

INTERIM JOINT COMMITTEE ON LOCAL GOVERNMENT

Minutes of the Fifth Meeting of the 2024 Interim

October 22, 2024

Call to Order and Roll Call

The fifth meeting of the Interim Joint Committee on Local Government was held on October 22, 2024, at 9:00 AM in Room 154 of the Capitol Annex. Senator Robby Mills, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Representative Randy Bridges, Co-Chair; Senator Robby Mills, Co-Chair; Senators Cassie Chambers Armstrong, Michael J. Nemes, Damon Thayer, Phillip Wheeler, and Gex Williams; Representatives Adam Bowling, Josh Bray, George Brown Jr., Beverly Chester-Burton, Steven Doan, Ken Fleming, Deanna Frazier Gordon, Chris Freeland, Mark Hart, Mary Beth Imes, Matt Lockett, Michael Meredith, Marianne Proctor, Rebecca Raymer, Sarah Stalker, and Walker Thomas.

Guests: Mike Haney, State Fire Marshal; Max Fuller, Department of Housing, Buildings and Construction; Tammy Vernon and David B. Gibson, Department for Local Government; Bruce Roberts and Chuck Bonta, Kentucky Fire Commission; Jason Underwood, Capitol Strategies; Eddie Sloan and John Holder, Kentucky Board of Emergency Medical Services.

LRC Staff: Christopher Jacovitch and Cheryl Walters.

Approval of Minutes

Upon the motion of Representative Bray, seconded by Representative Fleming, the minutes from the September 24, 2024, meeting were approved.

Discussion of State Fire Marshal's Office Operations

Mike Haney, State Fire Marshal, and Max Fuller, Commissioner, Department of Housing, Buildings and Construction, gave an overview of the State Fire Marshal's Office and its functions and challenges. The office's historical funding and source of funds, past and present staffing levels, the number of deputized departments and their responsibilities, fire investigation statistics, data on injuries and fatalities among firefighters and civilians, property loss records, and standardized report methods were discussed.

In response to a question from Senator Williams, Commissioner Fuller said no fees are collected from periodic statewide inspections.

In response to a question from Representative Meredith, State Fire Marshal Haney stated that if sprinkler inspections are not being done, it is due to lack of staffing. Representative Meredith commented that the State Fire Marshal's Office needs to tell the legislature what funding it needs to provide services.

In response to another question from Representative Meredith, Commissioner Fuller said there have been 136 investigations and 257 fires reported. He did not have any more information, but said he would investigate further.

In response to a question from Representative Meredith, Commissioner Fuller said he was not aware of receiving state funding for the deputization of local officials.

In response to a question from Representative Bridges, Commissioner Fuller stated inspectors should have a high school diploma and some inspection experience. State Fire Marshal Haney stated additional training is required. His office lost three inspectors to higher paying positions and one due to health reasons.

In response to another question from Representative Bridges, Commissioner Fuller said staffing is determined using the peak number of inspections, allowing for deputized departments, and estimating around 1,000 to 1,200 recurring inspections per inspector. Inspectors are assigned coverage based on the usual number of inspections in an area.

In response to a question from Senator Williams, Commissioner Fuller said there are licensed sprinkler inspectors, but the division does not employ them.

In response to a question from Representative Frazier-Gordon, Commissioner Fuller said the division has no inspection duties relative to inspecting sprinkler systems in bourbon warehouses.

Senator Mills invited the division to examine their approval processes relative to housing, so that there are minimal delays in getting people in homes.

Presentation of Special Purpose Governmental Entity Reports

Tammy Vernon, Cities and Special Districts Branch Manager, and David B. Gibson, Staff Attorney, Department for Local Government (DLG), presented the annual special purpose governmental entity (SPGE) report and discussed what SPGEs are, DLG's statutory responsibility, the SPGE system, and enhancement release roadmaps.

In response to a question from Senator Wheeler, Ms. Vernon stated the submission of an audit meets the requirement but, in the future, DLG will verify that the audit is the appropriate audit and otherwise meets statutory requirements.

Senator Thayer encouraged members to look at special districts. SPGEs have not always been transparent and legislation was passed to require SPGEs to report. Any district that has taxing authority should be accountable to the public and SPGE board members should be elected rather than appointed.

In response to a question from Representative Stalker, Ms. Vernon said audits are made available to the public.

Bruce Roberts, Interim Executive Director, and Chuck Bonta, Training Records and Compliance Specialist, Kentucky Fire Commission, discussed fire department compliance reporting.

Discussion of Short-Term Rental Policy

Jason Underwood, President of Capitol Strategies, discussed the Airbnb initiative, its impact on tourism, and potential legislative solutions for regulating short-term residential rentals.

In response to a question from Senator Wheeler, Mr. Underwood replied that the legislative initiative would not impact existing home owner association agreements.

Representative Bridges commented that there is difficulty in getting the taxes collected to smaller taxing jurisdictions. Mr. Underwood stated Airbnb wants to pay taxes owed, but would advocate for centralized collections. There is ongoing litigation on the subject. Representative Bridges noted that VRBO, another short-term rental service, has a solution. Mr. Underwood said Airbnb thinks the distribution is unduly burdensome and that VRBO's lesser share of the marketplace may be why VRBO can remit the taxes more easily.

In response to a question from Senator Chambers Armstrong, Mr. Underwood said a conditional use permit is not required when the owners of the residence occupy the residence at the same time as the renters.

Discussion of Local EMS Staffing and Inter-Facility Patient Mobility

John Holder, Board Chair, and Eddie Sloan, Executive Director, Kentucky Board of Emergency Medical Services (KBEMS), discussed provider shortages, nationally and state

recognized EMS workforce challenges, barriers to paramedic training, access to education, reimbursement and funding, cost of business, public safety funding by fiscal year, previous improvement initiatives, and goals for improvement.

In response to a question from Representative Proctor, Mr. Holder said when Stat Transport, a non-emergency medical transport service, is called for transferring patients between facilities, the payee is based upon the situation, such as whether the patient has Medicare or Medicaid. In some instances, the hospital will pay.

In response to another question from Representative Proctor, Mr. Holder said it was difficult to answer whether Certificates of Need help or hurt EMS transportation. Hospitals do not need to apply for a Certificate of Need to operate an interfacility ambulance service.

In response to a question from Senator Williams, Mr. Sloan stated, whether or not a Certificate of Need process is in place, no service can function without staffing.

Senator Williams suggested that perhaps without a Certificate of Need process, companies could pay more and attract more staff, and pay them competitively when a company possessing the certificate did not have a monopoly.

In response to a question from Representative Freeland, Mr. Sloan said when personnel leave the ambulance service, they leave for more pay outside of the field of patient care, or transfer to the hospitals themselves.

Announcements

Senator Mills announced that the last interim meeting of the committee would be November 12, 2024.

Adjournment

There being no further business, the meeting was adjourned at 10:48 AM.