Local Government Mandate Statement Kentucky Legislative Research Commission 2024 Regular Session

Part I: Measure Information

Bill Request #: 14							
Bill #: HB 147 GA							
Document ID #: 7316							
Bill Title: AN ACT relating to local property tax rate levies.							
Sponsor: Representative Ken Fleming							
Unit of Government: X City X County X Urban-County							
XCharter CountyXConsolidated LocalXGovernment							
Office(s) Impacted: All Local Government Entities that Levy Property Taxes							
Requirement: <u>X</u> 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 147 GA would amend KRS 132.017 to require a vote on a property tax rate levy to be delayed until all statutory requirements are met for levying the tax rate, regardless of whether that be in the same or subsequent year of the levy. HB 147 also proposes to reframe the question that is to be placed on the ballot for the levy of a property tax rate.

For most property tax rate levies, statutory requirements are met and no fiscal impact would occur. However, a recent Kentucky Supreme Court ruling indicates that this has been an issue at least once before. In that case, statutory public notice requirements in KRS 160.470(7)(b) could not be met within the 50-day period required by KRS 132.017(2)(a) because the information was not yet available to the levying entity at that time. HB 147 would require that the property tax levy in such a case be delayed until these requirements can be met and the levy can be voted on when an election is held in the following year.

HB 147 GA is expected to only affect local government entities and school districts in rare circumstances, however in those select cases the effect would be negative. A delay in a property tax levy could cause administrative and budget issues for the taxing districts.

LRC Staff reached out to Kentucky Association of Counties for feedback on the fiscal impact of HB 147 GA but have not received a response. This document will be updated when that occurs.

Data Source(s):	Friemann v. Jefferson County Board of Education, 647 S.W.3d 181 (KY.
	2022); LRC Staff

Preparer:	Jacob Blevins	Reviewer:	KHC	Date:	2/29/24
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