

**Local Government Mandate Statement
Kentucky Legislative Research Commission
2026 Regular Session**

Part I: Measure Information

Bill Request #:	172	Bill #:	HB 283 HCS 1
Document ID #:	8932	Sponsor:	Rep. Scott Sharp
Bill Title:	AN ACT relating to foreign transactions in the Commonwealth.		

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

Office(s) Impacted: Local Governments

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 283 HCS 1 would create a new oversight entity that monitors transactions between Kentucky residents, businesses, state government, and local governments and a foreign adversary if the transaction would result in foreign control of intellectual property, infrastructure, technology, or assets critical to the economic security of the Commonwealth, obstruction of counter-intelligence efforts, or would compromise the economic security of the Commonwealth. It would require the Kentucky Intelligence Fusion Center to review transactions between parties in Kentucky and foreign enterprises that may violate this Act.

If the center determines that a transaction would be a violation, it must notify the executive director of the Kentucky Office of Homeland Security and conduct an immediate investigation of the transaction. If the center determines that a transaction would affect the security of the United States, it would be required to refer the matter to federal authorities. The center would be empowered to contact local governments to obtain necessary information to complete a review or investigation, and would be able to access locally controlled or accessed databases if necessary.

HB 283 HCS 1 is expected to have an indeterminate fiscal impact on local governments.

Local governments may incur costs associated with providing required documentation or database access to the center if an investigation is conducted. In addition, existing contracts and ongoing transactions may be disrupted if the center uncovers evidence suggesting a violation of this Act.

Data Source(s): LRC Staff

Preparer: JB **Reviewer:** BW (MDA) **Date:** 3/30/26