

KENTUCKY LEAGUE OF CITIES
★
2024
**LEGISLATIVE
PRIORITIES**

KLC President & City of Auburn **Mayor Michael Hughes**
KLC First Vice President & City of Benton **Mayor Rita Dotson**
KLC Executive Director | CEO **J.D. Chaney**



KLC Legislative Agenda



The 68 members of the KLC Board of Directors develop an annual legislative agenda, provide legislative strategy, and review policy strategy.

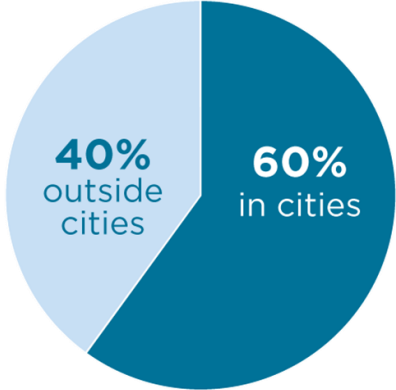


Every item outlined in the KLC 2024 Legislative Agenda aims to help city officials serve the public more efficiently at the local level so they can build the desirable and vibrant communities that the public expects.

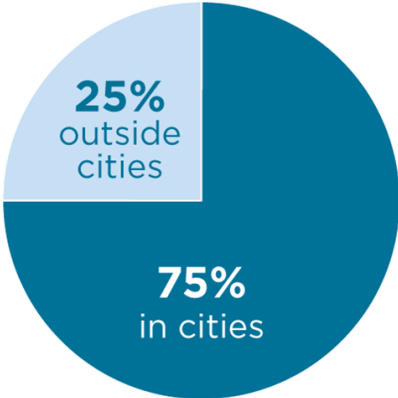


Kentucky's Cities: Building Tomorrow Today

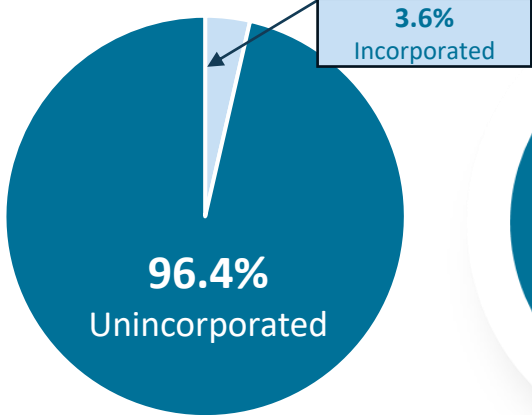
Population



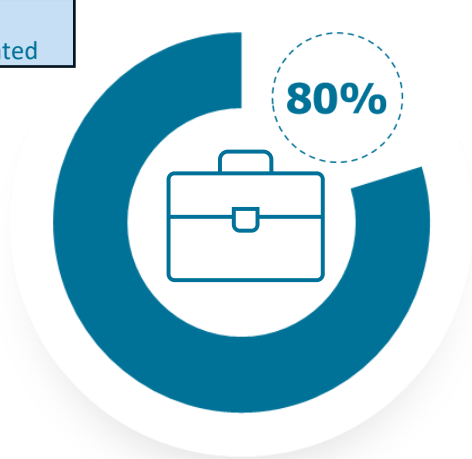
Economic Activity



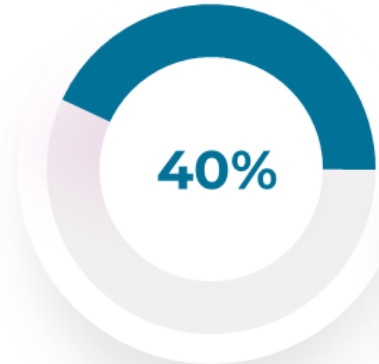
Kentucky's Land



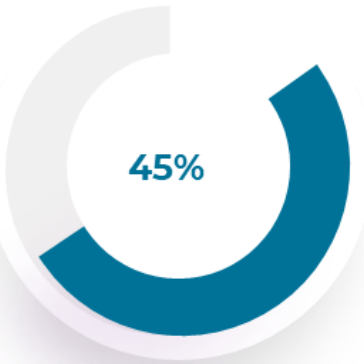
Jobs Are in Cities



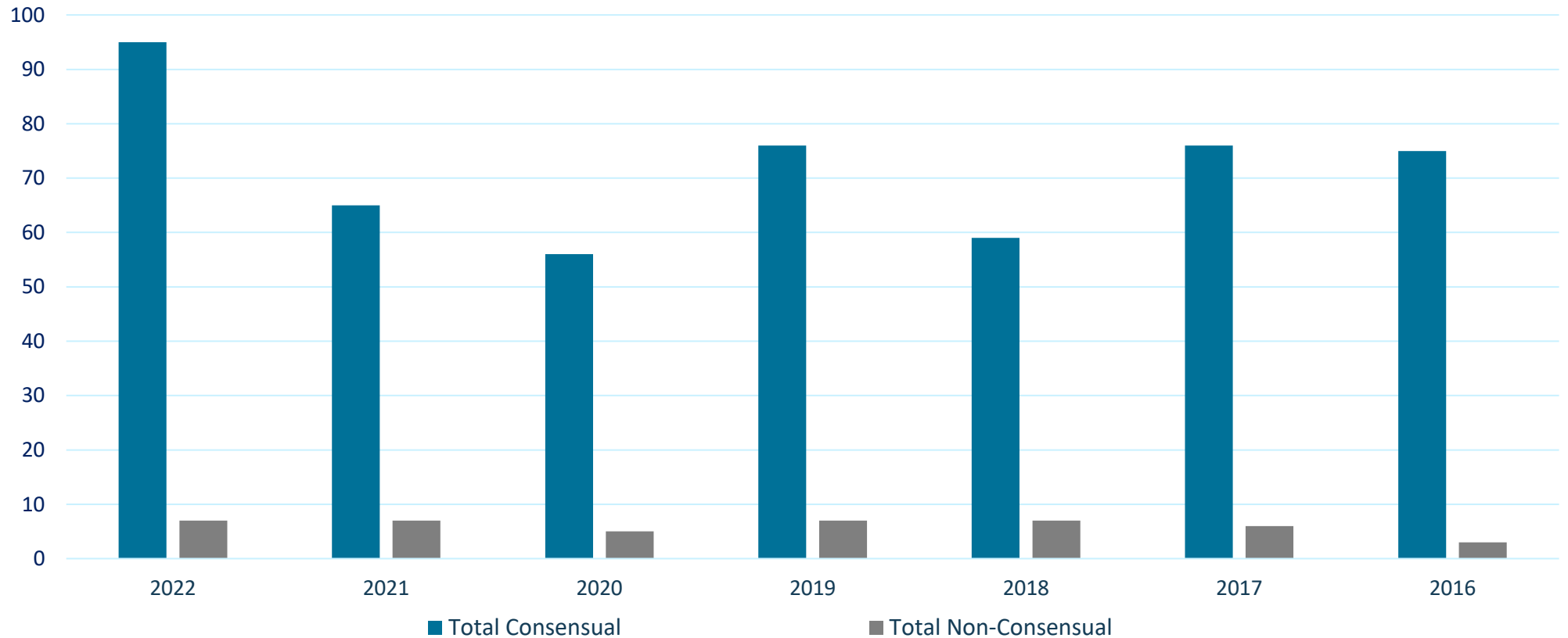
Operate Public Drinking Water Utility



Operate Municipal Sewer Systems



Annexation



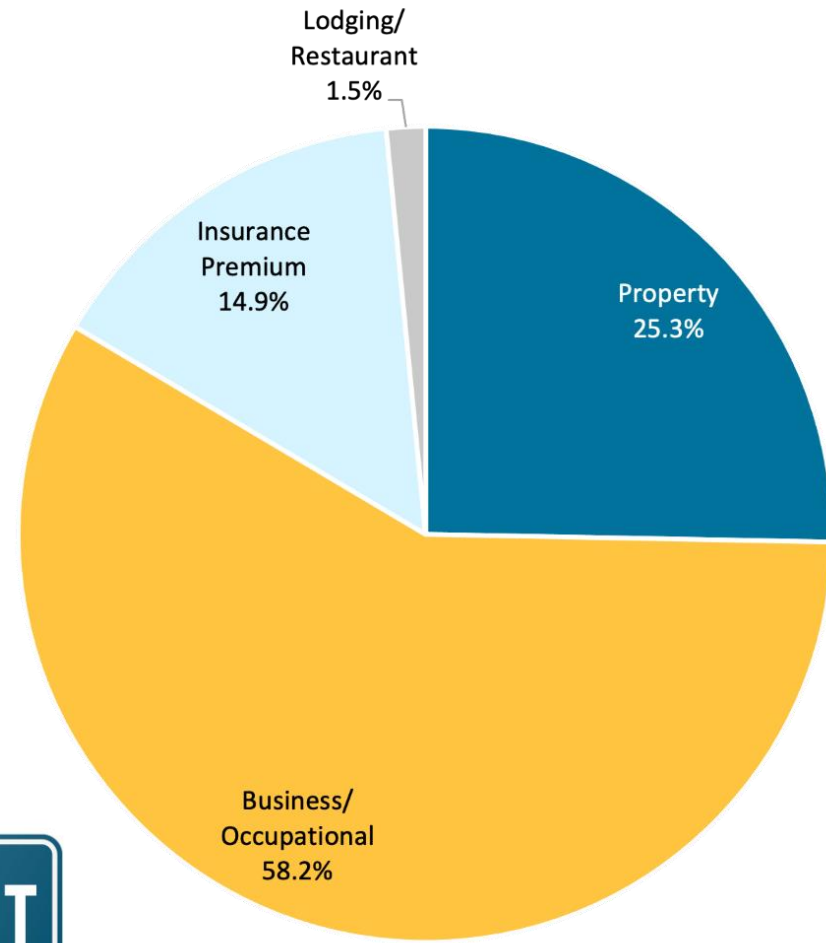
Revenue Diversification



A 131-year-old section of the Kentucky Constitution limits the legislature's ability to comprehensively reform local government tax policies.



Section 181 limits local government revenue options to property taxes, occupational taxes, and some franchise fees.



Road Funding Formula



Cities spent more than an average of \$335 million annually to maintain and build streets.



Cities maintain more than 10,000 miles of city streets.



Local tax dollars represent four-fifths of what cities spend to maintain streets.

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**

Substance Abuse

- Substance abuse continues to be a costly and tragic issue that plagues Kentucky communities and families.
- Kentucky must continue to address both the criminal aspects of drug trafficking and substance abuse, and the prioritization of treatment, rehabilitation, training, and workforce reentry.



CERS Administration

- Preserve the independent board and authority of the County Employee Retirement System (CERS) while ensuring the local pension system operates efficiently and in the best interest of employers and members.
- Monitor the expenses and operations of Kentucky Public Pensions Authority (KPPA), as CERS provides over 62% of the administrative budget.



Alcohol Regulatory License Fee Equity



Cities continue to be limited in their abilities to collect much needed revenue so that they can continue to provide governmental services at their current spending levels. Kentucky must seek all ways for every city to expand their authority to collect revenue.



Kentucky must provide equity for all cities to enact an alcohol regulatory fee to ensure taxpayers do not incur any unfunded burdens due to the sale of alcohol.



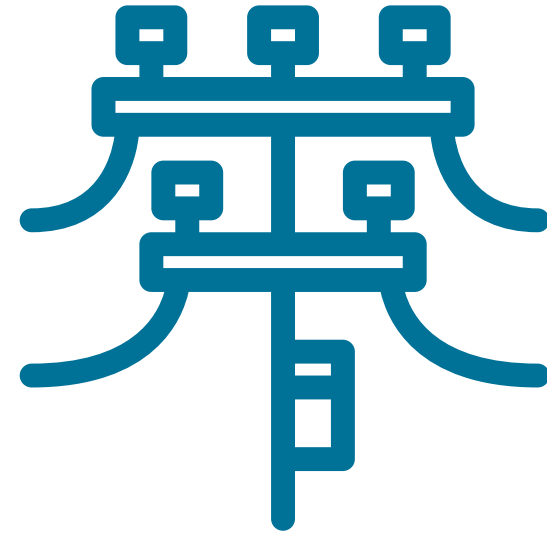
Property Tax Notification

- The current procedure does not permit adequate time for Kentucky cities to ensure the accuracy of ownership records for the delivery of property tax bills which can result in revenue collection delays, inaccurate tax assessments, and taxpayer frustration.
- Require property valuation administrators (PVAs) to send updated ownership information to cities and owners instead of just to the owner, as of January 1.
- Update ownership information from PVA and streamline the process for cities proposing property tax changes.



Franchise Agreements

- Authorize imposition of penalties for utilities that fail to enter into a franchise agreement with cities.
- Reduce the time limit for rebidding franchises.



Paramedic & EMT Training

- Over the years, paramedic training has become more academic, rather than vocational, making obtaining a certification difficult and has resulted in training delays.
- Continue working with KBEMS to modernize its approach of certifying paramedics and emergency medical technicians (EMTs) to make it easier to recruit qualified candidates.



Notification to Cities of Environmental Violations

- Many times, environmental violations by a private entity operating within a city go unnoticed and unannounced, leaving the public in the dark.
- KLC will work with the Kentucky Energy and Environment Cabinet to develop a notification process.



Impact of Remote Work on Local Occupational License Tax Receipts

- Due to technological advances in today's modern workforce and the lasting impacts of the Covid-19 pandemic, remote/telework has become more of the norm.
- Kentucky must explore all available avenues to modernize the collection of occupational tax receipts to rectify the shift to remote work and its impact on city revenues.



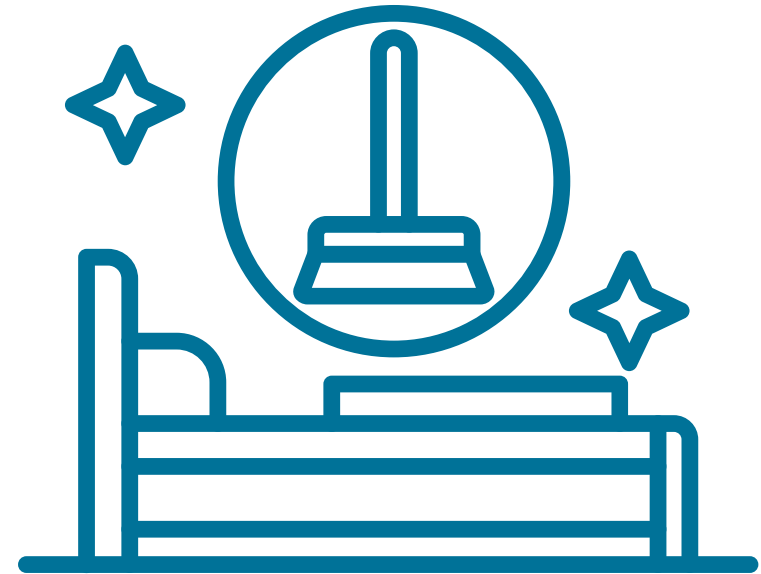
Planning and Zoning Training

- Current law, outlined in KRS 147A.027, requires orientation training and continued education that far exceeds any training requirements for other commissions and boards.
- Amend the training requirements for members and staff serving on planning commissions and boards of adjustment.



Transient Room Taxes of Web-Based Platforms

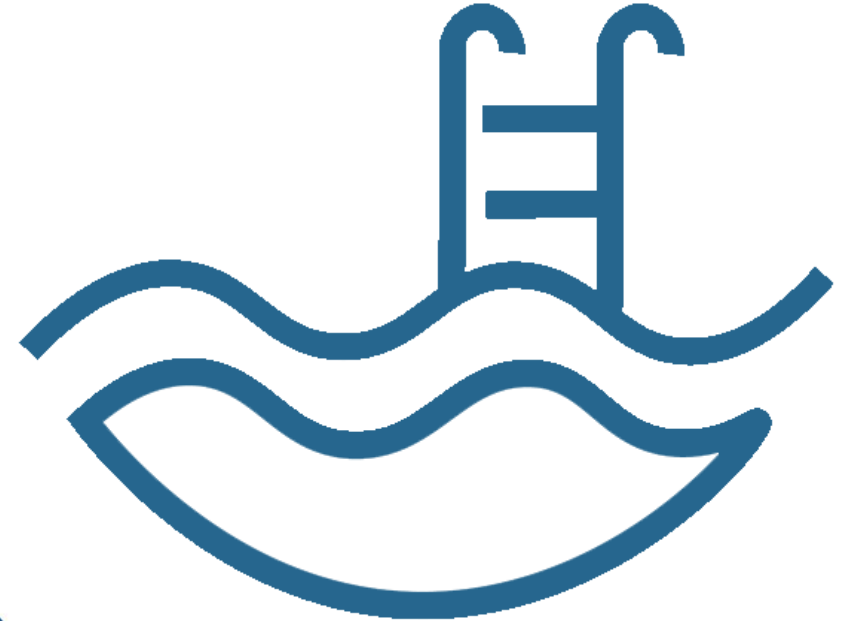
- Current legislation requires all online travel rental companies to remit transient room taxes to local governments.
- Oppose the centralization of local transient room tax revenue collections and support forced compliance of web-based platforms, such as Airbnb, with state law.



Aquatic Health Code



Revoke recent regulation changes to 902 KAR 10:120, the Model Aquatic Health Code.



Planned Unit/Homeowners Association Legislation

- Seek legislation to help cities address when homeowners associations go defunct or planned unit documents do not adequately cover the maintenance of communal areas.



Voluntary Training

- Seek an amendment to the statute regarding voluntary training for elected officials such as mayors, councilmembers, commissioners, etc.



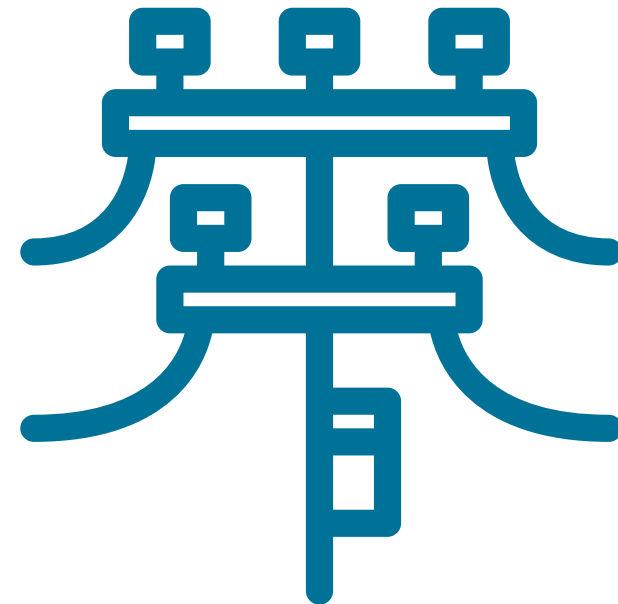
KYTC Road Work Notice

- Require the KY Transportation Cabinet to notify both cities and their clerks of road work within cities; require utility companies to notify cities of any roadblocks, work, or closures within the city.



Municipal Utilities

- Amend KRS 96.750 increasing the amount a municipal utility board member can be paid from \$2,400 to \$4,800 annually, and KRS 96.780 increasing the amount to \$40,000 (from \$20,000) of a contract executed by a utility supervisor. Both apply to those operating under the Little TVA Act.



Modernization of Newspaper Publications

- Currently, only a select few of Kentucky's cities can post documents and other legal announcements for public notice on their website instead of paying to print the entire statement in a local newspaper.
- Modernize publication laws to provide equity for all cities to have the option to publish on their website, which will result in a savings for city taxpayers.



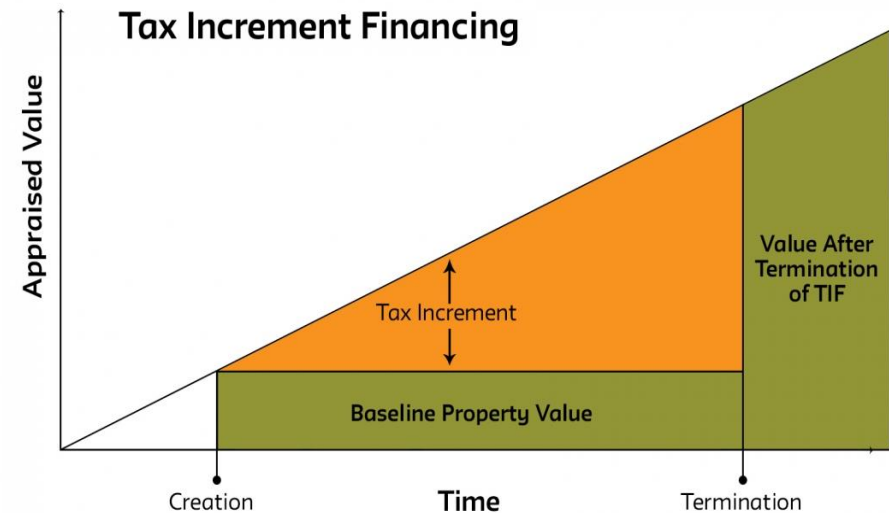
Disaster Response Funds

- Provide accountability for emergency management programs by requiring city executive authorities to sign emergency operations plans and participate in quarterly review of programs that receive state funds.
- Amend state statutes to allow cities to directly request state supplementary and federal funds instead of going through the county.



Tax Increment Financing (TIF)

- Continue working with legislators for a permanent solution to the impacted TIF agreements that only received temporary relief during the 2023 Regular Session (House Bill 360).



Source: Planning Tank. Tax Increment Financing (TIF) | Public Financing | Types of TIF. <https://planningtank.com/finance/tax-increment-financing-tif-types-tif> (accessed 2018).

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