

**Local Government Mandate Statement
Kentucky Legislative Research Commission
2025 Regular Session**

Part I: Measure Information

Bill Request #:	114	Bill #:	HB 158
Document ID #:	1153	Sponsor:	Representative Richard White
Bill Title:	AN ACT proposing to create a new section of the Constitution of Kentucky relating to property exempt from taxation.		

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

Office(s) Impacted: County Clerks; all entities receiving property taxes

Requirement: Mandatory Optional

Effect on Powers & Duties: Modifies Existing Adds New Eliminates Existing

Other Fiscal Statement(s) that may exist: Actuarial Analysis Corrections Impact
 Health Benefit Mandate State Employee Health Plan

Part II: Bill Provisions and the Estimated Fiscal Impact Relating to Local Government

HB 158 proposes a constitutional amendment to establish a property tax exemption for the permanent residence of eligible owners who are veterans, first responders, or their surviving spouses. Under the proposed amendment, 40% of the assessed value of a disabled veteran’s property would be exempt, and 30% of a disabled first responder’s assessed value would be exempt, provided the disability is service-connected. Additionally, a 20% exemption would apply to veterans with over 10 years of service, while first responders with at least 10 years of experience would qualify for a 10% exemption. Surviving spouses may continue to receive the exemption as long as they do not remarry.

The costs of HB 158 to local governments due to adding a constitutional amendment to a ballot would be minimal.

Section 256 of the Kentucky Constitution specifies that constitutional amendments are only added to the ballot for the general election in even-numbered years (“next general election for members of the House of Representatives”). Therefore, the constitutional amendment would be submitted to the voters in November, 2026.

Balloting and publishing proposed constitutional amendments is a regular duty of county clerks, paid for by the county fiscal court. According to information received in early 2020 from Harp Enterprises, a vendor which provides electronic voting machines to almost 100 Kentucky counties, there are additional programming costs associated with adding a new category (local option question or constitutional amendment) to the ballot on an already scheduled statewide election. For example, the cost to add a new category to the ballot for Lexington-Fayette Urban County Government, with 286 precincts, has recently been estimated at between \$3,500 and \$4,500, and for Franklin County, with 44 precincts, the cost has been estimated at between \$1,700 and \$2,500.

Ballot printing costs are also a factor in election expenses. If the proposed amendment results in additional pages needed for the ballot, that would be an additional cost to the county clerk’s office.

Data Source(s): Harp Enterprises; LRC Staff

Preparer: AS **Reviewer:** BW (MDA) **Date:** 1/13/25