

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

Part I: Measure Information

Bill Request #:	1002	Bill #:	HB 583
Document ID #:	4134	Sponsor:	Rep. Lindsey Burke
Bill Title:	AN ACT relating to housing and making an appropriation therefor		

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

Office(s) Impacted: County Clerks, Sherrifs' Office

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 583 amends KRS 132.810 to require each person claiming a homestead exemption on their property tax shall file an application with the property valuation administrator of the county where the applicant resides. The statute currently provides that the maximum homestead exemption shall be adjusted every 2 years. HB 583 would require, beginning January 1, 2026 and continuing every January after, the maximum exemption be adjusted if the cost-of-living index published by the United States Department of Labor has changed as much as 1%.

The fiscal impact of HB 583 on local government is indeterminable but likely negative. By adjusting the maximum exemption annually, local governments may see a fluctuation in property tax revenues each year. Calculating the homestead exemption annually instead of biennially may lead to decreased revenues for Sheriffs' Offices since they collect property tax.

The Kentucky County Clerks Association said they only collect or interact with property tax bills once they become delinquent. They did not provide whether this legislation would affect county clerks.

The Kentucky Sheriffs' Association was contacted for information regarding the fiscal impact on their offices. When a response is received, the mandate will be amended.

Data Source(s): LRC Staff, Kentucky County Clerks Association

Preparer: HT **Reviewer:** MS (MDA) **Date:** 3/25/25