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

### Part I: Measure Information

| Bill Request #: 377                                                                                                              |  |  |  |  |  |  |  |
|----------------------------------------------------------------------------------------------------------------------------------|--|--|--|--|--|--|--|
| Bill #: HB 59                                                                                                                    |  |  |  |  |  |  |  |
| <b>Document ID #:</b> <u>641</u>                                                                                                 |  |  |  |  |  |  |  |
| Bill Subject/Title: AN ACT relating to family care leave.                                                                        |  |  |  |  |  |  |  |
| Sponsor: Representative Cherlynn Stevenson                                                                                       |  |  |  |  |  |  |  |
| Unit of Government:       X       City       X       County       X       Urban-County         Unified Local       Unified Local |  |  |  |  |  |  |  |
| X Charter County X Consolidated Local X Government                                                                               |  |  |  |  |  |  |  |
| Office(s) Impacted:all offices with employees                                                                                    |  |  |  |  |  |  |  |
| 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

HB 59 would amend KRS 337.010 to define family care leave, family member, health care provider, same employer, and serious health condition. Section 2 creates a new section of KRS 337 to provide that an employee who has more than 12 months and at least 1,250 hours of service with their employer in the previous 12 months is entitled to 12 weeks unpaid "family care leave." Family care leave may be used for:

- a. The birth of a child to the employee or to a family member and for whom the employee assumes and discharges parental responsibility; or
- b. The care of a family member who has a serious health condition.

# The fiscal impact of HB 59 on city and county governments would range from none to significantly negative, depending on the number of employees.

Cities with 50 or more employees must already provide similar leave pursuant to the federal Family and Medical Leave Act (FMLA). These cities, which the Kentucky League of Cities (KLC) numbers at approximately 60, would see no fiscal impact from HB 59.

Cities with 20-40 employees would see a minimal to moderate negative fiscal impact from the bill. The negative impact would result from overtime paid to other employees to cover unmanned shifts, and the additional administrative, i.e. paperwork and recordkeeping, burden. For example, while leave forms are provided to employers under the FMLA, smaller city employers would need to generate their own certification process and necessary forms if they want their employees to certify the serious health problem of their family member.

Cities with 15-20 employees would incur additional overtime, or contracting, costs and administrative costs also.

The approximately 75 Kentucky cities with five or fewer employees would expect significant negative fiscal impact due to paying overtime or contracting for replacement services. Those cities are most likely to reduce city services without replacement workers.

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

Part II applies to HB 59 as submitted. There is no prior version.

| <b>Data Source</b> ( | s): <u>Kentucky</u> | League of | of Cities; K | entucky Associati | on of Counties; I | LRC staff |
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| Preparer: N          | Aarv Stephens       | (WB)      | Reviewer     | : KHC             | Date:             | 1/5/22    |