

**Local Government Mandate Statement  
Kentucky Legislative Research Commission  
2025 Regular Session**

**Part I: Measure Information**

<b>Bill Request #:</b>	1556	<b>Bill #:</b>	HB 808/HCS 1
<b>Document ID #:</b>	5703	<b>Sponsor:</b>	Representative David R. Meade
<b>Bill Title:</b>	AN ACT relating to recreation and tourism development.		

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

Office(s) Impacted:    Local Governments in Pulaski County and the surrounding area

Requirement:             Mandatory             Optional

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

Other Fiscal Statement(s) that may exist:     Actuarial Analysis             Corrections Impact  
     Health Benefit Mandate     State Employee Health Plan

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

HB 808/HCS 1 would create new sections of KRS Chapter 148 to establish the Burnside Island Development Authority (BIDA). It would be established as an independent, de jure municipal corporation and political subdivision of the Commonwealth. The bill would define "General Burnside Island" as a 430-acre island surrounded by the Big South Fork Cumberland River, located in the Lake Cumberland basin in Pulaski County, south of Somerset and within the city limits of Burnside.

BIDA would be authorized for five years, subject to renewal by the General Assembly, and would be attached to the Department for Local Government for administrative purposes. BIDA would be responsible for developing, financing, operating, maintaining, and promoting lodging, restaurants, and recreational amenities at General Burnside Island State Park and surrounding areas to enhance economic development, tourism, and outdoor recreation for residents and visitors.

BIDA would be governed by a board of directors with 10 voting members appointed by the Governor. The bill would establish the appointment process but would require Pulaski County and the cities of Burnside and Somerset to provide lists from which the Governor must select three appointees. The board would oversee public-private partnerships to construct and manage various facilities, including hotels, restaurants, boat docks, campgrounds, and an 18-hole golf course. BIDA would assume the administrative and management functions of the Department of Parks for any facilities or amenities included in public-private partnership agreements. BIDA would also have the authority to acquire, lease, and manage property; issue bonds; establish fees for park use; and enter into agreements with public and private entities. The authority would be required to comply with KRS Chapter 65A regarding financial accountability.

The Department of Parks would continue managing the park until a public-private partnership agreement is in place, after which it would transition administrative responsibilities to BIDA. However, the department would retain responsibility for any facilities not included in the partnership. The Department of Parks would also provide technical and administrative assistance to BIDA, help negotiate lease renewals with the U.S. Army Corps of Engineers, and redesignate General Burnside Island State Park as General Burnside Island State Resort Park once lodging and restaurant facilities are substantially complete.

The bill specifies that revenue bonds issued by BIDA would not constitute a debt of the Commonwealth or its subdivisions and would be payable solely from designated revenue sources.

**The impact of HB 808/HCS 1 is indeterminable, but is expected to be positive.**

In November 2024, Hunden Partners, a Chicago-based consulting firm retained by The Dream Big Burnside Authority (DBBDA)—a City of Burnside agency reported that a resort at General Burnside Island State Park could generate approximately 700 construction jobs, create 28 full-time jobs, and have an estimated economic impact of \$737 million.

In an interview with WKYT, Burnside Mayor Robert Lawson emphasized that the project would not only benefit Burnside but would also have a broader economic impact on Pulaski County and a 10-county region in south-central and southeastern Kentucky. Increased visitor traffic and tourism-related spending may result in additional revenue for local governments through tourism taxes, higher property values, and occupational tax collections.

According to the Kentucky Association of Counties (KACo), in 2024, Pulaski County had a 1% occupational tax rate, and most other counties in the surrounding region had similar rates. Additionally, the Kentucky League of Cities (KLC) reported in 2023 that Burnside did not have an occupational tax, whereas Somerset had a 0.60% payroll tax. The fiscal impact of HB 808/HCS 1 would likely vary within the region, with the City of Burnside, Pulaski County, and the City of Somerset experiencing the most direct

economic effects. Increased tourism and development could contribute to higher property values and an expanded tax base, which may provide additional revenue for participating governments.

While much of the costs of BIDA would be borne by the state government, HB 808/HCS 1 may result in limited administrative and operational costs. Pulaski County and the cities of Burnside and Somerset would have to submit potential appointees to the governor. Additionally, these local governments could face increased costs related to infrastructure improvements, and public safety. However, these costs may be offset by increased revenue from tourism, property appreciation, and occupational tax collections.

**Data Source(s):** LRC Staff; KACo; KLC; Dream Big Burnside Authority; Hunden Partners; WKYT; City of Burnside

**Preparer:** AS **Reviewer:** MS (MDA) **Date:** 3/4/25