

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

Part I: Measure Information

Bill Request #: 1653

Bill #: HB 360 GA

Bill Subject/Title: AN ACT relating to agritourism and declaring an emergency

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 GA is to foster economic activity. **Section 1** of the bill would create a new chapter of KRS Chapter 198B, which governs building trades in Kentucky. **Section 1** would establish that an “agritourism building” constructed before December 31, 2016 would not be required to comply with seismic requirements in the Kentucky Uniform State Building Code, nor, if the agritourism building is of a certain size and capacity, would its construction require a licensed architect.

Section 2 of the bill would amend KRS 247.801 to expand the definition of “agritourism activity” to any activity carried out at 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 define the terms “inherent risks of agritourism activity” and “agritourism building.”

Section 3 of the bill would amend KRS 219.011 to include a bed and breakfast establishment at any establishment listed within Section 2 as a “farmstay” under the public

health statutes that govern hotels, food service establishments and mobile home or RV parks.

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

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

The fiscal impact of HB 360 GA on local governments would be minimal because it is expected that it would generate only a modest amount of new economic activity.

The bill could result in more building construction to accommodate increased agritourism. Current law at KRS 198B.060 requires local governments to enforce the Kentucky Uniform State Building Code and to employ staff to review plans and specifications and conduct inspections required under the Code. HB 360 GA should not increase building construction significantly so should not require local governments to hire more code enforcement staff; however, if additional staff were needed KRS 198B.060 allows each local government to establish a fee schedule designed to fully cover the cost of services performed under KRS Chapter 198B.

In addition, HB 360 GA should result in a small but not significant 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 GA the cost would be minimal.

Data Sources: LRC Staff; local government planning staff

Preparer: Mary Stephens **Reviewer:** KHC **Date:** 3/6/17