Local Government Mandate Statement Kentucky Legislative Research Commission 2021 Regular Session

Part I: Measure Information

Bill Request #: 1200
Bill #: _ SB 88/GA
Document ID #: 5946
Bill Subject/Title: AN ACT relating to city annexation filings.
Sponsor: Senator Phillip Wheeler
Unit of Government: X City County X Urban-County Unified Local
Charter County X Consolidated Local X Government
Office(s) Impacted: Cities and County Clerks
Requirement: X Mandatory Optional
Effect on Powers & Duties: X Modifies Existing Adds New Eliminates Existing

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

SB 88/GA amends KRS 81A.470 and KRS 81A.475 to require that within 60 days, cities who alter their boundary, must submit an electronic or paper copy of the final ordinance that changed the city's boundaries and an electronic or paper copy of a map prepared by a professional land surveyor depicting the property transfer, to the Secretary of State (SOS) for recording. Cities must also submit to the SOS, an electronic file containing a closed geometric figure depicting the territory being added or removed that is referenced to a Kentucky State Plane Coordinate System zone in one of several prescribed electronic formats.

SB 88/GA also requires that any city that changes its boundary, to provide a duly certified paper or electronic copy of the final ordinance that changed the city's boundary with a map and description meeting the criteria provided above provide to the county clerk.

KRS 116.200 is amended to conform.

The fiscal impact of SB 88/GA on local governments is expected to be neutral to minimally positive. Savings to cities would be mostly administrative dealing with staff time, printing, and mailing costs and costs related to enacting an ordinance. Impact to county clerks would be minimal as well.

According to the Kentucky League of Cities (KLC), there are approximately 120 annexations filings submitted each year. Currently, cities generally receive the annexation maps from surveyors electronically. Cities would then pass an ordinance describing the changes to the city boundary, print the maps and either mail or deliver the package to the Secretary of State's (SOS) office. The SOS would then review and approve the map. If corrections were necessary, the process repeats itself. Once in final form, the SOS records the final ordinance and forwards the map to the State mapping office to for inclusion in the state's mapping system.

Local governments that choose to create ordinances will incur costs associated with the drafting, publication, indexing and recording of adopted ordinances, and at least every five years, review and eliminate redundant, obsolete, inconsistent, and invalid provisions.

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.

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

The fiscal impact of SB 88/GA is unchanged from SCS 1 which remains the same as the original LM to SB 88.

The GA version remains the same as the SCS 1 version.

SCS 1 retains the original provisions of the bill, but amends Sections 1 and 2 to provide that the specified documentation is to be in either paper or electronic format. SCS 1 adds Section 3 and amends KRS 116.200 to require documentation of an annexation be sent to the county clerk pursuant to only KRS 81A.470.

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

Preparer: Mark Offerman **Reviewer:** KHC **Date:** 3/1/21