

that apply generally within the jurisdiction, those that would apply to all residences within the same zoning regulations.

SB 148/GA establishes that the availability of adequate child-care as an essential business, is vital to the Commonwealth's state and local economies. As such, it requires that by January 1, 2022, local governments that have established planning and zoning boards, must specifically include family child-care homes in the text of its zoning regulations authorizing the board of adjustments to separately consider the applications of proposed family child-care homes for conditional use permits within residential zones where they are not a fully permitted use pursuant to KRS 100.237.

The fiscal impact of SB 148 GA is expected to be zero but possibly minimally negative for local governments who must modify or repeal current ordinances. Localities with existing ordinances that restrict the use prohibited by this legislation, would need to amend or repeal the ordinance. Likewise, this legislation would preclude cities from using their zoning authority to restrict the location of certified family child-care homes within various residential zones. The Kentucky League of Cities (KLC) is not aware of any cities that have a business license specifically designed for certified family child-care homes or any cities that currently restrict this type of use, but if any do they would need to amend their zoning ordinance.

Modification of local ordinances will require work from their city attorney and costs associated with publication of the proposed changes. According to KLC, most cities, especially the smaller ones, retain their city attorney on contract and pay on an hourly basis. Time spent drafting an ordinance is influenced by its complexity and the amount of research that is necessary. In FY 2020, the average hourly rate was \$107. 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.

Local government would still be able to enforce applicable business licenses and any occupational license taxes (payroll, net profits, or gross receipts taxes) because they are generally applicable to all occupations and businesses. Any broad restrictions related to home density likely would still apply.

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

The fiscal impact for SB 148/GA is unchanged from SB 148 SCS 1 and SB 148 as introduced.

The GA version removed the 30-day period the cabinet could restrict child care centers class or group size. It added language prohibiting the cabinet from establishing any restrictions on capacity for class or group size during the 2020 or 2021 state of emergency declared by the Governor in response to COVID-19, including, but not limited to any mutated strain of the COVID-19 virus.

The fiscal impact for SB 148 SCS 1 remains the same as the LM for SB 148 as introduced.

The SCS deletes from the bill as introduced the new section of KRS Chapter 65.870 to 65.879 that established definitions and requirements on local government related to certified family child-care homes. The language that was created by the new KRS section from the bill as introduced is now incorporated as similar language to KRS 199.892. The SCS also now requires certain ordinances and regulations to be compliant with Section 2 (4)(c) by January 1, 2022.

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

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