



**The fiscal impact of HB 327 on local government is indeterminable and expected to be minimal or moderate (in the event of any related litigation).** The provisions of the bill can affect local governments in their capacities as both landlords and renters. The bill would require local governments to conform any impacted ordinances. Those costs include staff time revising ordinances, and the costs of printing and publication of proposed ordinances.

Half of Kentucky cities collect rent, and cities would have to change/update their personnel handbooks. Costs related to the latter would include preparation and review by their city attorneys, most of which are paid on a per-hour basis. This legislation could also lead to more litigation involving cities, whether as employers or landlords.

In 2011, the city of Berea considered including sexual orientation and gender identity in an ordinance to create a local human rights commission. The Kentucky Commission on Human Rights prepared a fiscal impact statement that indicated that if Berea planned to have an investigative staff as part of its new commission, it would cost approximately \$750 in additional funding to include sexual orientation and gender identity protections in their ordinance. Berea passed the proposed ordinance to create a human rights commission but did not include in the ordinance anti-discrimination provisions relating to sexual orientation and gender identity and did not provide funding to hire staff to investigate discrimination claims in general.

Additionally, it should be noted, the employment practices of all local governments would be subject to the provisions of HB 327 and local governments would need to review their policies of nondiscrimination and conduct appropriate training to assure compliance with HB 327. Such training could be incorporated into existing training relating to discrimination and the cost would be minimal.

**Data Source(s):** LRC Staff; Kentucky League of Cities; Kentucky Commission on Human Rights; City of Berea, Kentucky; Kentucky Association of Counties

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