

1 AN ACT relating to economic development and making an appropriation therefor.

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

3 ➔SECTION 1. A NEW SECTION OF KRS 42.450 TO 42.495 IS CREATED TO
4 READ AS FOLLOWS:

5 *(1) The Kentucky Coal Fields Endowment Authority is hereby created as a public*
6 *corporation, governmental agency, and instrumentality of the Commonwealth,*
7 *with the perpetual succession and with power in that name to:*

8 *(a) Contract and be contracted with;*

9 *(b) Acquire and convey property;*

10 *(c) Sue and be sued;*

11 *(d) Have and use a corporate seal;*

12 *(e) Adopt bylaws;*

13 *(f) Invest moneys; and*

14 *(g) Exercise, in addition to the powers and functions specifically stated in this*
15 *section and Section 2 of this Act, all of the usual powers of private*
16 *corporations to the extent that the same are not inconsistent with*
17 *specifically enumerated powers or limitations upon public corporations.*

18 *(2) It shall be the role and duty of the authority to support through funding efforts to*
19 *diversify the economy of the coal fields within Kentucky.*

20 *(a) Projects that may be funded shall be non-recurring investments in:*

21 *1. Economic development;*

22 *2. Public infrastructure, water, and wastewater;*

23 *3. Public health and safety; and*

24 *4. Information technology development and access.*

25 *(b) Projects shall be selected based on economic impact, job creation,*
26 *workforce development, community benefit, available partnerships, project*
27 *readiness, and the ability for a project to be self-sustaining.*

1 (3) Seven million five hundred thousand dollars (\$7,500,000) of the severance and
 2 processing taxes on coal collected annually shall be transferred from the general
 3 fund to the Kentucky coal fields endowment authority established in this section.
 4 The transfers shall be made in quarterly amounts of one million eight hundred
 5 seventy-five thousand dollars (\$1,875,000) at the same time as the transfers to the
 6 local government economic development fund.

7 (4) Moneys transferred to the authority are hereby appropriated for the purposes set
 8 forth in this section and shall not be appropriated or transferred by the General
 9 Assembly for any other purpose. State moneys appropriated that are not spent at
 10 the end of the fiscal year shall not lapse.

11 (5) All property and income of the Kentucky coal fields endowment authority shall be
 12 exempt from all taxes and assessment of any nature.

13 ➔SECTION 2. A NEW SECTION OF KRS 42.450 TO 42.495 IS CREATED TO
 14 READ AS FOLLOWS:

15 (1) As used in this section:

16 (a) "Authority" means the Kentucky coal fields endowment authority;

17 (b) "Board" means the chair, vice chair, and secretary-treasurer of the
 18 authority;

19 (c) "Chair" means the chair of the Kentucky coal fields endowment authority;

20 (d) "Commissioner" means the commissioner of the Department for Local
 21 Government; and

22 (e) "Eligible counties" means counties of the Commonwealth of Kentucky
 23 participating in the Local Government Economic Development Fund on the
 24 effective date of this Act and those that participated on January 1, 2016;

25 (2) The authority shall consist of seven (7) persons, who shall be selected as follows:

26 (a) Two (2) persons, appointed by the Governor, from counties located within
 27 the Eastern Coal Field;

- 1 (b) Two (2) persons, appointed by the Governor, from counties located within
2 the Western Coal Field;
- 3 (c) Two (2) persons, appointed by the Governor, possessing experience and
4 expertise in finance and investment; and
- 5 (d) The commissioner or the commissioner's proxy.
- 6 (3) Two (2) members initially appointed to the authority shall have a term of one (1)
7 year each, two (2) members initially appointed to the authority shall have a term
8 of two (2) years each, and two (2) members initially appointed to the authority
9 shall have a term of three (3) years each, except that any person appointed to fill
10 a vacancy shall serve only for the remainder of the unexpired term. All
11 subsequent appointments shall be for a term of three (3) years.
- 12 (4) The board members are hereby determined to be officers and agents of the
13 Commonwealth of Kentucky and, as such, shall enjoy the same immunities from
14 suit for the performance of their official acts as do other officers of the
15 Commonwealth of Kentucky.
- 16 (5) If any member or officer of the authority shall be interested in, either directly or
17 indirectly, or shall be an officer of, employee of, or have an ownership interest in
18 any firm or corporation interested directly or indirectly in any project funded by
19 the authority, the interest shall be disclosed clearly in the application and shall be
20 set forth in the minutes of the authority, and the member or officer having an
21 interest therein shall not participate in the application process.
- 22 (6) Any person appointed to the authority shall be eligible for reappointment.
- 23 (7) The members of the authority shall elect biennially from the authority's
24 membership the following offices: chair, vice chair, secretary-treasurer, and any
25 assistant secretaries and assistant treasurers the authority deems necessary. The
26 commissioner shall not be eligible to hold any of these offices.
- 27 (8) A majority of the members of the authority, determined by excluding any existing

1 vacancies from the total number of members, shall constitute a quorum. A
2 majority vote of the members present at a duly called meeting of the authority
3 shall be required for the purposes of conducting its business and exercising its
4 powers and for all other purposes.

5 (9) The authority shall prepare bylaws and procedures applicable to the operation of
6 the authority and submit them to the commissioner to be promulgated as
7 administrative regulations in accordance with KRS Chapter 13A.

8 (10) Members of the authority shall be entitled to reimbursement for all necessary
9 expenses in connection with the performance of their duties.

10 (11) The authority shall meet twice annually and at other times upon call of the chair
11 or a majority of the board to discuss and vote on funding for projects in eligible
12 counties permitted to receive moneys from the authority under subsection (2) of
13 Section 1 of this Act.

14 (12) The authority may invest any and all of the assets of the fund in:

15 (a) Obligations and contracts for future delivery of obligations backed by the
16 full faith and credit of the United States or a United States government
17 agency, including but not limited to:

- 18 1. United States Treasury;
- 19 2. Export-Import Bank of the United States;
- 20 3. Farmers Home Administration;
- 21 4. Government National Mortgage Corporation; and
- 22 5. Merchant Marine bonds;

23 (b) Obligations of any corporation of the United States government or
24 government-sponsored enterprise, including but not limited to:

- 25 1. Federal Home Loan Mortgage Corporation;
- 26 2. Federal Farm Credit Banks;
 - 27 a. Bank for Cooperatives;

- 1 *b. Federal Intermediate Credit Banks; and*
- 2 *c. Federal Land Banks;*
- 3 *3. Federal Home Loan Banks;*
- 4 *4. Federal National Mortgage Association; and*
- 5 *5. Tennessee Valley Authority obligations;*
- 6 *(c) Collateralized or uncollateralized certificates of deposit, issued by banks*
- 7 *rated in one (1) of the three (3) highest categories by a nationally*
- 8 *recognized statistical rating organization or other interest-bearing accounts*
- 9 *in depository institutions chartered by this state or by the United States,*
- 10 *except for shares in mutual savings banks;*
- 11 *(d) Bankers acceptances for banks rated in the highest short-term category by a*
- 12 *nationally recognized statistical rating organization;*
- 13 *(e) Commercial paper rated in the highest short-term category by a nationally*
- 14 *recognized statistical rating organization;*
- 15 *(f) Securities issued by a state or local government, or any instrumentality or*
- 16 *agency thereof, in the United States, and rated in one (1) of the three (3)*
- 17 *highest long-term categories by a nationally recognized statistical rating*
- 18 *organization;*
- 19 *(g) United States denominated corporate, Yankee, and Eurodollar securities,*
- 20 *excluding corporate stocks, issued by foreign and domestic issuers,*
- 21 *including sovereign and supranational governments, rated in one (1) of the*
- 22 *three (3) highest long-term categories by a nationally recognized statistical*
- 23 *rating organization;*
- 24 *(h) Asset-backed securities rated in the highest category by a nationally*
- 25 *recognized statistical rating organization;*
- 26 *(i) Shares of mutual funds, each of which shall have the following*
- 27 *characteristics:*

1 1. The mutual fund shall be an open-end diversified investment company
 2 registered under Federal Investment Company Act of 1940, as
 3 amended;

4 2. The management company of the investment company shall have been
 5 in operation for at least five (5) years; and

6 3. The mutual fund shall be rated in the highest category by a nationally
 7 recognized statistical rating organization; and

8 (j) State and local delinquent property tax claims which upon purchase shall
 9 become certificates of delinquency secured by interests in real property not
 10 to exceed twenty-five million dollars (\$25,000,000) in the aggregate. For
 11 any certificates of delinquency that have been exonerated pursuant to KRS
 12 132.220(5), the Department of Revenue shall offset the loss suffered by the
 13 Finance and Administration Cabinet against subsequent local distributions
 14 to the affected taxing districts as shown on the certificate of delinquency.

15 ➔SECTION 3. A NEW SECTION OF KRS CHAPTER 148 IS CREATED TO
 16 READ AS FOLLOWS:

17 As used in Sections 3 to 7 of this Act, unless the context requires otherwise:

18 (1) "Authority" or "KMRRRA" means the Kentucky Mountain Regional Recreation
 19 Authority established in Section 4 of this Act;

20 (2) "Board" means the board of directors of KMRRRA;

21 (3) "County" means a county, charter county, urban-county government, unified
 22 local government, or consolidated local government;

23 (4) "Kentucky Mountain Recreational Area" or "KMRA" means lands on which
 24 there is a system of recreational trails, including streams, rivers, and other
 25 waterways, and appurtenant facilities, including trailhead centers, parking areas,
 26 camping facilities, picnic areas, recreational areas, historic or cultural
 27 interpretive sites, and other facilities in Kentucky and designated by the KMRRRA

1 as a part of the KMRA;

2 (5) "Land" means roads, water, watercourses, buildings, structures, and machinery
 3 or equipment thereon when attached to the realty;

4 (6) "Landowner" means a tenant, lessee, occupant, or person in control of the
 5 premises;

6 (7) "Participating county" means a county that has qualified under subsection (5) of
 7 Section 4 of this Act;

8 (8) "Participating landowner" means a landowner who owns land in a participating
 9 county and has a contractual agreement with the KMRA for trail development
 10 as part of the KMRA;

11 (9) "Recreational purposes" means all-terrain vehicle riding, bicycling, canoeing,
 12 hiking, horseback riding, hunting, kayaking, motorcycle riding, rock climbing,
 13 fishing, swimming, archaeological activities, nature study, off-highway vehicle
 14 driving, pleasure driving, watersports, winter sports, visiting or viewing historical
 15 or scenic sites, and otherwise using land for purposes pertaining to recreation or
 16 trail activities; and

17 (10) "Target county" means Bell, Breathitt, Clay, Floyd, Harlan, Johnson, Knott,
 18 Knox, Laurel, Lawrence, Lee, Leslie, Letcher, Magoffin, Martin, Morgan,
 19 Owsley, Perry, Pike, Powell, or Wolfe County.

20 ➔SECTION 4. A NEW SECTION OF KRS CHAPTER 148 IS CREATED TO
 21 READ AS FOLLOWS:

22 (1) The Kentucky Mountain Regional Recreation Authority is hereby created and
 23 established as an independent, de jure municipal corporation and political
 24 subdivision of the Commonwealth and shall exercise all of the powers that a
 25 corporation may lawfully exercise under the laws of the Commonwealth. The
 26 authority shall be a public body corporate and politic and an instrumentality of
 27 the Commonwealth, established with all the general corporate powers incidental

1 thereto. The authority shall be attached to the Kentucky Department for Local
2 Government for administrative purposes only. The authority shall be authorized
3 for an initial period of five (5) years from the effective date of this Act and may be
4 renewed by the General Assembly. The authority may adopt by laws and
5 administrative regulations, subject to KRS Chapter 13A, for the orderly conduct
6 of its affairs.

7 (2) The purpose of the authority is to establish, maintain, and promote a recreational
8 trail system throughout the KMRA to increase economic development, tourism,
9 and outdoor recreation for residents and visitors. The recreational trail system
10 shall be located with significant portions of the system situated on private
11 property made available for use through lease, license, easement, or other
12 appropriate legal form by willing landowners.

13 (3) The authority shall be governed by a board of directors consisting of
14 representatives from participating counties and the Commonwealth as provided
15 in this section.

16 (4) The authority and board shall become operational when sixteen (16) target
17 counties complete the requirements established by subsection (5)(a)1. of this
18 section. When at least sixteen (16) target counties become participating counties,
19 the commissioner of the Department for Local government shall notify the county
20 judge/executive of each of the participating counties, as well as the board
21 members described in subsection (6) of this section, that the requirements have
22 been met for the authority and board to become operational. The commissioner
23 shall also establish a date, time, and place for an initial organizational meeting of
24 the board, and shall serve as interim chair of the initial organizational meeting
25 until such time as a chair is elected. The chair shall be a resident of a
26 participating county.

27 (5) To become a participating county, a county shall meet one (1) of the following:

- 1 (a) Any target county may become a participating county upon adoption of a
2 resolution or ordinance by the governing body of the county specifically
3 approving the county's participation in the KMRRA and submission of the
4 adopted resolution or ordinance to:
- 5 1. The commissioner of the Department for Local Government if the
6 resolution or ordinance is adopted prior to the KMRRA becoming
7 operational pursuant to subsection (4) of this section; or
- 8 2. The KMRRA if the resolution or ordinance is adopted after KMRRA
9 becomes operational; or
- 10 (b) Any county that is not a target county and is contiguous to a target county
11 may become a participating county through an application process
12 developed by the KMRRA. The application shall be approved or rejected by
13 a majority of the board's voting members.
- 14 (6) The KMRRA board shall consist of the following members:
- 15 (a) The secretary of the Tourism, Arts and Heritage Cabinet or his or her
16 designee;
- 17 (b) The commissioner of the Department for Local Government or his or her
18 designee;
- 19 (c) The executive director of the authority, who shall serve as a nonvoting
20 member;
- 21 (d) One (1) representative from each participating county, who shall be either:
- 22 1. The county judge/executive; or
- 23 2. The county judge/executive's designee, who shall be an individual
24 involved with economic development, tourism, recreation, or a related
25 area within the county;
- 26 (e) One (1) landowner or his or her designee, who shall be selected by
27 participating landowners;

1 (f) One (1) state Representative, who shall serve as a nonvoting member,
2 appointed to an annual term by the Speaker of the Kentucky House of
3 Representatives; and

4 (g) One (1) state Senator, who shall serve as a nonvoting member, appointed to
5 an annual term by the President of the Kentucky Senate.

6 (7) (a) The board membership of each county judge/executive or his or her
7 designee shall:

8 1. Begin with the county judge/executive's term of office; and

9 2. End with the county judge/executive's term of office.

10 If a county judge/executive ceases to serve as the county judge/executive
11 prior to the end of his or her term, he or she shall be removed from the
12 board, and his or her replacement as county judge/executive shall serve on
13 the board for the remainder of the term.

14 (b) The term of the landowner member shall be four (4) years, and he or she
15 may be reappointed for one (1) successive term.

16 (8) (a) The twelve (12) voting members of the board shall be:

17 1. Nine (9) of the county representatives or their designees described in
18 subsection (6)(d) of this section who have been accorded voting status
19 under paragraphs (b) to (e) of this subsection;

20 2. One (1) landowner or his or her designee described in subsection
21 (6)(e) of this section;

22 3. The secretary of the Tourism, Arts and Heritage Cabinet or his or her
23 designee; and

24 4. The commissioner of the Department for Local Government or his or
25 her designee.

26 (b) The nine (9) initial county representatives shall be the county
27 judges/executive of Breathitt, Martin, Perry, Knott, Leslie, Letcher, Pike,

1 Magoffin, and Floyd Counties or their designees in that order. The first
2 three (3) representatives listed shall serve a three (3) year term as voting
3 members, the next three (3) representatives shall serve a two (2) year term
4 as voting members, and the remaining three (3) representatives shall serve a
5 one (1) year term as voting members.

6 (c) After each term ends, the voting county representative shall be replaced by
7 one (1) of the county judges/executive or his or her designee from one (1) of
8 the target counties whose representative has not yet served as a voting
9 member.

10 (d) After the third year of operation, each new voting member shall serve a
11 term of three (3) years, then step down and let a representative from a
12 county whose representative has not served as a voting member take his or
13 her place.

14 (e) Once representatives from all participating counties within KMRA have
15 each served one (1) term, the rotation shall begin again. The rotation order
16 may vary as long as no participating county has a representative serve as a
17 voting member more than four (4) years more than any other county in a
18 four (4) year period.

19 (9) (a) The board shall meet at least once every quarter to elect officers, establish a
20 regular meeting schedule, and perform other duties as may be prescribed in
21 the authority's bylaws. The board chair may call special meetings at any
22 time.

23 (b) Notice of each meeting shall be made in writing and delivered to board
24 members at least seven (7) days before the scheduled meeting date.
25 Electronic mail is an acceptable form of notice of special meetings, so long
26 as it is sent to directors at least seven (7) days before the scheduled meeting
27 date.

1 (c) The presence of a majority of the total voting members of the KMRRA
2 board shall constitute a quorum. Vacant board positions shall be counted
3 against the quorum total necessary for board action.

4 (10) The KMRRA board:

5 (a) Shall elect a chair, vice chair, secretary, treasurer, and any other officers as
6 established in the bylaws of the board;

7 (b) May appoint temporary and standing committees to accomplish the
8 purposes of Sections 3 to 7 of this Act and shall clearly describe the role,
9 responsibilities, and tenure of each committee so created;

10 (c) Shall adopt bylaws for the management and regulation of its affairs and all
11 other matters necessary to effect proper management and accountability of
12 the board. The bylaws shall include, at a minimum, the following:

13 1. The powers and duties of the board's members and the manner and
14 number of officers to be elected from among the board members;

15 2. The terms, conditions, and manner in which a board member will be
16 removed; and

17 3. The terms and conditions under which a board member will be paid to
18 attend meetings, if at all, and the extent to which members will be
19 reimbursed for travel and other expenses and any requirements for
20 approval of expense reports, if applicable;

21 (d) Shall review and approve an annual budget;

22 (e) Shall annually procure an audit of the authority's financial systems,
23 conducted in accordance with generally accepted auditing standards. The
24 Auditor of Public Accounts shall perform the audit. A copy of the audit
25 shall be sent to the Legislative Research Commission within ten (10) days of
26 receipt by the board;

27 (f) Shall ensure that all administrative costs for operating the authority are

1 paid from funds accruing to the authority. The authority, its board, and its
2 staff shall incur no liability or obligation beyond the extent to which
3 revenues have been provided under Sections 3 to 7 of this Act;

4 (g) May seek administrative and management assistance through written
5 agreement with state agencies, local area development districts, or local
6 governing bodies until such time as the board has secured sufficient
7 funding through grants, loans, fee systems, or any other funding source to
8 hire staff;

9 (h) Shall employ an executive director to act as its chief executive officer to
10 serve at its will and pleasure; and

11 (i) Shall establish personnel, retirement, and benefit systems through
12 professional programs approved by the board.

13 (11) The executive director:

14 (a) May, with permission of the board, employ any other personnel considered
15 necessary, retain temporary services, and retain consultants;

16 (b) Shall carry out plans to implement Sections 3 to 7 of this Act and to exercise
17 those powers enumerated in the bylaws of the board;

18 (c) Shall, along with any staff with responsibilities so delegated by the executive
19 director, ensure that all minutes, records, and orders of the authority and its
20 board are complete and available for public inspection, if necessary; and

21 (d) Shall prepare narrative and financial reports of the authority's fiscal
22 obligations and submit these reports to the board at regularly scheduled
23 meetings or as otherwise directed.

24 (12) The executive director, all full-time or part-time personnel, all seasonal
25 employees, and all contractual employees, if any, shall be paid from funds
26 accruing to the authority and authorized in a budget approved by the board.

27 ➔SECTION 5. A NEW SECTION OF KRS CHAPTER 148 IS CREATED TO

1 READ AS FOLLOWS:

2 (1) The KMRA shall:

3 (a) Supervise the design and construction of trail systems within the KMRA
4 and provide all management functions for the trails and for any other
5 property built, acquired, or leased pursuant to its powers under Sections 3 to
6 7 of this Act;

7 (b) Construct, develop, manage, maintain, operate, improve, renovate, finance,
8 or otherwise provide for recreational and trail-related activities and
9 facilities on designated public lands and private lands of participating
10 landowners who have voluntarily entered into use agreements with the
11 board;

12 (c) Promote the growth and development of the trail system, tourism, and the
13 hotel, restaurant, and entertainment industry within the KMRA and the
14 Commonwealth, through marketing KMRA to enhance local economic and
15 tourism development;

16 (d) Establish agreements with other persons, businesses, agencies,
17 organizations, or any other entity to levy a surcharge on tickets for events,
18 activities, festivals, or functions that are cosponsored with other entities and
19 contribute to the authority's operating revenue; and

20 (e) Procure insurance against any losses in connection with its property,
21 licenses, easements, or contracts, including hold-harmless agreements,
22 operations, or assets in such amounts and from such insurers as the board
23 considers desirable.

24 (2) The board's management program shall prioritize contractual arrangements with
25 private landowners to use land for recreational purposes, which shall not
26 diminish the participating landowner's interest, control, or profitability of the
27 land. If necessary to implement a comprehensive trail system, the board may also

1 contract with public landowners through contractual agreements that recognize
2 the primary mission for which the public entity controls and manages the land.

3 (3) The board may carry out any of the following to accomplish the purposes of
4 Sections 3 to 7 of this Act:

5 (a) Acquire, own, and hold property, and all interests therein, by deed,
6 purchase, gift, devise, bequest, or lease, or by transfer from the State
7 Property and Buildings Commission, except that the authority shall not
8 acquire property through the exercise of the power of eminent domain;

9 (b) Dispose of any property acquired in any manner provided by law;

10 (c) Lease property, whether as lessee or lessor, and acquire or grant through
11 easement, license, or other appropriate legal form, the right to develop and
12 use property and open it to the use of the public;

13 (d) Mortgage or otherwise grant security interests in its property;

14 (e) Maintain sinking funds and reserves as the board determines appropriate
15 for the purposes of meeting future monetary obligations and needs of the
16 authority;

17 (f) Sue and be sued, plead and be impleaded, and complain and defend in any
18 court;

19 (g) Make contracts and execute instruments necessary for carrying on its
20 business, including contracts with any Kentucky state agency, the federal
21 government, or any person, individual, partnership, or corporation to effect
22 any or all of the purposes of Sections 3 to 7 of this Act;

23 (h) Accept grants and loans from and enter into contracts and other
24 transactions with any federal agency, regional commission, or state agency
25 for accomplishing the purposes of Sections 3 to 7 of this Act;

26 (i) Maintain an office at any place within the KMRA as the board may
27 designate;

- 1 (j) Borrow money and issue bonds, security interests, or notes;
- 2 (k) Provide for and secure the payment of the bonds, security interests, or
- 3 notes;
- 4 (l) Provide for the rights of the holders of the bonds, security interests, or
- 5 notes;
- 6 (m) Purchase, hold, and dispose of any of its bonds, security interests, or notes;
- 7 (n) Accept gifts or grants of property, security interests, money, labor, supplies,
- 8 or services from any governmental unit or from any person, firm, or
- 9 corporation;
- 10 (o) Establish a regional recreational trail system based upon contracts and
- 11 agreements with participating landowners. The board may enter into
- 12 contracts with landowners, and other persons holding an interest in the
- 13 land being used for its recreational facilities, to hold those landowners
- 14 harmless with respect to any claim in tort growing out of the use of the land
- 15 for public recreation or growing out of the recreational activities operated
- 16 or managed by the board from any claim, except a claim for damages
- 17 proximately caused by the willful or malicious conduct of the landowner or
- 18 any of his or her agents or employees;
- 19 (p) 1. Establish a fee-based system of permits, user registrations, or other
- 20 trail or facility access mechanisms.
- 21 2. The fees may be imposed for access to and use of the trails, parking
- 22 facilities, visitor centers, or other trail-related recreational purpose
- 23 facilities or recreation activities that are part of the KMRA or as an
- 24 admission to an event.
- 25 3. The fees shall be decided by the board.
- 26 4. The KMRA shall retain and use the revenue from fees for any
- 27 purposes consistent with Sections 3 to 7 of this Act;

1 (q) Promulgate administrative regulations in accordance with KRS Chapter
 2 13A to govern use and maintenance of the KMRA and any other matters for
 3 effective management of the KMRA;

4 (r) Cooperate and contract with the regional recreation authorities of
 5 Tennessee, Virginia, West Virginia, and other contiguous states to connect
 6 the trails in Kentucky with similar recreation facilities in those states; and

7 (s) Exercise all of the powers that a corporation may lawfully exercise under
 8 the laws of the Commonwealth.

9 (4) Nothing in this section shall be construed as a waiver of sovereign immunity.

10 ➔SECTION 6. A NEW SECTION OF KRS CHAPTER 148 IS CREATED TO
 11 READ AS FOLLOWS:

12 (1) Revenue bonds and revenue refunding bonds of the authority issued under
 13 Sections 3 to 7 of this Act do not constitute a debt of the Commonwealth or of any
 14 political subdivision of the Commonwealth or a pledge of the faith and credit of
 15 the Commonwealth or of any political subdivision, but the bonds shall be payable
 16 solely from the funds provided for in Sections 3 to 7 of this Act from revenues
 17 resulting from the issuance of bonds.

18 (2) All bonds shall contain on the face of the bond a statement to the effect that
 19 neither the Commonwealth nor any political subdivision of the Commonwealth is
 20 obligated to pay the bond or the interest on the bond, except from revenues of the
 21 recreational project or projects for which they are issued, and that neither the
 22 faith or credit nor the taxing power of the Commonwealth or any political
 23 subdivision of the Commonwealth is pledged to the payment of the principal or
 24 the interest on the bonds.

25 ➔SECTION 7. A NEW SECTION OF KRS CHAPTER 148 IS CREATED TO
 26 READ AS FOLLOWS:

27 A participating landowner who has a contractual agreement with the KMRRRA for use

1 of private land as part of the KMRA does not waive any protection granted to the
 2 landowner by KRS 411.190.

3 →Section 8. KRS 147A.090 is amended to read as follows:

4 Each district board of directors shall have the power, duty, and authority to:

5 (1) Establish such functional advisory committees as may be necessary and advisable.

6 These functional advisory committees shall be organized to meet such guidelines as
 7 may be required for federal or state assistance;

8 (2) Conduct the necessary research and studies and coordinate and cooperate with all
 9 appropriate groups and agencies in order to develop, and adopt and revise, when
 10 necessary, a district development plan or series of plans, including, but not limited
 11 to, the following districtwide plan elements: goals and objectives; water and sewer;
 12 land-use; and open space and recreation. Such plans shall serve as a general guide
 13 for public and private actions and decisions to assure the development of public and
 14 private property in the most appropriate relationships;

15 (3) Prepare annually a report of its activities to the cities and counties within the
 16 district, the legislature, and the Governor. The board shall make copies of the report
 17 available to members of the public within the district;~~and~~

18 (4) Comply with the provisions of KRS 65A.010 to 65A.090; and

19 (5) Cooperate with the Kentucky Mountain Regional Recreation Authority
 20 established in Section 4 of this Act for the purpose of establishing, maintaining,
 21 and promoting recreational trails to increase economic development, tourism,
 22 and outdoor recreation for Kentucky's residents and visitors, not only in eastern
 23 Kentucky but throughout the Commonwealth.

24 →Section 9. The following KRS sections are repealed:

25 148.795 Kentucky Recreational Trails Authority -- Purpose -- Membership -- Meetings -
 26 - Land use agreements for recreational purposes -- General use permits -- Authority
 27 may hold property for public use -- Proceeds.

- 1 148.796 Strategy to increase recreational activity on private land -- Landowner's
- 2 permission required for entry on private land.
- 3 150.091 Enforcement of KRS 148.795 and 148.796 by conservation officers.