

**Local Government Mandate Statement
Kentucky Legislative Research Commission
2023 Regular Session**

Part I: Measure Information

Bill Request #: 1400

Bill #: SB 130

Document ID #: 2983

Bill Subject/Title: AN ACT relating to civil rights.

Sponsor: Senator Gerald Neal

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

Office(s) Impacted: Local governments as landlords, local Human Rights Commission

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

The Kentucky Civil Rights Act, codified at KRS Chapter 344, prohibits discrimination by race, color, religion, natural origin, sex, or disability in situations relating to: (1) employment; (2) sale or lease of real property; (3) public accommodations; (4) financial transactions; (5) housing insurance; and (6) credit transactions. SB 130 would amend these civil rights statutes to also prohibit discrimination based on sexual orientation and gender identity. This measure specifically broadens the scope of the powers and duties of the state and local human rights commissions to include protection from discrimination based on sexual orientation and gender identity in labor and employment practices.

The Kentucky Commission on Human Rights' federal partners at the U.S. Equal Employment Opportunity Commission and U.S. Department of Housing and Urban Development have determined that discrimination based on sexual orientation or gender identity is prohibited under Title VII of the Civil Rights Act of 1964 and Title VIII of the Civil Rights Act of 1968, respectively, as discrimination based on sex. The Commission

anticipates an increase in the number of complaints they receive but does not expect a significant increase, nor a significant impact on existing caseloads.

SB 130 should have minimal fiscal impact on local government. Any local government engaged in the identified commercial or related activities (e.g. rental properties) would have to conform and would be required to adopt conforming local ordinances. This bill would also require local governments with civil rights ordinances to amend their local civil rights laws to incorporate the language prescribed in this proposed bill. Local governments will incur costs associated with the drafting, publication, indexing and recording of adopted ordinances.

According to Kentucky League of Cities, 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 2022, the average hourly rate was \$107-\$117. Rates for legal notices vary greatly depending on the length of the notice, the number of times it needs to be published and the newspaper in which the publication is placed. Therefore, these costs are unknown.

Municipalities must review their ordinances every five years by state law, to eliminate “redundant, obsolete, inconsistent, and invalid provisions.” The cost of this mandate may be less if the repeal or revision were done in conjunction with this periodic updating of ordinances as part of a regularly planned and budgeted activity.

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

Part II applies to SB 130 as introduced. There is no earlier version for comparison.

Data Source(s): LRC staff; Kentucky Commission on Human Rights; Kentucky League of Cities; LRC Informational Bulletin No. 145, Revised 2022

Preparer: Mary Stephens (RB) **Reviewer:** KHC **Date:** 2/23/23