

INTERIM JOINT COMMITTEE ON LOCAL GOVERNMENT

Minutes of the 5th Meeting of the 2018 Interim

November 28, 2018

Call to Order and Roll Call

The fifth meeting of the Interim Joint Committee on Local Government was held on Wednesday, November 28, 2018, at 10:00 AM, in Room 171 of the Capitol Annex. Representative Rob Rothenburger, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Senator Joe Bowen, Co-Chair; Representative Rob Rothenburger, Co-Chair; Senators Ralph Alvarado, Christian McDaniel, Morgan McGarvey, Dorsey Ridley, Wil Schroder, and Dan "Malano" Seum; Representatives Danny Bentley, Ken Fleming, Kelly Flood, DJ Johnson, Adam Koenig, Stan Lee, Michael Meredith, Jerry T. Miller, Robby Mills, Steve Riggs, Attica Scott, Arnold Simpson, and John Sims Jr.

Guests: Elbert Bennett, Caldwell County Magistrate; Greg Helton, Knox County Circuit Court Clerk; Rob Sanders, Commonwealth Attorney 16th Judicial Circuit; Jimmy Pollard, Henry County Coroner; Martin Hatfield, Pulaski County Attorney; Gabrielle Summe, Kenton County Clerk; Tommy Turner, Larue County Judge/Executive; Mike Simpson, Oldham County Jailer; Bruce Todd, Henderson County Magistrate; Tim Popplewell, Russell County Property Valuation Administrator; Patrick Boggs, Mason County Sheriff; Mack Bushart, Kentucky Property Valuation Administrator Association; Tammy Vernon, Linda Lilly, Rebecca Morton, Lori Denhart, and Tess Sommer, Department for Local Government; Michael Kurtsinger and Bruce Roberts, Kentucky Fire Commission; Jim Henderson, Shellie Hampton, Tim Sturgill, and Roger Recktenwald, Kentucky Association of Counties; Tony Wilder, Kentucky Council of Area Development Districts; Vince Lang, Kentucky County Judge/Executives Association; J.D. Chaney and Bryanna Carroll, Kentucky League of Cities; William May, Kentucky County Clerks Association; and Judy Piazza, Finance Cabinet.

LRC Staff: Mark Mitchell, John Ryan, Joe Pinczewski-Lee, and Cheryl Walters.

Approval of Minutes

Upon the motion of Senator Bowen, seconded by Representative Sims, the minutes of the October 24, 2018 meeting were approved.

Kentucky Association of Counties' Legislative Platform for 2019 Session of the General Assembly

Caldwell County Magistrate Elbert Bennett, President of the Kentucky Association of Counties (KACo), provided an overview of some primary agenda items it planned to address in the 2019 Regular Session of the General Assembly which included transportation infrastructure funds and local tax reform.

Representatives of each of KACo's affiliate groups presented their particular priorities for session.

Knox County Circuit Court Clerk Greg Helton and President of the Kentucky Association of Circuit Court Clerks (KACCC), said that KACCC will introduce legislation to modify existing driver's license laws permitting a re-print of a license or ID card for those medically unable to be present in the clerk's office, and for those who are out of town and have lost their license or ID card. KACCC supports a mechanism to reinstate renewal notices of expired driver's licenses by the Transportation Cabinet. KACCC will also seek to increase jury duty pay.

Kenton County Commonwealth's Attorney Rob Sanders and Legislative Chair of the Kentucky Commonwealth's Attorneys Association (KCAA), discussed the success of the rocket docket program. KCAA will seek passage of a felony strangulation bill to combat domestic violence and sexual assault. KCAA will also monitor any criminal justice reform bills.

In response to a question from Representative Lee, Mr. Sanders said KCAA is not opposed to medical marijuana. KCAA does not want medical marijuana to be a gateway to the legalization of recreational marijuana.

Henry County Coroner Jimmy Pollard and Legislative Chair of the Kentucky Coroner's Association (KCA), said that KCA is proposing legislation to control the removal of prescription narcotic, non-scheduled and over the counter drugs from a scene and or residence of a coroner's case. It would include proper storage and disposal within a timely manner, and witnessed and proper documentation of the inventory of the drugs. KCA is also proposing legislation to implement the usage of volunteer deputy coroners.

In response to a question from Representative Rothenburger, Mr. Pollard stated that the coroners take the lead to dispose of drugs when on-scene.

In response to another question from Representative Rothenburger, Mr. Pollard said that a drop box is used at police departments for the disposal of drugs, or the drugs are picked up by the Drug Enforcement Agency.

Pulaski County Attorney Martin Hatfield and President-Elect of the Kentucky County Attorneys Association (KCAA), discussed the success of the rocket docket program and said KCAA will monitor any criminal justice reform legislation, track and advise on any public pension reform legislation, and support local control regarding the collection of child support.

In response to a question from Senator Alvarado, Mr. Hatfield stated that the KCAA has been proactive in drug treatment, and as president he will encourage all counties to adopt Casey's Law.

In response to another question from Senator Alvarado, Mr. Hatfield said state law requires county attorneys to report their fee collection, and all should be transparent. The fees pay for office overhead and to supplement employees' pay. The fees are not used for county attorneys' salaries.

Kenton County Clerk Gabrielle Summe and President of the Kentucky County Clerks Association (KCCA) said that KCCA supports e-recording legislation, transportation infrastructure funding, election bills related to voter registration, minimizing postal costs, and absentee voting, legislation to help aid with recruitment and retention of precinct workers, and streamlining documents received from the Circuit Clerk, some of which relate to e-recording.

In response to a question from Representative Riggs, Ms. Summe said KCCA wants to have the conversation about early voting and report back.

In response to a question from Senator Schroder, Ms. Summe said that the road funding and fees relating to transportation the clerks process generally helps support the county clerks' offices.

In response to a question from Representative Miller, Ms. Summe said she would be glad to have the conversation about early voting in cases of emergency absentees.

In response to a question from Senator Bowen, Ms. Summe stated that someone can vote in person at the county clerk's office prior to Election Day.

In response to a question from Senator Seum, Mr. Summe replied that the county sets the training costs of poll workers, and pay during the Election Day is a different cost. Her office maintains a database of and sends letters of invitation to potential poll workers to draw upon.

In response to a question from Representative Lee, Ms. Summe said the cost is the same for the primary and general elections, which is a budgeted figure. Precinct lines need

to be completed a certain number of days prior to the deadline for filing for candidacy for office.

In response to a question from Chairman Rothenburger, Ms. Summe said that the 700-voter guideline number was calculated using a 12-hour day with 3 minutes to vote. State law gives clerks some guidelines for poll books and poll workers, but the statutes could be improved. The new equipment can have positive effects on precinct size with some statutory adjustments.

In response to a question from Representative Riggs, Ms. Summe said there is a little flexibility in regards to poll worker party parity.

Larue County Judge/Executive Tommy Turner and Legislative Chair of the Kentucky County Judge/Executive Association (KCJEA), said that the counties' transportation infrastructure is crumbling. Many roads and bridges are in critical need of repair, reconstruction, or replacement. During this fiscal year, Larue County will supplement its road fund with approximately 25 percent of county road expenditures coming from general fund dollars. Construction materials, fuel, equipment, insurance and employee retirement cost have consumed available funds at a pace that does not allow counties to make needed repairs and improvements. Counties desire to work with the legislature to devise answers to this critical need. Not being able to afford a \$10,000 repair to a bridge can lead to further deterioration and cost \$100,000 in several years. In five years, an entire quarter million dollar structure may need replacing.

The KCJEA feels it time to further implement criminal justice reforms in Kentucky. An issue often discussed is no money bail. There is great merit to the proposal, not only to counties and the Commonwealth, but also to the justice system. A stagnant approach to potential changes in the justice system is often maintained, but society is not stagnant.

Oldham County Jailer Mike Simpson, representing the Kentucky Jailer's Association (KJA), said that KJA supports legislation increasing the state per diem to offset costs and increase evidence based programming. KJA supports comprehensive bail reform.

In response to a question from Senator McDaniel, Mr. Simpson said he did not have the population numbers as it relates to inmates. There is a weekly report submitted with the count of inmates, but there may need to be better communication with regards to that report.

Henderson County Magistrate Bruce Todd and President of the Kentucky Magistrates and Commissioners Association (KMCA) said that the KMCA supports effective criminal justice reforms that reduce the financial burden on fiscal courts. It also supports Kentucky Infrastructure Coalition legislation for transportation funding. KMCA supports the reform of the local occupational license tax and local government tax reform in general.

Russell County Property Valuation Administrator (PVA) Tim Popplewell, and Mr. Mack Bushart, Executive Director of the Kentucky PVA Association, testified. Mr. Bushart said that the PVA Association supports legislation disallowing assessment based on the dark store tax theory. Mr. Popplewell said that the association supports legislation that contributes to fair and equitable taxation of watercraft documented with the federal government instead of being titled with state government which results in smaller tax collection revenue. There are also compliance issues involved with identifying registered craft.

Mason County Sheriff Patrick Boggs and President of the Kentucky Sheriff's Association (KSA) said that the KSA supports changes to the current sheriff's fee structure to align and make comparable with other states to assure adequate revenue, aligning state auditing methods with federal methods to take advantage of expedited auditing protocols that are available, and legislation that streamlines and expedites Kentucky Retirement Systems' pre-approval of rehires.

In response to a question from Representative Rothenburger, Sheriff Boggs stated that there has been no discussion on the details of the fee changes.

2019 BR 12, An Act relating to local investments

Representative Miller said that he has prefiled 2019 BR 12, which is the same as 2018 HB 75, sponsored by Representative Riggs. HB 75 passed both chambers but was vetoed by the Governor.

Special Purpose Governmental Entity Compliance Reports

Ms. Tammy Vernon, Cities and Special Districts Branch Manager with DLG, discussed Special Purpose Governmental Entities (SPGEs), DLG's role in monitoring them, and plans for transitioning to a new automated registration system for SPGEs.

The SPGE compliance report includes data as of September 25, 2018. The compliance percentages will increase as the deadline approaches. There are approximately 9,622 individual records, five records for each SPGE, and compliance is by fiscal year.

Ms. Vernon presented the compliance figures listed in a PowerPoint presentation.

The SPGE program for the future includes active communication with the Commonwealth Office of Technology to implement the new automated system and have it working by the 2020-2021 fiscal year.

In response to a question from Representative Koenig, Ms. Lori Denhart, DLG Special District Team, said that the punishment for noncompliance is the withholding of funds and public notification of non-compliance.

In response to another question from Representative Koenig, Ms. Denhart said that stopping money is a big reason to comply, as is the publication of board member's names. In addition, there is no automated function to determine audit compliance, which is something the new system may help.

In response to a question from Senator Alvarado, Ms. Vernon stated that DLG does not have access to pull data relating to the total of taxes collected by SPGEs. Having more county judges/executive be interested in the data that DLG supplies would be beneficial for compliance because fiscal courts and cities do provide money to some SPGEs.

Senator Alvarado said the only accountability for SPGEs at present is through local government elected officials, but the officials do not have the authority to veto or approve tax increases.

Representative Riggs said that compliance does not guarantee good and efficient operation of special districts.

Representative Rothenburger said that training should be required for people that serve on the special district boards.

Mr. Michael Kurtsinger, Legislative Director for the Kentucky Fire Commission, stated that legislation passed during the 2018 Session increased the number of fire departments reporting to the Kentucky Fire Commission from 460 to 499. The Revenue increased from \$21 million to over \$30 million with the addition of those other fire departments. Only three percent were noncompliant in submitting SPGE reports. Letters were sent to all noncompliant fire departments and county judges.

In response to a question from Representative Rothenburger, Mr. Kurtsinger said that funding is withheld from noncompliant fire departments. He outlined steps the commission takes to achieve compliance.

There being no further business, the meeting was adjourned at 12:10 p.m.