

1 AN ACT relating to legal advertisements.

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

3 ➔Section 1. KRS 424.110 is amended to read as follows:

4 As used in KRS 424.110 to 424.370:

5 (1) **"Advertisement" means any matter required by law to be published;**

6 **(2)** "Publication area" means the city, county, district, or other local area for which an  
7 advertisement is required by law to be made. An advertisement shall be deemed to  
8 be for a particular city, county, district, or other local area if it concerns an official  
9 activity of the city, county, district, or other area or of any governing body, board,  
10 commission, officer, agency, or court thereof, or if the subject of the advertisement  
11 concerns particularly the people of the city, county, district, or other area;

12 **(3)~~(2)~~** **"Published statement of ownership" means the current United States Postal**  
13 **Service Form PS 3526, or successor form, filed by a print newspaper with the**  
14 **United States Postal Service on or before October 1 of each year**~~["Advertisement"~~  
15 ~~means any matter required by law to be published]; and~~

16 **(4)~~(3)~~** "Zoned edition" means a newspaper edition published at least once a week,  
17 distributed in a specific geographic region of the newspaper's circulation area, and  
18 containing reporting and advertising of interest to subscribers in that geographic  
19 region.

20 ➔Section 2. KRS 424.120 is amended to read as follows:

21 (1) Except as provided in subsections (2) and (4) of this section, if an advertisement for  
22 a publication area is required by law to be published in a newspaper, the publication  
23 shall be made in a newspaper that meets the following requirements:

24 (a) It shall be published in the publication area. A newspaper shall be deemed to  
25 be published in the area if it maintains ~~an~~<sup>its principal</sup> office in the area for  
26 the purpose of gathering news and soliciting advertisements and other general  
27 business of newspaper publications, and has a periodicals class mailing permit

1 issued for that office. A newspaper published outside of Kentucky shall not be  
2 eligible to carry advertisements for any county or publication area within the  
3 county, other than for the city in which its main office is located, if there is a  
4 newspaper published in the county that has a substantial general circulation  
5 throughout the county and that otherwise meets the requirements of this  
6 section;

7 (b) It shall be of regular issue and have a bona fide circulation in the publication  
8 area. A newspaper shall be deemed to be of regular issue if it is published at  
9 least once a week, for at least fifty (50) weeks during the calendar year as  
10 prescribed by its mailing permit, and has been so published in the area for the  
11 immediately preceding two (2) year period. A newspaper meeting all the  
12 criteria to be of regular issue, except publication in the area for the  
13 immediately preceding two (2) year period, shall be deemed to be of regular  
14 issue if it is the only qualified paper in the county. A newspaper shall be  
15 deemed to be of bona fide circulation in the publication area if it is circulated  
16 generally in the area, and maintains a definite price or consideration not less  
17 than fifty percent (50%) of its published price, and is paid for by not less than  
18 fifty percent (50%) of those to whom distribution is made;

19 (c) It shall bear a title or name, consist of not less than four (4) pages without a  
20 cover, and be of a type to which the general public resorts for passing events  
21 of a political, religious, commercial, and social nature, and for current  
22 happenings, announcements, miscellaneous reading matter, advertisements,  
23 and other notices. The news content shall be at least twenty-five percent  
24 (25%) of the total column space in more than one-half (1/2) of its issues  
25 during any twelve (12) month period;

26 (d) If, in a publication area there is more than one (1) newspaper which meets the  
27 above requirements, the newspaper *that produces and distributes a printed*

1 edition that is circulated within the publication area and is available for  
 2 paid public subscription or purchase shall be ~~having the largest bona fide~~  
 3 ~~paid circulation as shown by the average number of paid copies of each issue~~  
 4 ~~as shown in its published statement of ownership as filed on October 1 for the~~  
 5 ~~publication area shall be~~ the newspaper where advertisements required by  
 6 law to be published shall be carried. If two (2) or more printed newspapers  
 7 serve the same publication area, the required advertisements shall be  
 8 published in the newspaper that has the highest total number of paid  
 9 subscribers, determined by adding:

- 10 1. The number of print product subscribers and single copy sales within  
 11 the publication area multiplied by two (2), as reported in the  
 12 newspaper's published statement of ownership; and  
 13 2. The total number of paid digital product subscribers who receive  
 14 content in the publication area, as reported in the newspaper's  
 15 published statement of ownership; and

16 (e) For the purposes of KRS Chapter 424, publishing shall be considered as the  
 17 total recurring processes of producing the newspaper, embracing all of the  
 18 included contents of reading matter, illustrations, and advertising enumerated  
 19 in paragraphs (a) to (d) of this subsection. A newspaper shall not be excluded  
 20 from qualifying for the purposes of legal publications as provided in this  
 21 chapter if its printing or reproduction processes take place outside the  
 22 publication area.

- 23 (2) (a) If, in the case of a publication area smaller than the county in which it is  
 24 located, there is no newspaper published in the area, the publication shall be  
 25 made in a newspaper published in the county that is qualified under this  
 26 section to publish advertisements for the county. If the qualified newspaper  
 27 publishes a zoned edition which is distributed to regular subscribers within the

1 publication area, any advertisement required by law to be published in the  
 2 publication area may be published in the zoned edition distributed in that area.

3 (b) 1. If, in any county there is no newspaper meeting the requirements of this  
 4 section for publishing advertisements for that county, any  
 5 advertisements required to be published for the county or for any  
 6 publication area within the county shall be published in a newspaper  
 7 qualified under subsection (1) of this section~~[of the largest bona fide~~  
 8 ~~circulation]~~ in that county published in and qualified to publish  
 9 advertisements for an adjoining similarly-sized county in Kentucky.

10 2. If there is no newspaper qualified to publish advertisements in an  
 11 adjoining similarly-sized county, the county and any government or  
 12 government agency required to make a publication may use the  
 13 alternative publication procedures provided in KRS 424.145 and  
 14 satisfy the requirements of KRS 424.145(4) by publishing the notice  
 15 advertisement in the newspaper with the greatest bona fide circulation  
 16 in the county, regardless of the location of the newspaper.

17 3. As used in this paragraph, "adjoining similarly-sized county" means a  
 18 county adjoining the county of publication that contains a population  
 19 of no greater than one hundred fifty percent (150%) and no less than  
 20 fifty percent (50%) of the population of the county of publication.

21 4. This subsection is intended to supersede any statute that provides or  
 22 contemplates that newspaper publication may be dispensed with if there  
 23 is no newspaper printed or published or of general circulation in the  
 24 particular publication area.

25 (c) Any newspaper responsible for publishing required advertising under this  
 26 subsection shall:

27 1. Publish the advertisement in accordance with Section 4 of this Act in

- 1                   the first print edition of the newspaper occurring after the receipt of  
2                   information from the government or government agency required to  
3                   publish the advertisement or within seven (7) days of receipt of the  
4                   advertisement, whichever occurs first;
- 5                   2. Publish and display, at no additional cost to the government or  
6                   government agency, the advertisement as submitted by the government  
7                   or government agency on a website operated by or for the newspaper  
8                   within twenty-four (24) hours of its receipt, excluding Saturday,  
9                   Sunday, and any federally recognized holiday. The newspaper shall  
10                  provide written or email confirmation to the submitting government or  
11                  government agency of the date and time of posting;
- 12                  3. Submit, within twenty-four (24) hours, excluding Saturday, Sunday,  
13                  and any federally recognized holiday, of receipt of information from  
14                  the government or government agency required to publish the  
15                  advertisement, the advertisement to a publicly accessible website  
16                  hosted and maintained by the Kentucky Press Association, or, in the  
17                  event of its dissolution or corporate reorganization, its successor or  
18                  competitor organization having the largest membership of newspapers  
19                  published in Kentucky and whose principal business office is located  
20                  in Kentucky, to be published on the website at no additional cost to the  
21                  government or government agency. The website shall provide a  
22                  repository of all such public notices from newspapers and shall be  
23                  easily searchable by criteria, including but not limited to topic and  
24                  location; and
- 25                  4. As a condition precedent to remaining qualified under this section to  
26                  publish advertisements, promote the statewide website referenced  
27                  under subparagraph 3. of this paragraph at least four (4) times

1 annually.

2 (d) Except as provided in KRS 424.145 or subsection (4) of this section, for  
 3 purposes of satisfying the time requirement for publication provided under  
 4 this chapter or any other provision of law, the effective publication date for  
 5 a public notice or public advertisement shall be the date it is first published  
 6 to the newspaper's website under paragraph (c)2. of this subsection or  
 7 posted on the publicly accessible website pursuant to paragraph (c)3. of this  
 8 subsection, whichever occurs first.

9 (3) If a publication area consists of a district, other than a city, which extends into more  
 10 than one (1) county, the part of the district in each county shall be considered to be  
 11 a separate publication area for the purposes of this section, and an advertisement for  
 12 each separate publication area shall be published in a newspaper qualified under  
 13 this section to publish advertisements for the area.

14 (4) If an advertisement for a publication area is required by law to be published in a  
 15 newspaper, the publication may, alternatively, be made in a paid subscription  
 16 model digital newspaper that:

- 17 (a) Maintains an active news gathering office in the publication area;
- 18 (b) Has been actively publishing for at least one (1) year, and is updated on at  
 19 least a weekly basis;
- 20 (c) Has as its primary purpose reporting on matters of import to the public, and  
 21 contains regular reporting regarding local and community issues in the  
 22 publication area;
- 23 (d) Is easily accessible to the public through common Internet search engines or  
 24 other Internet search means;
- 25 (e) Contains conspicuous links or headings on its landing page that direct  
 26 members of the public to public notices;~~and~~
- 27 (f) Qualifies to upload or submit its public notices to the public notice website

1 hosted and maintained by the Kentucky Press Association, or, in the event  
 2 of its dissolution or corporate reorganization, its successor or competitor  
 3 organization having the largest membership of newspapers published in  
 4 Kentucky and whose principal business office is located in Kentucky; and

5 (g) Distributes, or has ownership interest in another entity that distributes,  
 6 newspapers printed in Kentucky, and is capable of circulating printed  
 7 newspapers throughout the publication area.

8 For purposes of satisfying publication requirements of this chapter, an  
 9 advertisement is deemed to be published on the date that it is posted on the website  
 10 of the digital newspaper, unless the advertisement is occurring under KRS  
 11 424.145. Any other statute requiring newspaper publication that contains  
 12 requirements related to the physical dimensions, typesetting, font, or other aspects  
 13 particular to a printed newspaper are not applicable where the advertisement is  
 14 made in a digital newspaper that qualifies under this subsection.

15 ➔Section 3. KRS 424.147 is amended to read as follows:

- 16 (1) If a newspaper qualified under KRS 424.120 either makes an error or fails in time  
 17 or substance to make a publication in accordance with KRS 424.130 or 424.140  
 18 after receiving the information to be published, a city or county affected thereby  
 19 may, after it has notice of the error or failure and to avoid undue delay of  
 20 governmental process and procedure, remedy the error or failure by causing the  
 21 publication to occur on a notice website~~[Web site]~~ as defined in KRS 424.145.
- 22 (2) Notwithstanding the time requirements imposed by KRS 424.130, a city or county  
 23 publishing to remedy an error or failure of a newspaper under subsection (1) of this  
 24 section shall immediately cause the publication of the matter on a notice  
 25 website~~[Web site]~~, and this remedial website~~[Web site]~~ publication shall be deemed  
 26 in full compliance with the requirements of this chapter or any other statute  
 27 prescribing the timing or manner of publication.

1       ➔Section 4. KRS 424.160 is amended to read as follows:

2       (1) For all newspaper advertising required by law, the publisher is entitled to receive  
3       payment for each insertion at a rate per column inch. The advertisement shall be set  
4       in no larger than seven (7) point type on solid leading. The rate shall not exceed the  
5       lowest noncontract classified rate paid by advertisers **or the lowest advertising rate**  
6       **as provided in KRS 424.215, whichever is less**. The terms and conditions of any  
7       volume discounts given to commercial customers shall be extended to public  
8       agencies of the Commonwealth of Kentucky. **Any contractual terms offered to**  
9       **other advertisers shall also be offered to the public agencies of the**  
10       **Commonwealth**. Newspapers shall give all local public agencies a written notice of  
11       at least thirty (30) days of an advertising rate increase.

12       (2) If by law or by the nature of the matter to be published, a display form of  
13       advertisement is required, or if the person or officer responsible for causing an  
14       advertisement to be published determines in his discretion that a display form is  
15       practicable or feasible, and so directs the newspaper, the advertisement shall be  
16       published in display form ~~and the newspaper shall be entitled to receive its~~  
17       ~~established display rate~~. **The rate charged by the newspaper shall be the lowest**  
18       **advertising rate as provided in KRS 424.215 and shall be subject to any volume**  
19       **discounts given to commercial customers**.

20       (3) If it is provided by statute that an advertisement shall be published of the filing of a  
21       petition or application seeking official action, the filing, if required by other than a  
22       governmental official or agency, shall not be deemed complete unless there is  
23       deposited with the petition or application an amount sufficient to pay the cost of  
24       publication.

25       (4) The expense of advertisements in judicial proceedings shall be taxed as costs by the  
26       clerk of the court.

27       ➔Section 5. KRS 132.027 is amended to read as follows:

- 1 (1) No city or urban-county government shall levy a tax rate which exceeds the  
 2 compensating tax rate defined in KRS 132.010 until the city or urban-county  
 3 government has complied with the provisions of subsection (2) of this section.
- 4 (2) (a) Cities or urban-county governments proposing to levy a tax rate which  
 5 exceeds the compensating tax rate defined in KRS 132.010 shall hold a public  
 6 hearing to hear comments from the public regarding the proposed tax rate.  
 7 The hearing shall be held in the principal office of the taxing district, or, in the  
 8 event the taxing district has no office, or the office is not suitable for a  
 9 hearing, the hearing shall be held in a suitable facility as near as possible to  
 10 the geographic center of the district.
- 11 (b) The city or urban-county government shall advertise the hearing by causing to  
 12 be published at least twice in two (2) consecutive weeks, in a~~the~~ newspaper  
 13 qualified under Section 2 of this Act~~[of largest circulation in the county]~~,  
 14 an~~[a display type]~~ advertisement of ~~[not less than twelve (12) column inches,~~  
 15 ~~]the following:~~
- 16 1. The tax rate levied in the preceding year, and the revenue produced by  
 17 that rate;
  - 18 2. The tax rate proposed for the current year and the revenue expected to  
 19 be produced by that rate;
  - 20 3. The compensating tax rate and the revenue expected from it;
  - 21 4. The revenue expected from new property and personal property;
  - 22 5. The general areas to which revenue in excess of the revenue produced in  
 23 the preceding year is to be allocated;
  - 24 6. A time and place for the public hearing which shall be held not less than  
 25 seven (7) days nor more than twenty-one (21)~~[ten (10)]~~ days after the  
 26 day the second advertisement is published;
  - 27 7. The purpose of the hearing; and

- 1           8. A statement to the effect that the General Assembly has required  
2           publication of the advertisement and the information contained therein.
- 3           (c) In lieu of the two (2) published notices, a single notice containing the required  
4           information may be sent by first-class mail to each person owning real  
5           property in the taxing district, addressed to the property owner at his residence  
6           or principal place of business as shown on the current year property tax roll.
- 7           (d) The hearing shall be open to the public. All persons desiring to be heard shall  
8           be given an opportunity to present oral testimony. The taxing district may set  
9           reasonable time limits for testimony.
- 10       (3) (a) That portion of a tax rate levied by an action of a city or urban-county  
11       government which will produce revenue from real property, exclusive of  
12       revenue from new property, more than four percent (4%) over the amount of  
13       revenue produced by the compensating tax rate defined in KRS 132.010 shall  
14       be subject to a recall vote or reconsideration by the taxing district, as provided  
15       for in KRS 132.017, and shall be advertised as provided for in paragraph (b)  
16       of this subsection.
- 17       (b) The city or urban-county government shall, within seven (7) days following  
18       adoption of an ordinance to levy a tax rate which will produce revenue from  
19       real property, exclusive of revenue from new property as defined in KRS  
20       132.010, more than four percent (4%) over the amount of revenue produced  
21       by the compensating tax rate defined in KRS 132.010, cause to be published,  
22       in ~~a~~the newspaper ***qualified under Section 2 of this Act***~~of largest~~  
23       ~~circulation in the county~~, ~~an~~a~~display type~~ advertisement of ~~not less than~~  
24       ~~twelve (12) column inches~~ the following:
- 25           1. The fact that the city or urban-county government has adopted a rate;
- 26           2. The fact that the part of the rate which will produce revenue from real  
27       property, exclusive of new property as defined in KRS 132.010, in

1 excess of four percent (4%) over the amount of revenue produced by the  
2 compensating tax rate defined in KRS 132.010 is subject to recall, and  
3 3. The name, address, and telephone number of the county clerk of the  
4 county or urban-county in which the taxing district is located, with a  
5 notation to the effect that that official can provide the necessary  
6 information about the petition required to initiate recall of the tax rate.

7 ➔Section 6. KRS 68.245 is amended to read as follows:

- 8 (1) The property valuation administrator shall submit an official estimate of real and  
9 personal property and new property assessment as defined in KRS 132.010, to the  
10 county judge/executive by April 1 of each year.
- 11 (2) No county fiscal court shall levy a tax rate, excluding any special tax rate which  
12 may be levied at the request of a county community improvement district pursuant  
13 to KRS 107.350 and 107.360, following a favorable vote upon such tax by the  
14 voters of that county, which exceeds the compensating tax rate defined in KRS  
15 132.010, until the taxing district has complied with the provisions of subsection (5)  
16 of this section.
- 17 (3) The state local finance officer shall certify to each county judge/executive, by June  
18 30 of each year, the following:
- 19 (a) The compensating tax rate, as defined in KRS 132.010, and the amount of  
20 revenue expected to be produced by it;
- 21 (b) The tax rate which will produce no more revenue from real property,  
22 exclusive of revenue from new property, than four percent (4%) over the  
23 amount of revenue produced by the compensating tax rate defined in KRS  
24 132.010 and the amount of revenue expected to be produced by it.
- 25 (4) Real and personal property assessment and new property determined in accordance  
26 with KRS 132.010 shall be certified to the state local finance officer by the  
27 Department of Revenue upon completion of action on property assessment data.

- 1 (5) (a) A county fiscal court, proposing to levy a tax rate, excluding any special tax  
2 rate which may be levied at the request of a county community improvement  
3 district pursuant to KRS 107.350 and 107.360, following a favorable vote  
4 upon the tax by the voters of that county, which exceeds the compensating tax  
5 rate defined in KRS 132.010, shall hold a public hearing to hear comments  
6 from the public regarding the proposed tax rate. The hearing shall be held in  
7 the principal office of the taxing district, or, in the event the taxing district has  
8 no office, or the office is not suitable for a hearing, the hearing shall be held in  
9 a suitable facility as near as possible to the geographic center of the district.
- 10 (b) County fiscal courts of counties containing a city of the first class proposing  
11 to levy a tax rate, excluding any special tax rate which may be levied at the  
12 request of a county community improvement district pursuant to KRS  
13 107.350 and 107.360, following a favorable vote upon the tax by the voters of  
14 that county, which exceeds the compensating tax rate defined in KRS  
15 132.010, shall hold three (3) public hearings to hear comments from the  
16 public regarding the proposed tax rate. The hearings shall be held in three (3)  
17 separate locations; each location shall be determined by dividing the county  
18 into three (3) approximately equal geographic areas, and identifying a suitable  
19 facility as near as possible to the geographic center of each area.
- 20 (c) The county fiscal court shall advertise the hearing by causing to be published  
21 at least twice in two (2) consecutive weeks, in ~~a~~the newspaper **qualified**  
22 **under Section 2 of this Act**~~[of largest circulation in the county]~~, ~~an~~a display  
23 ~~type~~ advertisement of ~~[not less than twelve (12) column inches, ]~~the  
24 following:
- 25 1. The tax rate levied in the preceding year, and the revenue produced by  
26 that rate;
  - 27 2. The tax rate proposed for the current year and the revenue expected to

- 1                   be produced by that rate;
- 2           3.    The compensating tax rate and the revenue expected from it;
- 3           4.    The revenue expected from new property and personal property;
- 4           5.    The general areas to which revenue in excess of the revenue produced in
- 5                   the preceding year is to be allocated;
- 6           6.    A time and place for the public hearings which shall be held not less
- 7                   than seven (7) days nor more than twenty-one (21)~~ten (10)~~ days, after
- 8                   the day that the second advertisement is published;
- 9           7.    The purpose of the hearing; and
- 10          8.    A statement to the effect that the General Assembly has required
- 11                   publication of the advertisement and the information contained therein.
- 12          (d)   In lieu of the two (2) published notices, a single notice containing the required
- 13                   information may be sent by first-class mail to each person owning real
- 14                   property, addressed to the property owner at his residence or principal place
- 15                   of business as shown on the current year property tax roll.
- 16          (e)   The hearing shall be open to the public. All persons desiring to be heard shall
- 17                   be given an opportunity to present oral testimony. The county fiscal court may
- 18                   set reasonable time limits for testimony.
- 19          (6)   (a)   That portion of a tax rate, excluding any special tax rate which may be levied
- 20                   at the request of a county community improvement district pursuant to KRS
- 21                   107.350 and 107.360, following a favorable vote upon a tax by the voters of
- 22                   that county, levied by an action of a county fiscal court which will produce
- 23                   revenue from real property, exclusive of revenue from new property, more
- 24                   than four percent (4%) over the amount of revenue produced by the
- 25                   compensating tax rate defined in KRS 132.010 shall be subject to a recall vote
- 26                   or reconsideration by the taxing district, as provided for in KRS 132.017, and
- 27                   shall be advertised as provided for in paragraph (b) of this subsection.

1 (b) The county fiscal court shall, within seven (7) days following adoption of an  
 2 ordinance to levy a tax rate, excluding any special tax rate which may be  
 3 levied at the request of a county community improvement district pursuant to  
 4 KRS 107.350 and 107.360, following a favorable vote upon a tax by the  
 5 voters of that county, which will produce revenue from real property,  
 6 exclusive of revenue from new property as defined in KRS 132.010, more  
 7 than four percent (4%) over the amount of revenue produced by the  
 8 compensating tax rate defined in KRS 132.010, cause to be published, in  
 9 ~~a~~<sup>the</sup> newspaper **qualified under Section 2 of this Act**~~of largest circulation~~  
 10 ~~in the county~~, ~~an~~<sup>a</sup>~~[a display type]~~ advertisement of ~~[not less than twelve (12)~~  
 11 ~~column inches]~~the following:

- 12 1. The fact that the county fiscal court has adopted a rate;
- 13 2. The fact that the part of the rate which will produce revenue from real  
 14 property, exclusive of new property as defined in KRS 132.010, in  
 15 excess of four percent (4%) over the amount of revenue produced by the  
 16 compensating tax rate defined in KRS 132.010 is subject to recall; and
- 17 3. The name, address, and telephone number of the county clerk, with a  
 18 notation to the effect that that official can provide the necessary  
 19 information about the petition required to initiate recall of the tax rate.

20 ➔Section 7. KRS 132.023 is amended to read as follows:

- 21 (1) No special purpose governmental entity shall levy a tax rate which exceeds the  
 22 compensating tax rate until the taxing district has complied with the provisions of  
 23 KRS 65A.110 and subsection (2) of this section.
- 24 (2) (a) A special purpose governmental entity proposing to levy a tax rate which  
 25 exceeds the compensating tax rate shall submit the proposed rate as required  
 26 by KRS 65A.110 and shall hold a public hearing to hear comments from the  
 27 public regarding the proposed tax rate. The hearing shall be held in the same

1 location where the governing body of the city or county where the largest  
 2 number of citizens served by the special purpose governmental entity reside  
 3 meets, and shall be held immediately before a regularly scheduled meeting of  
 4 that governing body.

5 (b) The special purpose governmental entity shall advertise the hearing by  
 6 causing to be published at least twice in two (2) consecutive weeks, in a~~the~~  
 7 newspaper **qualified under Section 2 of this Act**~~of largest circulation in the~~  
 8 ~~county~~, **an**~~a display type~~ advertisement of ~~not less than twelve (12) column~~  
 9 ~~inches,~~ the following:

- 10 1. The tax rate levied in the preceding year, and the revenue produced by  
 11 that rate;
- 12 2. The tax rate proposed for the current year and the revenue expected to  
 13 be produced by that rate;
- 14 3. The compensating tax rate and the revenue expected from it;
- 15 4. The revenue expected from new property and personal property;
- 16 5. The general areas to which revenue in excess of the revenue produced in  
 17 the preceding year is to be allocated;
- 18 6. A time and place for the public hearing which shall be held not less than  
 19 seven (7) days, nor more than **twenty-one (21)**~~ten (10)~~ days, after the  
 20 day that the second advertisement is published;
- 21 7. The purpose of the hearing; and
- 22 8. A statement to the effect that the General Assembly has required  
 23 publication of the advertisement and the information contained therein.

24 (c) In lieu of the two (2) published notices, a single notice containing the required  
 25 information may be sent by first-class mail to each person owning real  
 26 property in the special purpose governmental entity, addressed to the property  
 27 owner at his residence or principal place of business as shown on the current

1 year property tax roll.

2 (d) The hearing shall be open to the public. All persons desiring to be heard shall  
3 be given an opportunity to present oral testimony. The special purpose  
4 governmental entity may set reasonable time limits for testimony.

5 (3) (a) That portion of a tax rate levied by an action of a special purpose  
6 governmental entity which will produce revenue from real property, exclusive  
7 of revenue from new property, more than four percent (4%) over the amount  
8 of revenue produced by the compensating tax rate shall be subject to a recall  
9 vote or reconsideration by the special purpose governmental entity, as  
10 provided for in KRS 132.017, and shall be advertised as provided in  
11 paragraph (b) of this subsection.

12 (b) The special purpose governmental entity shall, within seven (7) days  
13 following adoption of an ordinance, order, resolution, or motion to levy a tax  
14 rate which will produce revenue from real property, exclusive of revenue from  
15 new property, more than four percent (4%) over the amount of revenue  
16 produced by the compensating tax rate, cause to be published, in ~~a~~the  
17 newspaper ***qualified under Section 2 of this Act***~~[of largest circulation in the~~  
18 ~~county]~~, an~~[a display type]~~ advertisement of ~~[not less than twelve (12) column~~  
19 ~~inches]~~ the following:

- 20 1. The fact that the taxing district has adopted a rate;
- 21 2. The fact that the part of the rate which will produce revenue from real  
22 property, exclusive of new property, in excess of four percent (4%) over  
23 the amount of revenue produced by the compensating tax rate is subject  
24 to recall; and
- 25 3. The name, address, and telephone number of the county clerk of the  
26 county in which the special purpose governmental entity is located, with  
27 a notation to the effect that that official can provide the necessary

1 information about the petition required to initiate recall of the tax rate.

2 ➔Section 8. KRS 160.470 is amended to read as follows:

- 3 (1) (a) Notwithstanding any statutory provisions to the contrary, no district board of  
4 education shall levy a general tax rate which will produce more revenue,  
5 exclusive of revenue from net assessment growth as defined in KRS 132.010,  
6 than would be produced by application of the general tax rate that could have  
7 been levied in the preceding year to the preceding year's assessment, except as  
8 provided in subsections (9) and (10) of this section and KRS 157.440.
- 9 (b) If an election is held as provided for in KRS 132.017 and the question should  
10 fail, such failure shall not reduce the "...general tax rate that could have been  
11 levied in the preceding year..." referred to in subsection (1)(a) of this section,  
12 for purposes of computing the general tax rate for succeeding years.

13 In the event of a merger of school districts, the limitations contained in this section  
14 shall be based upon the combined revenue of the merging districts, as computed  
15 under the provisions of this section.

16 (2) No district board of education shall levy a general tax rate within the limits imposed  
17 in subsection (1) of this section which respectively exceeds the compensating tax  
18 rate defined in KRS 132.010, except as provided in subsections (9) and (10) of this  
19 section, KRS 157.440, and KRS 157.621, until the district board of education has  
20 complied with the provisions of subsection (7) of this section.

21 (3) Upon receipt of property assessments from the Department of Revenue, the  
22 commissioner of education shall certify the following to each district board of  
23 education:

24 (a) The general tax rate that a district board of education could levy under the  
25 provisions of subsection (1) of this section, and the amount of revenue  
26 expected to be produced;

27 (b) The compensating tax rate as defined in KRS 132.010 for a district's general

- 1 tax rate the amount of revenue expected to be produced;
- 2 (c) The general tax rate which will produce, respectively, no more revenue from  
3 real property, exclusive of revenue from new property, than four percent (4%)  
4 over the amount of revenue produced by the compensating tax rate defined in  
5 KRS 132.010, and the amount of revenue expected to be produced.
- 6 (4) Upon completion of action on property assessment data, the Department of  
7 Revenue shall submit certified property assessment data as required in KRS  
8 133.125 to the chief state school officer.
- 9 (5) Within thirty (30) days after the district board of education has received its  
10 assessment data, the rates levied shall be forwarded to the Kentucky Board of  
11 Education for its approval or disapproval. The failure of the district board of  
12 education to furnish the rates within the time prescribed shall not invalidate any  
13 levy made thereafter.
- 14 (6) (a) Each district board of education shall, on or before January 31 of each  
15 calendar year, formally and publicly examine detailed line item estimated  
16 revenues and proposed expenditures for the subsequent fiscal year. On or  
17 before May 30 of each calendar year, each district board of education shall  
18 adopt a tentative working budget which shall include a minimum reserve of  
19 two percent (2%) of the total budget.
- 20 (b) Each district board of education shall submit to the Kentucky Board of  
21 Education no later than September 30, a close estimate or working budget  
22 which shall conform to the administrative regulations prescribed by the  
23 Kentucky Board of Education.
- 24 (7) (a) Except as provided in subsections (9) and (10) of this section and KRS  
25 157.440, a district board of education proposing to levy a general tax rate  
26 within the limits of subsection (1) of this section which exceed the  
27 compensating tax rate defined in KRS 132.010 shall hold a public hearing to

1 hear comments from the public regarding the proposed tax rate. The hearing  
 2 shall be held in the principal office of the taxing district or, in the event the  
 3 taxing district has no office, or the office is not suitable for such a hearing, the  
 4 hearing shall be held in a suitable facility as near as possible to the geographic  
 5 center of the district.

6 (b) The district board of education shall advertise the hearing by causing the  
 7 following to be published at least twice for two (2) consecutive weeks, in  
 8 ~~a~~<sup>the</sup> newspaper ***qualified under Section 2 of this Act*** ~~of largest circulation~~  
 9 ~~in the county~~, ***an*** ~~a display type~~ advertisement of ~~not less than twelve (12)~~  
 10 ~~column inches~~:

- 11 1. The general tax rate levied in the preceding year, and the revenue  
 12 produced by that rate;
- 13 2. The general tax rate for the current year, and the revenue expected to be  
 14 produced by that rate;
- 15 3. The compensating general tax rate, and the revenue expected from it;
- 16 4. The revenue expected from new property and personal property;
- 17 5. The general areas to which revenue in excess of the revenue produced in  
 18 the preceding year is to be allocated;
- 19 6. A time and place for the public hearing which shall be held not less than  
 20 seven (7) days nor more than ***twenty-one (21)***~~ten (10)~~ days after the  
 21 day that the second advertisement is published;
- 22 7. The purpose of the hearing; and
- 23 8. A statement to the effect that the General Assembly has required  
 24 publication of the advertisement and the information contained herein.

25 (c) In lieu of the two (2) published notices, a single notice containing the required  
 26 information may be sent by first-class mail to each person owning real  
 27 property, addressed to the property owner at his residence or principal place

1 of business as shown on the current year property tax roll.

2 (d) The hearing shall be open to the public. All persons desiring to be heard shall  
3 be given an opportunity to present oral testimony. The district board of  
4 education may set reasonable time limits for testimony.

5 (8) (a) That portion of a general tax rate, except as provided in subsections (9) and  
6 (10) of this section, KRS 157.440, and KRS 157.621, levied by an action of a  
7 district board of education which will produce, respectively, revenue from real  
8 property, exclusive of revenue from new property, more than four percent  
9 (4%) over the amount of revenue produced by the compensating tax rate  
10 defined in KRS 132.010, shall be subject to a recall vote or reconsideration by  
11 the district board of education as provided for in KRS 132.017, and shall be  
12 advertised as provided for in paragraph (b) of this subsection.

13 (b) The district board of education shall, within seven (7) days following adoption  
14 of an ordinance, order, resolution, or motion to levy a general tax rate, except  
15 as provided in subsections (9) and (10) of this section and KRS 157.440,  
16 which will produce revenue from real property, exclusive of revenue from  
17 new property as defined in KRS 132.010, more than four percent (4%) over  
18 the amount of revenue produced by the compensating tax rate defined in KRS  
19 132.010, cause the following to be published, in ~~a~~the newspaper **qualified**  
20 **under Section 2 of this Act**~~[of largest circulation in the county]~~, ~~an~~a display  
21 ~~type~~ advertisement of ~~[not less than twelve (12) column inches]~~:

- 22 1. The fact that the district board of education has adopted such a rate;
- 23 2. The fact that the part of the rate which will produce revenue from real  
24 property, exclusive of new property as defined in KRS 132.010, in  
25 excess of four percent (4%) over the amount of revenue produced by the  
26 compensating tax rate defined in KRS 132.010 is subject to recall; and
- 27 3. The name, address, and telephone number of the county clerk of the

1 county or urban-county in which the school district is located, with a  
2 notation to the effect that that official can provide the necessary  
3 information about the petition required to initiate recall of the tax rate.

4 (9) (a) Notwithstanding any statutory provisions to the contrary, effective for school  
5 years beginning after June 30, 1990, the board of education of each school  
6 district shall levy a minimum equivalent tax rate of thirty cents (\$0.30) for  
7 general school purposes. Equivalent tax rate is defined as the rate which  
8 results when the income collected during the prior year from all taxes levied  
9 by the district for school purposes is divided by the total assessed value of  
10 property plus the assessment for motor vehicles certified by the Department of  
11 Revenue. School districts collecting school taxes authorized by KRS 160.593  
12 to 160.597, 160.601 to 160.633, or 160.635 to 160.648 for less than twelve  
13 (12) months during a school year shall have included in income collected  
14 under this section the pro rata tax collection for twelve (12) months.

15 (b) Failure of a board to comply with paragraph (a) of this subsection may  
16 constitute a forfeiture of office by its members pursuant to KRS 415.050 and  
17 415.060.

18 (10) A district board of education may levy a general tax rate that will produce revenue  
19 from real property, exclusive of revenue from new property, that is four percent  
20 (4%) over the amount of the revenue produced by the compensating tax rate as  
21 defined in KRS 132.010.