

2021 LEGISLATIVE PRIORITIES

Presenters

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KLC Principles of Advocacy

The Kentucky League of Cities serves those who serve as a unified voice of Kentucky's cities by enhancing efforts to improve quality of life through 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

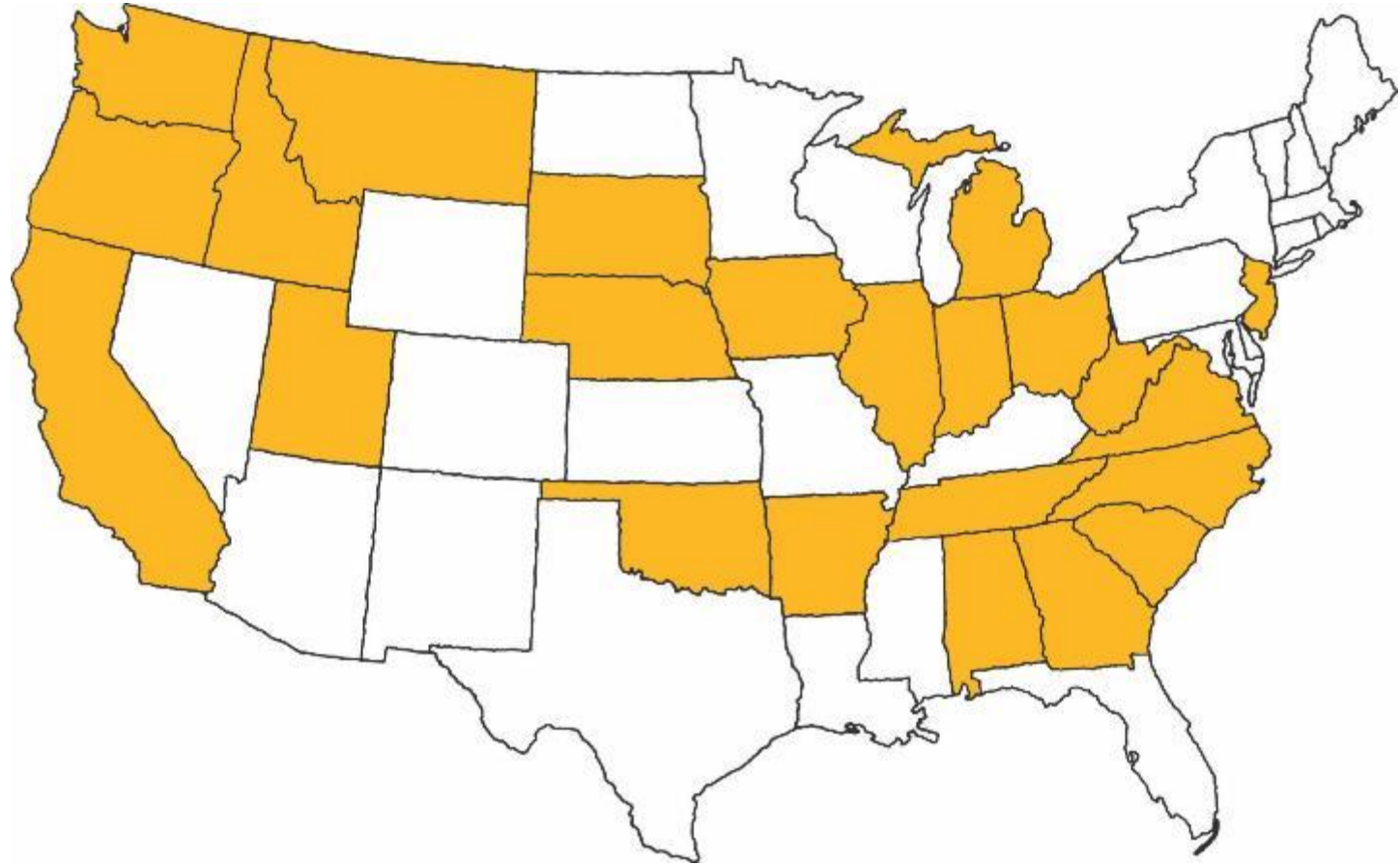


Cities must have the ability to encourage economic development and enhance quality of life.

TOP PRIORITY: Road Funding

Kentucky has not updated the amount it collects at the gas pump since 2015.

23 states and the District of Columbia have amended their gas tax since that time.



TOP PRIORITY: Road Funding

Kentucky brought in \$31.6 million less in motor fuels taxes in FY 2020 compared to FY 2019.

Levels have not reached the high mark reached in FY 2014.



TOP PRIORITY: Road Funding

48.2% of motor fuels taxes are allocated to city, state and rural roadways.

The *formula of fifths* allocates 40.5% of fuels tax revenue to county and rural secondary roads.

FORMULA OF FIFTHS

- one-fifth to all **counties**
- one-fifth based on rural **population**
- one-fifth based on rural **road miles**
- two-fifths based on rural **land area**



TOP PRIORITY: Road Funding

City spending on streets and roads climbed 35% from FY 2010 to FY 2019. State and federal support has dropped nearly 24%.

State and federal aid now only provides about one-fourth of the money cities spend every year on streets and roads.

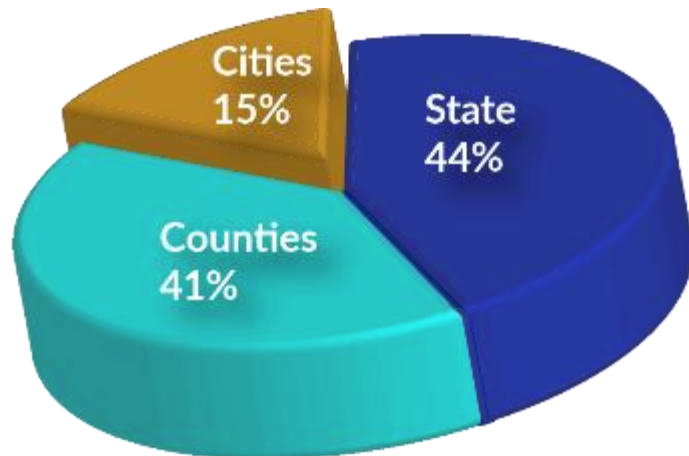
City streets are currently operating on a 40-year replacement cycle, nearly double industry standards.



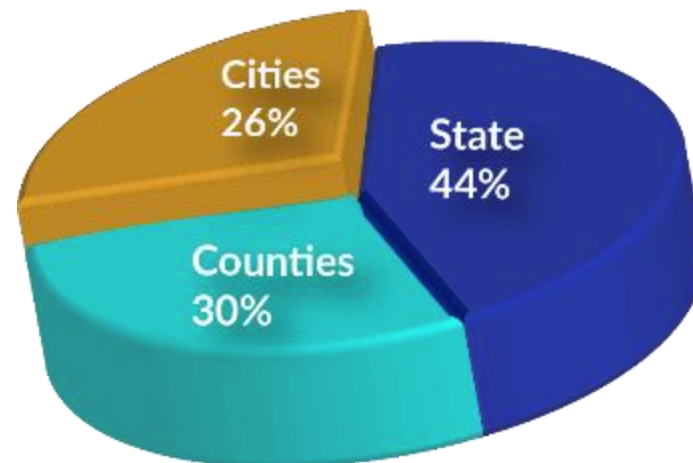
TOP PRIORITY: Road Funding

Funds over \$825 million split between municipal and county road aid programs at 13% each.

Provides cities more revenue to replace heavily traveled streets and bridges while holding counties harmless.



Road Aid Up to \$825M



Road Aid Over \$825M



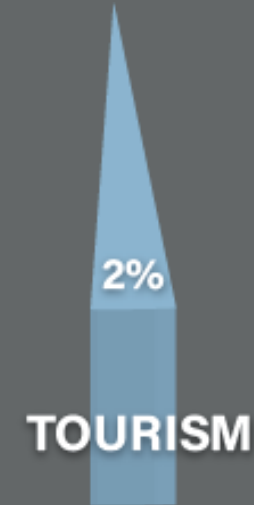
Revenue Diversification

Equalization and modernization of revenue options for cities.

- Consumption-based restaurant revenue
- Local sales tax
- Protecting credit of occupational license taxes
- Opposing centralized collection

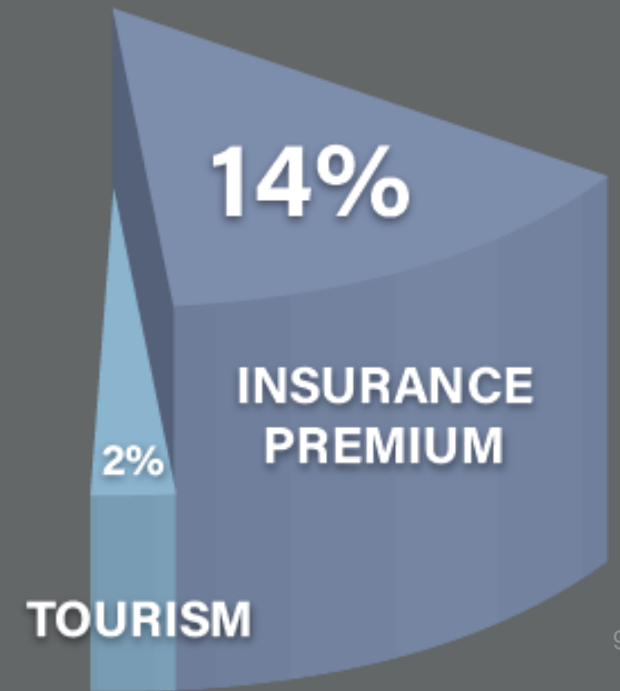
Revenue Diversification

- ➔ Revising Section 181 of the Kentucky Constitution is the first step.
- ➔ 130-year-old section impedes the legislature's ability to comprehensively reform local government tax policies.



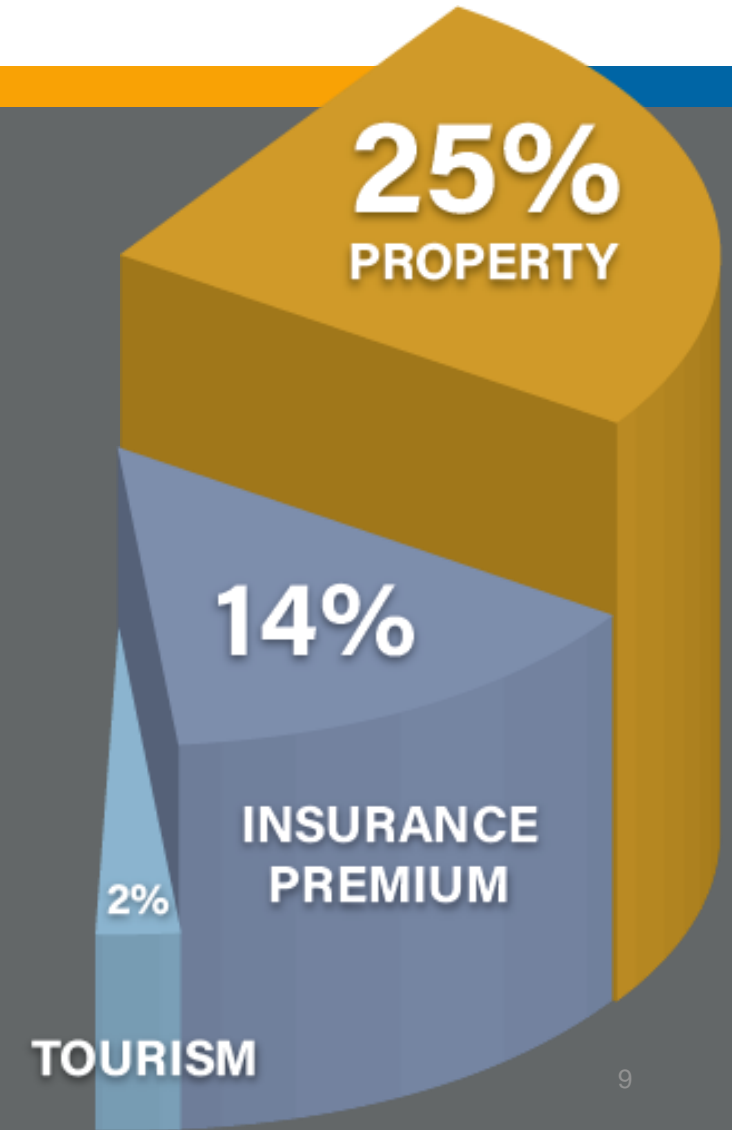
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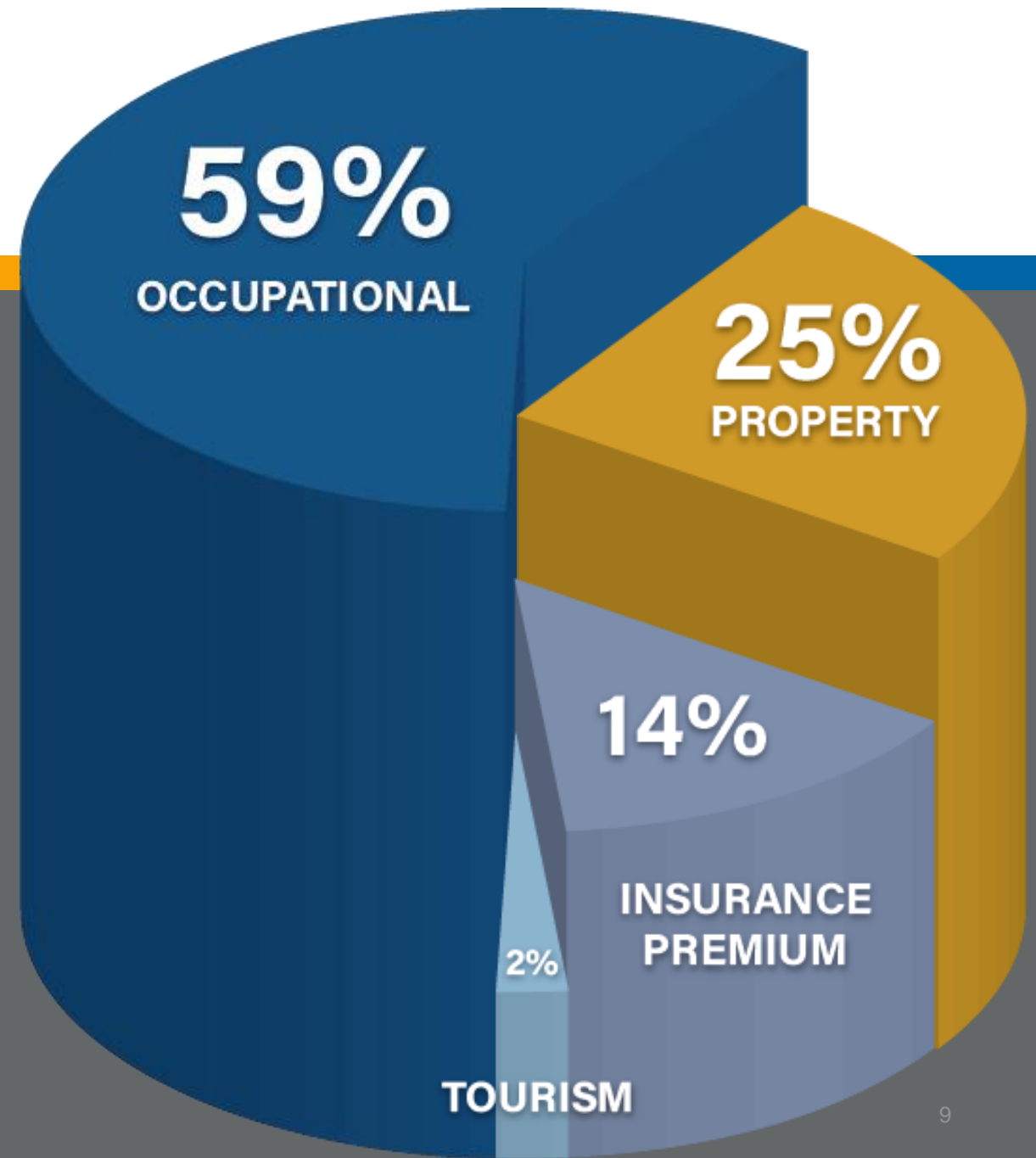
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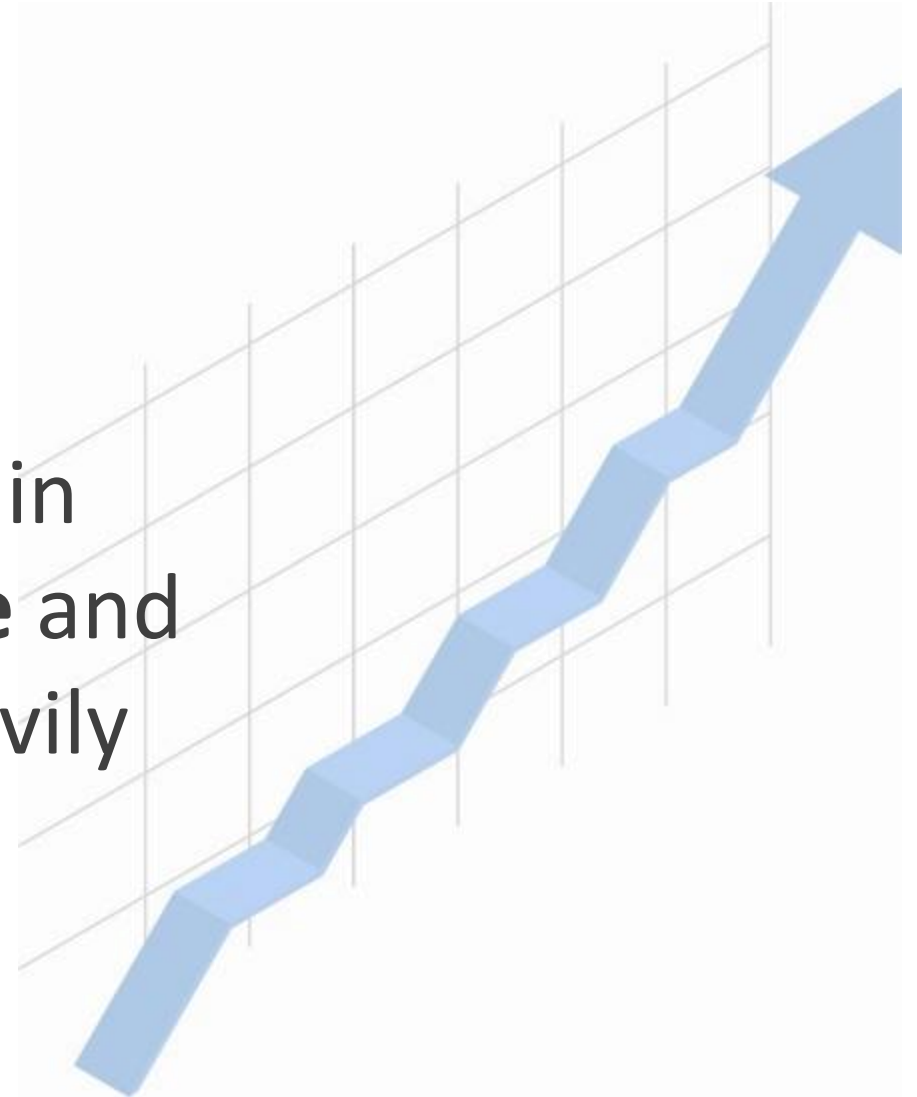
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Economic Development

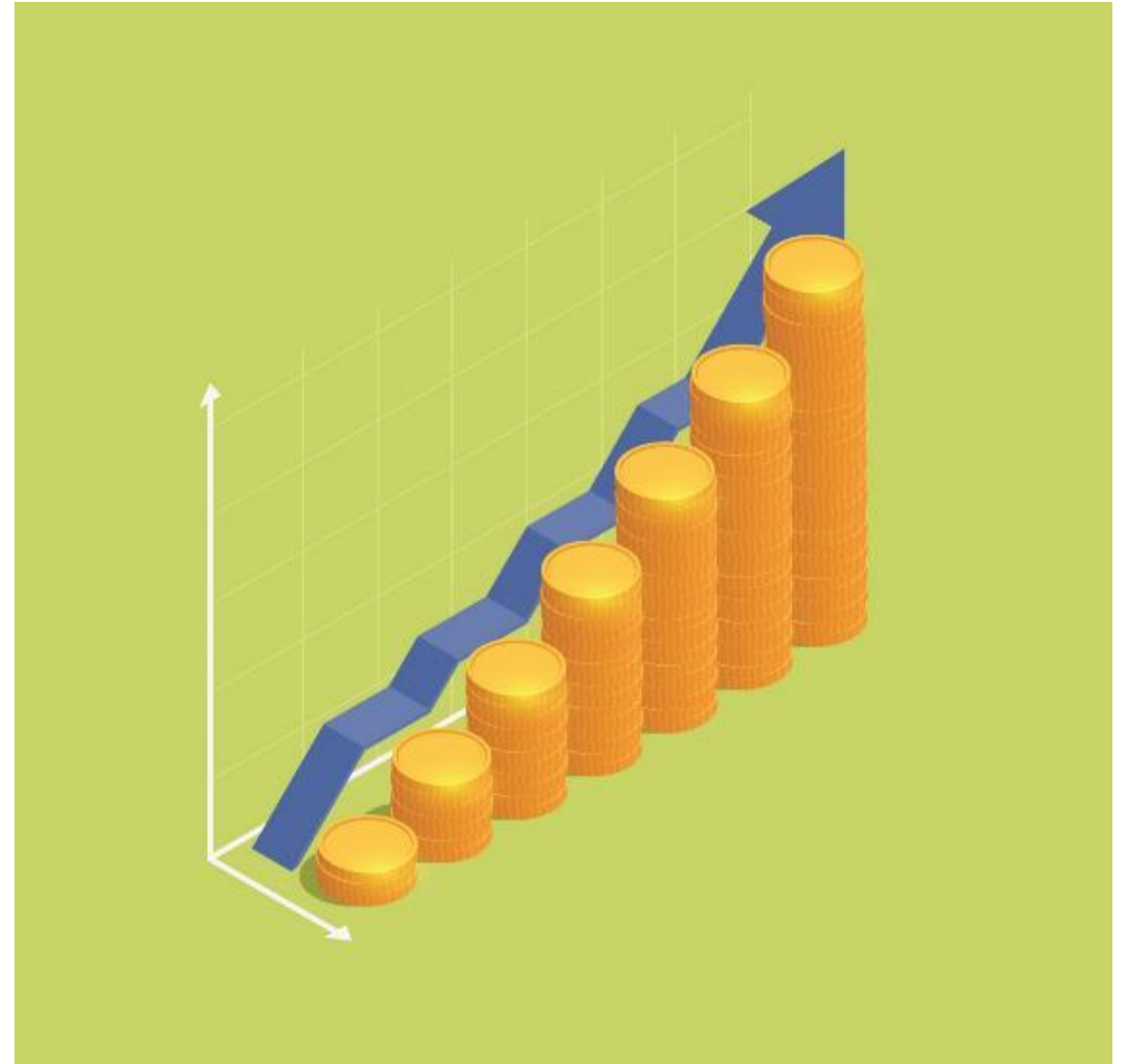
When companies consider locating in Kentucky, the **amenities, workforce** and **livability** of nearby cities factor heavily into the decision.



Economic Development

Increase the cap on Kentucky's historic tax credit limit to \$30 million a year.

- Restore historic buildings
- Revitalize communities
- Create jobs
- Improve property values



Blighted, Deteriorated & Vacant Properties



- ⊗ Attract Crime
- ⊗ Bring Down Property Values
- ⊗ Pose Safety Risk

A 2019 KLC survey found that almost all Kentucky cities have some type of vacant or blighted property, and most have taken local action within the past two years to address the issue.



Blighted, Deteriorated & Vacant Properties



Conservatorship for rehabilitation of qualifying areas:

- ⊗ Buildings that have been vacant for 1+ years
- ⊗ Rules to help court determine property status
- ⊗ Local governments would develop plan for rehabilitation and funding

22 states have implemented similar legislation, including six of Kentucky's seven contiguous states.



Publication Requirements

State-mandated publication requirements cost city taxpayers a combined \$1.4 million a year.

Public-owned municipal websites are available to anyone, without the requirement of a newspaper subscription, and allow documents to be available for a much longer period.

Publication Requirements

House Bill 195 (2020) allows 145 cities in nine counties to provide public documents on the local government's website.

It only pertains to local governments in counties that have a population of 80,000 or more.

Smaller communities, which often deal with the most limited budgets, must continue to redirect tax dollars to the local newspaper.

POLICING PROCEDURES

Cities:

- Employ around 57% of Kentucky's full-time law enforcement
- Handle 74% of the state's reported violent crime
- Spend more than \$500 million a year in wages and benefits for police services

KLC supports:

- Strengthening the current decertification law
- Limiting the use of no-knock warrants

KLC will oppose:

Eliminating qualified immunity and passing other limitations that hinder the ability of a peace officer to conduct his or her job safely and effectively.



Open Records Law

Changes enacted with SB 230 (2019) which allow requests to be submitted through email need an amendment to make compliance easier.

Substance Abuse

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.

Establish criteria for a city to be designated a Recovery Ready Community for treatment and rehabilitation.



Alcohol Regulatory License Equity



SB 29 (2019) only allowed cities with a population of less than 20,000 to impose a regulatory license fee, revenue that is needed to help offset the costs of additional policing and regulation.



Amending language is needed for cities in which voters approved an alcohol referendum between July 15, 2014, and July 15, 2017.

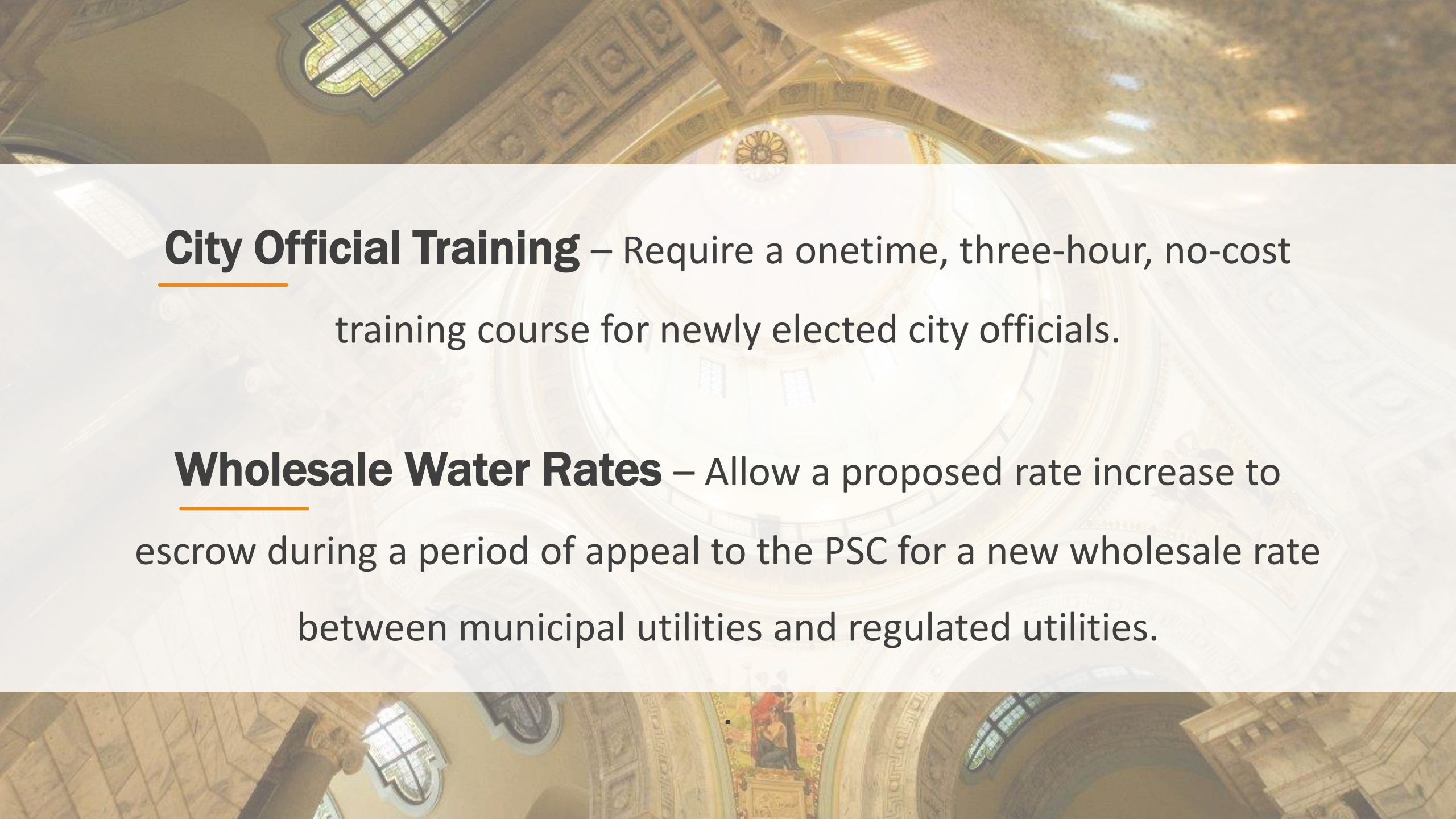
Paramedic & EMT Training

Change the way KBEMS certifies paramedics and EMTs to make it easier for cities to find qualified and certified candidates.



Rehiring of Retired Police and Firefighters

Change the reference year in current statute that limits the number of rehired police officers a city may employ and pursue a similar program for fire departments.



City Official Training – Require a onetime, three-hour, no-cost training course for newly elected city officials.

Wholesale Water Rates – Allow a proposed rate increase to escrow during a period of appeal to the PSC for a new wholesale rate between municipal utilities and regulated utilities.



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.



Annexation Filings

Require annexation submissions include an electronic map.

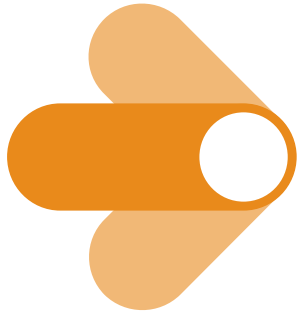
Firefighter Physical Agility Testing

Allow cities to develop their own physical agility testing program.



Peace Officer Work Schedules

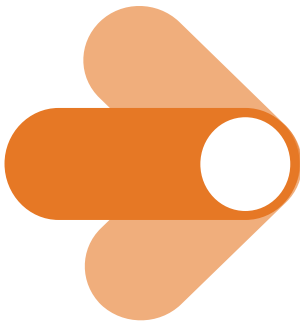
Allow home rule cities to adopt a 14-day work period of up to 80 hours, instead of a seven-day work period of 40-hours.



Encroachment Permits



Explore ways to reduce incidences of contractors failing to obtain an encroachment permit from the state when doing work along city streets to help avoid disruptions.



Ambulance Service Certificate of Need



Provide a solution for cities that need a certificate of need when a private ambulance company is not adequately serving the community.



Splash Parks & Pads

Define laws and regulations that apply to splash parks/pads.



Planned-Unit/Homeowner Association Legislation

Address issues with defunct homeowners' associations and planned-unit developments that do not cover maintenance of common areas.

Transportation Improvement Districts

Create districts to find new and alternative funding sources for transportation projects within a defined geographic area.



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Notification of Administrative Regulation Changes

Enact measures that block the final promulgation of administrative regulations if the agency failed to properly notify impacted parties or use "Regwatch."

Massage Parlor Preemption

Clarify that municipal governments can enact ordinances and regulations related to the operation of massage parlors like other businesses.

Thank You!

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