

**Local Government Mandate Statement  
Kentucky Legislative Research Commission  
2024 Regular Session**

**Part I: Measure Information**

**Bill Request #:** 2058

**Bill #:** HB 596 GA

**Document ID #:** 7472

**Bill Title:** AN ACT relating to annexation.

**Sponsor:** Representative Jonathan D. Dixon

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

Office(s) Impacted: City and County Governments

Requirement:  Mandatory  Optional

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

**Part II: Bill Provisions and the Estimated Fiscal Impact Relating to Local Government**

**Section 1** would amend KRS 81A.412 to require a city to provide written notice to a county of annexation if the county is subject to crediting provisions set forth in KRS 68.197. Written notice would have to be provided to the fiscal court including a map and description at least 45 days prior to the enactment of an annexation ordinance.

**Section 2** would amend KRS 81A.420 to require a city to provide written notice to a county of annexation. It would also eliminate the election in opposition to annexation but allow a petition to defeat annexation proposal if 51% or more of the resident voters or owners of real properties within the proposed territory sign it.

**Section 3** creates a new section of KRS 65.210 to 65.300 to make interlocal agreements concerning the sharing of occupational or insurance premium tax revenue between a city and a county terminable only with the consent of both parties.

**Section 4** would amend KRS 65.250 to conform.

**Section 5** would create a new section of of KRS Chapter 81A to allow a county subject to occupational tax crediting to have standing to challenge a proposed annexation.

**Section 6** would create a new section of KRS Chapter 81A to require cities that annex territory in counties subject to occupational tax crediting to remit payments to a county or negotiate with a county for investment in a project associated with the annexation in certain circumstances. It would also require cities to submit certain information to the Department of Local Government within 60 days of the enacting the annexation ordinance.

**Section 7** would create a new section of KRS Chapter 81A to define terms.

**Section 8** would create a new section of KRS Chapter 81A to allow counties to establish designated county industrial districts, provide method to establish or dissolve a district, and require certain uses within a district. It would also set a maximum number and size of districts within a county. Provisions are included to provide landowners and cities with standing to bring suit against a county concerning a district.

**Section 9** would create a new section of KRS Chapter 81A to prohibit annexation by a city of territory within a designated industrial district or a proposed district without consent of the county.

**The fiscal impact of HB 596 GA on city and county governments cannot be determined at this time.** LRC staff have contacted Kentucky Association of Counties and Kentucky League of Cities for more information. This document will be updated to incorporate their responses.

**Data Source(s):** LRC Staff

**Preparer:** Jacob Blevins (LG) **Reviewer:** KHC **Date:** 3/12/24