

2019 LEGISLATIVE PRIORITIES

The KLC Board of Directors voted on the top priorities for cities in the 2019 legislative session.

Urban City Population Increases

In the past year, Kentucky cities added 13,377 people. From 2010 to 2017, the population of Kentucky cities increased nearly 4 percent while the unincorporated population increased less than 1 percent.

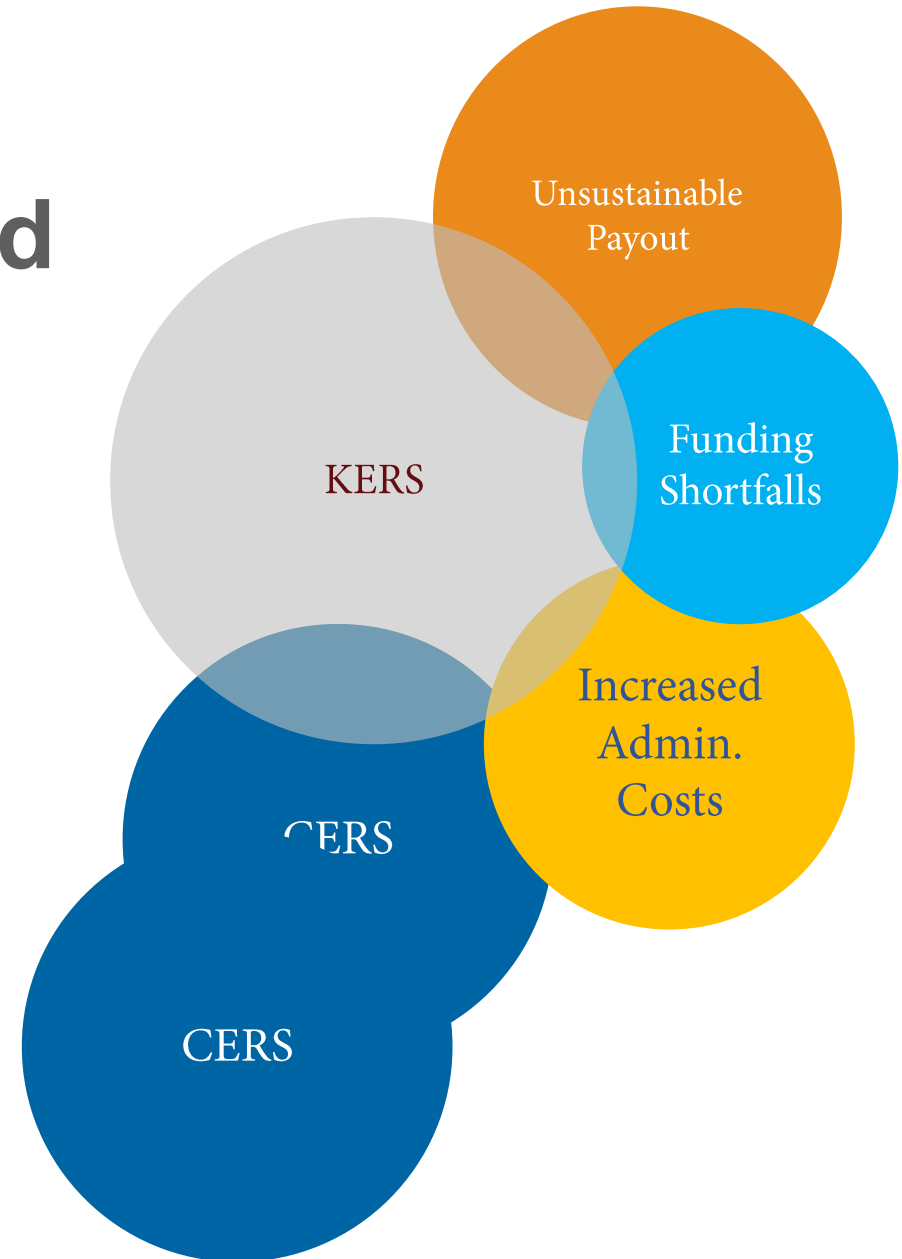
We will need the legislature's help to ensure that we have the resources needed to build upon the infrastructure and services necessary for a booming society.



TOP PRIORITY: Separation of the governance and administration of CERS

CERS is the largest system in
Kentucky Retirement Systems (KRS):

- ▶ 236,000 members
- ▶ 75% of the assets (\$8.97 billion)
- ▶ Only 35% representation on the KRS Board of Trustees (6 of 17 seats), 11% on the Investment Committee (1 of 9 seats) and 14% on the Actuarial Subcommittee (1 of 7 seats)



TOP PRIORITY – Separation of CERS

- ✔ Separation proposal creates a new nine-member CERS Board of Trustees.
- ✔ It would be focused solely on CERS management and investments without political influence, regardless of future administrations.
- ✔ Once separated, CERS would still report to the Public Pension Oversight Board (PPOB).



PRIORITY 2 – Road Funding Modernization

City governments are seeking a fairer distribution of transportation revenues for construction and maintenance of city streets.

Kentucky cities are responsible for more than 10,000 miles of public roads.

State and federal road funds provide only about one-third of the cost of maintenance.

PRIORITY 2 – Road Funding Modernization

Vehicle Miles Traveled on Local Roads Compared to Funds Distributed Through All Road Aid Formulas

Type of Roads	% Vehicle Miles Traveled on Local Roads
URBAN	44%
RURAL	56%

Location of Roads	% Received through All Road Aid Formulas
Inside Cities	15%
Outside Cities	85%

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Revenues are distributed largely by a system established in 1948 that is known as the “formula of fifths.”

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It is heavily slanted toward rural counties and has not changed in 70 years.

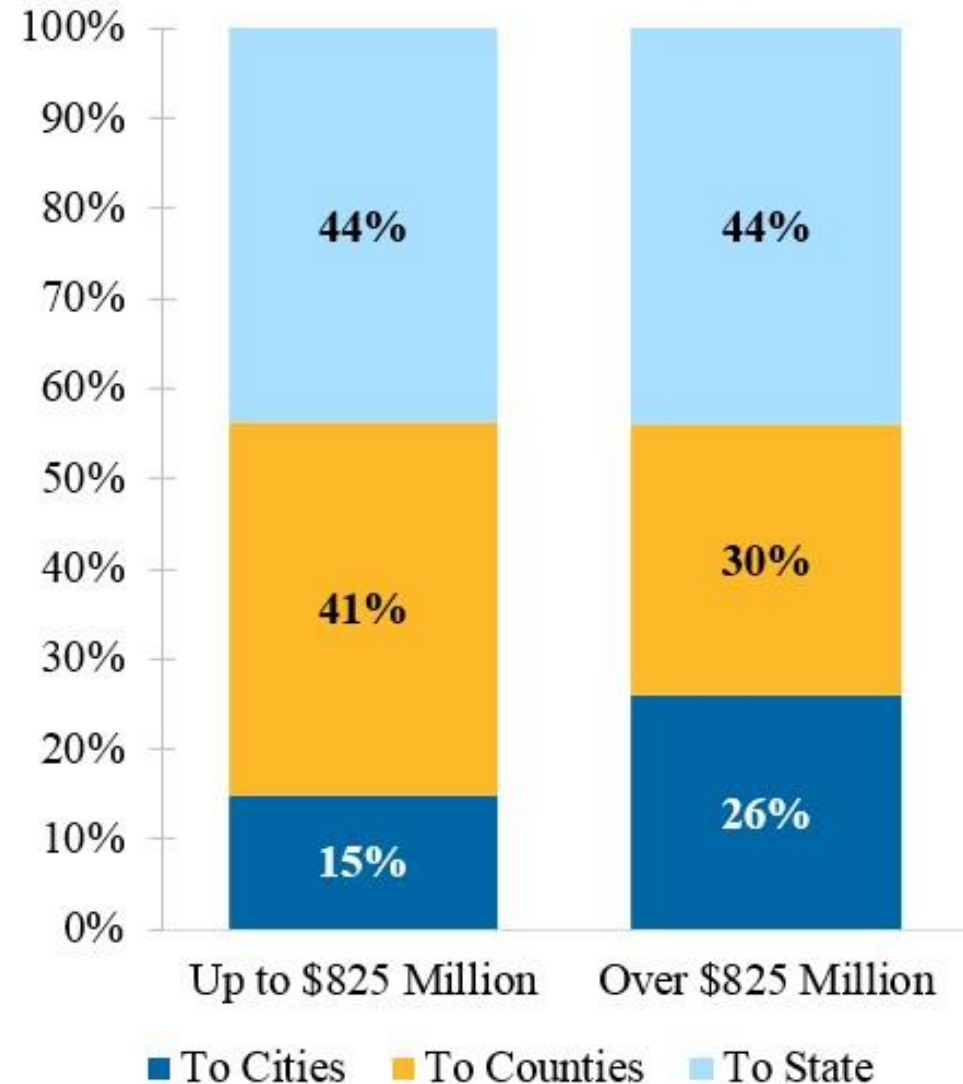
An Agreement by City & County Governments



Revenue split will remain the same until total amount exceeds \$825 million, the historical high mark from FY 2014.

Cities and counties will equally split local government portion above \$825 million at 13% each.

Road Aid Distribution Compromise





PRIORITY 3 – Revenue Flexibility & Protection



Consumer-Based Restaurant Revenue

Cities are seeking an equalization of the ability to collect the revenue with a maximum of 75% staying with the city.



Protection

Protection of the current credit of occupational tax paid to a city against any county tax owed in communities with populations over 30,000.*

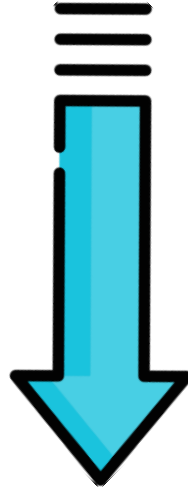


Consumption-Based Local Taxation



Cities will oppose any efforts to centralize tax collection.

*Cities are only seeking to protect the credit already allowed and will oppose any effort to remove it.



PRIORITY 4

Battling the Drug Epidemic

KLC will have an active position on and participate in efforts to combat the criminal aspects of drug trafficking and abuse as well as a proactive stance on treatment, rehabilitation, training and workforce reentry.

PRIORITY 5 – Classification Reform 2.0



A law from 2015 created two city classes: first class and home rule.

Several state laws are still applied based on city population or previous classification.

Cities seek statutory changes to eliminate inequities among city governments in Kentucky based on population or that were grandfathered during previous classification reform.



ECONOMIC DEVELOPMENT

KLC will support legislation that enhances economic development opportunities in our cities, which bring job growth and financial prosperity to local communities.



DETERIORATED & VACANT PROPERTIES

Cities are seeking new tools to help with the enforcement and rehabilitation of deteriorated and abandoned properties that pose a danger to neighborhoods and decrease property value.



MODERNIZATION OF NEWSPAPER PUBLICATION REQUIREMENTS

Cities are required to publish official acts and information in newspapers.

Documents and public reports can be made available on a city's website at low to no cost.

*Anyone can access the information online, for a longer period, without the cost of a newspaper subscription.

MODERNIZATION OF NEWSPAPER PUBLICATION REQUIREMENTS

Temporary legislation passed in 2018 allows county governments with a population of more than 90,000 and the cities within those counties to post ordinances, audits and bid solicitations online with an advertisement in the local newspaper on where to find the web-based material.

*It is only permitted for 2 years and only impacts 135 Kentucky cities.

Cities will advocate for this modern approach to be available to all local governments, regardless of size.

LOCAL GOVERNMENT INVESTMENTS

Legislation passed in 2018 provided the first major modification of the investment statute in 20 years, but it was vetoed by Governor Bevin.

*He claimed the bill limited local government investment options; however, it expanded options to include new, safe avenues.

The KLC board is looking to the legislature to again pass the bill.

ELIMINATE PEACE OFFICER POWERS OF UNTRAINED CONSTABLES

Amend state law to eliminate the peace officer powers of constables unless they are certified by the Kentucky Law Enforcement Council and approved by the county fiscal court.

PARAMEDIC & EMT TRAINING

Change the way the Kentucky Board of Emergency Medical Services certifies paramedics and emergency medical technicians (EMTs) to improve the hiring of qualified candidates.

ADDITIONAL PRIORITIES



Elected City Officials on State Boards

Clarify that an elected city official may hold a seat on a state board or commission without it qualifying as an incompatible office.



Water and Wastewater Training

Change how the Division of Water certifies plant and field operators to make it easier to find qualified and certified candidates.



Garnishment and Execution of Property

Protect public property and the tax dollars used to acquire it by prohibiting or limiting garnishment or execution against public property following a court judgment.



ELECTED CITY OFFICIAL CAREER RETIREMENT

Elected, local public officials usually serve their community part-time with minimal pay.

If their full-time career is with an employer that participates in one of the state's public retirement systems, retiring from that career could require a city official to *resign* their elected position.

Cities are seeking legislation to permit an elected city official participating in the County Employees Retirement System (CERS) who has a full-time job with an employer participating in the Kentucky Retirement Systems to retire from their career while still being allowed to serve their community.

Employees Carrying Weapons

Amend state law to provide cities the same option private employers have to prohibit an employee from carrying weapons during his or her official duties.

Disposition of Surplus Property

Cities that have adopted the Model Procurement Code are looking to have it updated to allow the disposal of surplus property in the same manner other cities are permitted.

KLC Principles of Advocacy

The Kentucky League of Cities serves as the united voice of cities by supporting community innovation, effective leadership and quality governance

#1 HOME RULE



City officials must have the authority to make decisions to meet the needs of their citizens.

#2 ADEQUATE, STABLE & FLEXIBLE RESOURCES



Cities must be able to generate sufficient revenues to provide for the level of services desired by local citizens.

#3 ECONOMIC PROSPERITY



Cities must have the ability to encourage economic development and enhance quality of life.

Thank You!

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Contact

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