

1 AN ACT relating to local taxation.

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

3 ➔Section 1. KRS 67.083 is amended to read as follows:

4 (1) It is the purpose of this section to provide counties as units of general purpose local  
5 government with the necessary latitude and flexibility to provide and finance  
6 various governmental services within those functional areas specified in subsection  
7 (3) of this section, while the General Assembly retains full authority to prescribe  
8 and limit by statute local governmental activities when it deems such action  
9 necessary.

10 (2) (a) The fiscal court of any county is hereby authorized to levy all taxes, license  
11 fees, and franchise fees not in conflict with the Constitution of the  
12 Commonwealth of Kentucky, provided that the fee or tax is allowed by  
13 the~~and~~ statutes of this state ~~now or hereafter enacted~~.

14 (b) No fiscal court of any county is authorized to levy a sales or use tax on:

15 1. Retail sales of tangible personal property or digital property; or

16 2. The furnishing of any service.

17 (3) The fiscal court shall have the power to carry out governmental functions necessary  
18 for the operation of the county. Except as otherwise provided by statute or the  
19 Kentucky Constitution, the fiscal court of any county may enact ordinances, issue  
20 regulations, levy taxes, issue bonds, appropriate funds, and employ personnel in  
21 performance of the following public functions:

22 (a) Control of animals, and abatement of public nuisances;

23 (b) Regulation of public gatherings;

24 (c) Public sanitation and vector control;

25 (d) Provision of hospitals, ambulance service, programs for the health and welfare  
26 of the aging and juveniles, and other public health facilities and services;

27 (e) Provision of corrections facilities and services, and programs for the

- 1 confinement, care, and rehabilitation of juvenile law offenders;
- 2 (f) Provision of parks, nature preserves, swimming pools, recreation areas,  
3 libraries, museums, and other recreational and cultural facilities and programs;
- 4 (g) Provision of cemeteries and memorials;
- 5 (h) Conservation, preservation and enhancement of natural resources including  
6 soils, water, air, vegetation, and wildlife;
- 7 (i) Control of floods;
- 8 (j) Facilitating the construction and purchase of new and existing housing;  
9 causing the repair or demolition of structures which present a hazard to public  
10 health, safety, or morals or are otherwise inimical to the welfare of residents  
11 of the county; causing the redevelopment of housing and related commercial,  
12 industrial, and service facilities in urban or rural areas; providing education  
13 and counseling services and technical assistance to present and future  
14 residents of publicly assisted housing;
- 15 (k) Planning, zoning, and subdivision control according to the provisions of KRS  
16 Chapter 100;
- 17 (l) Adoption, by reference or in full, of technical codes governing new  
18 construction, renovation, or maintenance of structures intended for human  
19 occupancy;
- 20 (m) Regulation of commerce for the protection and convenience of the public;
- 21 (n) Regulation of the sale of alcoholic beverages according to the provisions of  
22 KRS Chapters 241 to 244;
- 23 (o) Exclusive management of solid wastes by ordinance or contract or by both and  
24 disposition of abandoned vehicles;
- 25 (p) Provision of public buildings, including armories, necessary for the effective  
26 delivery of public services;
- 27 (q) Cooperation with other units of government and private agencies for the

- 1 provision of public services, including, but not limited to, training,  
2 educational services, and cooperative extension service programs;
- 3 (r) Provision of water and sewage and garbage disposal service but not gas or  
4 electricity; including management of onsite sewage disposal systems;
- 5 (s) Licensing or franchising of cable television;
- 6 (t) Provision of streets and roads, bridges, tunnels and related facilities,  
7 elimination of grade crossings, provision of parking facilities, and  
8 enforcement of traffic and parking regulations;
- 9 (u) Provision of police and fire protection;
- 10 (v) Regulation of taxis, buses, and other passenger vehicles for hire;
- 11 (w) Provision and operation of air, rail and bus terminals, port facilities, and  
12 public transportation systems;
- 13 (x) Promotion of economic development of the county, directly or in cooperation  
14 with public or private agencies, including the provision of access roads, land  
15 and buildings, and promotion of tourism and conventions;
- 16 (y) Preservation of historic structures; and
- 17 (z) Regulation of establishments or commercial enterprises offering adult  
18 entertainment and adult entertainment activities.
- 19 (4) The county judge/executive is hereby authorized and empowered to exercise all of  
20 the executive powers pursuant to this section.
- 21 (5) A county acting under authority of this section may assume, own, possess and  
22 control assets, rights, and liabilities related to the functions and services of the  
23 county.
- 24 (6) If a county is authorized to regulate an area which the state also regulates, the  
25 county government may regulate the area only by enacting ordinances which are  
26 consistent with state law or administrative regulation:
- 27 (a) If the state statute or administrative regulation prescribes a single standard of

1           conduct, a county ordinance is consistent if it is identical to the state statute or  
2           administrative regulation;

3           (b) If the state statute or administrative regulation prescribes a minimal standard  
4           of conduct, a county ordinance is consistent if it establishes a standard which  
5           is the same as or more stringent than the state standard;

6           (c) A county government may adopt ordinances which incorporate by reference  
7           state statutes and administrative regulations in areas in which a county  
8           government is authorized to act.

9       (7) County ordinances which prescribe penalties for their violation shall be enforced  
10       throughout the entire area of the county unless:

11       (a) Otherwise provided by statute; or

12       (b) The legislative body of any city within the county has adopted an ordinance  
13       pertaining to the same subject matter which is the same as or more stringent  
14       than the standards that are set forth in the county ordinance. The fiscal court  
15       shall forward a copy of each ordinance which is to be enforced throughout the  
16       entire area of the county to the mayor of each city in the county.

17       (8) (a) The powers granted to counties by this section shall be in addition to all other  
18       powers granted to counties by other provisions of law. These powers, other  
19       than the power to tax, may be exercised cooperatively by two (2) or more  
20       counties, or by a county and a city, or by a county and a special district, or by  
21       a county and the state through, but not limited to, joint contracts, joint  
22       ownership of property, or the exchange of services, including personnel and  
23       equipment. When counties cooperate in the provision of public services,  
24       contracts shall be drawn to document the benefits and relative cost for each of  
25       the participating governments. One (1) government may pay one hundred  
26       percent (100%), or a lesser percentage, of all or any part of the cost of the joint  
27       undertaking, based upon the written contract required by this subsection.

1 (b) A permissive procedure authorized by this section shall not be deemed to be  
 2 exclusive or to prohibit the exercise of other existing laws and laws which  
 3 may hereafter be enacted but shall be an alternative or supplement thereto.

4 (9) Any agency of county government exercising authority pursuant to subsection (3)(y)  
 5 of this section shall, prior to exercising such authority, obtain the voluntary written  
 6 consent of the owner of the structure. Consent may be obtained only after advising  
 7 the owner in writing of any advantages and disadvantages to the owner which are  
 8 likely to result from the exercise of such authority.

9 ➔Section 2. KRS 67A.070 is amended to read as follows:

10 (1) (a) Urban-county governments may enact and enforce within their territorial  
 11 limits such tax, license fees, franchise fees~~[licensing]~~, police, sanitary and  
 12 other ordinances not in conflict with the Constitution and general statutes of  
 13 this state, and provided that the tax or fee is allowed by the statutes of this  
 14 state~~[now or hereafter enacted,]~~ as they shall deem requisite for the health,  
 15 education, safety, welfare and convenience of the inhabitants of the county  
 16 and for the effective administration of the urban-county government; and

17 (b) No urban-county government is authorized to levy a sales or use tax on:

18 1. Retail sales of tangible personal property or digital property; or

19 2. The furnishing of any service.

20 (2) Urban-county government ordinances shall be deemed to conflict with general  
 21 statutes of this state only:

22 (a) When the ordinance authorizes that which is expressly prohibited by a general  
 23 statute; or

24 (b) When there is a comprehensive scheme of legislation on the same subject  
 25 embodied in a general statute.

26 (3) No ordinance or resolution shall be considered by the urban-county government  
 27 legislative body until it has been read at two (2) separate meetings; provided,

1           however, that the requirement for a second reading may be suspended by a two-  
2           thirds (2/3) vote of the membership of the legislative body. Requirements for  
3           reading ordinances or resolutions may be satisfied by public reading of the title and  
4           of a certified synopsis of the contents prepared by an attorney licensed to practice  
5           law in the Commonwealth of Kentucky.

6       (4) All ordinances and resolutions shall be effective upon passage, unless timely vetoed  
7           by the chief executive officer of the urban-county government pursuant to the  
8           provisions of the comprehensive plan of the urban-county government. All  
9           ordinances of the urban-county government shall be published in full or by  
10          publication of the title and a certified synopsis prepared by an attorney licensed to  
11          practice law in the Commonwealth of Kentucky. A certified synopsis shall include a  
12          brief narrative setting out the main points of the ordinance in a way reasonably  
13          calculated to inform the public in a clear and understandable manner of the meaning  
14          of the ordinance and shall contain the full text of any section that imposes taxes or  
15          fees. The publication shall occur in the daily newspaper which has the largest bona  
16          fide circulation in the county and is published in the publication area.

17       (5) The provisions of any local, statewide or nationally recognized standard code and  
18          codifications of entire bodies of local legislation may be adopted by ordinance  
19          which identifies the subject matter by title, source and date and incorporates the  
20          adopted provisions by reference without setting them out in full, provided a copy  
21          accompanies the adopting ordinance and is made a part of the permanent records of  
22          the urban-county government.

23          ➔Section 3. KRS 67C.101 is amended to read as follows:

24       (1) The governmental and corporate functions vested in any city of the first class shall,  
25          upon approval by the voters of the county at a regular or special election, be  
26          consolidated with the governmental and corporate functions of the county  
27          containing the city. This single government replaces and supersedes the

1 governments of the pre-existing city of the first class and its county.

2 (2) (a) A consolidated local government shall have all powers and privileges that  
3 cities of the first class and their counties are, or may hereafter be, authorized  
4 to exercise under the Constitution and the general laws of the Commonwealth  
5 of Kentucky, including but not limited to those powers granted to cities of the  
6 first class and their counties under their respective home rule powers.

7 (b) A consolidated local government shall continue to exercise these powers and  
8 privileges notwithstanding repeal or amendment of any of the laws upon  
9 which the powers and privileges are based unless expressly repealed or  
10 amended for consolidated local governments.

11 (c) In addition, a consolidated local government shall have other powers and  
12 privileges as the government may be authorized to exercise under the  
13 Constitution and general laws of the Commonwealth of Kentucky.

14 (d) A consolidated local government is neither a city government nor a county  
15 government as those forms of government exist on July 15, 2002, but it is a  
16 separate classification of government which possess the greater powers  
17 conferred upon, and is subject to the lesser restrictions applicable to, county  
18 government and cities of the first class under the Constitution and general  
19 laws of the Commonwealth of Kentucky.

20 (e) A consolidated local government shall be accorded the same sovereign  
21 immunity granted counties, their agencies, officers, and employees.

22 (3) A consolidated local government shall have power and authority to:

23 (a) Levy and collect taxes upon all property taxable for state purposes within the  
24 territorial limits of the consolidated local government not exempt by law from  
25 taxation;

26 (b) License, tax, and regulate privileges, occupations, trades, and professions  
27 authorized by law, to be uniform throughout the jurisdiction;

- 1 (c) Make appropriations for the support of the consolidated local government and  
2 provide for the payment of all debts and expenses of the consolidated local  
3 government and the debts and expenses of the county and city of which it is  
4 the successor;
- 5 (d) Issue or cause to be issued bonds and other debt instruments that counties  
6 containing a city of the first class are authorized to issue or enter into all other  
7 financial transactions as may be permitted by law;
- 8 (e) Purchase, lease, construct, maintain, or otherwise acquire, hold, use, and  
9 operate any property, real or personal, for any public purpose, and sell, lease,  
10 or otherwise dispose of any property, real or personal, belonging to a  
11 consolidated local government;
- 12 (f) Exercise the power of eminent domain for any public purpose subject to the  
13 limitations and exceptions prescribed by the Constitution and the general laws  
14 of the Commonwealth of Kentucky;
- 15 (g) Accept federal or state funds and other sources of revenue that are applicable  
16 to counties and cities of the first class;
- 17 (h) Establish, erect, maintain, and operate facilities for the confinement,  
18 detention, and rehabilitation of persons convicted of the violation of the  
19 ordinances and laws of a consolidated local government or the  
20 Commonwealth of Kentucky;
- 21 (i) Pass and enforce by fines and penalties, if necessary, all ordinances, not  
22 inconsistent with law, as are expedient in maintaining the peace, good  
23 government, health, and welfare of the inhabitants of the county and prevent,  
24 abate, and remove nuisances;
- 25 (j) Collect and dispose of garbage, junk, and other refuse, and regulate the  
26 collection and disposal of garbage, junk, and other refuse by others;
- 27 (k) Provide for the redevelopment, renewal, or rehabilitation of blighted,



- 1           deteriorated, or dilapidated areas;
- 2           (l) Enforce zoning regulations;
- 3           (m) Enter into contracts and agreements with other governmental entities and with
- 4           private persons, firms, and corporations;
- 5           (n) Adopt procedures for collective bargaining with its employees and for the
- 6           certification of exclusive bargaining agents for groups of employees in
- 7           accordance with the Constitution and general laws of the Commonwealth of
- 8           Kentucky and its ordinances; and
- 9           (o) Exercise all other powers and authorities granted to counties and cities of the
- 10          first class by the general laws of the Commonwealth of Kentucky.
- 11 (4) The powers of the consolidated local government shall be construed broadly in
- 12 favor of the consolidated local government. The specific mention, or failure to
- 13 mention, of particular powers in this section shall not be construed as limiting in
- 14 any way the general or specific powers of a consolidated local government.
- 15 (5) A consolidated local government shall have power and jurisdiction throughout the
- 16 total area embraced by the official jurisdictional boundaries of the county.
- 17 (6) A consolidated local government shall be known as...../.....County
- 18 Metro Government, which shall be the combination of the names of the largest city
- 19 in existence on the date of the adoption of the consolidated local government and
- 20 the county.
- 21 **(7) No consolidated local government that is authorized to levy and collect taxes,**
- 22 **license fees, or franchise fees shall levy the tax or fee unless the tax, license fee,**
- 23 **or franchise fee is allowed by the statutes of this state.**
- 24 **(8) No consolidated local government is authorized to levy a sales or use tax on:**
- 25 **(a) Retail sales of tangible personal property or digital property; or**
- 26 **(b) The furnishing of any service.**
- 27 ➔Section 4. KRS 92.281 is amended to read as follows:

- 1 (1) **(a)** Cities of all classes are authorized to levy and collect any and all taxes, **license**  
2 **fees, and franchise fees not in conflict with** ~~provided for in Section 181 of~~  
3 the Constitution of the Commonwealth of Kentucky, **provided that the fee or**  
4 **tax is allowed by the statutes of this state,** and to use the revenue therefrom  
5 for **the** ~~such~~ purposes ~~as may be~~ provided by the legislative body of the  
6 city.
- 7 **(b) No city of any class is authorized to levy a sales and use tax on:**
- 8 **1. Retail sales of tangible personal property or digital property; or**
- 9 **2. The furnishing of any service.**
- 10 (2) Nothing in this section shall be construed to repeal, amend, or affect in any way the  
11 provisions of KRS 243.070.
- 12 (3) This section shall not in any wise repeal, amend, affect, or apply to any existing  
13 statute exempting property from local taxation or fixing a special rate on proper  
14 classification or imposing a state tax which is declared to be in lieu of all local  
15 taxation, nor shall it be construed to authorize a city to require any company that  
16 pays both an ad valorem tax and a franchise tax to pay a license tax.
- 17 (4) This section shall also be subject to the provisions of KRS 91.200 in cities of the  
18 first class having a sinking fund and commissioners of a sinking fund.
- 19 (5) License fees or occupational taxes may not be imposed against or collected on  
20 income received by precinct workers for election training or work at election booths  
21 in state, county, and local primary, regular, or special elections.
- 22 (6) License fees or occupational taxes may not be imposed against or collected on any  
23 profits, earnings, or distributions of an investment fund which would qualify under  
24 KRS 154.20-250 to 154.20-284 to the extent any profits, earnings, or distributions  
25 would not be taxable to an individual investor.
- 26 (7) (a) It is the intent of the General Assembly to continue the exemption from local  
27 license fees and occupational taxes that existed on January 1, 2006, for

1 providers of multichannel video programming services or communications  
2 services as defined in KRS 136.602 that were taxed under KRS 136.120 prior  
3 to January 1, 2006.

4 (b) To further this intent, license fees or occupational taxes may not be imposed  
5 against any company providing multichannel video programming services or  
6 communications services as defined in KRS 136.602. If only a portion of an  
7 entity's business is providing multichannel video programming services or  
8 communications services including products or services that are related to and  
9 provided in support of the multichannel video programming services or  
10 communications services, this exclusion applies only to that portion of the  
11 business that provides multichannel video programming services or  
12 communications services including products or services that are related to and  
13 provided in support of the multichannel video programming services or  
14 communications services.

15 ➔Section 5. KRS 610.350 is amended to read as follows:

16 (1) In proceedings in the juvenile session of the District Court, no court fees shall be  
17 charged against, and no witness fees shall be allowed to, any party to a petition. No  
18 public officer shall be entitled to receive any fee from the service of process or for  
19 attendance in court in any such proceedings. All other persons acting under orders  
20 of the court may be paid for service of process and attendance as witnesses. The  
21 payments for fees provided by law for like services in civil cases in the Circuit  
22 Court are to be made out of the county treasury. The county or state may  
23 compensate any officer or person in the amount prescribed by law for the  
24 transportation of a child to a place where he will be detained or placed or the return  
25 of any child to the jurisdiction of the court, and funds for this purpose may be  
26 appropriated and paid by the fiscal court.

27 (2) (a) For the purpose of paying salaries and expenses necessary to carry out the

1 purposes of KRS Chapters 600 to 645, the fiscal court of any county, or  
 2 urban-county council of an urban-county government, may levy taxes, **license**  
 3 **fees, and franchise fees** and make appropriations within constitutional  
 4 limitations, **provided that the fee or tax is allowed by the statutes of this**  
 5 **state.**

6 **(b) No fiscal court of any county, or urban-county council of any urban-county**  
 7 **government, is authorized to levy a sales or use tax on:**

8 **1. Retail sales of tangible personal property or digital property; or**

9 **2. The furnishing of any service.**

10 **(c)** The legislative body of any city also is authorized to appropriate funds to  
 11 assist the county in carrying out the purposes of KRS Chapters 600 to 645,  
 12 including providing facilities for custody and care of children coming within  
 13 the purview of KRS Chapters 600 to 645.

14 ➔Section 6. KRS 83.520 is amended to read as follows:

15 **(1)** The legislative body of a city of the first class shall have the power to exercise all of  
 16 the rights, privileges, powers, franchises, including the power to levy all taxes,  
 17 **license fees, and franchise fees,** not in conflict with the Constitution, **provided that**  
 18 **the fees or taxes are allowed by the statutes of this state.**

19 **(2) No legislative body of a city of the first class is authorized to levy a sales or use**  
 20 **tax on:**

21 **(a) Retail sales of tangible personal property or digital property; or**

22 **(b) The furnishing of any service.** ~~and so as~~

23 **(3) The powers granted under subsection (1) of this section are** to provide for the  
 24 health, education, safety and welfare of the inhabitants of the city, to the same  
 25 extent and with the same force and effect as if the General Assembly had granted  
 26 and delegated to the legislative body of the city all of the authority and powers that  
 27 are within its powers to grant to a municipal corporation as if expressly enumerated

1       herein.

2       **(4)** Nothing therein contained to the contrary, the provisions of KRS Chapters 65, 66,  
3       76, 77, 79, 80, 91, 95, 96, 97, 98, 99, 103, 104, 106, 107, 108 and 109 shall be  
4       considered permissive rather than mandatory and the powers, rights and duties  
5       therein delineated may be modified or delegated by the legislative body to different  
6       departments and agencies of city government and any restrictions therein set forth  
7       shall not be considered abridging in any manner the complete grant of home rule set  
8       forth in this grant of power except no right heretofore vested by operation of statute  
9       shall in any way be affected.

10       ➔Section 7. KRS 65.760 is amended to read as follows:

11       (1) Any local government may establish 911 emergency service upon approval of the  
12       governing body of the city, county, or urban-county government and may adopt  
13       regulations concerning the provision of this service by ordinance.

14       (2) Any local government, or any combination thereof, may with the approval of their  
15       governing bodies enter into an interlocal cooperation agreement creating a joint 911  
16       emergency service.

17       (3) (a) The funds required by a local government to establish and operate 911  
18       emergency service, or to participate in joint service with other local  
19       governments, may be obtained through the levy of any special tax, license, or  
20       fee not in conflict with the Constitution and statutes of this state, **provided**  
21       **that the special tax, license, or fee is allowed by the statutes of this state.**

22       **(b) No local government, or any combination thereof, is authorized to levy a**  
23       **sales or use tax on:**

24       **1. Retail sales of tangible personal property or digital property; or**

25       **2. The furnishing of any service.**

26       **(c)** The special tax, license, or fee may include a subscriber charge for 911  
27       emergency service that shall be levied on an individual exchange-line basis,

1 limited to a maximum of twenty-five (25) exchange lines per account per  
2 government entity.

3 ~~(d)~~~~(b)~~ Any private commercial telephone service or owner of a dispersed  
4 private telephone system (DPTS) that provides local and 911 emergency  
5 service to subscribers for compensation shall collect and remit the subscriber  
6 charge to the local government on the same basis as the primary local  
7 exchange carrier, except that this requirement shall not apply to a state agency  
8 that currently maintains an independent 911 system with its own public safety  
9 answering point.

10 ~~(e)~~~~(c)~~ Any provider of interconnected VoIP local and 911 emergency services  
11 to subscribers for compensation shall collect and remit any special tax,  
12 license, or fee levied under paragraph (a) of this subsection to the local  
13 government, except that the special tax, license, or fee levied under paragraph  
14 (a) of this subsection shall not apply to a commercial mobile radio service  
15 subject to a fee imposed under KRS 65.7629 or 65.7634.

16 (4) All revenues raised from any special tax, license, or fee levied under subsection (3)  
17 of this section shall be expended only as provided in this subsection and only to the  
18 extent that the expenditure is directly attributable to the establishment, operation, or  
19 maintenance of a PSAP, the delivery of 911 emergency services, or the provision of  
20 wireless enhanced 911 services, as follows:

- 21 (a) The hiring of personnel;
- 22 (b) The following costs for employees:
- 23 1. Salaries;
  - 24 2. Fringe benefits;
  - 25 3. MSAG coordination;
  - 26 4. Uniforms; and
  - 27 5. Addressing and database development and management;

- 1 (c) Facility costs for the following expenses:
- 2 1. Capital improvements for construction, remodeling, or expansion;
- 3 2. Lease or rental payments;
- 4 3. Utilities;
- 5 4. Heating and air conditioning;
- 6 5. Fire suppression systems;
- 7 6. Security systems;
- 8 7. Cleaning and maintenance;
- 9 8. Emergency power and uninterruptable power equipment;
- 10 9. Insurance;
- 11 10. Office supplies;
- 12 11. Printing and copying services; and
- 13 12. Furniture;
- 14 (d) Training and memberships in professional associations, including:
- 15 1. Vendor-provided training;
- 16 2. Conferences;
- 17 3. Necessary travel and lodging;
- 18 4. On-the-job training; and
- 19 5. Memberships in 911-related associations;
- 20 (e) Costs for the following equipment shall be allowed to the extent its function is
- 21 directly attributable to the provision of 911 emergency services, whether on
- 22 the premises or remotely located:
- 23 1. 911 controllers, equipment, or software;
- 24 2. 911 trunks or administrative lines for the 911 center;
- 25 3. Remote 911 hardware or modems;
- 26 4. ACD systems or other call management facilities and software;
- 27 5. Call-time stamping or other clock functions;

- 1           6.    Computer workstations;
- 2           7.    Telephone and related services to support the receipt of 911 contact
- 3                 from the deaf and hard of hearing community;
- 4           8.    Voice and data recording systems;
- 5           9.    Radio systems, including consoles and any fixed radio asset that is not
- 6                 mobile or portable and that is used for 911 and emergency response;
- 7           10.   CAD, GIS mapping, paging, mobile data, LINK/NCIC, or AVL systems
- 8                 and associated databases;
- 9           11.   Network connectivity;
- 10          12.   Software licenses; and
- 11          13.   Maintenance or service agreements for equipment or software listed in
- 12                 this subsection;
- 13          (f)   Vehicle costs for the following, either as reimbursement to an employee for
- 14                 the use of a private vehicle or direct costs for a vehicle assigned to the agency:
- 15                 1.    MSAG development and maintenance;
- 16                 2.    GIS data development, verification, and testing; and
- 17                 3.    Public education;
- 18          (g)   Costs for the following professional services:
- 19                 1.    Legal;
- 20                 2.    Architectural;
- 21                 3.    Auditing; and
- 22                 4.    Consultation; and
- 23          (h)   Costs for public education regarding the proper use of 911 emergency
- 24                 services.
- 25          (5)   A local government shall not use revenues from any special tax, license, or fee
- 26                 levied under subsection (3) of this section for personnel costs, facility costs, training
- 27                 and membership costs, equipment costs, vehicle costs, professional services costs,



1 public education costs, nor any of the following costs, unless the expense is directly  
2 attributable to the delivery of 911 emergency services:

3 (a) Personnel costs for the following personnel, unless directly functioning as  
4 PSAP staff:

- 5 1. Law enforcement;
- 6 2. Emergency medical services personnel;
- 7 3. Fire protection personnel;
- 8 4. Emergency management staff; and
- 9 5. Shared support or technical staff;

10 (b) Facility costs for the following purposes and facilities, except for that portion  
11 used for the delivery of 911 emergency services:

- 12 1. Capital and furnishing costs for facilities whose primary purpose is not  
13 the delivery of 911 emergency services;
- 14 2. Facilities primarily intended for use by police, fire, emergency medical  
15 services, or other emergency management personnel; and
- 16 3. Facilities providing general offices for local government operations;

17 (c) Training and membership costs for the following purposes:

- 18 1. Costs for training for staff not directly involved in the delivery of 911  
19 emergency services or courses whose content is not intended to increase  
20 the knowledge, skills, and abilities of 911 personnel with regard to  
21 delivery of 911 emergency services; and
- 22 2. Costs for memberships in organizations or associations whose primary  
23 purpose is not public safety communications or the delivery of 911  
24 emergency services;

25 (d) The following hardware, software, or peripheral costs:

- 26 1. Law enforcement, fire protection, emergency medical services, or jail  
27 record management systems;

- 1           2.    Word processing and other general computer applications;
- 2           3.    GIS applications providing data layers not needed for the location of
- 3                emergency calls or other general mapping and locations services for
- 4                government operations;
- 5           4.    Court information systems;
- 6           5.    Field equipment used outside of the PSAP by emergency responders or
- 7                other government personnel for radio, paging, mobile data, LINK/NCIC,
- 8                ACD, or AVL systems;
- 9           6.    Internet connectivity for an application listed in this subsection;
- 10          7.    A maintenance or service agreement for an application listed in this
- 11                subsection; and
- 12          8.    A software license for an application listed in this subsection;
- 13          (e)   The cost of an emergency response or other government vehicle;
- 14          (f)   Costs for professional services; and
- 15          (g)   Costs for public education.
- 16   (6)   The governing body may apply for and accept federal moneys and may accept
- 17        contributions and donations from any source for the purpose of funding 911
- 18        emergency service.
- 19   (7)   Nothing in this section shall preclude other means of establishing or funding a 911
- 20        emergency service within any local area or exchange, nor require the operation of
- 21        such service by any local government.

22        ➔SECTION 8.   A NEW SECTION OF KRS CHAPTER 92 IS CREATED TO

23        READ AS FOLLOWS:

24        *(1) No municipal corporation that is authorized to levy and collect taxes, license fees,*

25        *or franchise fees shall levy the tax or fee unless the tax, license fee, or franchise*

26        *fee is allowed by the statutes of this state.*

27        *(2) Municipal corporations are not authorized to levy a sales or use tax on:*

1        *(a) Retail sales of tangible personal property or digital property; or*

2        *(b) The furnishing of any service.*

3        ➔Section 9. This Act shall become effective only upon the ratification, in the  
4 regular election of November 8, 2022, of an amendment to Section 181 of the Kentucky  
5 Constitution permitting the General Assembly to confer upon counties, cities, towns, and  
6 other municipal corporations the power to collect taxes, license fees, and franchise fees  
7 that are not in conflict with the Constitution. If such an amendment is not ratified, this  
8 Act is void.