

65A.020 Duties of Department for Local Government relating to forms, reporting, and online access – Information to be submitted by special purpose governmental entities – Failure to submit information – Administrative regulations – Registry – Registration fee – Annual report.

- (1) The DLG shall:
 - (a) On or before March 1, 2014, make the necessary reporting and certification forms, online reporting portal, and online central registry available for reporting by special purpose governmental entities. The portal and registry shall serve as a unified location for the reporting of and access to administrative and financial information by special purpose governmental entities; and
 - (b) On or before October 1, 2014, make available online public access to administrative and financial information reported by special purpose governmental entities.
- (2) (a) For each fiscal period beginning on or after July 1, 2014, all special purpose governmental entities shall annually submit to the DLG the information required by this section. The information shall be submitted in accordance with this section, at the time, and in the form and format required by the DLG. The information submitted shall include at a minimum the following:
 1. **Administrative information:**
 - a. The name, address, and, if applicable, the term and appointing authority for each board member of the governing body of the entity;
 - b. The fiscal year of the entity;
 - c. The Kentucky Revised Statute and, if applicable, the local government ordinance and interlocal agreement under which the entity was established; the date of establishment; the establishing entity; and the statute or statutes, local government ordinance, or interlocal agreement under which the entity operates, if different from the statute or statutes, ordinance, or agreement under which it was established;
 - d. The mailing address and telephone number and, if applicable, the Web site uniform resource locator (URL) of the entity;
 - e. The operational boundaries and service area of the entity and the services provided by the entity;
 - f.
 - i. A listing of all the most significant taxes or fees imposed and collected by the entity, including the rates or amounts charged for the reporting period and the statutory or other source of authority for the levy of the tax or fee.
 - ii. As used in this subdivision, "most significant taxes or fees" means the five (5) taxes or fees levied by the entity that produce the most tax and fee revenue for the entity, provided that if the top five (5) revenue-producing taxes and fees do

not produce at least eighty-five percent (85%) of all tax and fee revenues received by the entity, additional taxes and fees shall be listed until the taxes and fees listed produce at least eighty-five percent (85%) of all tax and fee revenues of the entity. If an entity levies fewer than five (5) taxes and fees, the entity shall list all taxes and fees levied;

- g. The primary contact for the entity for purposes of communication from the DLG;
- h. The code of ethics that applies to the entity, and whether the entity has adopted additional ethics provisions;
- i. A listing of all federal, state, and local governmental entities that have oversight authority over the special purpose governmental entity or to which the special purpose governmental entity submits reports, data, or information; and
- j. Any other related administrative information required by the DLG; and

2. Financial information:

- a.
 - i. The most recent adopted budget of the entity for the upcoming fiscal year;
 - ii. After the close of each fiscal year, a comparison of the budget to actual revenues and expenditures for each fiscal year, including any amendments made throughout the fiscal year to the budget originally submitted;
 - iii. Completed audits or attestation engagements as provided in KRS 65A.030; and
 - iv. Other financial oversight reports or information required by the DLG.
 - b. In lieu of the submissions required by subdivision a.i., ii., and iv. of this subparagraph:
 - i. A federally regulated municipal utility shall submit, after the close of each fiscal year, the monthly balance, revenue, and expense report required by the federal regulator, which constitutes year-end data; and
 - ii. A public utility established pursuant to KRS 96.740 that is not a federally regulated municipal utility shall submit after the close of each fiscal year a report that includes the same information, in the same format as is required for federally regulated municipal utilities under subpart i. of this subdivision.
- (b) The provisions of KRS 65A.040 shall apply when a special purpose governmental entity fails to submit the information required by this section in a timely manner, or submits information that does not comply with the requirements and standards established by this section and the DLG. To

facilitate the enforcement of these provisions, the DLG shall establish and maintain an online list of due dates for the filing of reports, audit certifications, and information for each special purpose governmental entity.

- (c) The provisions of this subsection shall be in addition to, and shall not supplant or replace any reporting or filing requirements established by other provisions of the Kentucky Revised Statutes.
- (3) (a) The DLG shall, by administrative regulation adopted pursuant to KRS Chapter 13A, develop standard forms, protocols, timeframes, and due dates for the submission of information by special purpose governmental entities. All information shall be submitted electronically; however, the DLG may allow submission by alternative means, with the understanding that the DLG shall be responsible for converting the information to a format that will make it accessible through the registry.
 - (b) In an effort to reduce duplicative submissions to different governmental entities and agencies, during the development of the forms, protocols, timeframes, and due dates, the DLG shall consult with other governmental entities and agencies that may use the information submitted by special purpose governmental entities, and may include the information those agencies and entities need to the extent possible.
 - (c) As an alternative to completing and submitting any standard form developed by the DLG for the reporting of financial information, federally regulated municipal utilities and public utilities established pursuant to KRS 96.740 that are not federally regulated municipal utilities may elect to satisfy the reporting requirements established by subsection (2)(a)2. of this section for the public power components of their operations by reporting the financial information related to their electric system accounts in accordance with the Federal Energy Regulatory Commission's Uniform System of Accounts.
- (4) (a) Beginning October 1, 2014, all information submitted by special purpose governmental entities under this section shall be publicly available through the registry. The registry shall be updated at least monthly, but may be updated more frequently at the discretion of the DLG. The registry shall include a notation indicating the date of the most recent update.
 - (b) The registry shall be in a searchable format and shall, at a minimum, allow a search by county, by special purpose governmental entity name, and by type of entity.
 - (c) To the extent possible, the registry shall be linked to or accessed through the Web site established pursuant to KRS 42.032 to provide public access to expenditure records of the executive branch of state government.
- (5) (a) To offset the costs incurred by the DLG in maintaining and administering the registry, the costs incurred in providing education for the governing bodies and employees of special purpose governmental entities as required by KRS 65A.060, and the costs incurred by the DLG and the Auditor of Public Accounts in responding to and acting upon noncompliant special purpose governmental entities under KRS 65A.040, excluding costs associated with

conducting audits or special examinations, each special purpose governmental entity shall pay a registration fee to the DLG on an annual basis at the time of registration under this section.

- (b) The initial annual fee shall be as follows:
1. For special purpose governmental entities with annual revenue from all sources of less than one hundred thousand dollars (\$100,000), twenty-five dollars (\$25);
 2. For special purpose governmental entities with annual revenues from all sources of at least one hundred thousand dollars (\$100,000) but less than five hundred thousand dollars (\$500,000), two hundred fifty dollars (\$250); and
 3. For special purpose governmental entities with annual revenues of five hundred thousand dollars (\$500,000) or greater, five hundred dollars (\$500).
- (c) If the costs of administering and maintaining the registry, providing education, and enforcing compliance change over time, the fee and tiered structure established by paragraph (b) of this subsection may be adjusted one (1) time by the DLG through the promulgation of an administrative regulation under KRS Chapter 13A. The rate, if adjusted, shall be set at a level no greater than a level that is expected to generate sufficient revenue to offset the actual cost of maintaining and administering the registry, providing education for the governing bodies and employees of special purpose governmental entities, and enforcing compliance.
- (d) The portion of the registration fee attributable to expenses incurred by the Auditor of Public Accounts for duties and services other than conducting audits or special examinations shall be collected by the DLG and transferred to the Auditor of Public Accounts on a quarterly basis. Prior to the transfer of funds, the Auditor of Public Accounts shall submit an invoice detailing the actual costs incurred, which shall be the amount transferred; however, the amount transferred to the Auditor of Public Accounts under the initial fee established by paragraph (b) of this section shall not exceed the annual amount agreed to between the DLG and the Auditor of Public Accounts.
- (e) 1. In determining the annual fee due from a special purpose governmental entity, the DLG may exclude revenues received by the special purpose governmental entity if:
- a. The revenues constitute nonrecurring, nonoperating grants for the purpose of capital asset acquisition, capital construction, disaster recovery efforts, or other one (1) time purposes as determined by the DLG; and
 - b. The special purpose governmental entity requests, in writing to the DLG and for each fiscal year it receives the revenue in question, that the revenues in question not be included in determining its annual revenues.

2. Any receipts excluded under this paragraph shall still be reported as required under subsection (2)(a)2. of this section.
- (6) By October 1, 2014, and on or before each October 1 thereafter, the DLG shall file an annual report with the Legislative Research Commission detailing the compliance of special purpose governmental entities with the provisions of KRS 65A.010 to 65A.090. The Legislative Research Commission shall refer the report to the Interim Joint Committee on Local Government for review.

Effective: June 24, 2015

History: Amended 2015 Ky. Acts ch. 17, sec. 2, effective June 24, 2015. — Amended 2014 Ky. Acts ch. 7, sec. 2, effective March 19, 2014. -- Created 2013 Ky. Acts ch. 40, sec. 2, effective March 21, 2013.

Legislative Research Commission Note (3/19/2014). 2014 Ky. Acts ch. 7, sec. 11 provides that the amendments to this statute made in 2014 Ky. Acts ch. 7, sec. 2, shall apply retroactively beginning January 1, 2014.