

RESOLUTION NO. 2020-0730

A RESOLUTION OF THE KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY (“KEDFA”) AUTHORIZING THE DEFERMENT OF CERTAIN JOB AND WAGE REQUIREMENTS AND EXTENDING CERTAIN FINAL APPROVAL AND ACTIVATION DATE REQUIREMENTS.

WHEREAS, on March 6, 2020, Governor Andy Beshear signed Executive Order 2020-215, declaring a state of emergency in the Commonwealth of Kentucky due to the outbreak of COVID-19 virus, a public health emergency;

WHEREAS, on March 18, 2020, Governor Beshear signed Executive Order 2020-243, requiring all state agencies, including the Cabinet for Economic Development, to take all reasonable and necessary steps to ensure appropriate social distancing, including the extension and/or suspension of statutory reporting requirements;

WHEREAS, on March 25, 2020, Governor Beshear signed Executive Order 2020-257, outlining the Commonwealth’s “Healthy at Home” initiative to slow the spread of COVID-19, and which permitted only life-sustaining businesses to remain open and mandated the institution of social distancing and hygiene practices for businesses that remain open, which often required businesses to either reduce their staff, hours, or make other adjustments in order to reduce the spread of the virus;

WHEREAS, as a result of the COVID-19 health pandemic, in order to comply with the Governor’s Executive Orders, and in accordance with guidance from the Center for Disease Control and Prevention and the Kentucky Department of Public Health, many businesses that had current economic incentive agreements approved by KEDFA requiring certain wage and job requirements were obligated to suspend or down-size their operations;

WHEREAS, it is the mission of KRS Chapter 154 and the economic development programs implemented through KEDFA and the Cabinet for Economic Development “to achieve the best quality of life for all Kentuckians through long-term strategic planning and implementation that fosters sustainable growth in jobs and incomes and enables communities, businesses, governments, and individuals to compete in the global marketplace;”

NOW THEREFORE, PURSUANT TO THE AUTHORITY IN KRS CHAPTER 39A, KRS CHAPTER 154, AND EXECUTIVE ORDER 2020-243, BE IT RESOLVED BY THE KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY, AS FOLLOWS:

1. All job and wage requirements included in active tax incentive agreements with the Kentucky Economic Development Finance Authority and/or the Cabinet for Economic Development related to financial incentive programs outlined in KRS Chapter 154 are deferred as needed for the period beginning March 1, 2020 through December 31, 2020. For the avoidance of doubt, this deferment shall apply to incentive agreements under the following programs: Kentucky Rural Economic Development Act, KRS 154.22; Kentucky Jobs Development Act, 154.24; Kentucky Jobs Retention Act, KRS 154.25; Kentucky Industrial Revitalization Act,

KRS 154.26; Kentucky Industrial Development Act, KRS 154.28; Kentucky Business Investment Act, KRS 154.32, and; Kentucky Reinvestment Act, KRS 154.34. Such determinations shall be made by the Cabinet for Economic Development and its staff based on the individual circumstances of each particular entity, consistent with the purposes of KEDFA and taking into account the circumstances giving rise to this Resolution.

2. Any statutory final approval or activation date requirements in any tax incentive or other incentive programs governed by KEDFA that expire during the period beginning March 1, 2020 through December 31, 2020 may be extended through either the later of the end of the declaration of emergency or March 31, 2021. For the avoidance of doubt, the final approval or activation date requirements are extended for the following financial incentive programs: Kentucky Business Investment Act, KRS 154.32, and Kentucky Reinvestment Act, KRS 154.34. Such determinations shall be made by the Cabinet for Economic Development and its staff based on the individual circumstances of each particular entity, consistent with the purposes of KEDFA and taking into account the circumstances giving rise to this Resolution.
3. For certain cash incentive programs, the Secretary of the Cabinet for Economic Development shall have the authority, at his or her discretion, to extend the job and wage requirements for a period not to exceed six months from the actual compliance measurement date, as determined by the respective incentive agreement. For the avoidance of doubt, the cash incentive programs for which the Secretary may extend the job and wage requirements are: the high-tech construction pool and high-tech investment pool programs, KRS 154.12-278; KEDFA direct grants and loans, KRS 154.20 and; the economic development fund, KRS 154.12-100.

All Kentucky businesses with active financial incentive agreements under the aforementioned programs shall work with the Cabinet for Economic Development to ensure their continued compliance with the program requirements.

INTRODUCED, SECONDED, READ AND ADOPTED AT A DULY CONVENED MEETING
OF THE KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY, HELD ON
THE 30TH DAY OF JULY 2020.



Jean R. Hale, Chairman

Kentucky Economic Development Finance Authority