Local Government Mandate Statement Kentucky Legislative Research Commission 2024 Regular Session

Part I: Measure Information

Bill Request #: 1687		
Bill #: SB 134		
Document ID #: <u>3820</u>		
Bill Title: AN ACT relating to civil rights.		
Sponsor: Senator Gerald Neal		
Unit of Government: X City X County X Urban-County Unified Local Image: Second Secon		
X Charter County X Consolidated Local X Government		
Office(s) Impacted: Local Governments, Local Human Rights Commissions		
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

The Kentucky Civil Rights Act, codified at KRS Chapter 344, prohibits discrimination by race, color, religion, natural origin, sex, or disability in: (1) employment; (2) sale or lease of real property; (3) public accommodations; (4) financial transactions; (5) housing insurance; and (6) credit transactions. This bill amends these civil rights statutes to include the prohibition of 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 regards to various labor and employment practices.

The Kentucky Commission on Human Rights' federal counterparts, the U.S. Equal Employment Opportunity Commission ("EEOC") and the U.S. Department of Housing and Urban Development ("HUD"), have determined that discrimination based on sexual orientation or gender identity is prohibited under Title VII and Title VIII as discrimination based on sex. If the proposed legislation is passed, the Commission can reasonably expect an increase in the number of complaints it receives. While this legislation would not have

any substantive effect on its existing caseload, the increased caseload created by this legislation may have an impact on the overall pace by which the Commission processes all of its cases, including the existing caseload.

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 2023, the average hourly rate was \$117 to \$128. Rates for legal notices vary greatly depending on the length of the publication, the number of times it needs to be published and the newspaper in which the publication is placed. Therefore, these costs are unknown.

Municipalities revise their ordinances, at least every five years by state law, to eliminate "redundant, obsolete, inconsistent, and invalid provisions." The cost of this mandate would be less if the repeal or revision were done in conjunction with this periodic updating of ordinances.

The fiscal impact of SB 134 is indeterminable but it is unlikely that this bill would result in any significant impact on local government.

Data Source(s):	LRC Staff, Kentucky Commission on Human Rights, Kentucky League of
	Cities

Preparer:Brandon White (MS)Reviewer:KHCDate:1/29/24