

**COMMONWEALTH OF KENTUCKY FISCAL NOTE STATEMENT
LEGISLATIVE RESEARCH COMMISSION
2024 REGULAR SESSION**

MEASURE

2024 BR NUMBER 496

HOUSE BILL NUMBER 575HCS1

TITLE AN ACT relating to the acquisition of agricultural land.

SPONSOR Representative Richard Heath

FISCAL SUMMARY

STATE FISCAL IMPACT: YES NO UNCERTAIN

OTHER FISCAL STATEMENT(S) THAT MAY APPLY: ACTUARIAL ANALYSIS
 LOCAL MANDATE CORRECTIONS IMPACT HEALTH BENEFIT MANDATE

APPROPRIATION UNIT(S) IMPACTED: Department of Agriculture

FUND(S) IMPACTED: GENERAL ROAD FEDERAL RESTRICTED _____

FISCAL ESTIMATES	2023-2024	2024-2025	2025-2026	ANNUAL IMPACT AT FULL IMPLEMENTATION
REVENUES		Indeterminable	Indeterminable	Indeterminable
EXPENDITURES		Indeterminable	Indeterminable	Indeterminable
NET EFFECT		(Indeterminable)	(Indeterminable)	(Indeterminable)

() indicates a decrease/negative

PURPOSE OF MEASURE: This measure limits foreign agents or businesses from countries referenced in 22 C.F.R. sec. 126.1 from the purchase, lease, or acquisition of agricultural land in Kentucky. The measure establishes the Kentucky Foreign Investment Review Board (KFIRB) within the Department of Agriculture to set forth requirements for an appeals process and review applications for appeal.

FISCAL EXPLANATION: The Department of Agriculture estimates it needs five full-time equivalent personnel including, an executive director, a deputy executive director, a special assistant, and two administrative assistants, for \$925,000 a year. The Department will also have to pay for the citizen member of the newly created KFIRB, which would have a minimal and indeterminable impact.

If a court finds that agricultural land has been purchased in violation of this act, then the land is defaulted to the state. The state will auction off the land, and the proceeds will pay for court costs first, then deposit the remainder into the General Fund for a minimal and indeterminable increase in revenue.

DATA SOURCE(S): Department of Agriculture, LRC Staff

PREPARER: Justin Perry **NOTE NUMBER:** 149 **REVIEW:** JB **DATE:** 3/12/2024