

**Local Government Mandate Statement
Kentucky Legislative Research Commission
2018 Regular Session**

Part I: Measure Information

Bill Request #: 984

Bill #: HB 164

Document ID #: 1567

Bill Subject/Title: An Act relating to civil rights.
Prohibition of sexual orientation and gender identity discrimination.

Sponsor: Representative Mary Lou Marzian

Unit of Government: City County Urban-County
Unified Local
 Charter County Consolidated Local Government

Office(s) Impacted: fiscal courts/personnel offices, local human rights commission

Requirement: Mandatory Optional

Effect on
Powers & Duties: Modifies Existing Adds New Eliminates Existing

Part II: Bill Provisions and the Estimated Fiscal Impact Relating to Local Government

The Kentucky Civil Rights Act, codified at KRS Chapter 344, prohibits discrimination by race, color, religion, natural origin, sex, or disability in situations relating to: (1) employment; (2) sale or lease of real property; (3) public accommodations; (4) financial transactions; (5) housing insurance; and (6) credit transactions. HB 164 amends these civil rights statutes to prohibit discrimination based on sexual orientation and gender identity. This measure specifically broadens the scope of the powers and duties of the state and local human rights commissions to include protection from discrimination based on sexual orientation and gender identity in regard to various labor and employment practices.

The Kentucky Commission on Human Rights believes that the passage of this bill has the potential to increase the number of complaints as well as anticipates an increase in complaints the Commission must investigate, but not significantly. In addition, the commission's federal partners at the U.S. Equal Employment Opportunity Commission and U.S. Department of Housing and Urban Development have determined that discrimination based on sexual orientation or gender identity is in fact prohibited under Title VII and Title VIII as

discrimination based on sex. With the passage of HB 164, the commission does not expect a significant increase or impact on existing caseloads as these complaints are currently being addressed.

Any local government engaged in the identified commercial or related activities in HB 164 (e.g. rental properties) would have to conform and would be required to adopt conforming local ordinances. HB 164 would also require local governments with civil rights ordinances to amend any local civil rights laws to incorporate the language prescribed in this proposed bill.

Costs would include the time and expense of repealing or revising an existing ordinance, advertising the revision in a local newspaper, placing the revision on the business docket for necessary action, and printing a revised list of ordinances.

According to Kentucky League of Cities, most cities, especially the smaller ones, retain their city attorney on contract and pay on an hourly basis. Time spent drafting ordinances is influenced by its complexity and the amount of research that is necessary. In FY 2018, the median hourly rate was approximately \$106. Rates for legal notices vary greatly depending on the length of the publication, the number of times it needs to be published and the newspaper in which the publication is placed. Therefore, these costs are unknown.

Municipalities revise their ordinances, at least every five years by state law, to eliminate “redundant, obsolete, inconsistent, and invalid provisions.” The cost of this mandate would be less if the repeal or revision were done in conjunction with this periodic updating of ordinances.

The fiscal impact is also indeterminable. It is unlikely that HB 164 would result in any significant impact on local government.

Part III: Differences to Local Government Mandate Statement from Prior Versions

The Part II section above pertains to the bill as introduced and there are not any prior introduced versions of the bill to complete the Part III section.

Data Source(s): LRC staff, Kentucky Commission on Human Rights, Kentucky League of Cities, Kentucky Municipal Statutory Law, LRC IBN. No. 145

Preparer: Mark Offerman **Reviewer:** KHC **Date:** 2/6/19