



### **Part III: Fiscal Explanation, Bill Provisions, and Estimated Cost**

**The fiscal impact of SB 1 SCS 1 on local government is expected to be minimal.**

One potential cost to local governments is the administrative time and resources to amend any existing local government bargaining agreements at the point of renewal or extension. The employees of a number of local governmental units are represented by labor organizations. According to a survey conducted by the Kentucky League of Cities in 2010, the cities of Ashland, Covington, Fort Thomas, Greenup, Jeffersontown, Lexington, Louisville, Newport, Paducah, Raceland, Shelbyville, and Shively had collective bargaining agreements with unions representing at least a portion of their employees. **However, since SCS 1 eliminated application to collective bargaining agreements for certain firefighters and police officers, the efforts would be diminished.**

A second potential cost is that the bill makes it a Class A misdemeanor to require an employee to join a union or provide financial support for a charity as a condition of employment. While the exact number of future violations is unknowable, local governments are responsible for the cost of incarcerating an individual who does not make bail when charged with a Class A misdemeanor as well as an individual convicted of such an offense. A person convicted of a Class A misdemeanor can be incarcerated for up to one year in one of Kentucky's 77 jails. While the expense of housing inmates varies by jail, each additional inmate will increase facility costs by an estimated average of \$33.26 per day.

**Data Source(s):** LRC Staff; Kentucky League of Cities

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