



Neither the elected official nor the fiscal court shall have the authority to reduce the revenues to be generated on behalf of the Commonwealth or any other entity.

**The fiscal impact of HB 367 HCS 1 on local governments is indeterminable.**

The two elected offices that stand to be impacted the most are the County Clerk and the Sheriff.

KRS 64.012 lists 58 fees charged by the County Clerk, 23 fees with a base rate of \$12, 34 fees between \$3 and \$50, and one being \$200.

KRS 64.090 lists 32 fees charged by sheriff, 31 fees between \$3.00 and \$30, and one being \$60.

A reduction in fees by the county clerks and sheriffs will directly impact their operating budgets and any excess funds available to the fiscal court.

In counties of 70,000 or more population, all fees collected by county clerks, sheriffs, and their deputies are paid directly into the State Treasury. In return, the salaries and office expenses of the officers and their deputies are paid out of the State Treasury on warrants drawn by the treasurer at the request of the county clerk or sheriff. The total amount paid the officers in salaries and office expenses may not exceed 75 percent of the fees collected by the officer. The state pays the other 25 percent to the fiscal courts or urban-county governments of the counties on April 15, July 15, October 15, and January 15.

In counties of less than 70,000 population, the officer may receive the maximum compensation established by the constitution and by statute, plus office expenses, including compensation of deputies and assistants (Ky. Const., sec. 246; KRS 64.152 and 134.192). Any revenue derived from fees in excess of the officer's compensation and expenses is transferred to the county (KRS 64.152 and 134.192).

County clerks and sheriffs may invest funds temporarily in excess of operating needs in specified financial instruments and institutions. A reduction in fees might result in less money for investing.

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

HB 367 HCS 1 keeps the provisions of HB 367 as introduced with the following changes:

- The list of elected county officials is expanded to include magistrates and county commissioners.
- Fiscal court must approve any reduction in fee(s) sought by an elected official.
- Clarifies that the lowering of fees is dependent on the budgetary needs of the elected official's public office *or the county*.
- Clarifies this proposal applies to fees charged (not retained) by the elected official.

- Neither the elected official nor the fiscal court shall have the authority to reduce the revenues to be generated on behalf of the Commonwealth or any other entity.

The impact to local governments from the House Committee Substitute remains the same as it did for the bill as introduced and indeterminable.

**Data Source(s):** LRC Staff; LRC Informational Bulletin No.115: County Government in Kentucky

**Preparer:** Wendell F. Butler      **Reviewer:** KHC      **Date:** 2/20/20