Local Government Mandate Statement Kentucky Legislative Research Commission 2023 Regular Session

Part I: Measure Information

Bill Request #: <u>34</u>	
Bill #: HB 80	
Document ID #: 1212	
Ŭ	AN ACT relating to unemployment insurance and declaring an emergency.
Sponsor:Representaive Daniel Fisher	
Unit of Government:	X City L County X Urban-County Unified Local
	<u>X</u> Charter County <u>X</u> Consolidated Local <u>X</u> Government
Office(s) Impacted:	Local Fire Departments
Requirement: X	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 80 amends KRS 341.030 to provide those amounts paid to volunteer firefighters as allowance or reimbursement for expenses incurred while responding to emergencies, or for the use of a volunteer firefighter's personal vehicle or other equipment in responding to emergencies, shall not be considered wages, and thus, not be included in the employer's contribution rate to the Unemployment Insurance (UI) fund.

The fiscal impact of HB 80 on local governments will be minimal. This will not have much impact on the volunteer fire departments not paying into the UI fund which make up most of the stations in the Commonwealth. However, this bill will impact stations (or districts) that simultaneously employ full-time firefighters and use the services of volunteer firefighters. To be considered an "employing unit" for UI purposes, you must have one or more paid workers performing nonexempt work in the state. So even though a fire district is mostly comprised of volunteer firefights, one paid worker would make the district liable

for UI contributions. By excluding payments made to volunteers, you would be keeping the fire district's contribution rate low.

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

Part II pertains to HB 80 as introduced. There are no prior versions.

Data Source(s): LRC Staff, Kentucky Firefighters Association

Preparer:WBReviewer:KHCDate:2/28/23