by  
14 this chapter shall be restored or repaired and placed in its original condition as  
15 nearly as practicable or adequate compensation shall be made out of funds provided  
16 under this chapter.

17 (3) All counties, cities, towns, and other political subdivisions and all public agencies  
18 and commissions of the Commonwealth, notwithstanding any contrary provision of  
19 law, may lease, lend, grant, or convey to an authority any real property which may  
20 be necessary or convenient to the effectuation of the authorized purposes of the  
21 authority, including public roads and other real property already devoted to public  
22 use.†

23 ~~(4) In obtaining property under this chapter, an authority shall pursue the acquisition~~  
24 ~~under the procedures and mandates of KRS 416.540 to 416.670.]~~

25       ➔Section 119. KRS 177.081 is amended to read as follows:

26 ~~†(1) The Commonwealth of Kentucky, Department of Highways, when it has, by official~~  
27 ~~order, designated the route, location, or relocation of a highway, limited access~~

1 highway, bridge, roadside park, borrow pit, quarry, garage, or other property or  
 2 structure deemed necessary for the construction, reconstruction, or maintenance of  
 3 an adequate system of highways, may, if unable to contract or agree with the owner  
 4 or owners thereof, condemn the lands or material, or the use and occupancy of the  
 5 lands designated as necessary. All property acquired by the Commonwealth of  
 6 Kentucky, Department of Highways, shall be in fee simple whenever so specified in  
 7 the petition filed in the action. The official order of the Department of Highways  
 8 shall be conclusive of the public use of the condemned property and the  
 9 condemnor's decision as to the necessity for taking the property will not be  
 10 disturbed in the absence of fraud, bad faith, or abuse of discretion.

11 ~~(2)~~ Any property purchased or otherwise acquired by the Department of Highways for  
 12 the purpose of construction or reconstruction of a road, street, or highway shall be cleared  
 13 and maintained by the Department of Highways from the time of acquisition until  
 14 ~~the~~<sup>such</sup> property is no longer owned by the department.

15 ~~[(3) The proceedings for condemnation shall be as provided in the Eminent Domain Act~~  
 16 ~~of Kentucky.]~~

17 ➔ Section 120. KRS 177.090 is amended to read as follows:

18 (1) The Department of Highways is hereby authorized to acquire and improve strips of  
 19 land necessary for the restoration, preservation, and enhancement of scenic beauty  
 20 within and adjacent to federal-aid highways of this state, including acquisition and  
 21 development of publicly owned and controlled rest and recreation areas and  
 22 sanitary and other facilities within or adjacent to the highway right-of-way  
 23 reasonably necessary to accommodate the traveling public.

24 (2) The interest in any land authorized to be acquired and maintained under this section  
 25 may be the fee simple or any lesser interest, as determined by the Department of  
 26 Highways to be reasonably necessary to accomplish the purposes of this section.  
 27 ~~An~~<sup>Such</sup> acquisition may be by gift, purchase, or exchange, ~~or condemnation.~~

1 ~~(3) The acquisition through condemnation shall be in accordance with the provisions of~~  
2 ~~the Eminent Domain Act of Kentucky].~~

3 ➔Section 121. KRS 177.420 is amended to read as follows:

4 ~~{(1)}~~The department is hereby authorized and empowered to acquire by purchase,  
5 whenever it shall deem a~~[such]~~ purchase expedient, solely from funds provided under the  
6 authority of KRS 177.390 to 177.570, any~~[such]~~ lands, structures, property, rights, rights-  
7 of-way, franchises, easements, and other interests in lands, including lands lying under  
8 water and riparian rights, which are located within the Commonwealth, as it may deem  
9 necessary or convenient for the construction and operation of any project, upon ~~[such]~~  
10 ~~]~~terms and at ~~[such]~~prices it considers~~[as may be considered by it to be]~~ reasonable and  
11 can be agreed upon between it and the owner of the property~~[thereof]~~, and to take title to  
12 the property~~[thereto]~~ in the name of the Commonwealth for the use and benefit of the  
13 department.~~{~~

14 ~~(2) Whenever a reasonable price cannot be agreed upon, or whenever the owner is~~  
15 ~~legally incapacitated or is absent, unknown or unable to convey valid title, the~~  
16 ~~department is hereby authorized and empowered to acquire by condemnation or by~~  
17 ~~the exercise of the power of eminent domain any lands, property, rights, rights of-~~  
18 ~~way, franchises, easements and other property, including public lands, parks,~~  
19 ~~playgrounds, reservations, highways or parkways, or parts thereof or rights therein,~~  
20 ~~of any person, copartnership, association, railroad, public service, public utility or~~  
21 ~~other corporation, or municipality or political subdivision, deemed necessary or~~  
22 ~~convenient for the construction or the efficient operation of any project or necessary~~  
23 ~~in the restoration of public or private property damaged or destroyed. Any such~~  
24 ~~proceedings shall be conducted, and the compensation to be paid shall be~~  
25 ~~ascertained and paid, in the manner provided by the Constitution and laws of the~~  
26 ~~Commonwealth then applicable which relate to condemnation or to the exercise of~~  
27 ~~the power of eminent domain by the department. Title to any property acquired by~~

1       ~~the department shall be taken in the name of the Commonwealth for the use and~~  
2       ~~benefit of the department. In any condemnation proceedings the court having~~  
3       ~~jurisdiction of the suit, action or proceeding may make such orders as may be just to~~  
4       ~~the department and to the owners of the property to be condemned and may require~~  
5       ~~an undertaking or other security to secure such owners against any loss or damage~~  
6       ~~by reason of the failure of the department to accept any pay for the property, but~~  
7       ~~neither such undertaking or security nor any act or obligation of the department~~  
8       ~~shall impose any liability upon the Commonwealth except as may be paid from the~~  
9       ~~funds provided under the authority of KRS 177.390 to 177.570.~~

10     ~~(3) If the owner, lessee or occupier of any property to be condemned shall refuse to~~  
11     ~~remove his personal property therefrom or give up possession thereof, the~~  
12     ~~department may proceed to obtain possession in any manner now or hereafter~~  
13     ~~provided by law.~~

14     ~~(4) With respect to any railroad property or right of way upon which railroad tracks are~~  
15     ~~located, any powers of condemnation or of eminent domain may be exercised to~~  
16     ~~acquire only an easement interest therein which shall be located either sufficiently~~  
17     ~~far above or sufficiently far below the grade of any railroad track or tracks upon~~  
18     ~~such railroad property so that neither the proposed project nor any part thereof,~~  
19     ~~including any bridges, abutments, columns, supporting structures and~~  
20     ~~appurtenances, nor any traffic upon it, shall interfere in any manner with the use,~~  
21     ~~operation or maintenance of the trains, tracks, works or appurtenances or other~~  
22     ~~property of the railroad nor endanger the movement of the trains or traffic upon the~~  
23     ~~tracks of the railroad. Prior to the institution of condemnation proceedings for such~~  
24     ~~easement over or under such railroad property or right of way, plans and~~  
25     ~~specifications of the proposed project showing compliance with the above-~~  
26     ~~mentioned above or below grade requirements and showing sufficient and safe~~  
27     ~~plans and specifications of such overhead or undergrade structure and~~

1        ~~appurtenances shall be submitted to the railroad for examination and approval. If~~  
 2        ~~the railroad fails or refuses within thirty (30) days to approve the plans and~~  
 3        ~~specifications so submitted, the matter shall be submitted to the Public Service~~  
 4        ~~Commission of Kentucky whose decision, arrived at after due consideration in~~  
 5        ~~accordance with its usual procedure, shall be final as to the sufficiency and safety of~~  
 6        ~~such plans and specifications and as to such elevations or distances above or below~~  
 7        ~~the tracks. Said overhead or undergrade structure and appurtenances shall be~~  
 8        ~~constructed only in accordance with such plans and specifications and in~~  
 9        ~~accordance with such elevations or distances above or below the tracks so approved~~  
 10       ~~by the railroad or the Public Service Commission as the case may be. A copy of the~~  
 11       ~~plans and specifications approved by the railroad or the Public Service Commission~~  
 12       ~~shall be filed as an exhibit with the petition for condemnation.]~~

13       ➔Section 122. KRS 177.867 is amended to read as follows:

14       ~~{(1)} The commissioner of the Department of Highways is authorized to acquire by~~  
 15       ~~purchase[,] or gift[, or condemnation pursuant to the Eminent Domain Act of Kentucky~~  
 16       ~~and shall pay just compensation upon the removal of] the following advertising devices:~~

17       ~~(1){(a)} Those lawfully in existence on October 22, 1965;~~

18       ~~(2){(b)} Those lawfully on any highway designated a part of the interstate or federal-~~  
 19       ~~aid primary system on or after October 22, 1965, and before January 1, 1968;~~

20       ~~(3){(c)} Those lawfully erected on or after January 1, 1968;~~

21       ~~(4){(d)} Those lawfully in existence on January 1, 1976; and~~

22       ~~(5){(e)} Those lawfully erected or maintained, or both, between January 1, 1976, and~~  
 23       ~~December 31, 1989.}~~

24       ~~(2) Compensation shall be paid for the following:~~

25       ~~(a) The taking from the owner of any such advertising device of all right, title,~~  
 26       ~~leasehold, and interest in such advertising device; and~~

27       ~~(b) The taking from the owner of the real property on which the advertising~~

1           device is located, of the right to erect and maintain such advertising devices  
2           thereon.]

3           ➔Section 123. KRS 177.880 is amended to read as follows:

4   ~~[Nothing in ]~~KRS 177.830 to 177.890 shall ***not*** be construed to abrogate or affect ~~[the~~  
5   ~~provisions of ]~~any municipal ordinance, regulation, or resolution which is more  
6   restrictive concerning advertising devices than ~~[the provisions of ]~~KRS 177.830 to  
7   177.890 or of the regulations adopted hereunder~~]; provided that no city, county or urban-~~  
8   ~~county government and no commission, agency or department of any of the foregoing, or~~  
9   ~~any person acting under authority directly or indirectly conferred by any municipal~~  
10   ~~ordinance, regulation or resolution shall have any authority to require any sign or other~~  
11   ~~advertising device which is within its jurisdiction, which was lawfully erected or installed~~  
12   ~~and which is maintained in good repair to be removed without payment of just~~  
13   ~~compensation as provided under KRS 177.867(2)].~~

14          ➔Section 124. KRS 178.333 is amended to read as follows:

15   (1) The fiscal court of a county containing a city of the first class or a consolidated  
16   local government may~~[,]~~ at any time~~[,]~~ add other roads, or portions of roads, to the  
17   county through road system adopted in accordance with KRS 178.330. The fiscal  
18   court or a consolidated local government shall cause the proposed addition to be  
19   marked on a map to be deposited with the county road engineer and to be open to  
20   public inspection. The same procedure ~~[set forth ]~~in KRS 178.330 for the  
21   establishment or maintenance of the county through road system shall be followed  
22   in the case of roads or portions of roads added thereto. Notice of the proposed  
23   addition to the system shall conform to KRS 424.130(1)(b).

24   (2) The fiscal court of a county containing a city of the first class or a consolidated  
25   local government may establish or maintain a new road in compliance with~~[the~~  
26   ~~provisions of ]~~KRS 178.115, ***178.116, and 178.117***~~[ to 178.125]~~, or relocate a road  
27   in accordance with KRS 178.115, and at the same time add it to the county through

1 road system, following the same procedure ~~as is now set forth~~ in KRS 178.330  
2 and subsection (1) of this section, including notice in accordance with KRS  
3 424.130(1)(b).

4 (3) The decisions of the fiscal court or the consolidated local government made in  
5 accordance with this section shall be final.

6 ➔Section 125. KRS 179.310 is amended to read as follows:

7 ~~{(1) }When lands are entered upon under {the provisions of }KRS 179.300, the county  
8 engineer may agree with the owner of the lands, subject to the approval of the fiscal  
9 court, as to the amount of damages sustained by the owner because of the entry, and the  
10 amount of damages shall be paid by the fiscal court out of the county road fund.{~~

11 ~~(2) If the county engineer is unable to agree with the owner upon the amount of the  
12 damages, the amount shall be determined and paid in the manner provided in KRS  
13 178.110.~~

14 ➔Section 126. KRS 179.370 is amended to read as follows:

15 (1) If it appears necessary to close a county road or bridge which is being constructed  
16 or repaired, the county engineer shall execute a notice in duplicate, stating the  
17 necessity for closing the road or bridge, and describing the portion to be closed. He  
18 **or she** shall cause a copy of the notice to be posted at each end of the portion of the  
19 road or bridge to be closed, and shall close **that**~~{such}~~ portion to travel by erecting  
20 suitable obstructions and posting conspicuous notices to the effect that it is closed.  
21 Not more than one (1) mile of any county road shall be closed at one (1) time.

22 (2) The county engineer shall provide a new location for constructing a temporary road  
23 to be used in lieu of the closed road, and may erect temporary bridges when  
24 necessary. For the purposes of locating or constructing the temporary road or  
25 bridge, the county engineer may enter upon the lands adjoining or near the closed  
26 road, and may, with the approval of the fiscal court, agree with the owners of the  
27 lands as to the damages caused thereby.

1 (3) ~~If the county engineer is unable to agree with the owner upon the amount of~~  
2 ~~damages sustained, the amount shall be ascertained and paid as provided in KRS~~  
3 ~~178.110.~~

4 ~~(4)~~ When a county road~~[,]~~ or bridge, has been closed to the public as provided in this  
5 section, ~~a~~~~no~~ person shall **not** disregard the obstructions and notices and drive or  
6 ride over the portion of the road, or bridge, so closed.

7 ➔Section 127. KRS 179.990 is amended to read as follows:

8 (1) Any county engineer who fails to comply with ~~the provisions of subsection (3) of~~  
9 ~~]~~KRS 179.040~~(3)~~ shall be fined five hundred dollars (\$500).

10 (2) Any person who fails to perform the duties imposed by KRS 179.220 and 179.230  
11 shall be fined not less than twenty dollars (\$20) nor more than fifty dollars (\$50).

12 (3) Any county engineer who fails to publish the notices required by KRS 179.230  
13 shall be fined not less than twenty-five dollars (\$25), nor more than one hundred  
14 dollars (\$100).

15 (4) Any person who violates ~~subsection (2) of~~ KRS 179.240~~(2)~~ shall be fined not less  
16 than ten dollars (\$10) nor more than fifty dollars (\$50).

17 (5) Any railroad company that fails to comply with ~~the provisions of ]~~KRS 179.290  
18 within the specified time~~[,]~~ shall be fined not less than five hundred dollars (\$500)  
19 nor more than one thousand dollars (\$1,000) for each failure.

20 (6) Any county engineer who willfully fails to comply with ~~the provisions of ]~~KRS  
21 179.320 for sixty (60) days after the fiscal court has ordered the guideboards to be  
22 erected~~[,]~~ shall be fined not more than twenty-five dollars (\$25).

23 (7) Any person who violates ~~subsection (4) of~~ KRS 179.330~~(4)~~~~[,]~~ shall be fined not  
24 less than ten dollars (\$10) nor more than one hundred dollars (\$100) for each  
25 offense.

26 (8) Any owner of a toll bridge who fails to repair the bridge when ordered to do so  
27 under ~~the provisions of ]~~KRS 179.360 shall be fined fifty dollars (\$50).

- 1 (9) Any person who violates~~[subsection (4) of]~~ KRS 179.370~~(4)~~(3) shall be fined not less  
2 than five dollars (\$5) nor more than twenty-five dollars (\$25).
- 3 (10) Any person who violates~~[subsection (2) of]~~ KRS 179.380~~(2)~~(2) shall be fined not less  
4 than ten dollars (\$10) nor more than fifty dollars (\$50).
- 5 (11) Any county engineer who violates KRS 179.460 shall be fined not less than twenty  
6 dollars (\$20) nor more than one hundred dollars (\$100) for each offense.
- 7 (12) Any county engineer who fails to perform the duties of his or her office shall,  
8 unless a different penalty is prescribed, be fined not over one hundred dollars  
9 (\$100).
- 10 (13) Any county engineer who fails to cause contractors for county road and bridge  
11 work to perform their duties shall be fined not over one hundred dollars (\$100).
- 12 (14) Any county engineer who fails to prosecute for any penalty ~~[provided]~~ in KRS  
13 Chapters 178 and 179, knowing that the penalty has been incurred, shall be fined  
14 twenty-five dollars (\$25) for each failure to prosecute.
- 15 (15) If a fiscal court or county judge/executive willfully fails to perform any duty  
16 required of it by ~~[the provisions of]~~ this chapter, except KRS 179.230 and 179.320,  
17 every member of the court concurring in the failure shall be fined not less than ten  
18 dollars (\$10) nor more than one hundred dollars (\$100) by the Circuit Court of the  
19 county.
- 20 (16) All fines imposed by this chapter shall be paid into the county road fund.
- 21 (17) ~~A~~No fine imposed by this chapter shall not bar an action for damages for breach  
22 of contract.
- 23 (18) Any person, subdivider, builder, contractor, or developer of any construction  
24 project who violates~~[subsection (2) of]~~ KRS 179.070~~(2)~~(2) shall be fined not less than  
25 five hundred dollars (\$500) nor more than one thousand dollars (\$1,000) for each  
26 offense.
- 27 ➔Section 128. KRS 180.240 is amended to read as follows:

1 The money collected under KRS 180.020 to 180.250 shall be paid into the State Treasury  
2 and constitute the highway bridge fund. ~~A~~~~[No]~~ part ***of the fund*** ~~[thereof]~~ shall ***not*** be  
3 withdrawn from the Treasury, except for the purposes of refunding to the state road fund  
4 the cost of preparing plans, specifications, purchasing real estate, ~~[exercising the rights of~~  
5 ~~eminent domain,~~ issuing and selling of bonds, the payment for labor and material and all  
6 expenses necessary to begin the construction of a bridge, and all other purposes  
7 specifically set out or reasonably implied in KRS 180.020 to 180.240, including the  
8 acquisition or building of bridges.

9 ➔Section 129. KRS 180.260 is amended to read as follows:

10 (1) The Department of Highways may purchase ~~[or condemn]~~ any ferry ~~[that is]~~ located  
11 within ten (10) miles of a toll bridge owned in whole or in part by the state, if the  
12 department considers it necessary or advisable in order to protect the bridge from  
13 ferry competition.

14 (2) Any ferry acquired under subsection (1) of this section shall be paid for out of  
15 appropriations out of the state road fund.

16 ➔Section 130. KRS 183.120 is amended to read as follows:

17 (1) The cabinet may acquire or dispose by contract, purchase, lease, donation,  
18 ~~[condemnation]~~ or otherwise, airports, buildings, runways, grounds and other  
19 facilities suitable for airport purposes and the proper safeguards to flying where  
20 ***the***~~[such]~~ acquisition or disposal shall be in the public interest.

21 (2) The cabinet may make additions and improvements to airports or facilities, and  
22 either alone or with the cooperation of others, provide personnel, heat, light, water,  
23 fuel, telephone service, drainage, runways, fueling facilities, radio and navigation  
24 facilities, and other costs of operation and maintenance, including insurance, and  
25 may bear the expense of removal or change of obstructions that menace air travel.

26 (3) The cabinet may enter into contracts of lease for land or facilities to which title is  
27 vested in the Commonwealth with any city, or cities, county, or counties,

1 governmental unit, political subdivision, air board, or person for the furtherance of  
 2 the purposes of this chapter. All rents or revenues derived from any contracts of  
 3 lease shall become the property of the cabinet to be expended by it in carrying out  
 4 the purposes of this chapter.

5 (4) The cabinet may give any~~[such]~~ advice and assistance, including financial aid,  
 6 engineering, and technical assistance within the limits of its resources as it deems  
 7 advisable, to enable any governmental unit or board to acquire, construct, expand,  
 8 maintain, and operate airports or otherwise assist in the development of aeronautics  
 9 within their limits. ~~[Aid may include the exercise of the cabinet's power of eminent  
 10 domain, if such usage is requested by the governmental unit or board. Where such  
 11 eminent domain powers are utilized, title to acquire property may vest in the  
 12 governmental unit.]~~

13 ➔Section 131. KRS 183.122 is amended to read as follows:

14 (1) Where necessary, in order to provide unobstructed air space for the landing and  
 15 taking off of aircraft utilizing airports acquired or operated under ~~[the provisions of  
 16 ]~~this chapter, the cabinet is hereby granted authority to ~~[condemn and ]~~acquire, in  
 17 the same manner as is provided for the acquisition of property for airport purposes,  
 18 easements through or other interests in air space over land or water, interests in  
 19 airport hazards outside the boundaries of the airports and any~~[such]~~ other airport  
 20 protection privileges, together with rights of ingress and egress thereto and  
 21 therefrom, as are necessary to ensure~~[insure]~~ safe approaches to the landing areas  
 22 ~~[of said airports ]~~and the safe and efficient operation of the airports~~[thereof]~~. The  
 23 cabinet is authorized to acquire, in the same manner, the right or easement, for a  
 24 term of years or perpetually, to place or maintain suitable marks for the daytime  
 25 marking and suitable lights or marks for the night marking of airport hazards,  
 26 including the right of ingress and egress to and from any~~[such]~~ airport hazards for  
 27 the purpose of maintaining and repairing ~~[such ]~~lights and marks.

1 (2) The secretary may, by order, authorize any airport board or governmental unit to  
 2 ~~fecondemn and ]acquire[, with the full power of the Commonwealth, in the manner~~  
 3 ~~provided in the Eminent Domain Act of Kentucky,]~~ any of the interests, easements,  
 4 airport protection privileges, interests in air space, rights, or hazard marking  
 5 privileges described in subsection (1), or any real or personal property.~~Any~~  
 6 ~~econdemnation proceeding which may be necessary for such acquisition, if filed~~  
 7 ~~under this subsection, shall be filed in the name of the Commonwealth on relation~~  
 8 ~~of the secretary of transportation, and of the airport board or governmental unit~~  
 9 ~~making such acquisition.]~~

10 (3) The authority granted in subsections (1) and (2) shall not be ~~so ]construed [as ]to~~  
 11 limit the right, power, or authority of the state or any municipality or governmental  
 12 unit to zone property adjacent to any airport pursuant to any law of this state.

13 ➔Section 132. KRS 183.133 is amended to read as follows:

14 (1) The purpose of the board shall be to establish, maintain, operate, and expand  
 15 necessary, desirable, or appropriate airport and air navigation facilities. It shall have  
 16 the duty and any~~such~~ powers ~~as may be ]necessary[,]~~ or desirable to promote and  
 17 develop aviation, including air transportation, airports, and air navigation facilities.

18 (2) The board shall establish and fix reasonable rates, charges, and fees for the use of  
 19 the landing area, ramps, and other common aviation facilities. In fixing those~~such~~  
 20 rates, charges, or fees, the board may take into consideration, among other factors,  
 21 the total capital investment by the board or other local or state governmental  
 22 authority, the revenue needed properly to maintain the~~such~~ facilities, the revenue  
 23 needed properly to expand the airport and its facilities, the portion of the facilities  
 24 utilized by the licensee or contracting party and its customers, and the volume and  
 25 type of business conducted. Any party aggrieved by the rates, charges, or fees may  
 26 appeal from the action of the board to the Circuit Court of the county within which  
 27 the board operates, within ninety (90) days from the date that the board finally

1 publishes ~~the~~<sup>[such]</sup> rates, charges, or fees and gives notice of ~~their~~  
2 ~~publication~~<sup>[same]</sup> to the contracting party or licensee. The Circuit Court may hear  
3 evidence and determine whether or not the rates, charges, or fees are, or are not,  
4 reasonable in amount. Appeal from the judgment of the Circuit Court may be  
5 prosecuted as any other civil appeal.

6 (3) The board shall likewise have power~~[-, from time to time,]~~ to fix rates, charges, or  
7 fees by contract, or by publishing general rates, charges, or fees for commercial  
8 vendors, concessionaires, or other persons for the use or occupancy of terminal or  
9 other ground use facilities, under ~~[such]~~ terms or conditions as it ~~deems~~<sup>[may deem]</sup>  
10 to be in the best interest of maintaining, operating, or expanding necessary airport  
11 or air navigation facilities, and the public use ~~of the facilities~~<sup>[thereof]</sup>.

12 (4) The board may acquire by contract, lease, purchase, gift, ~~[condemnation]~~ or  
13 otherwise any real or personal property, or rights ~~in property~~<sup>[therein]</sup>, necessary for  
14 establishing, operating, or expanding airports and air navigation facilities. The  
15 board may erect, equip, operate, and maintain on such property, buildings and  
16 equipment necessary, desirable, or appropriate for airport or air navigation  
17 facilities. The board may dispose of any real or personal property, or rights ~~in~~  
18 ~~property~~<sup>[therein]</sup>, which, in the opinion of the board are no longer needed for  
19 operating or expanding the airport or air navigation facilities.

20 ~~(5) [The board or any other governmental unit may by resolution reciting that the~~  
21 ~~property is needed for airport or air navigation purposes direct the condemnation of~~  
22 ~~any property, including navigation or other easements. The procedure for~~  
23 ~~condemnation shall conform to the procedures set out in the Eminent Domain Act~~  
24 ~~of Kentucky.~~

25 ~~(6)~~ The board or any other governmental unit may ~~[from time to time]~~ make, adopt,  
26 and enforce such rules, regulations, and ordinances as it may find necessary,  
27 desirable, or appropriate for carrying into effect the purposes of this chapter,

1 including those relating to the operation and control of the airport, airport facilities,  
 2 or air navigation facilities owned or operated by ~~the~~<sup>the</sup>~~such~~ board or ~~such~~ other  
 3 governmental unit. All rules, regulations, and ordinances adopted pursuant to this  
 4 section shall be published according to ~~the provisions of~~ KRS 424.130, and the  
 5 board or other governmental unit adopting them shall keep a permanent record of  
 6 ~~the~~<sup>the</sup>~~such~~ rules, regulations, and ordinances available for public inspection~~,~~ on the  
 7 airport premises. Prosecution for a violation of any rule, regulation, or ordinance  
 8 adopted pursuant to this section shall be in the District Court of any county within  
 9 which the airport is located.

10 ~~(6)~~<sup>(7)</sup> Any board may engage in activities to promote, encourage, or develop the use  
 11 of airports or air navigation facilities under its control, and any board which has  
 12 members ~~thereof~~ appointed by the Governor shall be assisted in ~~those~~<sup>those</sup>~~such~~  
 13 activities by the state Cabinet for Economic Development if it requests ~~such~~  
 14 assistance from the cabinet.

15 ➔Section 133. KRS 183.990 is amended to read as follows:

- 16 (1) Any person violating ~~any of the provisions of~~ this chapter with respect to  
 17 operation of aircraft~~,~~ or violating ~~the provisions of~~ any rule, regulation, or  
 18 ordinance adopted under KRS 183.133~~(5)~~<sup>(6)</sup>~~,~~ shall be fined not less than fifty  
 19 dollars (\$50) nor more than one thousand dollars (\$1,000) or imprisoned not more  
 20 than ninety (90) days or both.
- 21 (2) Each violation of the statutes pertaining to the state airport zoning commission or of  
 22 any order, rule, or regulation promulgated pursuant thereto shall be punishable by a  
 23 fine of not less than one hundred dollars (\$100) nor more than five hundred dollars  
 24 (\$500) or imprisonment for not more than thirty (30) days or both and each day a  
 25 violation continues to exist shall constitute a separate offense.
- 26 (3) Any person who violates ~~the provisions of~~ KRS 183.886 shall be fined not less  
 27 than fifty dollars (\$50) nor more than one thousand dollars (\$1,000) or shall be

1 imprisoned in the county jail for not less than ten (10) nor more than ninety (90)  
2 days, or both.

3 (4) Any person who violates ~~the provisions of~~ KRS 183.086 or 183.887(2) shall be  
4 guilty of:

5 (a) A Class A misdemeanor; or

6 (b) A Class D felony~~;~~ if the violation causes a significant change of course or a  
7 serious disruption to the safe travel of the aircraft that threatens the physical  
8 safety of the passengers and crew of the aircraft.

9 ➔Section 134. KRS 184.360 is amended to read as follows:

10 (1) ~~{(a)}~~ A transportation improvement district may acquire by purchase, lease, lease-  
11 purchase, lease with option to purchase, appropriation, or otherwise in the manner  
12 and for the consideration it considers proper, any public or private property  
13 necessary, convenient, or proper for the construction, maintenance, repair, or  
14 operation of a project. The district may pledge net revenues, to the extent permitted  
15 by KRS 184.350 to 184.395 with respect to bonds, to secure payments to be paid by  
16 the district under such a lease, lease-purchase agreement, or lease with option to  
17 purchase. Title to real and personal property shall be held in the name of the  
18 district.}

19 ~~(b) If a district cannot come to terms on any property purchase, the district may  
20 request the city or county that established the district to acquire the property  
21 in accordance with KRS 416.540 to 416.670. Except as otherwise agreed to  
22 by the owner, full compensation shall be paid for public property so taken.}~~

23 (2) This section shall~~does~~ not authorize a district to take or disturb property or  
24 facilities belonging to any public utility or to a common carrier engaged in  
25 interstate commerce when the property or facilities are required for the proper and  
26 convenient operation of the public utility or common carrier, unless provision is  
27 made for the restoration, relocation, replication, or duplication of the property or

1 facilities elsewhere at the sole cost of the district.

2 (3) Except as otherwise provided in KRS 184.350 to 184.395, disposition of real  
3 property shall be by sale, lease-purchase agreement, lease with option to purchase,  
4 or otherwise in the manner and for the consideration as the district determines if to  
5 a governmental agency, and otherwise in the manner provided in this section.  
6 Disposition of personal property shall be in the manner and for the consideration as  
7 the district determines.

8 ➔Section 135. KRS 216.335 is amended to read as follows:

9 The government of the hospital district shall be vested in the board which shall have  
10 general control of the property and affairs of the district and shall have all the powers  
11 necessary to carry out the purposes of KRS 216.310 to 216.360, including~~[,]~~ but not  
12 confined to~~[,]~~ the following:

13 (1) To construct, acquire, add to, maintain, operate, develop and regulate, sell and  
14 convey all lands, property rights, equipment, hospital facilities and systems for the  
15 maintenance of hospitals, buildings, structures and any other facilities;

16 (2) ~~[To exercise the right of eminent domain for the purposes of the district except that  
17 no hospital district shall have the right of eminent domain against any hospital,  
18 clinic or sanatorium operated by a nonprofit charitable, religious or public  
19 organization, or against any private hospital, clinic or sanatorium;~~

20 (3) ~~[To receive, acquire, hold, manage, expend, sell, and convey donations and  
21 bequests of real and personal property for hospital purposes within the district;~~

22 (3)~~[(4)]~~ To establish and maintain a public hospital or hospitals in the district and  
23 where necessary make provision for education of needed personnel to operate  
24 those~~[such]~~ hospitals;

25 (4)~~[(5)]~~ To lease existing hospital or hospitals and equipment and other property used  
26 in connection with the operation of a hospital, and to pay rent~~[such rental therefor  
27 ]~~as the board shall deem proper;

- 1 ~~(5)~~~~(6)~~ To enter into contracts and agreements with any person or corporation, public  
2 or private, affecting the affairs of the district, including contracts with cities,  
3 counties, other municipalities, the Commonwealth, or the United States of America  
4 and any of its agents or instrumentalities;
- 5 ~~(6)~~~~(7)~~ To enter into contracts with a nonprofit corporation acting as a governmental  
6 agency for the construction and equipping of a hospital or hospitals, and the leasing  
7 of the same to the district;
- 8 ~~(7)~~~~(8)~~ To sue and be sued;
- 9 ~~(8)~~~~(9)~~ To make contracts, employ an administrator, attorneys, and other technical or  
10 professional assistance and all other employees as the needs of the district may  
11 require, and to prescribe their duties and compensation;
- 12 ~~(9)~~~~(10)~~ To have perpetual existence;
- 13 ~~(10)~~~~(11)~~ To borrow money on the credit of the board in anticipation of the revenue to  
14 be derived from anticipated revenue from user fees or from taxes levied by the  
15 district for the fiscal year in which the money is borrowed, and to pledge the taxes  
16 levied for the district for the payment of the principal and interest of the loan;
- 17 ~~(11)~~~~(12)~~ To establish bylaws it deems necessary or expedient to define the duties of  
18 officers, assistants, or employees, to fix the conditions of admission to the hospitals  
19 of the district, and the support and discharge of patients, and to conduct in a proper  
20 manner the professional and business affairs of the district;
- 21 ~~(12)~~~~(13)~~ To establish and enforce a suitable system of rules and regulations for the  
22 internal government, discipline, and management of the hospitals of the district;
- 23 ~~(13)~~~~(14)~~ To determine annually the amount of tax, not to exceed ten cents (\$0.10) per  
24 one hundred dollars (\$100) of property assessed for taxation, to be levied upon the  
25 taxable property of the district, for the purposes of the district, and to certify to the  
26 fiscal court of each county in the district and to each county clerk for inclusion on  
27 the tax bills of property owners in the district.

1       ➔Section 136. KRS 220.110 is amended to read as follows:

2       (1) If no suit is filed against the commissioner under KRS 220.100, or if suit is filed  
3       and final judgment in the Circuit Court or an appeal is in favor of the commissioner,  
4       the commissioner shall immediately~~[forthwith]~~ declare the district organized into a  
5       sanitation district and give it a corporate name, as provided in KRS 220.050, by  
6       which in all proceedings it shall thereafter be known. The commissioner shall  
7       certify his or her act to the county clerk of each county in which any part of the  
8       district is located, and to the Secretary of State, each of whom shall record the  
9       certificate as articles of incorporation. The commissioner shall also certify his or  
10       her act to the county judge/executive of each county in which any part of the  
11       district is located. The district shall then be a political subdivision, except as  
12       otherwise specifically provided in KRS 220.530, with power to sue and be sued,  
13       contract and be contracted with, incur liabilities and obligations,~~[exercise the right~~  
14       ~~of eminent domain,]~~ assess, tax, and contract for rentals as herein provided, issue  
15       bonds, and do and perform all acts ~~[herein]~~ expressly authorized and all acts  
16       necessary and proper for the carrying out of the purpose for which the district was  
17       created, and for executing the powers with which it is invested.

18       (2) The board of directors of the district may amend the corporate name of the district,  
19       but the amendment shall not be effective until certified by the board to the  
20       commissioner, the county clerk and county judge/executive of each county in which  
21       any part of the district is located, and to the Secretary of State.

22       ➔Section 137. KRS 224.80-180 is amended to read as follows:

23       (1) An environmental covenant shall be perpetual except under the following  
24       circumstances:

- 25       (a) By its terms, the environmental covenant is limited to a specific duration or is
- 26       terminated by the occurrence of a specific event;
- 27       (b) The environmental covenant is terminated pursuant to KRS 224.80-190; or

1 (c) The environmental covenant is terminated by foreclosure of an interest that  
 2 has priority over the environmental covenant~~}; or~~

3 ~~(d) The environmental covenant is terminated or modified in an eminent domain  
 4 proceeding and the following conditions exist:~~

5 ~~1. The cabinet is a party to the eminent domain proceeding;~~

6 ~~2. All persons identified in KRS 224.80-190(1) and (2) are given notice of  
 7 the pendency of the eminent domain proceeding; and~~

8 ~~3. A court of competent jurisdiction determines, after hearing, that the  
 9 termination or modification of the environmental covenant will not  
 10 adversely affect human health or the environment].~~

11 (2) If the cabinet or ~~if~~ any holder determines that the intended benefits of an  
 12 environmental covenant can no longer be realized, Franklin Circuit Court, under the  
 13 doctrine of changed circumstances, in an action in which all persons identified in  
 14 KRS 224.80-190(1) and (2) have been given notice, may terminate the  
 15 environmental covenant or reduce its burden on the real property subject to the  
 16 environmental covenant.

17 (3) Except as otherwise provided in subsections (1) and (2) of this section, an  
 18 environmental covenant may not be extinguished, limited, or impaired through the  
 19 issuance of a tax deed, foreclosure of a tax lien, or application of the doctrine of  
 20 adverse possession, prescription, abandonment, waiver, lack of enforcement,  
 21 acquiescence, or a similar doctrine.

22 ➔Section 138. KRS 224A.070 is amended to read as follows:

23 The authority may carry out and perform the following essential governmental functions  
 24 of statewide import and concern:

25 (1) To promulgate administrative regulations **in accordance with KRS Chapter 13A**  
 26 and adopt bylaws for the regulation of its affairs and the conduct of its business,  
 27 which shall define with specificity conditions precedent under which applications

- 1 for loans or grants may be made and the order of priority upon which applications  
2 shall be acted upon;
- 3 (2) To retain an executive director, who shall be experienced and knowledgeable in the  
4 fields in which the authority may act, together with other employees, including for  
5 example only, engineers, accountants, and attorneys, necessary and appropriate to  
6 enable the authority to fulfill its duties, functions, and responsibilities;
- 7 (3) To adopt a corporate seal;
- 8 (4) To sue and be sued in its own name and to have the right, power, and authority to  
9 enforce its obligations and covenants made pursuant to ~~the provisions of~~ this  
10 chapter;
- 11 (5) To levy a tax on every purchase of water service and sewer service in the state,  
12 ~~such~~ a tax to be equal to not more than two percent (2%) of the gross amount of  
13 the bill for water services rendered;
- 14 (6) To approve or reject applications made to the authority for loans or grants;
- 15 (7) To lease an infrastructure project or make loans or grants to or purchase or  
16 refinance obligations of any governmental agency for the purpose of assisting the  
17 governmental agency in the construction of an infrastructure project. A lease, loan,  
18 or grant shall be in accordance with the terms and conditions of an assistance  
19 agreement by and between the authority and the governmental agency, which shall  
20 include the provisions and conditions specified in KRS 224A.100, and any~~such~~  
21 other reasonable terms and conditions as the authority shall determine;
- 22 (8) ~~Without reference to the provisions of KRS Chapter 56, to acquire and hold in the~~  
23 ~~name of the authority, by the exercise of the power of eminent domain pursuant to~~  
24 ~~the Eminent Domain Act of Kentucky, the real property or rights therein, including~~  
25 ~~rights of way, easements and licenses, and the personal property reasonably~~  
26 ~~deemed necessary to effectuate the development, implementation, financing, and~~  
27 ~~construction or acquisition of any infrastructure project, and to make the properties~~

- 1 available to a governmental agency in connection with an infrastructure project;
- 2 ~~(9)~~—]To receive service charges from governmental agencies which have entered into  
3 assistance agreements with the authority, in accordance with the terms and  
4 conditions of the assistance agreements, and to use and employ the service charges  
5 in accordance with ~~the provisions of~~]this chapter, the service charges to constitute  
6 authority revenues;
- 7 ~~(9)~~~~[(10)]~~ To enter into and enforce assistance agreements made and entered into with  
8 governmental agencies by suit, action, mandamus, or other proceedings, including  
9 the obtaining by judicial decree of the appointment of a receiver to administer  
10 infrastructure projects financed by leases, loans, or grants which have been  
11 undertaken by governmental agencies;
- 12 ~~(10)~~~~[(11)]~~ To enter into any necessary or required agreement with federal or state  
13 agencies or persons to carry out ~~the provisions of~~]this chapter;
- 14 ~~(11)~~~~[(12)]~~ To bid at a competitive public sale of obligations of a governmental agency or  
15 negotiate the purchase or sale of obligations of a governmental agency,  
16 notwithstanding any other law to the contrary;
- 17 ~~(12)~~~~[(13)]~~ To borrow money and issue negotiable bonds and notes pursuant to this  
18 chapter;
- 19 ~~(13)~~~~[(14)]~~ To lend money to governmental agencies or to advance moneys from the  
20 infrastructure revolving fund to the federally assisted wastewater revolving fund in  
21 order to match federal moneys that may become available;
- 22 ~~(14)~~~~[(15)]~~ To contract with the federal government as to any infrastructure project;
- 23 ~~(15)~~~~[(16)]~~ To participate with the federal government or any of its agencies, the state  
24 government or any of its agencies or political subdivisions, or any other person in  
25 the construction or repair of any infrastructure project; and
- 26 ~~(16)~~~~[(17)]~~ To have, possess, and exercise all other powers reasonably incident to the  
27 carrying out of the duties and responsibilities of the authority.

1           ➔Section 139. KRS 243.540 is amended to read as follows:

- 2       (1) ~~[(The provisions of)]~~This section shall apply to any licensee who is unable to  
3       continue in business at the licensed premises because of:
- 4       (a) An act of God;
  - 5       (b) A casualty;
  - 6       (c) An acquisition by a federal ~~[, state, city, or other]~~ governmental agency under  
7       the power of eminent domain granted to the government or agency;
  - 8       (d) ~~[A voluntary or involuntary acquisition by any corporation or other business~~  
9       ~~entity recognized by law through the power of eminent domain;~~
  - 10      ~~(e)]~~A loss of lease because the landlord fails to renew an existing lease;
  - 11      ~~(e)]~~~~(f)]~~ Court action;
  - 12      ~~(f)]~~~~(g)]~~ Default under a security agreement;
  - 13      ~~(g)]~~~~(h)]~~ Default under a lease; or
  - 14      ~~(h)]~~~~(i)]~~ Other verifiable business reason.
- 15      (2) If a license issued by the department has been revoked, the former licensee may,  
16      under the supervision of the state administrator, dispose of and transfer the former  
17      licensee's stock to another licensee if the disposition is completed within ninety (90)  
18      days and the licensee is a distiller, rectifier, winery, or brewer. The disposition shall  
19      be completed within thirty (30) days if the licensee is a wholesaler or distributor or  
20      within twenty (20) days if the licensee is a retailer.
- 21      (3) A retail licensee in good standing with the department who voluntarily ceases to  
22      operate the licensed business for any reason other than revocation by the board or a  
23      court order shall dispose of all alcoholic beverage or cannabis-infused beverage  
24      inventory within thirty (30) days of the event. The following requirements shall  
25      apply to the disposition of the licensee's inventory:
- 26      (a) If the premises is still open to the public and the licensee has not yet  
27      surrendered the license, the licensee shall sell alcoholic beverages or

- 1           cannabis-infused beverages only to the public and shall not sell below costs;
- 2           (b) If a licensee has terminated the licensed business, the licensee shall submit a  
3           written request for approval from the state administrator within ten (10) days  
4           in advance of the sale to dispose of the licensee's remaining inventory. The  
5           request shall identify the retailer who is purchasing the inventory, the  
6           proposed date of the sale, and the quantity, types, and brands of alcoholic  
7           beverages or cannabis-infused beverages to be sold; and
- 8           (c) If a licensee has more than one (1) licensed retail premises and closes one (1)  
9           or more retail premises and seeks to transfer the inventory to another licensed  
10          retail premises the licensee owns, the licensee shall submit a request in  
11          writing to the state administrator at least ten (10) days before the inventory is  
12          transferred. The request shall identify the premises to which the alcoholic  
13          beverages or cannabis-infused beverages are being transferred, the proposed  
14          date of the transfer, and the quantity, types, and brands of alcoholic beverages  
15          or cannabis-infused beverages to be sold.
- 16          (4) If a licensee files for bankruptcy or is directed by a court to dispose of inventory to  
17          satisfy a lien or judgment, the inventory may be sold only to a licensee holding any  
18          license that authorizes the possession and sale of those alcoholic beverages or  
19          cannabis-infused beverages. The bankrupt licensee or the licensee subject to the  
20          court order shall notify the department of the sale and shall attach a copy of the  
21          court order or the judgment directing the sale and a list of the quantity, types, and  
22          brands of alcoholic beverages or cannabis-infused beverages to be sold, but if the  
23          licensee fails to do so, the notification may be made by the bankruptcy trustee, the  
24          lienholder, or the judgment creditor. Any licensee who purchases the inventory  
25          shall notify the department within five (5) days after the transfer of the specific  
26          inventory sold.
- 27          (5) A secured creditor or landlord that is in possession, custody, or control of any

1 alcoholic beverages owned by a licensee may dispose of those alcoholic beverages  
2 through the department's public auction as authorized by subsection (6) of this  
3 section or may dispose of alcoholic beverages or cannabis-infused beverages in the  
4 following manner:

5 (a) The secured creditor or landlord shall submit a written request for approval  
6 from the state administrator, within twenty (20) days in advance of the sale or  
7 destruction of the licensee's remaining inventory. The request shall identify  
8 the:

- 9 1. Licensee who is purchasing the inventory or the business to destroy the  
10 inventory;
- 11 2. Proposed date of the sale or destruction; and
- 12 3. Quantity, types, and brands of alcoholic beverages or cannabis-infused  
13 beverages to be sold or destroyed;

14 (b) The proposed transferee or transferees may be any person or persons holding  
15 any license that authorizes the possession and sale of those alcoholic  
16 beverages or cannabis-infused beverages, or a business authorized to dispose  
17 of alcoholic beverages or cannabis-infused beverages;

18 (c) A copy of the written request shall be mailed by the department to the  
19 licensee's registered agent or last known address on file with the department  
20 by certified mail. Within ten (10) days after the department's mailing of this  
21 request, the licensee shall file with the department and applicant any objection  
22 the licensee has to the request, or be permanently barred from objecting; and

23 (d) If a sale is approved, the licensee who purchases the inventory shall notify the  
24 department within five (5) days after the transfer of that specific inventory.

25 (6) The board may promulgate administrative regulations ***in accordance with KRS***  
26 ***Chapter 13A*** for additional means for the transfer or disposal of alcoholic beverage  
27 inventory, including procedures to allow the board to dispose of the inventory

1 through public auction if:

- 2 (a) A final order relating to those alcoholic beverages has been entered after all  
3 administrative and judicial proceedings are conducted, if applicable;
- 4 (b) The entire proceeds of the public auction are donated to the alcohol wellness  
5 and responsibility education fund established in KRS 211.285; and
- 6 (c) The board deems the inventory safe to release to the public, including but not  
7 limited to the alcoholic beverages being in their original, unopened packaging.

8 ➔Section 140. KRS 247.140 is amended to read as follows:

9 (1) The State Fair Board:

- 10 (a) Shall have the custody and control of ~~such~~ property ~~as now is~~ under its  
11 custody and control, and of ~~such~~ property ~~as may~~ hereafter ~~be~~ placed  
12 under its control or transferred to it by the State Property and Buildings  
13 Commission, for any purposes ~~mentioned~~ in this section, and the physical  
14 properties ~~so~~ under its custody and control or transferred to it are  
15 ~~hereinafter~~ referred to in this section, and in KRS 247.150 and 247.160, as  
16 the "state fairgrounds and an area in a city of the first class to be used as an  
17 exhibition center";
- 18 (b) May erect and repair buildings on the state fairgrounds and exhibition center,  
19 make any and all necessary or proper improvements, and generally carry on a  
20 program of development and extension of facilities designed to accomplish  
21 the objectives defined in this section;
- 22 (c) Shall promote the progress of the state and stimulate public interest in the  
23 advantages and development of the state by providing the facilities of the state  
24 fairgrounds for agricultural and industrial exhibitions, public gatherings,  
25 cultural activities, and other functions calculated to advance the educational,  
26 physical, and cultural interests of the public and by providing the facilities of  
27 the exhibition center for conventions, trade shows, public gatherings, and

1 other functions calculated to advance and enhance the visitor industry,  
2 economy, entertainment, cultural, and educational interests of the public;

3 (d) Shall hold an annual fair on the state fairgrounds, for the exhibition of  
4 agricultural, mechanical, horticultural, dairy, forestry, poultry, livestock,  
5 mineral, and all other industrial interests of the state, and prepare premium  
6 lists and establish rules of exhibition for the fair;

7 (e) May purchase liability insurance for the members and executive officers  
8 exempted from the classified service of the state by KRS 18A.115; and

9 (f) Shall own and operate shows and expositions that include but are not limited  
10 to the:

- 11 1. North American International Livestock Exposition, including its North  
12 American Championship Rodeo;
- 13 2. Kentucky State Fair and World's Championship Horse Show; and
- 14 3. National Farm Machinery Show and its Championship Tractor Pull.

15 (2) The State Fair Board may ~~take, acquire,~~ and hold property, and all interest ***in***  
16 ***property***~~therein~~, by deed, gift, devise, bequest, ***or*** lease~~, or eminent domain~~, or  
17 by transfer from the State Property and Buildings Commission, and may dispose of  
18 any property so acquired in the manner provided by law.~~In the exercise of its~~  
19 ~~power of eminent domain it shall proceed in the manner provided in the Eminent~~  
20 ~~Domain Act of Kentucky.~~

21 ➔Section 141. KRS 262.745 is amended to read as follows:

22 Subject to the approval of the board of supervisors, the board of directors of a watershed  
23 conservancy district shall have power to:

24 (1) Levy an annual tax on the real property within the district within the limitations  
25 provided in KRS 262.760 for administration, construction, operation, and  
26 maintenance of works of improvement within the district;~~;~~

27 (2) Acquire by purchase, gift, grant, bequest, ***or*** devise~~, or through condemnation~~

1 ~~proceedings in the manner provided in the Eminent Domain Act of Kentucky,] the~~  
 2 fee simple title or any lesser interest in land including easements and flowage rights  
 3 ~~[as are]~~ necessary for the exercise of any authorized function of the district, and for  
 4 **that**~~[such]~~ purpose, may cause examinations and surveys to be made of any lands,  
 5 easements, or rights-of-way necessary for the performance of any authorized  
 6 function of the district; ~~[-]~~

7 (3) Construct, improve, operate, and maintain ~~[such]~~ structures ~~[as may be]~~ necessary  
 8 for the performance of any function authorized by KRS 262.700 to 262.795; **and** ~~[-]~~

9 (4) Borrow ~~[such]~~ money ~~[as is]~~ necessary for the purpose of acquiring lands or rights-  
 10 of-way and establishing, constructing, reconstructing, repairing, enlarging, and  
 11 maintaining ~~[such]~~ structures and improvements ~~[as are]~~ required by the district in  
 12 the performance of its functions, and issue, negotiate, and sell its bonds as provided  
 13 in KRS 262.750.

14 ➔Section 142. KRS 266.130 is amended to read as follows:

15 The board of levee commissioners may ~~[enter upon, ]acquire[, take]~~ and hold any lands  
 16 or premises necessary and proper for locating, constructing, reconstructing, enlarging,  
 17 extending, repairing, and maintaining its line of levees, as well as for the cutting of  
 18 ditches for the purpose of relieving the levees and the lands adjacent thereto enlarged by  
 19 sipe and rain water. The board may also cut and remove trees, timbers and other materials  
 20 that may, by falling or otherwise, encumber or endanger any levee. ~~[In case the owners~~  
 21 ~~cannot agree with the board as to the value of any property taken under authority of this~~  
 22 ~~section, the board may condemn the property in the manner provided in the Eminent~~  
 23 ~~Domain Act of Kentucky.]~~

24 ➔Section 143. KRS 267.100 is amended to read as follows:

25 Except as provided in KRS 267.010, 267.090, and 267.490, the directors from the various  
 26 districts of the county shall constitute the county board of drainage commissioners, with  
 27 the right to acquire, hold, encumber, sell, and convey any property necessary to the

1 conduct of its affairs, with all the rights and powers of a corporation, and with all other  
 2 rights and powers necessary to carry out its work under ~~the provisions of this chapter,~~  
 3 ~~including the right of eminent domain.~~

4 ➔Section 144. KRS 267.450 is amended to read as follows:

5 The owner of any land that has been assessed for the cost of any improvement may use  
 6 the improvement as an outlet for lateral drains from his or her land. ~~If the land is~~  
 7 ~~separated from the improvement by the land of another, and the owners are unable to~~  
 8 ~~agree as to the terms on which the one may enter the land of the other and construct the~~  
 9 ~~drain or ditch, he may file his ancillary petition in the pending proceeding, and have the~~  
 10 ~~same condemned in the same manner as provided in the Eminent Domain Act of~~  
 11 ~~Kentucky.~~ When the ditch is constructed it shall become a part of the drainage system  
 12 and be under the control of, and kept in repair by, the board.

13 ➔Section 145. KRS 268.510 is amended to read as follows:

14 (1) In order to effect the drainage, protection, and reclamation of the land and other  
 15 property in any district organized under this chapter subject to assessment, to  
 16 protect cities from overflow, and to promote the public health or general welfare of  
 17 the community, the board acting for the district may clean out, alter, construct, or  
 18 maintain any drain in or out of the district, and construct and maintain any levees,  
 19 dikes, dams, revetments, reservoirs, holding basins, floodways, pumping stations,  
 20 syphons, and any other work and improvements deemed necessary to preserve and  
 21 maintain the works or prevent overflow of land or protect any city or parts of a  
 22 city~~thereof~~ in or out of the district. The board may construct or enlarge any bridge  
 23 needed in or out of the district across any drain or other improvement or any public  
 24 highway, railroad right-of-way, track, grade, fill, or cut, subject to ~~the provisions of~~  
 25 ~~]~~KRS 268.530; construct roadways upon, along, and over levees and embankments;  
 26 and remove any fence, building, or improvement in or out of the district.

27 (2) The board may hold, control, and acquire by donation or purchase~~, or, if need be,~~

1 ~~condemn~~] any land, easement, railroad right-of-way, sluice, conduit, sewer, holding  
 2 basin, or franchise in or out of the district for any purpose provided for in this  
 3 chapter.†

4 ~~(a) The board may also condemn, pursuant to the Eminent Domain Act of Kentucky,~~  
 5 ~~for the use of the district any property within or without the district not acquired or~~  
 6 ~~condemned by the board on the report of the appraisers.]~~

7 (3) The board may control all water power created by the construction of improvements  
 8 in the district, and construct and maintain any hydroelectric power plants to develop  
 9 ~~[such ]~~power for the use of the district and use any funds in the treasury of the  
 10 district not otherwise appropriated for the construction and maintenance of  
 11 those~~[such ]~~ plants. The board may lease any power in excess of that required for  
 12 the use of the district. The proceeds of that~~[such ]~~ lease shall be turned in to the  
 13 treasury of the district.

14 (4) ~~[However, ]~~The construction or maintenance of any improvement shall not impair  
 15 navigation upon any navigable stream in this state.

16 ➔Section 146. KRS 268.570 is amended to read as follows:

17 Any owner may use the drain as an outlet for lateral ditches from his or her land.~~[If his~~  
 18 ~~land is separated from the drain by the land of another and they are unable to agree as to~~  
 19 ~~the conditions on which one may enter another's land and construct the ditch, he may file~~  
 20 ~~his ancillary petition in the pending proceeding to the court, and secure condemnation as~~  
 21 ~~provided for in the Eminent Domain Act of Kentucky.]~~ When the ditch is constructed, it  
 22 shall become a part of the drainage system and shall be under the control of the board and  
 23 kept in repair by it.

24 ➔Section 147. KRS 269.070 is amended to read as follows:

25 Any county may remove any ponds, pools, or swamp marshes, or reclaim swamp land  
 26 that may cause sickness in the county, by ditching, leveeing, or cleaning out logs and  
 27 brush that may cause any creek to scatter or form pools of stagnant water. The cost shall

1 be paid for out of the county levy or by taxation of the property in the county subject to  
 2 taxation for state purposes. When the fiscal court undertakes such a project, it may  
 3 acquire for the county by contract ~~for condemnation~~ any land necessary to carry out the  
 4 project. ~~If condemnation proceedings are necessary, they shall be conducted in the~~  
 5 ~~manner provided in the Eminent Domain Act of Kentucky.~~

6 ➔Section 148. KRS 269.210 is amended to read as follows:

7 The corporation may extend its ditches, make other ditches, connect with any creek or  
 8 stream and straighten or cut across any curve to facilitate drainage~~, and, when necessary,~~  
 9 ~~take the lands of private persons. The corporation is vested with the right and power of~~  
 10 ~~eminent domain for the condemnation of land that may be necessary, which remedy shall~~  
 11 ~~be pursued as provided by the Eminent Domain Act of Kentucky, the proceedings to be~~  
 12 ~~brought by the corporation in the Circuit Court, providing due compensation to the~~  
 13 ~~owners of land].~~

14 ➔Section 149. KRS 269.270 is amended to read as follows:

15 (1) The county judge/executive in each county of this Commonwealth, wherein the  
 16 fiscal court has requested it, is hereby authorized to establish a countywide surface  
 17 water drainage district for the entire county including all municipalities. The cost of  
 18 procuring the necessary rights-of-way and the construction and maintenance of  
 19 ~~a~~a ~~such~~ countywide drainage district shall be paid by the fiscal court out of the  
 20 annual levy for county taxes. When the fiscal court undertakes such a project it may  
 21 acquire for the county by contract ~~for condemnation~~ any land necessary to carry  
 22 out the project. ~~If condemnation proceedings are necessary they shall be conducted~~  
 23 ~~in the manner provided in the Eminent Domain Act of Kentucky.~~

24 (2) The administration of this district shall be exclusively by or within the fiscal court  
 25 of ~~the~~the ~~said~~ county, and the fiscal court is hereby authorized and empowered to  
 26 employ ~~such~~ assistants, including commissioners or a superintendent, and other  
 27 employees ~~as may be~~ necessary for the construction, maintenance, and continued

1 operation of ~~the~~<sup>said</sup> system, and shall fix the salaries of all employees to be paid  
2 as other county employees are paid.

3 (3) In the construction and maintenance of ~~a~~<sup>such</sup> drainage system the fiscal court is  
4 authorized and empowered, as a part of the cost of construction and maintenance of  
5 ~~the~~<sup>said</sup> system, to build or construct ~~such~~ bridges and culverts over and across  
6 the ditches or canals of this system ~~that~~<sup>as in the opinion of</sup> the fiscal court  
7 ~~deems~~<sup>are</sup> necessary.

8 (4) ~~This section~~<sup>Nothing herein contained</sup> shall **not** authorize or empower the  
9 construction or maintenance of a sanitary sewer system or sanitary sewers.

10 ➔Section 150. KRS 272.321 is amended to read as follows:

11 (1) (a) A member of a constituent association to be affected by a merger or  
12 consolidation may give to the association prior to or at the meeting of its  
13 members to which the proposal of merger or consolidation is submitted to a  
14 vote, written notice that he **or she** objects to ~~the~~<sup>such</sup> proposal.

15 (b) Within twenty (20) days after the date on which the vote was taken, ~~that~~<sup>such</sup>  
16 member may, unless he **or she** votes in favor of the proposal, make written  
17 demand on the association for payment of the fair market value of his **or her**  
18 stock or other property rights or interest in the association. ~~A demand~~<sup>Such</sup>  
19 ~~demands~~ shall state the number and class of shares of stock owned by ~~the~~  
20 ~~member~~<sup>him</sup> or the nature and amount of other property rights or interest  
21 owned by him **or her** in the association.

22 (c) In addition to any other right he **or she** may have in law or equity, a member  
23 giving ~~a~~<sup>such</sup> notice shall be entitled, if and when the merger or  
24 consolidation is effected, to be paid by the surviving association, or new  
25 association, the fair market value of ~~the~~<sup>such</sup> stock, or other property rights  
26 or interests, as of the day prior to the date on which the vote was taken,  
27 subject only to the **member's** surrender ~~by him~~ of the certificate~~,~~ or

1 certificates of ~~the~~[such] stock or other evidence of ownership or other  
2 property rights or interests.

3 (2) If within thirty (30) days after the date upon which the objecting member tendered  
4 his or her written demand for payment of his or her stock or other property rights  
5 or interest, the fair market value of ~~the~~[such] stock or other property rights or  
6 interests is agreed upon between the member and the surviving association, the  
7 payment for the stock[therefor] shall be made within sixty (60) days after the date  
8 of ~~the~~[such] agreement, upon surrender of the certificate or other evidence of ~~such~~  
9 ~~]~~property rights or interests, whereupon the member shall cease to have any interest  
10 in ~~the~~[such] stock or other property rights or interest in the association.

11 (3) (a) If, during the thirty (30) day period mentioned in subsection (2) of this  
12 section[~~the preceding subsection~~], the member and the surviving association  
13 or new association do not agree as to the fair market value of ~~the~~[such] stock  
14 or other property rights or interests, the member may, within sixty (60) days  
15 thereafter, file a petition in the Circuit Court of the county in which the  
16 surviving association or new association has its registered office or principal  
17 place of business asking for the appointment of three (3) disinterested  
18 appraisers to appraise the fair market value of his or her stock or other  
19 property rights or interests.

20 (b) A summons, together with a copy of the petition, shall be served on the  
21 surviving association or new association at least twenty (20) days prior to a  
22 hearing on the petition by the court. The award of the appraisers, or a majority  
23 of them, if no exceptions are[be] filed to the award[~~thereto~~] within ten (10)  
24 days after ~~it~~[~~the award~~] has been filed in court, shall be confirmed by the  
25 court, and when confirmed shall be final and conclusive, and the member,  
26 upon depositing with the court the proper stock certificates or other evidence  
27 of his or her[such] property rights or interests, shall be entitled to judgment

1 against the association for the appraised value of the rights or  
 2 interests~~[thereof]~~ as of the day prior to the date on which the vote was taken.

3 (c) If either party files exceptions to the award of the appraisers within ten (10)  
 4 days after the award has been filed in court, the case shall be transferred to the  
 5 civil issue docket of the Circuit Court for trial~~[and shall be there tried in the~~  
 6 ~~same manner, as near as may be practicable, as is provided for the trial of~~  
 7 ~~eases under the eminent domain law of this state]~~, and with ~~[the same]~~ right of  
 8 appeal to the Court of Appeals. The court shall assess the cost of the  
 9 proceedings as it deems equitable.

10 (d) Upon payment of the judgment, the surviving association or new association  
 11 is entitled to have the member's stock certificates or other evidence of his or  
 12 her~~[such]~~ property rights or interests surrendered to it by the clerk of the  
 13 court.

14 (e) Unless the member files ~~[such]~~ a petition within the time prescribed~~[,]~~ in  
 15 paragraph (a) of this subsection, the member and~~[he,]~~ his or her assigns and  
 16 heirs ~~[claiming under him]~~ shall have no right to payment under this  
 17 subsection~~[hereunder]~~, but in that event, this subsection~~[nothing herein]~~ shall  
 18 not impair his or her status as a member.

19 (4) If the notices sent to members in connection with any meeting to vote upon a  
 20 proposed merger or consolidation make no reference to the provisions of subsection  
 21 (1) of this section, a member entitled to<sub>2</sub> but through lack of actual knowledge did  
 22 not<sub>2</sub> avail himself or herself of the provisions of this section, unless he or she voted  
 23 for the proposal, is entitled, if the member~~[he so]~~ demands in writing within one (1)  
 24 year after the date on which the vote was taken on the proposed merger or  
 25 consolidation, to recover from the surviving association or new association any  
 26 actual damage which he or she suffered from failure of the association of which he  
 27 or she was a member to make such reference.

- 1 (5) The liability to pay for stock or other property rights or interests or to pay damages  
 2 imposed by subsection (4) of this section on an association extends to the surviving  
 3 association or new association.
- 4 (6) Shares of stock acquired by an association, a surviving association, or a new  
 5 association pursuant to the payment of an agreed fair market value of the  
 6 shares~~[thereof]~~ or to payment of a judgment entered for the shares~~[therefor]~~ may  
 7 be held and disposed of by such association as in the case of other treasury shares.
- 8 (7) This section does not apply to a merger if on the date of the filing of the articles of  
 9 merger the surviving association is the owner of all outstanding shares of the other  
 10 association or associations, domestic or foreign, participating in the merger and if  
 11 the merger makes no changes in the relative rights of the members of the surviving  
 12 association.
- 13 (8) ~~A~~~~[No]~~ member of a constituent association to be affected by a merger or  
 14 consolidation, who objects thereto and makes written demand for payment of the  
 15 fair market value of his or her stock or other property rights or interests in the  
 16 association~~[,]~~ as provided in this section, shall not be~~[is]~~ entitled to payment at any  
 17 time prior to the time that he or she would otherwise be entitled to payment  
 18 pursuant to valid provisions of the~~[such]~~ stock, or valid provisions of the articles of  
 19 incorporation or bylaws of the association, in effect on the date of the vote for such  
 20 merger or consolidation.

21 ➔Section 151. KRS 277.040 is amended to read as follows:

22 Any person operating a mine or a stone quarry may, for the purpose of transporting  
 23 material between any railroad or navigable stream and the mine or quarry, construct and  
 24 operate a line of railroad, truck road, overhead conveyor, or pipeline from the mine or  
 25 quarry to the most convenient and accessible point on the railroad or stream~~[, and may,~~  
 26 ~~under the Eminent Domain Act of Kentucky, condemn the land necessary for track, truck~~  
 27 ~~road, or supports for conveyor, or pipeline, not exceeding sixty (60) feet in width for each~~

1 ~~track, roadway, conveyor, or pipeline necessarily constructed, and the land for necessary~~  
 2 ~~buildings at the railroad or stream, not exceeding two (2) acres].~~ The owner or operator of  
 3 ~~the~~<sup>[such]</sup> railroad shall be governed by the laws relating to other railroads, so far as  
 4 applicable, and shall have the same rights and privileges granted to corporations owning  
 5 and operating railroads.

6 ➔Section 152. KRS 277.060 is amended to read as follows:

- 7 (1) Every railroad company may:
- 8 (a) Cause ~~such~~ examinations and surveys to be made ~~that~~<sup>[as]</sup> are necessary to  
 9 the selection of the most advantageous route for its proposed railroad, and for  
 10 that purpose its officers, agents, and servants may enter upon the property of  
 11 any person, subject to consent of the owner and liability for all damage done  
 12 by them to ~~the~~<sup>[such]</sup> property;[-]
- 13 (b) Receive, hold, and take possession of any voluntary grants and donations of  
 14 property made to it to aid in the construction, maintenance, and operation of  
 15 the road; any real property so received shall be held and used for the purposes  
 16 of the grant or donation only;[-]
- 17 (c) Purchase, hold, ~~[take possession of]~~ and use all franchises and property  
 18 necessary for the construction, maintenance and accommodation of its line of  
 19 railroads, but the same shall not be taken or appropriated without the consent  
 20 of the owner;[- ~~until the compensation to be made therefor is agreed upon or~~  
 21 ~~ascertained, and paid or deposited, as provided by the Eminent Domain Act of~~  
 22 ~~Kentucky.]~~
- 23 (d) Lay out and construct its road not exceeding one hundred (100) feet in width,  
 24 unless more than one (1) track is laid, in which case the width may be  
 25 extended not exceeding fifty (50) feet for each additional track;[-]
- 26 (e) ~~[Take, in the manner provided by the Eminent Domain Act of Kentucky such~~  
 27 ~~lands in the vicinity of or adjacent to its road as are necessary for cuts or~~

1           embankments, the procurement of stone, gravel or other materials, or for  
2           draining the roadbed.

3           ~~(f)~~ Change, when it deems proper, the gauge of its road; ~~[-]~~

4           ~~(f)~~~~(g)~~ Change the location or grade of any portion of its road for any  
5           reasonable cause, but shall not, except as otherwise provided by law, depart  
6           from the general route prescribed in the articles of incorporation; and ~~[-]~~

7           ~~(g)~~~~(h)~~ Construct its road upon or across any private road, highway, street, lane  
8           or alley, and across any railroad, canal or watercourse.

9           (2) Every railroad company shall restore to its former condition, as near as may be, any  
10          private road, highway, street, lane, alley, railroad, canal, or watercourse upon or  
11          across which it has constructed its road, and shall maintain each of them ~~[the same]~~  
12          in that condition within the right-of-way of the railroad company. It shall construct  
13          suitable road and street crossings for the passage of traffic by putting down planks  
14          or other suitable material between and on each side of the rails, the top of which  
15          shall be at least as high as the top of the rails.

16          (3) If the railroad is constructed upon any public street or alley, the construction shall  
17          be upon ~~[such]~~ terms and conditions ~~[as are]~~ agreed upon between the company and  
18          the authorities of the city, and the road shall not be constructed until compensation  
19          is made ~~[-, either]~~ by agreement with ~~[or in the manner provided by the Eminent~~  
20          ~~Domain Act of Kentucky, to]~~ the owners of the property adjoining those parts of the  
21          street or alley on which the road is to be constructed.

22          (4) Any railroad company may build such spurs, switches, tracks, or branches ~~[as are~~  
23          ~~]necessary~~ to conduct its business or develop business along its line of road, and for  
24          that purpose shall have the same powers and be subject to the same restrictions and  
25          liabilities as are conferred or imposed upon it for the construction of its main line.

26          ➔Section 153. KRS 278.540 is amended to read as follows:

27          (1) Any telephone company or telegraph company authorized to do business in this

1 state shall, upon making just compensation, have the right to construct, maintain,  
 2 and operate its lines through any public lands of this state and on, across and along  
 3 any public road, and across and under any navigable waters, but not in such a  
 4 manner as to interfere with travel on the road or to obstruct the navigation of the  
 5 waters.

6 (2) Any telephone company authorized to do business in this state may, by contract  
 7 with any person, construct, maintain and operate telephone lines on and across the  
 8 real property of that person~~[, and if it cannot obtain the right of way by contract it  
 9 may, except as provided in KRS 416.090, condemn the right of way in the manner  
 10 provided in the Eminent Domain Act of Kentucky].~~

11 (3) Any telegraph company authorized to do business in this state that desires to  
 12 construct, operate, and maintain its lines on or along the right-of-way and structure  
 13 of any railroad may, through an authorized agent, contract with the railroad  
 14 company for that right.

15 (4) The parts of this section relating to the rights of telephone companies do not apply  
 16 to any city.

17 ➔Section 154. KRS 279.010 is amended to read as follows:

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

19 (1) "Acquire" means to construct, purchase, obtain by lease, devise, or gift, ~~for by~~  
 20 ~~eminent domain,~~ or to obtain by any other lawful means;

21 (2) "Board" means the board of directors of a corporation formed under this chapter;

22 (3) "Business entity" means a domestic and foreign limited liability company,  
 23 corporation, general partnership, limited partnership, business or statutory trust, and  
 24 not-for-profit unincorporated association;

25 (4) "Corporation" means a profit or nonprofit corporation formed under the laws of any  
 26 state or a foreign country;

27 (5) "Farm Credit Act" means Section 12 of the Federal Farm Credit Act of 1935, as

1 amended~~[and the amendments thereto]~~;

2 (6) "Federal agency" means and includes the United States, the President of the United  
3 States, and all federal authorities, instrumentalities, and agencies in the ordinary  
4 sense;

5 (7) "Improve" means to construct, reconstruct, extend, enlarge, alter, better, or repair;

6 (8) "Member" means and includes each person signing the articles of incorporation of a  
7 corporation formed under this chapter, each person later admitted to membership  
8 according to law or according to the articles of incorporation or bylaws of the  
9 corporation, and each common stockholder in a corporation organized under this  
10 chapter that has capital stock;

11 (9) "Name of record with the Secretary of State" means any real, fictitious, reserved,  
12 registered, or assumed name of a business entity;

13 (10) "Obligations" means and includes negotiable bonds, notes, debentures, interim  
14 certificates or receipts, and all other evidences of indebtedness either issued or the  
15 payment thereof assumed by a corporation organized under this chapter;

16 (11) "Real name" ~~has~~~~[shall have]~~ the same meaning ~~as~~~~[set forth]~~ in KRS 365.015;~~[and]~~

17 (12) "System" means and includes any plant, works, facilities, and properties, and all  
18 parts thereof and appurtenances thereto, used or useful in the generation,  
19 production, transmission, or distribution of electric energy; and

20 (13) "Telephone service":

21 (a) Includes communications services of all kinds allowed to any other  
22 telephone utility, authorized by regulatory agency and with some  
23 unregulated, that being the transmission of voice, data, sounds, signals,  
24 pictures, writing, or signs of all kinds, by use of wire, radio, light,  
25 electromagnetic impulse, broadband (wideband) spectrum, or any other  
26 transmission mode and facility used in rendition of those services; and

27 (b) Does not include message telegram service or radio broadcasting services or

1                   facilities within the meaning of Section 153(O) of the Federal  
2                   Communications Act of 1934, as amended.

3                   ➔Section 155. KRS 279.110 is amended to read as follows:

4 Any corporation created under this chapter may:

- 5 (1) Acquire and hold any property necessary or incidental to the proper conduct of its  
6 business, including preferred stock and common stock or other corporations  
7 whether formed under this chapter or not, and the stock of any federal agency, and  
8 may pay for ~~the~~~~[any such]~~ property in cash, property or on credit, or both, and  
9 secure and procure payment of all or any part of the purchase price ~~[thereof]~~ on  
10 ~~[such]~~ terms and conditions as its board of directors determines;
- 11 (2) Acquire, own, operate, maintain, and improve one (1) or more systems;
- 12 (3) Pledge all or part of its revenue or mortgage or encumber all or any part of its  
13 property for the purpose of securing the payment of the principal and interest of any  
14 of its obligations;
- 15 ~~(4) [Have and exercise the right of eminent domain in the manner provided in the~~  
16 ~~Eminent Domain Act of Kentucky;~~
- 17 ~~(5)~~ Construct, own, lease, operate, and control any facilities across, along, or under  
18 any street or public highway, and over any lands belonging to this state or to any  
19 county, city, or political subdivision of this state, but shall restore any such street or  
20 highway to its former condition as nearly as possible and shall not use it in such a  
21 manner as to impair unnecessarily its usefulness;
- 22 ~~(5)~~~~[(6)]~~ Accept gifts and grants of money or property from this state, any county, city,  
23 or political subdivision of this state, any federal agency, or any other person, and  
24 accept voluntary and uncompensated services;
- 25 ~~(6)~~~~[(7)]~~ Make any contract necessary or convenient for the full exercise of the powers  
26 granted by this chapter, or for any other corporate purpose, subject to any  
27 limitations imposed by this chapter;

- 1 ~~(7)~~<sup>(8)</sup> Sell, lease, or dispose of all or any part of its property, subject to ~~the~~  
2 ~~provisions of~~ KRS 279.140;
- 3 ~~(8)~~<sup>(9)</sup> Contract debts, borrow money without limitation as to the amount of  
4 corporate indebtedness or liability, and issue or assume obligations;
- 5 ~~(9)~~<sup>(10)</sup> Fix and collect reasonable rates and charges for services, subject to ~~the~~  
6 ~~provisions of~~ KRS Chapter 278;
- 7 ~~(10)~~<sup>(11)</sup> Assist its members in wiring their premises for the use of electric energy and  
8 in purchasing electrical equipment, appliances, and supplies, and in financing  
9 ~~those~~<sup>such</sup> activities;
- 10 ~~(11)~~<sup>(12)</sup> (a) Establish affiliates to engage in nonregulated businesses or activities as  
11 provided ~~for~~ in KRS 279.020.
- 12 (b) A cooperative formed under this chapter shall annually report to its member-  
13 owners the nature of the nonregulated business or activity, its financial status  
14 and future expectations, as well as any other information deemed appropriate  
15 by its board of directors. The cooperative shall file with the Public Service  
16 Commission a balance sheet and income statement for each nonregulated  
17 business or activity, if the cooperative has established a separate affiliate to  
18 engage in nonregulated business or activity.
- 19 (c) If the cooperative's nonregulated activities are conducted within the  
20 cooperative pursuant to a contract with a federal military installation or a  
21 local, state, or federal government as provided ~~for~~ in KRS 279.020, a  
22 balance sheet and statement of revenues and expenses for each nonregulated  
23 business or activity shall be filed with the Public Service Commission.
- 24 (d) The information to be filed with the Public Service Commission shall be filed  
25 simultaneously with the Public Service Commission annual report. The  
26 cooperative may request confidentiality for any information it provides as  
27 required in this subsection that it deems proprietary or competitive; and

1 ~~(12)~~~~(13)~~ Do anything not specifically set forth in this section that is reasonably deemed  
2 necessary, proper, or convenient for the accomplishment of the purposes of the  
3 corporation and is not prohibited by law.

4 ➔Section 156. KRS 279.310 is amended to read as follows:

5 As used in KRS 279.320 to 279.600, unless the context requires otherwise:

- 6 (1) ~~["Cooperative" means any corporation organized under KRS 279.320 to 279.600 or~~  
7 ~~which becomes subject to those sections in the manner provided therein;~~
- 8 ~~(2) "Person" means any natural person, firm, association, corporation, business trust, or~~  
9 ~~partnership;~~
- 10 ~~(3) As used in this chapter, the term "telephone service" shall include in its meaning~~  
11 ~~communications services of all kinds allowed to any other telephone utility,~~  
12 ~~authorized by regulatory agency and with some unregulated, that being the~~  
13 ~~transmission of voice, data, sounds, signals, pictures, writing, or signs of all kinds,~~  
14 ~~by use of wire, radio, light, electromagnetic impulse, broadband (wideband)~~  
15 ~~spectrum, or any other transmission mode and facility used in rendition of such~~  
16 ~~services; but shall not include in their meaning message telegram service, or radio~~  
17 ~~broadcasting services or facilities within the meaning of Section 153(O) of the~~  
18 ~~Federal Communications Act of 1934, as amended;~~
- 19 ~~(4) "Acquire" means to construct, purchase, obtain by lease, devise, or gift, ~~for~~~~  
20 ~~eminent domain, ~~or~~ to obtain by any other lawful means;~~
- 21 ~~(2)~~~~(5)~~ "Board" means the board of trustees of a corporation formed under KRS  
22 279.320 to 279.600;
- 23 **(3) "Business entity" means a domestic and foreign limited liability company,**  
24 **corporation, general partnership, limited partnership, business or statutory trust,**  
25 **and not-for-profit unincorporated association;**
- 26 **(4) "Cooperative" means any corporation organized under KRS 279.320 to 279.600**  
27 **or which becomes subject to those sections in the manner provided therein;**

1 **(5) "Corporation" means a profit or nonprofit corporation formed under the laws of**  
2 **any state or a foreign country;**

3 (6) "Federal agency" means and includes the United States, the President of the United  
4 States, and all federal authorities, instrumentalities, and agencies in the ordinary  
5 sense;

6 (7) "Improve" means to construct, reconstruct, extend, enlarge, alter, better, or repair;

7 (8) "Member" means and includes each person signing the articles of incorporation of a  
8 corporation formed under KRS 279.320 to 279.600, each person later admitted to  
9 membership according to law or according to the articles of incorporation or bylaws  
10 of the corporation, and each common stockholder in a corporation, having capital  
11 stock, organized under KRS 279.320 to 279.600;

12 **(9) "Name of record with the Secretary of State" means any real, fictitious, reserved,**  
13 **registered, or assumed name of a business entity;**

14 ~~(10)~~<sup>(9)</sup> "Obligations" means and includes negotiable bonds, notes, debentures,  
15 interim certificates or receipts, and all other evidences of indebtedness either issued  
16 or the payment thereof assumed by a corporation organized under KRS 279.320 to  
17 279.600;

18 **(11) "Real name" has the same meaning as in KRS 365.015;**

19 **(12) "Rural area" means any area of this state not included within the boundaries of**  
20 **any incorporated or unincorporated city or of a consolidated local government,**  
21 **having a population in excess of fifteen hundred (1,500) inhabitants;**

22 **(13) "Person" means any natural person, firm, association, corporation, business**  
23 **trust, or partnership;**

24 ~~(14)~~<sup>(10)</sup> "System" means and includes any plant, works, facilities, and properties, and  
25 all parts thereof and appurtenances thereto, used or useful in the operation and  
26 maintenance of telephone ~~communication~~ service; **and**

27 ~~[(11) "Rural area" shall be deemed to mean any area of this state not included within the~~

1 ~~boundaries of any incorporated or unincorporated city or of a consolidated local~~  
 2 ~~government, having a population in excess of fifteen hundred (1,500) inhabitants;]~~

3 ~~(15)~~~~[(12)]~~ "Telephone company" means any natural person, firm, association,  
 4 corporation, or partnership owning, leasing, or operating any line, facility, or  
 5 system used in the furnishing of telephone service within this state;

6 ~~(13) "Business entity" means a domestic and foreign limited liability company,~~  
 7 ~~corporation, general partnership, limited partnership, business or statutory trust, and~~  
 8 ~~not for profit unincorporated association;~~

9 ~~(14) "Corporation" means a profit or nonprofit corporation formed under the laws of any~~  
 10 ~~state or a foreign country;~~

11 ~~(15) "Name of record with the Secretary of State" means any real, fictitious, reserved,~~  
 12 ~~registered, or assumed name of a business entity; and~~

13 ~~(16) "Real name" shall have the meaning set forth in KRS 365.015].~~

14 ➔Section 157. KRS 279.360 is amended to read as follows:

15 Each corporation organized under ~~[the provisions of]~~KRS 279.310 to 279.600 shall have  
 16 power:

17 (1) To furnish, improve, and expand telephone service in rural areas to its members, to  
 18 governmental agencies and political subdivisions, and to other persons not in excess  
 19 of ten percent (10%) of the number of its members;~~];~~ provided, however, that:~~];~~

20 (a) Without regard to ~~the~~~~said~~ ten percent (10%) limitation, telephone service  
 21 may be made available by a cooperative through interconnection of facilities  
 22 to any number of subscribers of other telephone systems, and through pay  
 23 stations to any number of users;~~and provided, further, that ]~~

24 (b) A cooperative which acquires existing telephone facilities in rural areas may  
 25 continue service to persons, not in excess of forty percent (40%) of the  
 26 number of its members, who are already receiving service from ~~those~~~~such~~  
 27 facilities, without requiring ~~those~~~~such~~ persons to become members, but

1 ~~those~~<sup>such</sup> persons may become members upon ~~such~~ terms as may be  
2 prescribed in the bylaws; and ~~provided, further, that~~

3 (c) ~~A~~<sup>no</sup> cooperative shall ***not***:

4 ~~1.~~<sup>(a)</sup> Construct or operate any line, facility, or system in any rural area  
5 being furnished telephone service by any telephone company or other  
6 cooperative unless the Public Service Commission ***determines*** ~~shall~~  
7 ~~determine~~, after ***a*** hearing on reasonable notice to all interested parties,  
8 that any such telephone company or other cooperative is unwilling or  
9 unable to furnish reasonably adequate telephone service in such area; ~~;~~  
10 or

11 ~~2.~~<sup>(b)</sup> Furnish any telephone service in any area proposed to be served by  
12 any telephone company, which may be found to be ready, willing, and  
13 able to serve, within ***a*** ~~such~~ period of time ~~as may, after hearing, be~~  
14 ~~determined to be reasonable by the Public Service Commission~~ ***after a***  
15 ***hearing***;

16 (2) To construct, purchase, lease as lessee, or otherwise acquire, and to improve,  
17 expand, install, equip, maintain, and operate, and to sell, assign, convey, lease as  
18 lessor, mortgage, pledge, or otherwise dispose of or encumber, telephone lines,  
19 facilities or systems, lands, buildings, structures, plants and equipment, exchanges,  
20 and any other real or personal property, tangible or intangible, which shall be  
21 deemed necessary, convenient or appropriate to accomplish the purpose for which  
22 the cooperative is organized; ~~provided,~~ that ~~a~~<sup>no</sup> cooperative shall ***not*** construct,  
23 purchase, lease as lessee, take, receive, or otherwise acquire, improve, expand,  
24 install, equip, maintain, or operate any telephone lines, facilities or system, lands,  
25 buildings, structures, plants and equipment, exchanges, or any other real or personal  
26 property, tangible or intangible, within the boundaries of any incorporated or  
27 unincorporated city, town, village, or borough within this state having a population

1 in excess of one thousand five hundred (1,500) inhabitants, unless ~~those~~<sup>said</sup>  
2 procedures ~~for any of them~~ are determined by the administrator of the rural  
3 electrification administration to be necessary ~~in order~~ to furnish or improve  
4 telephone service in rural areas, and unless ~~the~~<sup>said</sup> determination by the  
5 administrator of the rural electrification administration, after proper hearing on  
6 reasonable notice to all interested parties, ~~is~~<sup>be</sup> approved by the Public Service  
7 Commission of the Commonwealth of Kentucky. In case of such a determination by  
8 the administrator of the rural electrification administration as aforesaid with  
9 approval by the Kentucky Public Service Commission, nothing contained in this  
10 section or ~~elsewhere provided in~~ KRS 279.310 to 279.600 shall deprive any  
11 corporation organized under KRS 279.310 to 279.600 or foreign corporation doing  
12 business in this state pursuant to KRS 279.310 to 279.600, of the power to improve,  
13 expand, construct, acquire, and operate telephone lines, facilities, or systems  
14 without regard to their geographical location;

15 (3) To connect and interconnect its telephone lines, facilities, or systems with other  
16 telephone lines, facilities or systems;

17 (4) To make its facilities available to persons furnishing telephone service within or  
18 without this state;

19 (5) To purchase, lease as lessee, or otherwise acquire, and to use, and exercise and to  
20 sell, assign, convey, mortgage, pledge, or otherwise dispose of or encumber,  
21 franchises, rights, privileges, licenses, and easements;

22 (6) To issue membership certificates and nonvoting shares of stock as hereinafter  
23 provided;

24 (7) To borrow money and otherwise contract indebtedness, and to issue or guarantee  
25 notes, bonds, and other evidences of indebtedness, and to secure the payment of the  
26 debt~~thereof~~ by mortgage, pledge, or deed of trust of, or any other encumbrance  
27 upon, any or all of its then-owned~~then owned~~ or after-acquired real or personal

1 property, assets, franchises, or revenues;

2 (8) To construct, maintain, and operate telephone lines along, upon, under, and across  
3 publicly owned lands and public thoroughfares, including, without limitation, all  
4 roads, highways, streets, alleys, bridges, and causeways;

5 (9) ~~To exercise the power of eminent domain in the manner provided by the laws of~~  
6 ~~this state for the exercise of such power by other corporations constructing or~~  
7 ~~operating telephone lines, facilities or systems;~~

8 ~~(10)~~ To become a member of other cooperatives or corporations or to own stock *in*  
9 *them*~~[therein]~~;

10 ~~(10)~~~~(11)~~ To conduct its business and exercise its powers within or without this state;

11 ~~(11)~~~~(12)~~ To adopt, amend, and repeal bylaws;

12 ~~(12)~~~~(13)~~ To make any and all contracts necessary, convenient, or appropriate for the  
13 full exercise of the powers ~~herein~~ granted *in this section*;

14 ~~(13)~~~~(14)~~ To exercise all other powers authorized by KRS Chapter 271B; and

15 ~~(14)~~~~(15)~~ To do and perform any other lawful acts and things, and to have and exercise  
16 any other powers which may be necessary, convenient, or appropriate to  
17 accomplish the purpose for which the cooperative is organized.

18 ➔Section 158. KRS 350.152 is amended to read as follows:

19 (1) The Commonwealth, acting by and through its Energy and Environment Cabinet,  
20 shall have the power to acquire~~[, either]~~ by negotiation ~~[or by exercise of the power~~  
21 ~~of eminent domain,]~~ land which has been affected or disturbed by strip or auger  
22 mining, or by other surface coal mining operations which consists of orphan banks  
23 or unreclaimed spoil piles.

24 (2) Prior to acquiring any land pursuant to KRS 350.152 to 350.163 and KRS 350.240,  
25 the Energy and Environment Cabinet shall extend to *its*~~[the]~~ owners ~~[thereof]~~ an  
26 opportunity to backfill, grade, plant, and do other acts of restoration *on the*  
27 *property*~~[thereon]~~ to the same extent and within the same time limits as prescribed

1 by this chapter and regulations adopted pursuant thereto. If the owner or owners  
 2 agree in writing to perform ~~the~~<sup>the[such]</sup> restoration and, weather permitting, start  
 3 ~~the~~<sup>the[such]</sup> restoration within a period of thirty (30) days, the land shall not be  
 4 acquired by the Commonwealth.

5 (3) The Energy and Environment Cabinet shall attempt to purchase any land which it  
 6 has determined should be acquired for the purpose of restoration and which the  
 7 owners have not agreed to restore as provided in subsection (2) above. ~~In any case~~  
 8 ~~where the cabinet and the owners of the land are unable to agree upon the amount to~~  
 9 ~~be paid for the land, the cabinet may exercise the power of eminent domain against~~  
 10 ~~such land by filing a condemnation suit under the procedure of the Eminent Domain~~  
 11 ~~Act of Kentucky.]~~

12 (4) The purchase price~~[,]~~ in the case of a negotiated acquisition~~[,] or the damages as~~  
 13 ~~finally determined, in the case of acquisition by condemnation,]~~ and the necessary  
 14 expenses incidental thereto~~[,]~~ shall be paid from appropriations made by the  
 15 General Assembly for ~~those~~<sup>those[such]</sup> purposes and appropriations to which federal  
 16 funds made available for ~~those~~<sup>those[such]</sup> purposes have been credited.

17 ➔Section 159. KRS 350.570 is amended to read as follows:

18 (1) If the cabinet makes a finding of fact pursuant to the Abandoned Mine Lands  
 19 Program that:

20 (a) Land or water resources have been adversely affected by past coal mining  
 21 practices; and

22 (b) The adverse effects are at a stage where, in the public interest, action to  
 23 restore, reclaim, abate, control, or prevent should be taken; and

24 (c) The owners of the land or water resources where entry must be made to  
 25 restore, reclaim, abate, control, or prevent the adverse effects of past coal  
 26 mining practices are not known or readily available; or

27 (d) The owners will not give permission for the United States, the

1 Commonwealth, political subdivisions, or their agents, employees, or  
2 contractors to enter upon the[such] property to restore, reclaim, abate, control,  
3 or prevent the adverse effects of past coal mining practices;  
4 then, upon giving notice by mail to the owners if known, or if not known, by  
5 posting notice upon the premises and advertising once in a newspaper of general  
6 circulation in the municipality or county in which the land lies, the cabinet and its  
7 authorized representatives, agents, and contractors shall have the right to enter upon  
8 the property adversely affected by past coal mining practices, and any other  
9 property to have access to such property to do all things necessary or expedient to  
10 restore, reclaim, abate, control, or prevent the adverse effects. An[Such] entry  
11 under this subsection shall be construed as an exercise of the police power for the  
12 protection of public health, safety, and general welfare and shall not be construed as  
13 an act of condemnation of property nor of trespass on the property[thereon]. The  
14 moneys expended for the[such] work and the benefits accruing to any [such  
15 ]premises so entered upon shall be chargeable against that[such] land and shall  
16 mitigate or offset any claim in or any action brought by any owner of any interest in  
17 the[such] premises for any alleged damages by virtue of the[such] entry;[-]  
18 provided, however, that this subsection[provision] is not intended to create new  
19 rights of action or eliminate existing immunities.

20 (2) The cabinet and its authorized representatives, agents, and contractors shall have  
21 the right to enter upon any property for the purpose of conducting studies or  
22 exploratory work to determine the existence of adverse effects of past coal mining  
23 practices and to determine the feasibility of restoration, reclamation, abatement,  
24 control, or prevention of those[such] adverse effects. An[Such] entry under this  
25 subsection shall be construed as an exercise of the police power for the protection  
26 of public health, safety, and general welfare, and shall not be construed as an act of  
27 condemnation of property nor trespass on the property[thereon].

- 1 (3) The Commonwealth shall have the power to acquire~~[,]~~ by purchase, donation, or  
2 devise~~[, or condemnation,]~~ any land ~~[which is]~~ adversely affected by past coal  
3 mining practices if acquisition of that~~[such]~~ land is necessary for successful  
4 reclamation and~~[ that]~~:
- 5 (a) The acquired land, after restoration, reclamation, abatement, control, or  
6 prevention of the adverse effects of past coal mining practices, will serve  
7 recreation and historic purposes, conservation and reclamation purposes, or  
8 provide open space benefits;~~[ or]~~
- 9 (b) Permanent facilities such as a treatment plant or a relocated stream channel  
10 will be constructed on the land for the restoration, reclamation, abatement,  
11 control, or prevention of the adverse effects of past coal mining practices; or
- 12 (c) Acquisition of coal refuse disposal sites and all coal refuse on those  
13 sites~~[thereon]~~ will serve the purposes of this chapter or ~~[that]~~ public  
14 ownership is desirable to meet emergency situations and prevent recurrences  
15 of the adverse effects of past coal mining practices.
- 16 (4) Title to all lands acquired pursuant to this section shall be in the name of the  
17 Commonwealth. The price paid for the land acquired under this section shall reflect  
18 the market value of the land as adversely affected by past coal mining practices.  
19 ~~[The Commonwealth may exercise the power of eminent domain against such land~~  
20 ~~by filing a condemnation suit under the procedure of the Eminent Domain Act of~~  
21 ~~Kentucky. Provided, that]~~ When the Commonwealth acquires land adversely  
22 affected by past coal mining practices pursuant to the Abandoned Mine Lands  
23 Program and when ~~[such]~~ abandoned mine reclamation fund moneys are less than  
24 the purchase price, the Commonwealth shall be authorized to use whatever funds  
25 are available pursuant to KRS 350.156(3).
- 26 (5) The Energy and Environment Cabinet may receive any federal, state, or other funds  
27 for the purpose of reclaiming lands affected by past coal mining practices, including

1 federal funds made available to it pursuant to Title IV of the Surface Mining  
2 Control and Reclamation Act of 1977, Pub. L. No. [(P.L.] 95-87[]. The cabinet  
3 may avail itself of any services which may be provided by other state agencies or  
4 the federal government, and may compensate them for those[such] services.

5 (6) The cabinet shall have the power to backfill, grade, revegetate, and perform other  
6 acts of restoration and reclamation on lands acquired pursuant to this section. The  
7 cabinet may cause the reclamation work to be done by its own employees or by  
8 employees of other governmental agencies or soil conservation districts, or through  
9 contracts with qualified persons. Those[Such] contracts shall be awarded pursuant  
10 to regulations promulgated by the cabinet in accordance with KRS Chapter 13A.  
11 The cabinet and any other agency and any contractor under a contract with the  
12 cabinet shall have the right of access to the land affected to carry out the[such]  
13 reclamation.

14 (7) Where land acquired pursuant to this section is deemed to be suitable for industrial,  
15 commercial, residential, or recreational development, the Commonwealth shall  
16 have the power to sell the[such] land by public sale under a system of competitive  
17 bidding, at not less than fair market value and under ~~[such]~~ regulations ~~[as may be~~  
18 ~~]promulgated~~ in accordance with KRS Chapter 13A to ensure[insure] that  
19 the[such] lands are put to proper use consistent with local and state land use plans,  
20 if any. The proceeds of any ~~[such]~~ sale under this subsection shall be credited to  
21 the abandoned mine reclamation fund. The cabinet, when requested after  
22 appropriate public notice, shall hold a public hearing, with the appropriate notice, in  
23 the county or counties in which lands acquired pursuant to this section are located.  
24 The hearings shall be held at a time which shall afford local citizens and  
25 governments the maximum opportunity to participate in the decision concerning the  
26 use or disposition of the lands after restoration, reclamation, abatement, control, or  
27 prevention of the adverse effects of past coal mining practices.

- 1 (8) In addition to the authority to acquire and reclaim land for the purposes ~~[set forth~~  
 2 ~~]in~~ subsection (3) of this section, the Commonwealth is given authority to use  
 3 money in the fund to acquire land by purchase, donation, or devise~~[, or~~  
 4 ~~condemnation]~~ and to reclaim the~~[such]~~ land and to transfer it to any political  
 5 subdivision of the Commonwealth or to any person, firm, association, or  
 6 corporation, if doing so~~[such]~~ is an integral and necessary element of an  
 7 economically feasible plan for a project to construct or rehabilitate housing for  
 8 persons disabled as the result of employment in the mines or work incidental to the  
 9 mines~~[therein]~~, persons displaced by acquisition of land pursuant to this section,  
 10 persons dislocated as the result of adverse effects of coal mining practices which  
 11 constitute an emergency as provided in KRS 350.585, or persons dislocated as the  
 12 result of natural disasters or catastrophic failures from any cause, or any related  
 13 commercial, industrial, agricultural, recreational, or governmental use of facilities.  
 14 These~~[Such]~~ activities shall be accomplished under ~~[such]~~ terms and conditions as  
 15 the Commonwealth shall require, which may include transfers of land with or  
 16 without monetary consideration. ~~[Provided, that]~~ To the extent that the  
 17 consideration is below the fair market value of the land transferred, no portion of  
 18 the difference between the fair market value and the consideration shall accrue as a  
 19 profit to those~~[such]~~ persons, firms, associations, or corporations~~[firm,~~  
 20 ~~association, or corporation]~~. No part of the funds provided under the abandoned  
 21 mine reclamation fund may be used to pay the actual construction costs of housing.
- 22 (9) All acquisitions and disposals of land or any interests in land~~[therein]~~ pursuant to  
 23 the authority granted by this section shall be governed by the applicable provisions  
 24 of KRS Chapters 45A and 56.
- 25 ➔Section 160. KRS 352.110 is amended to read as follows:
- 26 (1) ~~A~~~~[No]~~ licensee, superintendent, mine manager, or mine foreman of any mine  
 27 opened after June 16, 1972, shall not permit persons to work in the mine~~[therein]~~

1 unless there are to every seam of coal worked in the mine at least two (2) separate  
 2 outlets, separated by natural strata of not less than one hundred fifty (150) feet in  
 3 breadth if the mine is worked by shaft or slope, and separated by a pillar of natural  
 4 strata of not less than two thousand (2,000) square feet if the mine is worked by  
 5 drift, by which outlets distinct means of ingress and egress are readily available to  
 6 persons employed in the mine, but it shall not be necessary for the two (2) outlets to  
 7 belong to the same mine.

8 **(2)** This subsection ~~shall~~<sup>does</sup> not apply to the openings of a new entry ~~[that is]~~ being  
 9 worked for the purpose of making connection between the two (2) outlets so long as  
 10 not more than twenty (20) persons are employed at one (1) time in making the  
 11 connection or driving the second opening, or to any mine in which the second  
 12 opening has been rendered unavailable by reason of final robbing or removal of  
 13 pillars so long as not more than twenty (20) persons are employed ***in the***  
 14 ***mine***~~[therein]~~ at one (1) time, and the workings are no farther than five hundred  
 15 (500) feet from the bottom of the shaft or slope or from the drift opening.†

16 ~~(2) If any mine has but one (1) means of ingress or egress for persons employed~~  
 17 ~~therein, and the owner does not own suitable ground for another opening, the owner~~  
 18 ~~may select appropriate adjacent ground for that purpose and have it condemned~~  
 19 ~~pursuant to the Eminent Domain Act of Kentucky.]~~

20 ➔Section 161. KRS 353.400 is amended to read as follows:

21 (1) KRS 353.400 to 353.410 may be cited as the "Natural Gas Acquisition Authority  
 22 Act."

23 (2) The Kentucky General Assembly hereby recognizes that the availability of reliable  
 24 and economical supplies of natural gas is vital to the health, welfare, and economic  
 25 well-being of the citizens and residents of the Commonwealth. In order to promote  
 26 the ability of municipal utilities to obtain natural gas on terms that will promote the  
 27 availability of reliable and economic supplies of energy to consumers, it is the

1 intent of the General Assembly to authorize the creation of natural gas acquisition  
2 authorities to:

- 3 (a) Acquire supplies of natural gas for the purpose of providing the supply  
4 requirements of municipal utilities;
- 5 (b) Contract for the sale of natural gas to municipal utilities; and
- 6 (c) Exercise all powers necessary to enable them to accomplish such purposes.

7 (3) KRS 353.400 to 353.410 shall be liberally construed in conformity with this~~[such]~~  
8 intent, it being hereby determined and declared that the means provided by this  
9 chapter are necessary to provide for the continued availability to industrial,  
10 commercial, and residential customers served by municipal utilities in the  
11 Commonwealth of reliable supplies of natural gas at economic rates.~~[ But, KRS~~  
12 ~~353.400 to 353.410 shall not be construed or applied to increase the power of~~  
13 ~~eminent domain of public agencies.]~~

14 ➔Section 162. KRS 381.020 is amended to read as follows:

15 All land titles in this state are allodial, and, subject to escheat, the entire and absolute  
16 property in all land in this state is vested in the owners, according to the nature of their  
17 respective estates~~[- except that the Commonwealth retains the right of eminent domain in~~  
18 ~~and to all real estate].~~

19 ➔Section 163. KRS 381.830 is amended to read as follows:

- 20 (1) (a) A unit owner shall have the exclusive ownership to his or her unit and shall  
21 have a common right to a share, with other co-owners, in the common  
22 elements of the property, equivalent to the percentage representing the floor  
23 area of the individual unit, with relation to the floor area of the whole  
24 property. This percentage shall be computed by taking as a basis the floor area  
25 of the individual unit in relation to the floor area of the property as a whole.
- 26 (b) The~~[Such]~~ percentage of common interest shall be expressed at the time the  
27 condominium property regime is constituted, shall have a permanent

1 character, and, except as may be otherwise provided in KRS 381.810 to  
 2 381.910, shall not be altered without the acquiescence of the co-owners  
 3 representing all the units of the **building or buildings**~~[building(s)]~~. The master  
 4 deed may, however, contain provisions relating to the appropriation, taking, or  
 5 condemnation by eminent domain by the federal~~[, state or local]~~  
 6 government~~[,]~~ or **its instrumentalities**~~[an instrumentality thereof]~~, including~~[,]~~  
 7 but not limited to~~[,]~~ reapportionment or other change of the common interest  
 8 appurtenant to each unit, or part ~~[thereof]~~ remaining after a partial  
 9 appropriation, taking, or condemnation. The master deed of a regime under  
 10 construction may further provide that by later amendment **to the master**  
 11 **deed**~~[thereof]~~ and upon completion of all units, percentage of common interest  
 12 shall be redistributed on an as-built basis; provided, however, that the number  
 13 of units originally constituted in the regime may not be increased during  
 14 construction.

15 (2) Each co-owner may use the general common elements in accordance with the  
 16 purpose for which they are intended, without hindering or encroaching upon the  
 17 lawful rights of the other co-owners.

18 ➔Section 164. KRS 381.9113 is amended to read as follows:

19 (1) If a unit is acquired by eminent domain **by the United States government**, or if part  
 20 of a unit is acquired by **federal** eminent domain leaving the unit owner with a  
 21 remnant which may not practically or lawfully be used for any purpose permitted  
 22 by the declaration, the award shall compensate the unit owner for his or her unit and  
 23 its interest in the common elements, whether or not any common elements are  
 24 acquired. Upon acquisition, unless the decree otherwise provides, that unit's  
 25 allocated interests are automatically reallocated to the remaining units in proportion  
 26 to the respective allocated interests of those units before the taking, and the  
 27 association shall promptly prepare, execute, and record an amendment to the

1 declaration reflecting the reallocations. Any remnant of a unit remaining after part  
2 of a unit is taken under this subsection is thereafter a common element.

3 (2) Except as provided in subsection (1) of this section, if part of a unit is acquired by  
4 *federal* eminent domain, the award shall compensate the unit owner for the  
5 reduction in value of the unit and its interest in the common elements, whether or  
6 not any common elements are acquired. Upon acquisition, unless the decree  
7 otherwise provides:

8 (a) The unit's allocated interests are reduced in proportion to the reduction in the  
9 size of the unit; and

10 (b) The portion of the allocated interests divested from the partially acquired unit  
11 are automatically reallocated to that unit and the remaining units in proportion  
12 to the respective allocated interests of those units before the taking, with the  
13 partially acquired unit participating in the reallocation on the basis of its  
14 reduced allocated interests.

15 (3) If part of the common elements is acquired by *federal* eminent domain, the portion  
16 of the award attributable to the common elements taken shall be paid to the  
17 association and, unless the declaration provides otherwise, the award attributable to  
18 the acquisition of a limited common element shall be equally divided among the  
19 owners of the units to which that limited common element was allocated at the time  
20 of acquisition.

21 (4) The court decree shall be recorded in every county in which any portion of the  
22 condominium is located.

23 ➔Section 165. KRS 381.9115 is amended to read as follows:

24 Unless displaced by a particular provision of KRS 381.9101 to 381.9207, the principles  
25 of law and equity, including the law of corporations and unincorporated associations, the  
26 law of real property, and the law relative to capacity to contract, principal and agent,  
27 ~~eminent domain, estoppel, fraud, misrepresentation, duress, coercion, mistake,~~

1 receivership, substantial performance, or other validating or invalidating cause, shall  
2 supplement KRS 381.9101 to 381.9207.

3 ➔Section 166. KRS 381.9135 is amended to read as follows:

- 4 (1) A memorandum of lease shall be recorded with respect to any lease the expiration  
5 or termination of which may terminate the condominium or reduce its size. Every  
6 lessor of those leases shall sign the memorandum of lease, and the memorandum of  
7 lease shall state:
- 8 (a) The elements of recording for the lease;
  - 9 (b) The date on which the lease is scheduled to expire;
  - 10 (c) A legally sufficient description of the real estate subject to the lease;
  - 11 (d) Any right of the unit owners to redeem the reversion and the manner whereby  
12 those rights may be exercised, or a statement that they do not have those  
13 rights;
  - 14 (e) Any right of the unit owners to remove any improvements within a reasonable  
15 time after the expiration or termination of the lease, or a statement that they  
16 do not have those rights; and
  - 17 (f) Any rights of the unit owners to renew the lease and the conditions of any  
18 renewal, or a statement that they do not have those rights.
- 19 (2) After the declaration for a leasehold condominium is recorded, neither the lessor  
20 nor his or her successor in interest may terminate the leasehold interest of a unit  
21 owner who makes timely payment of his or her share of the rent and otherwise  
22 complies with all covenants which, if violated, would entitle the lessor to terminate  
23 the lease. A unit owner's leasehold interest is not affected by failure of any other  
24 person to pay rent or fulfill any other covenant.
- 25 (3) Acquisition of the leasehold interest of any unit owner by the owner of the  
26 reversion or remainder does not merge the leasehold and fee simple interests unless  
27 the leasehold interests of all unit owners subject to that reversion or remainder are

1           acquired.

2       (4) If the expiration or termination of a lease decreases the number of units in a  
3       condominium, the allocated interests shall be reallocated in accordance with KRS  
4       381.9113(1), as though those units had been taken by eminent domain by the  
5       federal government. Reallocations shall be confirmed by an amendment to the  
6       declaration prepared, executed, and recorded by the association.

7       ➔Section 167. KRS 381.9143 is amended to read as follows:

8       (1) To exercise any development right reserved under KRS 381.9133(1)(h), the  
9       declarant shall prepare, execute, and record an amendment to the declaration and  
10      comply with KRS 381.9141. The declarant is the unit owner of any units thereby  
11      created. The amendment to the declaration shall assign an identifying number to  
12      each new unit created, and, except in the case of subdivision or conversion of units  
13      described in subsection (3) of this section, reallocate the allocated interests among  
14      all units. The amendment shall describe any common elements and any limited  
15      common elements thereby created and, in the case of limited common elements,  
16      designate the unit to which each is allocated to the extent required by KRS  
17      381.9139.

18      (2) Development rights may be reserved within any real estate added to the  
19      condominium if the amendment adding that real estate includes all matters required  
20      by KRS 381.9133 or 381.9135, as the case may be, and the plats and plans include  
21      all matters required by KRS 381.9141. This subsection~~provision~~ does not extend  
22      the time limit on the exercise of development rights imposed by the declaration  
23      under KRS 381.9133(1)(h).

24      (3) If a declarant exercises a development right to subdivide or convert a unit  
25      previously created into additional units, common elements, or both, the declaration  
26      shall be amended as follows:

27      (a) If the declarant converts the unit entirely to common elements, the

1 amendment to the declaration shall reallocate all the allocated interests of that  
2 unit among the other units as if that unit had been taken by eminent domain **by**  
3 **the United States government**; or

4 (b) If the declarant subdivides the unit into two (2) or more units, whether or not  
5 any part of the unit is converted into common elements, the amendment to the  
6 declaration shall reallocate all the allocated interests of the unit among the  
7 units created by the subdivision in any reasonable manner prescribed by the  
8 declarant.

9 (4) If the declaration provides, pursuant to KRS 381.9133(1)(h), that all or a portion of  
10 the real estate is subject to the development right of withdrawal, then the following  
11 shall apply:

12 (a) If all the real estate is subject to withdrawal, and the declaration does not  
13 describe separate portions of real estate subject to that right, none of the real  
14 estate may be withdrawn after a unit has been conveyed to a purchaser  
15 without the written consent of all unit owners owning units within the real  
16 estate; and

17 (b) If a portion or portions are subject to withdrawal, no portion may be  
18 withdrawn after a unit in that portion has been conveyed to a purchaser  
19 without the written consent of all unit owners owning units within that  
20 portion.

21 ➔Section 168. KRS 381.9157 is amended to read as follows:

22 (1) Except in the case of a taking of all the units by eminent domain **by the United**  
23 **States government**, a condominium may be terminated only by agreement of unit  
24 owners of units to which at least eighty percent (80%) of the votes in the  
25 association are allocated, or any larger percentage the declaration specifies. The  
26 declaration may specify a smaller percentage only if all of the units in the  
27 condominium are restricted exclusively to nonresidential uses.

- 1 (2) An agreement to terminate a condominium shall be evidenced by the execution of a  
2 termination agreement, or ratification of a termination agreement~~[thereof]~~, in the  
3 same manner as a deed, by the requisite number of unit owners. The termination  
4 agreement shall specify a date after which the agreement will be void unless it is  
5 recorded before that date. A termination agreement and all ratifications of an  
6 agreement~~[thereof]~~ shall be recorded in every county in which a portion of the  
7 condominium is situated, and is effective only upon recordation.
- 8 (3) In the case of a condominium containing only units having horizontal boundaries  
9 described in the declaration, a termination agreement may provide that all the  
10 common elements and units of the condominium shall be sold following  
11 termination. If, pursuant to the agreement, any real estate in the condominium is to  
12 be sold following termination, the termination agreement shall set forth the  
13 minimum terms of the sale.
- 14 (4) In the case of a condominium containing any units not having horizontal boundaries  
15 described in the declaration, a termination agreement may provide for sale of the  
16 common elements, but shall not require that the units be sold following termination,  
17 unless the declaration as originally recorded provided otherwise or unless all the  
18 unit owners consent to the sale.
- 19 (5) The association, on behalf of the unit owners, may contract for the sale of real  
20 estate in the condominium, but the contract is not binding on the unit owners until  
21 approved pursuant to subsections (1) and (2) of this section. If any real estate in the  
22 condominium is to be sold following termination, title to that real estate, upon  
23 termination, vests in the association as trustee for the holders of all interests in the  
24 units. Thereafter, the association has all powers necessary and appropriate to effect  
25 the sale. Until the sale has been concluded and the proceeds thereof distributed, the  
26 association continues in existence with all powers it had before termination.  
27 Proceeds of the sale shall be distributed to unit owners and lienholders as their

1 interests may appear, in proportion to the respective interests of unit owners as  
2 provided in subsection (8) of this section. Unless otherwise specified in the  
3 termination agreement, as long as the association holds title to the real estate, each  
4 unit owner and his or her successors in interest have an exclusive right to  
5 occupancy of the portion of the real estate that formerly constituted his or her unit.  
6 During the period of that occupancy, each unit owner and his or her successors in  
7 interest remain liable for all assessments and other obligations imposed on unit  
8 owners by KRS 381.9101 to 381.9207 or the declaration.

9 (6) If the real estate constituting the condominium is not to be sold following  
10 termination, title to the common elements and, in a condominium containing only  
11 units having horizontal boundaries described in the declaration, title to all the real  
12 estate in the condominium, vests in the unit owners upon termination as tenants in  
13 common in proportion to their respective interests as provided in subsection (8) of  
14 this section, and liens on the units shift accordingly. While the tenancy in common  
15 exists, each unit owner and his or her successors in interest have an exclusive right  
16 to occupancy of the portion of the real estate that formerly constituted his or her  
17 unit.

18 (7) Following termination of the condominium, the proceeds of any sale of real estate,  
19 together with the assets of the association, are held by the association as trustee for  
20 unit owners and holders of liens on the units as their interests may appear.  
21 Following termination, creditors of the association holding liens on the units, which  
22 were recorded before termination, may enforce those liens in the same manner as  
23 any lienholder. All other creditors of the association are to be treated as if they had  
24 perfected liens on the units immediately before termination.

25 (8) The respective interests of unit owners referred to in subsections (5), (6), and (7) of  
26 this section are as follows:

27 (a) Except as provided in paragraph (b) of this subsection, the respective interests

1 of unit owners are the fair market values of their units, limited common  
 2 elements, and common element interests immediately before the termination,  
 3 as determined by one (1) or more independent appraisers selected by the  
 4 association. The decision of the independent appraisers shall be distributed to  
 5 the unit owners and becomes final unless disapproved within thirty (30) days  
 6 after distribution by unit owners of units to which twenty-five percent (25%)  
 7 of the votes in the association are allocated. The proportion of any unit  
 8 owner's interest to that of all unit owners is determined by dividing the fair  
 9 market value of that unit owner's unit and common element interest by the  
 10 total fair market values of all the units and common elements; and

11 (b) If any unit or any limited common element is destroyed to the extent that an  
 12 appraisal of the fair market value of the unit or element~~thereof~~ before  
 13 destruction cannot be made, the interests of all unit owners are their respective  
 14 common element interests immediately before the termination.

15 (9) Except as provided in subsection (10) of this section, foreclosure or enforcement of  
 16 a lien or encumbrance against the entire condominium does not of itself terminate  
 17 the condominium, and foreclosure or enforcement of a lien or encumbrance against  
 18 a portion of the condominium, other than withdrawable real estate, does not  
 19 withdraw that portion from the condominium. Foreclosure or enforcement of a lien  
 20 or encumbrance against withdrawable real estate does not of itself withdraw that  
 21 real estate from the condominium, but the person taking title thereto has the right to  
 22 require from the association, upon request, an amendment excluding the real estate  
 23 from the condominium.

24 (10) If a lien or encumbrance against a portion of the real estate comprising the  
 25 condominium has priority over the declaration, the parties foreclosing the lien or  
 26 encumbrance may, upon foreclosure, record an instrument excluding the real estate  
 27 subject to that lien or encumbrance from the condominium. ~~[The provisions of~~

1        ~~This subsection shall not apply to any common elements constituting a portion of~~  
2        ~~the real estate to the extent the common elements as described in and subject to the~~  
3        ~~declaration have been developed.~~

4        ➔Section 169. KRS 382.850 is amended to read as follows:

- 5        (1) A conservation easement shall not be transferred by owners of property in which  
6        there are outstanding subsurface rights without the prior written consent of the  
7        owners of the subsurface rights.
- 8        (2) A conservation easement shall not operate to limit, preclude, delete or require  
9        waivers for the conduct of coal mining operations, including the transportation of  
10       coal, upon any part or all of adjacent or surrounding properties~~;~~ ~~and shall not~~  
11       ~~operate to impair or restrict any right or power of eminent domain created by~~  
12       ~~statute, and all such rights and powers shall be exercisable as if the conservation~~  
13       ~~easement did not exist].~~

14       ➔Section 170. KRS 453.260 is amended to read as follows:

- 15       (1) In addition to any costs ~~[which are]~~ awarded as prescribed by statute, a court shall  
16       award costs to any party which prevails by a final adjudication on the merits in any  
17       of the following:
- 18       (a) A civil action brought by the Commonwealth against the party; and  
19       (b) A civil action brought by the party against the Commonwealth to challenge  
20       the assessment or collection of taxes.
- 21       (2) The court in its discretion may deny the award provided for in this section, or may  
22       reduce the award, if it finds that:
- 23       (a) During the course of the proceeding the prevailing party unduly and  
24       unreasonably protracted the final resolution of the matter;
- 25       (b) The reason that the party other than the Commonwealth has prevailed is an  
26       intervening change in the applicable statutes, regulations, or case law;
- 27       (c) The prevailing party refused an offer of civil settlement which was at least as

1 favorable to the party as the relief ultimately granted; or

2 (d) The position of the Commonwealth was substantially justified or a special  
3 circumstance would make an award unjust; provided, however, that the  
4 burden of proof of substantial justification or special circumstance shall rest  
5 with the Commonwealth.

6 (3) A party may apply pursuant to the applicable Rules of Civil Procedure for an award  
7 of attorney fees and other expenses authorized under this section and shall include  
8 as part of the application evidence of the party's eligibility for the award and the  
9 amount sought, including an itemized and attested statement from the attorneys and  
10 experts stating the actual time expended in representing the party and the rate at  
11 which the fees were computed. The party shall also allege in ~~the~~<sup>such</sup> application  
12 that the Commonwealth acted without substantial justification.

13 (4) The court shall base any award of fees as provided in this section on prevailing  
14 market rates for the kind and quality of services furnished, except that:

15 (a) An expert is not eligible for compensation at a rate in excess of the prevailing  
16 rate of compensation for similar experts paid by the Commonwealth;

17 (b) The award of attorney fees ~~shall~~<sup>may</sup> not exceed the amount which the  
18 prevailing party has paid or has agreed to pay the attorney or a maximum  
19 amount of forty dollars (\$40) per hour unless the court determines that an  
20 increase in the cost of living or a special factor, such as the limited availability  
21 of qualified attorneys for the proceeding involved, justifies a higher fee;

22 (c) ~~An~~<sup>No</sup> award shall **not** be greater than ten thousand dollars (\$10,000) to each  
23 party, except that ~~an~~<sup>no</sup> award shall **not** be made to any party who  
24 voluntarily intervenes in any such action.

25 (5) This section does not:

26 (a) Apply to an action arising from a proceeding before the Commonwealth in  
27 which the role of the Commonwealth was to determine the eligibility or

1 entitlement of an individual to a monetary benefit or its equivalent, or to  
2 adjudicate a dispute or issue between private parties or to establish or fix a  
3 rate. As used in this subsection, monetary benefit or its equivalent shall not  
4 include a license, permit, charter, or similar instrument that the  
5 Commonwealth may require to engage in a business, profession, or similar  
6 activity;

7 (b) Apply to proceedings brought by the Commonwealth pursuant to KRS  
8 Chapters 218A, 431 to 439, and 500 to 534;

9 (c) Apply to proceedings involving ~~eminent domain,~~ foreclosure, collection of  
10 judgment debts, or proceedings in which the Commonwealth is a nominal  
11 party;

12 (d) Personally obligate any officer or employee of the Commonwealth for the  
13 payment of an award entered under this section; and

14 (e) Apply to proceedings brought pursuant to KRS Chapters 209, 342, and 625.

15 ➔Section 171. KRS 99.650 is amended to read as follows:

16 (1) Each agency created under the terms of KRS 99.610 to 99.680 shall constitute a  
17 public body corporate and politic, exercising public and essential governmental  
18 functions, and shall have all of the powers necessary and convenient to carry out  
19 and effectuate the purposes and provisions of KRS 99.610 to 99.680 including but  
20 without limiting the generality of the foregoing, the following powers in addition to  
21 other powers granted herein and by other statutory authority:

22 (a) To sue and be sued; to have a seal; to make and execute contracts and other  
23 instruments necessary or convenient to the exercise of its powers;

24 (b) To make, and from time to time amend and repeal bylaws, rules, and  
25 regulations not inconsistent with KRS 99.610 to 99.680, to carry into effect  
26 the powers and purposes thereof, subject to approval, amendment, or  
27 modification by the governing board;

- 1 (c) To select and appoint such officers, agents, counsel, and employees,  
2 permanent and temporary, as it may require, and determine their  
3 qualifications, duties, and compensation, subject, however, to the provisions  
4 of its budget;
- 5 (d) Within the jurisdiction of the city in which it is established, and for the  
6 purpose of developing a project area or areas, to purchase, lease, obtain option  
7 upon, acquire by gift, grant, bequest, devise, or otherwise, any real or personal  
8 property or any interest therein, together with any improvements thereon; to  
9 clear any and all buildings, structures, or other improvements from any real  
10 property so acquired; to renovate or rehabilitate any improvements to such  
11 real property so acquired and to dispose of any personal property resulting  
12 therefrom; to develop and construct residential housing for persons and  
13 families of lower income; to sell, lease, exchange, subdivide, transfer, assign,  
14 pledge, encumber by mortgage, deed of trust or otherwise, or otherwise to  
15 dispose of any real or personal property or any interest therein at its fair value  
16 for uses in accordance with the development plan, irrespective of the cost of  
17 acquiring and preparing said property; to insure or provide for the insurance  
18 of any real or personal property or operation of the agency against risks or  
19 hazards; and pursuant to the provisions of KRS 99.610 to 99.680, to rent,  
20 maintain, manage, operate, and repair such real property and any  
21 improvements thereto;
- 22 (e) Within the jurisdiction of the city in which it is established, and for the  
23 purpose of developing a project area or areas: to make or participate in the  
24 making of construction, land development, mortgage, and rehabilitation loans  
25 and to purchase or participate in the purchase of construction, land  
26 development, mortgage, and rehabilitation loans for residential housing  
27 projects, provided, however, that such loans shall be made only upon the

1 determination by the agency that such loans are not otherwise available,  
2 wholly or in part, from private lender upon reasonably equivalent terms and  
3 conditions; to insure or reinsure construction, land development, mortgage,  
4 and rehabilitation loans on residential housing projects provided, however,  
5 that any such insurance or reinsurance shall be made only upon the  
6 determination by the agency that such insurance or reinsurance is not  
7 otherwise available wholly or in part from private insurers upon reasonably  
8 equivalent terms and conditions; to make grants from appropriated funds, and  
9 any other funds from any source available to the agency, to builders,  
10 developers, and owners of residential housing for the development,  
11 construction, rehabilitation, or maintenance of residential housing and such  
12 facilities related thereto as the agency shall deem important for a proper living  
13 environment, all on such terms and conditions as may be deemed appropriate  
14 by the agency; to sell, at public or private sale, all or any part of any mortgage  
15 or other instrument or document securing a construction land development, or  
16 rehabilitation loan for residential housing projects of any type, appropriate to  
17 the purpose of the agency; to consent, whenever it deems it necessary or  
18 desirable in the fulfillment of its corporate purposes, to the modification of the  
19 rate of interest, time of payment of any installment of principal or interest, or  
20 any other terms, of any mortgage loan, mortgage loan commitment,  
21 construction or land development loan, rehabilitation loan, contract, or  
22 agreement of any kind relating to residential housing projects to which the  
23 agency is a party;

- 24 (f) Within a project area, to cause streets and highways to be laid out and graded,  
25 and pavements or other road surfacing, sidewalks, curbs, gutters, storm  
26 sewers, and public utilities of every kind to be improved, constructed, and  
27 installed and to close any streets according to the development plan;

- 1 (g) To invest any funds held in reserves or sinking funds or any funds not  
2 required for immediate disbursement, in property or securities in which banks  
3 or insurance companies may legally invest funds subject to their control; to  
4 purchase its bonds at a price not more than the principal amount thereof and  
5 accrued interest, all bonds so purchased to be canceled;
- 6 (h) To obligate lessees or purchasers of land acquired in a project: (1) to use such  
7 land for the purpose designated in the development plan; (2) to begin the  
8 building of specified improvements or renovation of existing improvement  
9 within a period of time which the agency fixes as reasonable; and (3) to  
10 comply with such other conditions as in the opinion of the agency are  
11 necessary to carry out the purposes of KRS 99.610 to 99.680; the agency, by  
12 provision in the contract, deed, or lease may make any of the purchaser's  
13 obligations, covenants or conditions running with the land, whose breach shall  
14 cause the fee to revert to the agency;
- 15 (i) To contract as, and to accept the obligations of, an owner of benefited  
16 property under the terms of KRS 107.010 to 107.220, inclusive;
- 17 (j) To exercise all powers granted to governmental agencies under proposed  
18 legislation which deals with the use of "tax increment" revenues and financing  
19 of public purpose projects through the use thereof;
- 20 (k) To exercise all powers granted to governmental agencies by KRS 58.010 to  
21 58.130~~[58.140]~~, inclusive;
- 22 (l) To make periodic grants to reduce principal and interest payments on  
23 mortgages or rentals payable by persons and families of low income;
- 24 (m) To rehabilitate, acquire, establish, and operate, lease, and sublease, residential  
25 housing for persons and families of lower income and to enter into agreements  
26 or other transactions with any federal, state, or local government agency for  
27 the purpose of providing adequate living quarters for such persons and

1 families and to contract to assume the rights, powers, duties, and obligations  
2 of any local housing authority or similar agency of the federal, state, city, or  
3 urban-county governments;

4 (n) To borrow from and to accept loans and grants from the federal, state, city, or  
5 urban-county governments or any agency thereof, or from any sources, public  
6 or private, for the purposes of KRS 99.610 to 99.680, and to pledge such  
7 security as may be required, an agency, notwithstanding the provisions of any  
8 other law, may include in any contract for financial assistance with the  
9 federal, state, city, or urban-county government any conditions which the  
10 federal, state, city, or urban-county government may attach to its financial aid  
11 not inconsistent with the purposes of KRS 99.610 to 99.680; and

12 (o) To exercise all or any part or combination of the powers herein granted.

13 (2) Nothing contained in this section shall authorize such agency to construct any of the  
14 buildings for residential, commercial, industrial, or other use contemplated by the  
15 development plan, except as to the development and construction of residential  
16 housing for persons and families of lower income and except insofar as any  
17 industrial building may be authorized to be constructed by a lessee, on behalf of the  
18 agency, under the provisions of KRS 103.200 to 103.285, inclusive.

19 ➔Section 172. The following KRS sections are repealed:

20 39A.110 Compensation for property taken for temporary use -- Notice to owner of  
21 property where title taken.

22 39A.120 Procedure when owner refuses to accept compensation fixed by Governor.

23 39A.130 Appeal from award of Board of Claims.

24 39A.140 Procedure for payment of compensation.

25 58.140 Condemnation.

26 65.460 Local legislative bodies denied power of eminent domain.

27 67.085 Condemnation for county purposes.

- 1 74.090 Condemnation.
- 2 80.150 Condemnation authorized -- Procedure.
- 3 80.540 Power of condemnation -- Procedure.
- 4 82.180 Power of eminent domain.
- 5 96.080 Water company may condemn land and material.
- 6 96.178 Eminent domain.
- 7 96.547 Condemnation and eminent domain.
- 8 96.580 Proceedings to agree upon sale price of existing plant required before  
9 condemnation or construction of competing plant.
- 10 96.590 Power of condemnation.
- 11 96.600 Procedure for condemnation -- Report of commissions -- Jury award --  
12 Procedure when condemnor not a utility.
- 13 97.257 Power of condemnation for park purposes.
- 14 97.540 Condemnation of property by city for parks or cemeteries.
- 15 99.220 Certificate of approval of condemnation.
- 16 99.230 Method of condemnation -- Conveyance of property to corporation.
- 17 99.240 Kinds of evidence admissible on question of value of condemned property --  
18 Expedition of proceedings -- Condemnation of property devoted to public use.
- 19 99.700 Legislative findings and policy.
- 20 99.705 Definitions for KRS 99.700 to 99.730.
- 21 99.710 Ordinance adopting provisions of state statutes on blighted or deteriorated areas  
22 -- Vacant property review commission.
- 23 99.715 Acquisition and disposal of blighted property by local government.
- 24 99.720 Certification of blight deterioration -- Notice to owner demanding abatement.
- 25 99.725 Eminent domain proceedings by local government.
- 26 99.730 Acquisition by certain employees prohibited -- Disclosure of previous interest  
27 required -- Payment under eminent domain proceedings.

- 1 103.2451 Eminent domain power not conferred.
- 2 106.220 Power of eminent domain.
- 3 106.230 Procedure for condemnation.
- 4 107.390 Condemnation powers of board.
- 5 109.160 Condemnation of property.
- 6 148.121 Condemnation of land designated by United States for parks -- Procedure.
- 7 154.27-100 Construction of carbon dioxide transmission pipeline -- Proceedings for
- 8 condemnation under Eminent Domain Act -- Legislative determination of essential
- 9 public use.
- 10 154.50-323 Limitations on condemnation powers.
- 11 162.030 Condemnation of property for school purposes.
- 12 177.082 County attorney to represent Department of Highways in condemnation
- 13 proceedings -- Petition.
- 14 178.110 Condemnation of right-of-way -- Temporary roads.
- 15 178.120 Condemnation of land by fiscal court.
- 16 178.125 Condemnation of additional land adjacent to existing road -- Procedure.
- 17 180.030 Condemnation proceedings.
- 18 180.270 Condemnation of competing ferries.
- 19 181.620 Condemnation of property.
- 20 196.140 Condemnation by department.
- 21 201.070 Condemnation of property.
- 22 212.590 Power of condemnation.
- 23 220.310 Condemnation.
- 24 224.73-100 Sewage treatment company may condemn rights-of-way -- Approval
- 25 required -- Objections.
- 26 267.280 Condemnation of land not affected by drainage.
- 27 268.515 Power of condemnation.

- 1 277.050 Corporation constructing or operating union station may condemn land.
- 2 278.502 Condemnation for pipelines and related facilities, including rights of ingress  
3 and egress.
- 4 280.210 Condemnation of land for ferry purposes.
- 5 280.230 Grant of unclaimed or abandoned ferry privilege to another.
- 6 381.635 Right of condemnation of underground passageway to mine.
- 7 381.636 Findings required by commissioners in condemnation of underground  
8 passageway -- Basis of compensation -- Immediate possession.
- 9 381.660 Condemnation for underground water pipes.
- 10 416.010 Institution of condemnation action by railroad.
- 11 416.100 Condemnation by county judge/executive for road purposes.
- 12 416.110 Condemnation by fiscal court for road purposes.
- 13 416.130 Dam and electric companies may make surveys and condemn property.
- 14 416.150 Condemnation by telephone companies.
- 15 416.210 Right of burial association or corporation to condemn land for cemetery --  
16 Governmental approval needed -- Procedure.
- 17 416.220 Owner of real estate providing public sleeping accommodations and meals --  
18 Condemnation for water supply -- Furnishing of water to owner of property  
19 condemned.
- 20 416.230 Condemnation for oil or gas pipelines and related facilities -- Petition.
- 21 416.330 Limitation on right of ingress and egress for pipeline.
- 22 416.340 Water associations may condemn property.
- 23 416.350 Right of condemnation by owner to gain ingress or egress to public road.
- 24 416.360 Acquisition of real property necessary to locate or relocate public utility  
25 facilities by public agency with power of eminent domain for public improvement  
26 projects.
- 27 416.540 Definitions for KRS 416.540 to 416.670.

- 1 416.550 Right to condemn.
- 2 416.570 Filing of petition.
- 3 416.580 Commissioners -- Appointment -- Report -- Compensation -- Vacancy --  
4 Majority required -- Eminent domain proceedings.
- 5 416.590 Issuing summons.
- 6 416.600 Filing answer.
- 7 416.610 Trial by court on pleadings -- Interlocutory judgment.
- 8 416.620 Trial of exceptions to interlocutory judgment -- Questions as to compensation  
9 to be tried by jury -- Appeals.
- 10 416.630 Money paid into court.
- 11 416.640 Conflicting claimants to condemned land.
- 12 416.650 Proceedings governed by Rules of Civil Procedure.
- 13 416.660 Standards for determining compensation -- Changes in value -- Taking date.
- 14 416.670 Limitations on condemnation powers -- Rights of current landowner.
- 15 416.675 Public use required -- No condemnation for indirect benefit -- Exemption.
- 16 416.680 Short title.