

103.2101 State local debt officer -- Kentucky Private Activity Bond Allocation Committee -- Review and approval or disapproval of projects -- Statement of assurance -- Maximum length of bond authorization.

- (1) It shall be the duty of the state local debt officer to review only those projects authorized by KRS 103.200(1) (k), (l), (m), and (n), and only off-street parking facilities, cable television, and mass communication facilities as authorized by KRS 103.200(1)(b), whether by cities, counties, urban-county governments, air boards, or riverport authorities. The Kentucky Private Activity Bond Allocation Committee shall review only those projects to be issued by the Kentucky Economic Development Finance Authority and authorized by KRS 103.200(1) (k), (l), (m), and (n). Such review shall include but need not be limited to, the following:
 - (a) Whether the project creates long-term economic growth, creates or retains jobs in a previously designated empowerment or enterprise zone, or aids in the prevention or elimination of slums or blight;
 - (b) Whether there is substantiating documentation to demonstrate that the project places an unjustified competitive disadvantage on existing business in the area;
 - (c) Whether there is substantiating documentation to demonstrate that normal commercial financing is unavailable for this project or, if available, at what rates it must be secured and under what terms and conditions;
 - (d) If the project is in accord with the intent of KRS 103.200 to 103.285, this section, and KRS 103.2451; and
 - (e) The project's economic soundness.
- (2) If the committee or the state local debt officer finds that the project does not meet all of the above listed criteria, it shall deny approval of the project until the objections thereto have been met.
- (3) The committee and the state local debt officer may require the submission of testimony, project data, or any other information deemed appropriate with regard to any project submitted to it for approval.
- (4) The committee and the state local debt officer, within fourteen (14) days of receiving application, shall notify in writing the agency or unit of government proposing the issuance of bonds, the appropriate county judge/executive, mayor, and school superintendent, and the developers of the project of the date on which the project will be considered by the committee at a public hearing. Any person may attend the hearing and may personally, or through counsel, address the committee with regard to the project and make recommendations to the committee thereon. Notice shall be given to the agency or unit of government proposing to issue the bonds and the developers of the project not less than forty-five (45) days before the date the committee has set for the hearing on the project. The agency or unit of government proposing the issuance of the bonds shall, not less than thirty (30) days before the date of the hearing, publish notice of the hearing in the manner required by KRS Chapter 424. The agency or unit of government proposing the issuance of the bonds shall require the developer of the project (if it is other than the agency or unit of government) to reimburse the agency or unit of government

for the cost of the advertising required herein. A hearing officer may conduct the hearing with a proposed order to the committee or the state local debt officer.

- (5) The committee and the state local debt officer shall have the right to approve or disapprove any project submitted to it, and over which it has jurisdiction as described in subsection (1) of this section, and no bonds or other evidence of indebtedness for any such project shall be issued until the project has been approved by the committee.
- (6) When the revenues of the respective local government or school district are negatively impacted by the project, the committee and the state local debt officer shall require submission of a written statement of assurance that the appropriate county judge/executive, mayor, and school superintendent are in agreement with the negotiated financial arrangement. This written statement of assurance shall be used for advisory purposes.
- (7) The maximum length of any bond authorization under this section shall not exceed the anticipated useful life of the building or equipment purchased or thirty (30) years, whichever is shorter.

Effective: July 12, 2006

History: Amended 2006 Ky. Acts ch. 228, sec. 2, effective July 12, 2006. -- Amended 1992 Ky. Acts ch. 105, sec. 63, effective July 14, 1992. -- Amended 1990 Ky. Acts ch. 484, sec. 5, effective July 13, 1990. -- Amended 1984 Ky. Acts ch. 122, sec. 7, effective July 13, 1984. -- Amended 1982 Ky. Acts ch. 322, sec. 3, effective July 15, 1982; and ch. 396, sec. 10, effective July 15, 1982. -- Created 1980 Ky. Acts ch. 339, sec. 6, effective July 15, 1980.

Legislative Research Commission Note (7/12/2006). 2006 Ky. Acts ch. 228, sec 3, provides that "(i)f the agency or unit of government proposing the issuance of bonds adopted a resolution indicating an intent to issue bonds for a project prior to February 1, 2006, then this project shall be subject to the provisions of KRS 103.2101 in effect upon the date of the passage of the resolution of intent to issue bonds.