

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

**Part I: Measure Information**

**Bill Request #:** 353

**Bill #:** HB 8 GA

**Document ID #:** 8636

**Bill Title:** AN ACT relating to fiscal matters, making an appropriation therefor, and declaring an emergency.

**Sponsor:** Rep. Jason Petrie

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

Office(s) Impacted: \_\_\_\_\_

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**

Currently, the date that a taxpayer can apply for a refund for coal severance tax paid on coal that is transported directly to a market outside of North America is sunset at July 1, 2024. HB 8 GA extends the date to July 1, 2028.

Coal severance tax revenues are deposited into the State Treasury and then transferred to the Local Government Economic Assistance Fund and the Local Government Economic Development Fund for the purpose of distribution to coal producing counties and incorporated cities within those counties. The distribution of the funds is governed by statute, but is often amended through budget bill provisions.

Using annual U.S. EIA data on Kentucky coal exports, national coal export prices, and forecasted coal exports to forecast out to 2025 and 2026, the fiscal impact of HB 8 GA is expected to be negative \$9 million for fiscal year 2024-2025 and negative \$9.8 million for fiscal year 2025-2026.

**Data Source(s):** U.S. Energy Information Administration; LRC Staff

**Preparer:** Cynthia Brown      **Reviewer:** KHC      **Date:** 3/15/24