

**Local Government Mandate Statement
Kentucky Legislative Research Commission
2022 Regular Session**

Part I: Measure Information

Bill Request #: 425

Bill #: HB 314 HCS 1

Document ID #: 6970

Bill Subject/Title: AN ACT relating to consolidated local governments.

Sponsor: Representative Jason Nemes

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

Office(s) Impacted: Mayor, Oversight and Audit Committee, and Police Chief for the city of Louisville, the sole Consolidated Local Government in Kentucky

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

HB 314 HCS 1 makes the following changes in current law regarding consolidated local governments:

Section 1:

Removes outdated language specific to allowing a newly Consolidated Local Government (CLG) whose officials took office in 2003 to adjust district boundaries resulting from changes in population.

Broadens the scope of a CLGs oversight and audit committee’s ability to issue subpoenas to include former officers and appointees.

Section 2

Allows qualified voters to establish new cities within a CLG with the approval of the CLG’s legislative council. The proposed territory to be incorporated shall be outside of

any current urban service boundaries, outside of any incorporated territory within an existing city, and have a population of 6,000 or more. If the petition to form a city is signed by at least 75% of the residents within the proposed area, the CLGs legislative council **shall** approve the proposed incorporation. If less than 75%, the legislative council **may** still approve the incorporation.

Removes the restriction currently placed on CLGs restricting future annexations for a period of 12 years after the adoption of the CLG if the CLG already contains a city of the first class.

In regards to an ordinance filed by a city within the CLG seeking approval of a proposed annexation, if the accompanying petition is signed by at least 75% of the residents within the proposed area, the CLGs legislative council **shall** approve the proposed annexation. If less than 75%, the legislative council **may** still approve the annexation. The mayor cannot veto any ordinance approving annexation that has been passed by the CLGs legislative council.

Section 3:

Prohibits the county attorney from approving legislation prior to its consideration by the legislative body. However, the county attorney may provide an advisory opinion.

Section 4:

Removes the power to make appointments to agencies, boards, and commissions from the presiding officer of the legislative council, and gives the power to the mayor, subject to approval of the CLGs legislative council. The council has 60 days to give approval.

Section 5:

Removes language prohibiting a legislative council member who has made a charge against any elected officer for misconduct, incapacity, or willful neglect from sitting on the legislative council when it tries the charge.

Section 6:

Requires that the CLG to provide at least an annual reporting to the urban service tax district board and the legislative body of the CLG detailing the operating and capital expenditures of each service performed by the CLG.

HB 314 HCS will only affect Louisville / Jefferson County Metro Government as they comprise the only consolidated local government in the Commonwealth.

Discussions were had with both the Jefferson County Clerk's Office and the Jefferson County Attorney's Office. Both offices stated no fiscal impact and the Clerk specifically stated going to a nonpartisan election for mayor would entail a slightly different ballot design, and a nonpartisan election may result in a few more people coming out to vote in the primary.

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.

There will be administrative costs related to board proceedings and the recording and storage of records and documents generated by the civilian review and accountability board.

The proposal is silent as to compensation for civilian review and accountability board members and appointees.

There will be costs to Metro Government associated with providing an annual report of operating and capital expenditures to the urban service board. How much of this data can be generated with the current financial system is not known, but costs are expected to be minimum unless major re-programming cost are involved.

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

Part II refers to HB 314 HCS 1.

HB 314 HCS 1 keeps the provisions of HB 314 as introduced with the following changes:

- Removes the provision requiring a CLG's oversight and audit committee to approve any unappropriated legal or administrative settlements of over \$1 million or any consent decrees prior to the offer being made.
- Deletes Section 2 regarding term limit of a mayor of a CLG.
- Section 3: Clarifies that qualified voters, not residents, within a CLG must approve the establishment of new cities within a CLG. The proposed city must have a population of 6,000 or greater.
- Deletes Sections 8-11 allowing for a CLG's police chief to appoint a designee.

The HCS does not change the fiscal impact.

Data Source(s): LRC Staff

Preparer: Wendell F. Butler (ms) **Reviewer:** KHC **Date:** 3/3/22