



Association for the Improvement
of American Infrastructure

P3 Snapshot: **Kentucky**

SUMMARY OF P3 LEGISLATIVE STATUS:

Broadly-enabled for P3 procurement.

1. Does this state have broadly enabling P3 legislation?
Kentucky has authorized P3 procurement for a broad range of asset classes of public infrastructure, including for state-level agencies, as well as for counties and municipalities. This applies to transportation, municipal facilities and environmental projects.
2. Does the state allow for **Unsolicited Proposals**?
Statutory authority does allow for the receipt and consideration of unsolicited proposals.
3. What is the state's **P3 Review Process**?
Competitive, multi-stage review and approval of procurements for eligible projects. Requires requests for competing bids or other process for unsolicited proposals. Any P3 valued at or above \$25 million is subject to approval by the General Assembly. Local P3 agreements must be executed by a local government's legislature.
4. Does the state have a **Centralized Agency** dedicated to P3?
The law also establishes within the cabinet the Kentucky Local Government Public-Private Partnership Board. Any P3 agreement being negotiated by a local government (with specified criteria) must be submitted to the cabinet for evaluation. The evaluation will be submitted to that board, which will decide whether to approve or reject the agreement. Any P3 agreement negotiated by a college or university involving a lease must be approved by that institution's governing board.
5. Is this a **Home Rule state**, with limitations or opportunities for P3?
Kentucky applies Dillon's Rule to all municipalities; which allows state legislature control over local government (counties and municipalities), methods of financing its activities, its procedures and the authority to undertake P3 procurements.
6. Does this state have programmatic requirements for P3 participation (ie MWDBE or labor)?
There are requirements for payment and performance bonds, as well as maintenance bonds (or other security) to provide adequate protection for local government. There are no specific programmatic mandates which govern inclusion or diversity. Any funding from external sources, including Federal funding, would dictate participation requirements.
7. Are P3 projects in this state eligible for other financing programs?
Responsible public agencies (procurement authorities) may draw upon financing resources, including TIFIA, PABs, and WIFIA, to provide additional leverage for financial stability of a project procured through a P3 with private capital investment.
8. What Projects or Asset Classes are eligible for P3 in this state?
Municipal facilities and environmental projects are eligible for P3 procurement at state, county and local levels. Also eligible are State Department of Transportation asset classes, as well as projects selected by a local government in response to a proposal that meets the public need; not to include a project involving a revenue risk project connecting northeast Kentucky with Ohio (e.g., Brent Spence Bridge not allowed without legislative action). "Capital project" means the construction, reconstruction, acquisition, installation, and improvement of public infrastructure.
9. Are there Projects where the P3 procurement method has been applied?
Kentucky has broadly enabling alternative project delivery authority (including P3 and Design+Build). There have not been alternative delivery procurements (P3) as of yet.
10. What is the legislative foundation for P3s in this state?
*KRS §§45A.030; 45A.075; 45A.077: 65.028
202 KAR 10:020.
603 KAR 2:020*

D: Design | **B:** Build | **F:** Finance | **O:** Operate | **M:** Maintain