

SB 133 -- Redline

Current/Final to Acts Chapter 199 -- AN ACT relating to the fiscal reporting of local entities.

Deletions ~~struck~~ · Insertions underlined

~~UNOFFICIAL CHAPTER COPY 199 261 RS CHAPTER 199 (SB 133/EN 133)~~ AN ACT relating to the fiscal reporting of local entities.

~~a. [1.] Annually~~ a. [1.] Annually prepare a financial statement;

and ~~b. [2.] Be~~ b. [2.] Be audited annually as provided in subsection (2) of this section.

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(b) The audit or attestation engagement shall be completed no later than twelve ~~Page 2 of 31 SB013320.100 - 1095 - XXXX 4/15/2026 4:38 PM Engrossed UNOFFICIAL COPY 26 RS SB 133/EN~~ (12) months following the close of the fiscal year subject to the audit or the attestation engagement.

Legislative Research Commission PDF Version ACTS OF THE GENERAL ASSEMBLY (c) 1.

of this paragraph, the audit submitted by a federally regulated municipal utility or a public utility established pursuant to KRS 96.740 that is not a ~~Page 3 of 31 SB013320.100 - 1095 - XXXX 4/15/2026 4:38 PM Engrossed UNOFFICIAL COPY 26 RS SB 133/EN~~ federally regulated municipal utility with regard to the public power component of the utility's operations shall conform to KRS 96.840 and the financial standards of the Federal Energy Regulatory Commission's Uniform System of Accounts.

(b) The Auditor of Public Accounts shall review the application and if the auditor determines that the board, commission, or agency has the resources and ~~Page 4 of 31 SB013320.100 - 1095 - XXXX 4/15/2026 4:38 PM Engrossed UNOFFICIAL COPY 26 RS SB 133/EN~~ capacity to conduct an acceptable alternative financial review, the auditor shall notify the DLG that the board, commission, or agency is approved to provide an alternative financial review of the special purpose governmental entities it regulates or oversees that are required by subsection (1)(a) of this section to submit an attestation engagement.

CHAPTER 199 3 (e) The Auditor of Public Accounts or the DLG may withdraw any approval granted under this subsection if the board, commission, or agency fails to conduct alternative financial reviews using the procedures and including the terms and components agreed to with the DLG.

(4) (a) The Auditor of Public Accounts[DLG] shall determine which procedures ~~Page 5 of 31 SB013320.100 - 1095 - XXXX 4/15/2026 4:38 PM Engrossed UNOFFICIAL COPY 26 RS SB 133/EN~~ conducted under attestation standards will apply to special purpose governmental entities meeting the conditions established by subsection (1)(a) of this section, and also the standards for an agreed-upon procedures engagement in accordance with Section 2 of this Act.

(b) In determining the requirements relating to audits and financial statements under subsection (1) of this section of special purpose governmental entities ~~Page 6 of 31 SB013320.100 - 1095 - XXXX 4/15/2026 4:38 PM Engrossed UNOFFICIAL COPY 26 RS SB 133/EN~~ that are public use airports operating under KRS 183.132 to 183.160, the DLG may exclude annual receipts received by those public use airports if the receipts constitute nonoperating or recurring grants for the purpose of capital asset acquisition, capital construction, disaster recovery efforts, or other one (1) time purposes as determined by the DLG.

(2) In order for a special purpose governmental entity to proceed with an ~~agreed-agreed-upon-upon~~ procedures engagement under this section for a particular fiscal year, the following conditions shall be met:

Legislative Research Commission PDF Version ACTS OF THE GENERAL ASSEMBLY (b) The special purpose governmental entity has not been subject to a special examination by the Auditor of Public Accounts during the immediately preceding fiscal year or during the fiscal year to be reviewed under ~~agreed-agreed-upon~~ ~~Page 7 of 31 SB013320.100 - 1095 - XXXX 4/15/2026 4:38 PM Engrossed UNOFFICIAL COPY 26 RS SB 133/EN~~ agreed-upon procedures;

(c) Within thirty (30) days following the receipt of the written certification, the DLG may for any reason in its discretion object to the use of the ~~agreed-agreed-upon-upon~~ procedures engagement by notifying the special purpose governmental entity in writing the details of the objection.

(4) An agreed-upon procedures engagement entered into by a special purpose ~~Page 8 of 31 SB013320.100 - 1095 - XXXX 4/15/2026 4:38 PM Engrossed UNOFFICIAL COPY 26 RS SB 133/EN~~ governmental entity under this section shall be conducted and governed under the American Institute of Certified Public Accountants professional standards, and any additional standards and requirements established by the Auditor of Public Accounts through the promulgation of administrative regulations in accordance with KRS Chapter 13A.

(6) Any special purpose governmental entity proceeding under this section to ~~Page 9 of 31 SB013320.100 - 1095 - XXXX 4/15/2026 4:38 PM Engrossed UNOFFICIAL COPY 26 RS SB 133/EN~~ perform an agreed-upon procedures engagement in lieu of an audit shall enter into a contract with the Auditor of Public Accounts or a certified public accountant.

and CHAPTER 199 5 (b) The certified public accountant completing an agreed-upon procedures engagement

under this section allows the Auditor of Public Accounts to review the certified public accountant's work papers upon request.

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~~?Section 4.~~

hold, encumber, control, acquire by donation, purchase, or condemnation, and construct, own, lease, use and sell, any real or personal property, or any easement necessary for rights-of-way or locations for the works and improvements of the district, or for any necessary purpose, or for ~~Page 11 of 31 SB013320.100 - 1095 - XXXX 4/15/2026 4:38 PM Engrossed UNOFFICIAL COPY 26 RS SB 133/EN~~ obtaining or storing material to be used in constructing and maintaining the works and improvements.

Legislative Research Commission PDF Version ACTS OF THE GENERAL ASSEMBLY 1.

The ad valorem tax on motor vehicles and motorboats as ~~Page 12 of 31 SB013320.100 - 1095 - XXXX 4/15/2026 4:38 PM Engrossed UNOFFICIAL COPY 26 RS SB 133/EN~~ provided in KRS 134.800;

A county clerk or sheriff shall not be eligible for the ~~agreed-agreed-upon-upon~~ procedures engagement as allowed in this paragraph for the first audit period after election if the county clerk or sheriff is serving in office for the first time, or is assuming the office after experiencing a break in sequential service in that position.

The Auditor and the county clerk or sheriff shall establish specific procedures for any ~~agreed-upon~~agreed- upon procedures engagement.

of this ~~Page 13 of 31 SB013320.100 - 1095 - XXXX 4/15/2026 4:38 PM Engrossed UNOFFICIAL COPY 26 RS SB 133/EN~~ subsection for that year subject to the audit.

At a minimum, the county clerk or sheriff shall meet the following criteria in order to be eligible to have the county clerk's or sheriff's annual audit in any particular year conducted using ~~agreed-upon~~agreed- upon procedures:

The county clerk or sheriff and the Auditor agree to specific procedures for the ~~agreed-upon~~agreed- upon procedures engagement;

The billing and expense provisions of subsection (3) of this section shall apply to any ~~agreed-upon~~agreed- upon procedures engagement performed under this section.

The Auditor may promulgate administrative regulations that set forth additional criteria to qualify for agreed-upon procedures engagements, the application procedures, and the standards, procedures, guidelines, ~~Page 14 of 31 SB013320.100 - 1095 - XXXX 4/15/2026 4:38 PM Engrossed UNOFFICIAL COPY 26 RS SB 133/EN~~ and reporting requirements for agreed-upon procedures engagements under this section.

CHAPTER 199 7 7.

(b) The Kentucky Transportation Cabinet shall bear the cost of the portion of ~~Page 15 of 31 SB013320.100 - 1095 - XXXX 4/15/2026 4:38 PM Engrossed UNOFFICIAL COPY 26 RS SB 133/EN~~ the audit of receipts from motor vehicles and motorboats required in subsection (1)(a)2.

(5) Any controversy over the amount of the bill for the actual expenses incurred shall be submitted by the fiscal court to the secretary of the Finance and Administration ~~Page 16 of 31 SB013320.100 - 1095 - XXXX 4/15/2026 4:38 PM Engrossed UNOFFICIAL COPY 26 RS SB 133/EN~~ Cabinet and the State Treasurer for a decision as to the proper amount.

and Legislative Research Commission PDF Version ACTS OF THE GENERAL ASSEMBLY (d) Prescribe a standard plate of practical form and size for police identification purposes that shall contain:

and ~~Page 17 of 31 SB013320.100 - 1095 - XXXX 4/15/2026 4:38 PM Engrossed UNOFFICIAL COPY 26 RS SB 133/EN~~
5.

(5) The Transportation Cabinet shall require an accounting by the clerk in each county for any moneys received by him or her under the provisions of this chapter, after the deduction of his or her fees under this chapter, and for all receipts, forms, plates, ~~Page 18 of 31 SB013320.100 - 1095 - XXXX 4/15/2026 4:38 PM Engrossed UNOFFICIAL COPY 26 RS SB 133/EN~~ and insignia consigned to him or her.

(2) (a) Each outgoing county official shall make a final settlement with the fiscal court of his or her county within sixty (60) days[by March 15] immediately following the expiration of his or her term of office, or the date a vacancy is otherwise created, for all money received by him or her as county official and CHAPTER 199 9 to obtain his or her quietus, and immediately thereafter he or she shall deliver these records to the incumbent county official.

(b) If an official's vacancy does not coincide with the end of the calendar year ~~Page 19 of 31 SB013320.100 - 1095 - XXXX 4/15/2026 4:38 PM Engrossed UNOFFICIAL COPY 26 RS SB 133/EN~~ or end of the official's term, the outgoing county official shall remit any remaining funds to the fiscal court as excess fees as determined by the final settlement pursuant to paragraph (a) of this subsection.

(3) "Establishing entity" means the city or county, or any combination of cities and counties, that established a special purpose governmental entity and that has not subsequently withdrawn its affiliation with the special purpose governmental entity ~~Page 20 of 31 SB013320.100 - 1095 - XXXX 4/15/2026 4:38 PM Engrossed UNOFFICIAL COPY 26 RS SB 133/EN~~ by ordinance or other official action;

(a) Means any entity whose sole source of public funds is from payments pursuant to a contract with a

city, county, or special purpose governmental ~~Page 21 of 31 SB013320.100 - 1095 - XXXX 4/15/2026 4:38 PM Engrossed UNOFFICIAL COPY 26 RS SB 133/EN~~ entity, including funds received as a grant or as a result of a competitively bid procurement process;

and[.] Legislative Research Commission PDF Version ACTS OF THE GENERAL ASSEMBLY (b) ["Private entity"]
]Does not include any entity:

Is governed by a board, council, commission, committee, authority, or corporation with ~~policy-making~~policy-making authority that is separate from the state and the governing body of the city, county, or cities and counties in which it operates;

May receive and expend public funds, grants, awards, or ~~Page 22 of 31 SB013320.100 - 1095 - XXXX 4/15/2026 4:38 PM Engrossed UNOFFICIAL COPY 26 RS SB 133/EN~~ appropriations from the state, from any agency, or authority of the state, from a city or county, or from any other special purpose governmental entity.

~~Page 23 of 31 SB013320.100 - 1095 - XXXX 4/15/2026 4:38 PM Engrossed UNOFFICIAL COPY 26 RS SB 133/EN~~ 14.
CHAPTER 199 11 1.

A local industrial development authority established under KRS ~~Page 24 of 31 SB013320.100 - 1095 - XXXX 4/15/2026 4:38 PM Engrossed UNOFFICIAL COPY 26 RS SB 133/EN~~ 154.50-301 to 154.50-346 if the funds of the authority are audited as part of the budget of the applicable establishing entity establishing the authority.

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For all items in this subsection if the entire thereof does not exceed five (5) pages

~~.....\$33.00~~
.....\$33.00 And, for all items in this subsection exceeding five (5) pages, for each additional page

~~.....\$3.00~~
.....\$3.00 And, for all items in this subsection for each additional reference relating to same instrument

~~.....\$4.00~~
.....\$4.00 2.

~~Page 26 of 31 SB013320.100 - 1095 - XXXX 4/15/2026 4:38 PM Engrossed UNOFFICIAL COPY 26 RS SB 133/EN~~ (b)
For noting a security interest on a certificate of title pursuant to KRS Chapter 186A

~~.....\$12.00~~
.....\$12.00 (c) For

filing the release of collateral under a financing statement and noting same upon the face of the title pursuant to KRS Chapter ~~186~~ or 186A

~~.....\$5.00~~\$5.00
(d) Filing or recording state tax or other state liens

~~.....\$5.00~~
.....\$5.00 (e) Filing release of a state tax or other state lien

~~.....\$5.00~~
.....\$5.00 (f) Acknowledging or notarizing any deed, mortgage, power of attorney, or other written instrument required by law for recording and certifying same

~~.....\$5.00~~
.....\$5.00 (g) Recording plats, maps, and surveys, not exceeding 24 inches

by ~~36~~ inches, per page

~~.....\$40.00~~
.....\$40.00 (h)

Recording a bond, for each bond

~~.....\$10.00~~
.....\$10.00 (i) Each bond required to be taken or prepared by

the clerk ~~.....\$4.00~~
.....\$4.00 CHAPTER 199 13 (j) Copy of any bond when ordered

~~.....\$3.00~~
.....\$3.00 (k) Administering an oath and certificate thereof

~~.....\$5.00~~
.....\$5.00 (l) Issuing a license for which no other fee is fixed by law

~~.....\$8.00~~
.....\$8.00 (m) Issuing a solicitor's license

~~.....\$15.00~~
.....\$15.00 (n) Marriage license, indexing,

recording, and issuing certificate thereof ~~.....\$26.50~~
.....\$26.50 (o) Every order

concerning the establishment, changing, closing, or discontinuing of roads, to be paid out of the county levy when the road is established, changed, closed, or discontinued, and by the applicant when it is not

~~.....\$3.00.....~~
~~.....\$3.00~~ (p) Registration of licenses for professional persons required to register with the county clerk
~~.....\$10.00.....~~
~~.....\$10.00~~ (q) Certified copy of any record
~~.....\$5.00.....~~
~~.....\$5.00~~ Plus fifty cents (\$.50) per page after three (3) pages ~~Page 27 of 31 SB013320.100 - 1095 - XXXX 4/15/2026 4:38 PM Engrossed UNOFFICIAL COPY 26 RS SB 133/EN~~ (r) Filing certification required by KRS 65.070(2)(a)
~~.....\$5.00.....~~ ~~.....\$5.00~~ (s) Filing notification and declaration and petition of candidates for Commonwealth's attorney
~~.....\$200.00~~ ~~.....\$200.00~~ attorney (t) Filing notification and declaration and petition of candidates for county and independent boards of education
~~.....\$20.00.....~~
~~.....\$20.00~~ (u) Filing notification and declaration and petition of candidates for boards of soil and water conservation districts
~~.....\$20.00.....~~ ~~.....\$20.00~~ (v) Filing notification and declaration and petition of candidates for other office
~~.....\$50.00.....~~
~~.....\$50.00~~ (w) Filing declaration of intent to be a write-in candidate for office
~~.....\$50.00~~ ~~.....\$50.00~~ office (x) Filing petitions for elections, other than nominating petitions
~~.....\$50.00.....~~ ~~.....\$50.00~~ (y) Notarizing any signature, per signature
~~.....\$2.00.....~~
~~.....\$2.00~~ (z) Filing bond for receiving bodies under KRS 311.310
~~.....\$10.00.....~~ ~~.....\$10.00~~ (aa) Noting the assignment of a certificate of delinquency and recording and indexing the encumbrance under KRS 134.126 or 134.127
~~.....\$27.00.....~~ ~~.....\$27.00~~ (ab) Filing a going-out-of-business permit under KRS 365.445
~~.....\$50.00.....~~ ~~.....\$50.00~~ (ac) Filing a renewal of a going-out-of-business permit under KRS 365.445
~~.....\$50.00.....~~ ~~.....\$50.00~~ (ad) Filing and processing a transient merchant permit under KRS 365.680
~~.....\$25.00.....~~ ~~.....\$25.00~~ (ae) Recording and indexing a real estate mortgage:
For a mortgage that does not exceed thirty (30) pages
~~.....\$63.00.....~~ ~~.....\$63.00~~ pages
~~.....\$63.00.....~~ ~~.....\$63.00~~ 2.
And, for a mortgage that exceeds thirty (30) pages, for each additional page
~~.....\$3.00.....~~ ~~.....\$3.00~~ (af) Filing or recording a lien or release of lien by a consolidated local government, urban-county government, unified local government, or city of any class
~~.....\$20.00.....~~ ~~.....\$20.00~~ (2) The sixty-three dollar (\$63) fee imposed by subsection (1)(ae) of this section shall be divided as follows:
~~Page 30 of 31 SB013320.100 - 1095 - XXXX 4/15/2026 4:38 PM Engrossed UNOFFICIAL COPY 26 RS SB 133/EN~~ ~~.....\$3.00~~ (af) Filing or recording a lien or release of ~~31~~lien ~~SB013320.100~~by ~~a 1095~~consolidated ~~local~~ ~~XXXX~~government, ~~4/15/2026~~urban-county ~~4:38~~government, ~~PM~~unified ~~Engrossed~~local ~~UNOFFICIAL~~government, ~~COPY~~or ~~26~~city ~~RS~~of ~~SB~~any ~~133/EN~~class
~~.....\$20.00.....~~ ~~.....\$20.00~~ (a) Fifty-seven (2) dollarsThe (\$57)sixty-three shalldollar be(\$63) retainedfee imposed by thesubsection county(1)(ae) clerk;of this section shall be divided as follows:
Legislative Research Commission PDF Version ACTS OF THE GENERAL ASSEMBLY (a) Fifty-seven dollars (\$57) shall be retained by the county clerk;
Be accumulated and transferred to the fiscal court or the legislative body of an ~~urban-county~~urban-county government on a monthly basis within ten (10) days following the end of the month;
Equipment related to the permanent storage of and access to ~~Page 29 of 31 SB013320.100 - 1095 - XXXX 4/15/2026 4:38 PM Engrossed UNOFFICIAL COPY 26 RS SB 133/EN~~ records, including deed books, binders, shelves, microfilm equipment, and fireproof equipment;
of this paragraph shall be paid by the county judge/executive or the chief executive officer of an ~~urban-urban-county-county~~ government by a warrant drawn on the fund and co-signed by the treasurer of the county or urban-county government.
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CHAPTER 199 15 c.

