

**COMMONWEALTH OF KENTUCKY STATE FISCAL NOTE STATEMENT  
LEGISLATIVE RESEARCH COMMISSION  
2017 REGULAR SESSION**

**MEASURE**

2017 BR NUMBER **0385**

**HOUSE** BILL NUMBER **156GA**

RESOLUTION NUMBER \_\_\_\_\_

AMENDMENT NUMBER \_\_\_\_\_

**SUBJECT/TITLE** **An ACT relating to promoting outdoor recreation and tourism development by establishing the Kentucky Mountain Regional Recreation Authority and making an appropriation therefor.**

**SPONSOR** **Representative Fugate**

**NOTE SUMMARY**

FISCAL ANALYSIS:  IMPACT     NO IMPACT     INDETERMINABLE IMPACT

LEVEL(S) OF IMPACT:  STATE     LOCAL     FEDERAL

BUDGET UNIT(S) IMPACT: **Department for Local Government**

FUND(S) IMPACT:  GENERAL     ROAD     FEDERAL     RESTRICTED AGENCY \_\_\_\_\_     OTHER

**FISCAL SUMMARY**

FISCAL ESTIMATES	2016-2017	2017-2018	ANNUAL IMPACT AT FULL IMPLEMENTATION
<b>REVENUES</b>			Indeterminable
<b>EXPENDITURES</b>		\$125,000	Indeterminable
<b>NET EFFECT</b>		(\$125,000)	Indeterminable

( ) indicates a decrease/negative

**MEASURE'S PURPOSE:** The measure creates the Kentucky Mountain Regional Recreation Authority (KMRRRA) and abolishes the Kentucky Recreational Trails Authority.

**PROVISIONS/MECHANICS:** Section 1 creates a new section of KRS Chapter 148 to define terms.

Section 2 creates a new section of KRS Chapter 148 that establishes the KMRRRA as an independent, de jure municipal corporation and political subdivision of the Commonwealth. It also defines the purpose of the authority, establishes the number of board members, board members' qualifications, terms of service, minimum meeting frequency, meeting notice requirements, and audit requirements of the authority's financial systems. This section also outlines the criteria for participating counties and gives the board the authority to hire an executive director and any other personnel considered necessary. The KMRRRA is administratively attached to the Department for Local Government (DLG). The KMRRRA is authorized for 5 years and may be renewed by the General Assembly.

Section 3 creates a new section of KRS Chapter 148 that establishes the responsibilities of the KMRRA, which includes recreational trail development and management.

Section 4 creates a new section of KRS Chapter 148 that specifies that all debt issued by the authority is neither guaranteed nor funded by the Commonwealth, except from revenues of the recreational project or projects for which the debt is issued.

Section 5 creates a new section of KRS Chapter 148 that guarantees participating private landowners the protections granted by KRS 411.190 (Obligations of owner to persons using land for recreation).

Section 6 amends KRS 147A.090 to add cooperation with the KMRRA to the duties of Area Development District board of directors.

Section 7 repeals KRS 148.795 and 148.796, and 150.091, abolishing the Kentucky Recreational Trails Authority.

**FISCAL EXPLANATION:** The measure will have a first year impact of \$125,000 to the DLG. This includes an estimated \$96,000 salary and fringe benefits for the Executive Director hired and \$29,000 for overhead, travel, and per diem of the Executive Director and Board members. Eventually the authority is expected to become self-sufficient; however, the time it takes to attain self-sufficiency is unknown. This could be influenced by the success and/or timing of grants, loans, fee systems, or any other funding sources. Until sufficient funding is attained, DLG would continue to be impacted.

**DATA SOURCE(S):** Department for Local Government

**PREPARER:** Stephanie Rich **NOTE NUMBER:** 153 **REVIEW:** JRS **DATE:** 3/8/2017