

1 AN ACT relating to soil and water conservation and declaring an emergency.

2 *Be it enacted by the General Assembly of the Commonwealth of Kentucky:*

3 ➔SECTION 1. A NEW SECTION OF KRS 262.700 TO 262.795 IS CREATED  
4 TO READ AS FOLLOWS:

5 *(1) If the board of a watershed conservancy district fails to meet over the course of*  
6 *one (1) year or longer or if it fails to prepare and fund a budget as required by*  
7 *subsection (1) of Section 6 of this Act, any soil and water conservation district or*  
8 *fiscal court in which any part of the watershed conservancy district lies may*  
9 *initiate proceedings to discontinue the watershed conservancy district board*  
10 *under subsection (2) of this section. Periods of inaction by boards of watershed*  
11 *conservancy districts that began prior to the effective date of this Act shall be*  
12 *included in the determination of whether a watershed conservancy district board*  
13 *may be discontinued under this section.*

14 *(2) To initiate the discontinuance of a watershed conservancy district board, the soil*  
15 *and water conservation district board or fiscal court shall send a notice of intent*  
16 *to discontinue the watershed conservancy district board to all directors who are*  
17 *still serving terms on the board and shall publish the same notice in a newspaper*  
18 *of general circulation in the area served by the watershed conservancy district*  
19 *pursuant to the requirements of KRS Chapter 424. The notice shall include*  
20 *information on how a landowner who pays any tax imposed by the watershed*  
21 *conservancy district may request a public hearing on its discontinuance within*  
22 *thirty (30) days of the first publication of the notice.*

23 *(3) If a public hearing on the proposed discontinuance is requested, the soil and*  
24 *water conservation district board or fiscal court proposing the discontinuance*  
25 *shall hold the public hearing within thirty (30) days of the request. At the public*  
26 *hearing, public comments may be made on the reasons for and consequences of*  
27 *the proposed discontinuance. The public hearing may be part of a regularly*

1 scheduled meeting of the soil and water conservation district board or the fiscal  
2 court proposing the discontinuance.

3 (4) (a) Within thirty (30) days after a public hearing is held pursuant to subsection  
4 (3) of this section, the soil and water conservation district board or the  
5 members of the fiscal court proposing the discontinuance shall vote on  
6 whether the watershed conservancy district board should be discontinued. If  
7 no public hearing was requested, the proposing entity shall hold the  
8 discontinuance vote within thirty (30) days after the expiration of the time  
9 period to request a public hearing under subsection (2) of this section.

10 (b) If the result of the vote held under paragraph (a) of this subsection is in  
11 favor of discontinuance, then within thirty (30) days of the vote, all other  
12 soil and water conservation district boards and fiscal courts where any  
13 portion of the watershed conservancy district lies shall hold votes on  
14 discontinuing the watershed conservancy district board. The watershed  
15 conservancy district board shall be discontinued if all voting entities concur  
16 to discontinue it. Any voting entity that fails to hold a vote within the thirty  
17 (30) days following the initial vote shall be deemed to have voted in favor of  
18 discontinuance. If any of the voting entities vote to not discontinue the  
19 watershed conservancy district board, it shall not be discontinued for at  
20 least one (1) year.

21 (5) If a watershed conservancy district board is discontinued under this section, the  
22 boundaries of the watershed conservancy district previously governed by that  
23 board shall remain intact, and the landowners within the boundaries of the  
24 watershed conservancy district shall continue to contribute revenue to the soil  
25 and water conservation district or districts in which the watershed conservancy  
26 district lies pursuant to Section 7 of this Act.

27 (6) Upon the effective date of the discontinuance of a board of a watershed

1 conservancy district, the board of the soil and water conservation district in which  
 2 the watershed conservancy district lies shall assume all of the former watershed  
 3 conservancy board's rights and responsibilities established in KRS 262.700 to  
 4 262.795. If the watershed conservancy district lies in more than one (1) soil and  
 5 water conservation district, then the boards of all of those soil and water  
 6 conservation districts shall assume all rights and responsibilities of the former  
 7 watershed conservancy board jointly.

8 (7) Nothing in this section shall be construed to prevent a discontinued watershed  
 9 conservancy district board from being reestablished and reassuming its rights  
 10 and responsibilities pursuant to the requirements of KRS 262.700 to 262.795.

11 ➔Section 2. KRS 147A.029 is amended to read as follows:

12 (1) The commissioner of the Department for Local Government shall administer and  
 13 determine the disbursement of funds for the Local Match Participation Program.

14 (2) Funds appropriated for the Local Match Participation Program may be used as  
 15 matching funds by local governments, soil and water conservation districts  
 16 established under KRS 262.010 to 262.660, or watershed conservancy districts  
 17 established under KRS 262.700 to 262.795 for flood-related projects and straight  
 18 sewage pipe removal projects with:

19 (a) The United States Army Corps of Engineers;

20 (b) The Federal Emergency Management Agency (FEMA);~~and~~

21 (c) The United States Department of Agriculture Natural Resources  
 22 Conservation Service; and

23 (d) Other federal government grant and loan programs requiring local matching  
 24 funds.

25 (3) Any general fund appropriations made for the Local Match Participation Program  
 26 may be used for flood control planning and mitigation activities and straight sewage  
 27 pipe removal and mitigation activities.

1           ➔Section 3. KRS 262.240 is amended to read as follows:

- 2       (1) A supervisor's term begins on January 1 following his or her election. Supervisors  
3       shall be elected for four (4) years as their terms expire. Nominating petitions for  
4       supervisors shall be filed with the county clerk not later than the last date prescribed  
5       by the election law generally for filing certificates and petitions of nomination. No  
6       such nominating petition shall be accepted by the clerk unless it is signed by  
7       twenty-five (25) or more qualified resident voters of the district. Qualified resident  
8       voters may sign more than one (1) nominating petition to nominate more than one  
9       (1) candidate for supervisor. In the event nominating petitions for only the number  
10      of supervisors to be elected are filed, the commission shall declare the nominees  
11      elected without holding an election. The county clerk shall examine the petition of  
12      each candidate to determine whether it is regular on its face. If there is an error, the  
13      county clerk shall notify the candidate by certified mail within twenty-four (24)  
14      hours of filing.
- 15     (2) A supervisor shall hold office until his or her successor has been elected and has  
16     qualified. Vacancies shall be filled for the unexpired term by appointment by the  
17     commission.
- 18     (3) A supervisor may be reimbursed for expenses necessarily incurred in the discharge  
19     of his or her duties and may be paid a per diem for attending meetings or otherwise  
20     discharging the obligations of his or her office.
- 21     (4) A supervisor shall be at least eighteen (18) years of age, a resident of the county or  
22     district in which he or she serves as a supervisor, and upon moving from the county  
23     or district, the supervisor shall be ineligible to serve as a supervisor and his or her  
24     office shall be vacant.
- 25     (5) A supervisor who has been declared elected without an election pursuant to  
26     subsection (1) of this section may be removed from office by the commission in the  
27     same manner as provided by KRS 65.007 for removal of an appointed member of

1 the governing body of a special district.

2 **(6) A supervisor serving on the board of a district shall be immune from personal**  
3 **liability in any civil or criminal action which is based upon any official act or acts**  
4 **performed reasonably and in good faith by the supervisor.**

5 ➔Section 4. KRS 262.740 is amended to read as follows:

6 (1) Within thirty (30) days after a watershed conservancy district is created, nominating  
7 petitions may be filed with the board of supervisors for the election of a board of  
8 directors consisting of five (5) members, who shall hold office for a term of four (4)  
9 years, or until a successor is qualified. Such board of directors shall, under the  
10 supervision of the board of supervisors, be the governing body of the watershed  
11 conservancy district. The board of supervisors shall give due notice of the election  
12 of directors and shall, as nearly as practicable, conduct the election in the manner  
13 prescribed by KRS 262.220.

14 (2) If the territory embraced within a watershed conservancy district lies within more  
15 than one (1) soil and water conservation district, each of said additional districts  
16 with minority of the land involved in the watershed shall be entitled to elect three  
17 (3) additional directors.

18 (3) The board of directors shall annually elect from its membership a chairman,  
19 secretary, and treasurer. The treasurer shall execute an official bond for the faithful  
20 performance of the duties of his **or her** office to be approved by the board of  
21 directors. Such bond shall be executed with at least three (3) solvent personal  
22 sureties whose solvency must exceed the amount of the bond, or by a surety  
23 company authorized to do business in this state, and shall be in an amount  
24 determined by the board of directors. If the treasurer is required to execute a surety  
25 company bond, the premium on the bond shall be paid by the board of directors.

26 (4) Each person desiring to be a director of a watershed conservancy district shall file a  
27 nominating petition with the board of supervisors of the county in which he **or she**

1 is a landowner and legal resident, signed by twenty-five (25) or more landowners  
2 within the watershed conservancy district of the county involved, or, if less than  
3 fifty (50) landowners are involved a majority of such landowners. Nominating  
4 petitions for the election of any director following the first election of members of  
5 the board after creation of the district shall be filed with the board of supervisors  
6 not less than forty-five (45) days prior to the day of the regular election. If the  
7 candidates nominated do not exceed the positions available, they shall be declared  
8 elected. No person shall be eligible to be a director of a watershed conservancy  
9 district who is not a landowner within the watershed and resident of the county in  
10 which the watershed is located.

11 (5) A director who has been declared elected without an election pursuant to subsection  
12 (4) of this section may be removed from office by the board of supervisors as  
13 provided by KRS 65.007 for removal of an appointed member of the governing  
14 body of a special district.

15 **(6) A director serving on the board of a watershed conservancy district shall be**  
16 **immune from personal liability in any civil or criminal action which is based**  
17 **upon any official act or acts performed reasonably and in good faith by the**  
18 **director.**

19 ➔Section 5. KRS 262.742 is amended to read as follows:

20 **(1) Within thirty (30) days of the effective date of any vacancy on a board of directors**  
21 **of a watershed conservancy district, the board of the soil and water conservation**  
22 **district where the vacancy occurs shall publish a notice of the vacancy in a**  
23 **newspaper of general circulation in the area served by the watershed conservancy**  
24 **district pursuant to the requirements of KRS Chapter 424. The notice shall**  
25 **include information on the nominating petition process to fill the vacancy**  
26 **established in Section 4 of this Act. The board of the soil and water conservation**  
27 **district filling the vacancy shall also advertise the vacancy on any website or**

1 social media account it may control.

2 **(2)** A vacancy on the board of directors of a watershed conservancy district shall be  
3 filled by the board of supervisors of the soil and water conservation district where  
4 the vacancy occurs.

5 ➔Section 6. KRS 262.760 is amended to read as follows:

6 **(1)** Within the first quarter of each calendar year, the board of directors of a watershed  
7 conservancy district shall prepare an itemized budget of the funds needed for  
8 administration, construction, operation, and maintenance of works of improvement.  
9 After approval of such budget by the board or boards of supervisors of the soil and  
10 water conservation district or districts within which the watershed conservancy  
11 district lies, the board of directors of the watershed conservancy district shall, by  
12 order or resolution, levy a tax sufficient to meet such budget, either by millage rate  
13 or per acre rate. A copy of such budget and order or resolution shall be certified to  
14 the county clerk of the county or counties involved, and shall be submitted to the  
15 Department for Local Government as provided in KRS 65A.020.

16 **(2)** If the board of directors of a watershed conservancy district fails to prepare a  
17 budget and levy a tax sufficient to fund the budget within the first quarter of a  
18 calendar year as required by subsection (1) of this section, the board or boards of  
19 supervisors of the soil and water conservation district or districts where the  
20 watershed conservancy lies may prepare and approve a budget for the watershed  
21 conservancy district and levy a tax to fund the approved budget in the same  
22 manner as authorized in subsection (1) of this section.

23 ➔Section 7. KRS 262.793 is amended to read as follows:

24 (1) Where a watershed conservancy district board has been discontinued as provided in  
25 Section 1 of this Act ~~[KRS 262.791 and all obligations of the district have been~~  
26 ~~met]~~, any funds or assets of the district shall be transferred to the soil and water  
27 conservation district where the watershed conservancy district lies to be used

1 solely for the same purposes as they were used prior to the discontinuance and  
2 only within the boundaries of the watershed conservancy district ~~[development and~~  
3 ~~maintenance of soil and water conservation practices in the area]~~ from which the  
4 tax was collected. In the event that the area of the discontinued watershed  
5 conservancy district encompassed two (2) or more soil and water conservation  
6 districts, any funds or assets to be handed over shall be prorated among the soil and  
7 water conservation districts according to the percentage of revenue contributed by  
8 the landowners within each such soil and water conservation district.

9 (2) Where a watershed conservancy district board is discontinued, the board or boards  
10 of the soil and water conservation district or districts to which its funds are  
11 transferred shall have the authority to collect revenue from within the boundaries of  
12 and in the same manner as the discontinued watershed conservancy district,  
13 including making periodic adjustments to the revenue amounts collected. The  
14 funds collected shall be expended by the board or boards of the soil and water  
15 conservancy district or districts for the maintenance of works of improvement done  
16 by the discontinued watershed conservancy district board, even if the works of  
17 improvement are located outside of the soil and water conservancy district  
18 collecting the revenue, and for no other purpose.

19 ➔Section 8. The following KRS section is repealed:

20 262.791 District discontinued, when -- Hearing referendum.

21 ➔Section 9. Whereas the timely discontinuance of inactive watershed  
22 conservancy district boards is critical to the operation, maintenance, and rehabilitation of  
23 structures that contribute to water resource conservation and flood control, an emergency  
24 is declared to exist, and this Act takes effect upon its passage and approval by the  
25 Governor or upon its otherwise becoming a law.