

**Local Mandate Fiscal Impact Estimate
Kentucky Legislative Research Commission
2017 Regular Session**

Part I: Measure Information

Bill Request #: 1653

Bill #: HB 360 HCS

Bill Subject/Title: AN ACT relating to agritourism

Sponsor: Representative Suzanne Miles

Unit of Government: City County Urban-County
 Charter County Consolidated Local Unified Local Government

Office(s) Impacted: Planning and zoning offices; building code enforcement offices

Requirement: Mandatory Optional

Effect on Powers & Duties: Modifies Existing Adds New Eliminates Existing

Part II: Purpose and Mechanics

The purpose of HB 360 is to include agritourism activities as a recognized “agricultural use” of real property. **Section 1** of the bill would amend KRS 100.111 to include as an agricultural use a tract of land of at least five (5) contiguous acres used for “agritourism activities.” **Section 2** of the bill would amend KRS 247.801 to expand the definition of “agritourism activities” to any activity that is carried out on a farm, ranch, agricultural operation, horticultural operation, agribusiness operation, distillery, winery, or brewery; and would expand “qualifying activities” to include farming, ranching, historic, cultural, civic, or ceremonial activities such as weddings and ancillary events; harvest-your-own operations; farmers’ markets; or natural resource-based activities. **Section 2** would also define the term “inherent risks of agritourism activity.”

HB 360 HCS removes the bill from the realm of planning and zoning and puts it in the realm of promotion of agriculture and horticulture and makes the following changes:

Section 1 of the bill as introduced is removed and Section 1 of the HCS would create a new chapter of KRS Chapter 198B which governs building trades in Kentucky. Section 1 would establish that “agritourism buildings” constructed before December 31, 2016 would

not be required to comply with seismic requirements in the Kentucky Building Code, nor, if the agritourism building is of a certain size and capacity, would its construction require a licensed architect.

Section 2 would retain proposed amendments to KRS 247.801 and further amend that statute to include a definition of “agritourism building.”

Part III: Fiscal Explanation, Bill Provisions, and Estimated Cost

The fiscal impact of HB 360 HCS on local governments would be minimal.

The statutory changes that would occur on passage of the bill may require that local governments inspect agritourism buildings for compliance with Kentucky’s Uniform State Building Code. Current law requires local governments to employ staff to conduct such inspections and, unless HB 360 HCS resulted in the need to hire more inspection staff that requirement should not have more than a minimal fiscal impact. Any increase in local resources needed in response to the bill should be “covered” by an increase in revenue to local governments through taxes and license fees resulting from increased economic activity generated by the bill. If local jurisdictions need to amend their ordinances to include the changes in HB 360 HCS the cost would be minimal.

Data Sources: LRC Staff; local government planning staff

Preparer: Mary Stephens **Reviewer:** _____ **Date:** _____