

**Local Government Mandate Statement  
Kentucky Legislative Research Commission  
2026 Regular Session**

**Part I: Measure Information**

<b>Bill Request #:</b>	1346	<b>Bill #:</b>	HB 317
<b>Document ID #:</b>	3120	<b>Sponsor:</b>	Rep. Daniel Grossberg
<b>Bill Title:</b>	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

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 317 proposes a constitutional amendment to exempt increases in real property value from ad valorem taxation if the property owner is 65 years old or older. The exemption would be effective the year the owner turns 65 or the year the owner acquired the property, whichever is later.

The exemption would only apply to increases occurring until the assessed value of the property is \$500,000, above which the exemption would not apply. The limit of \$500,000 would be indexed every two years. Any portion of the assessed value previously exempted under this section would retain its exempt status as long as the real property continues to be maintained as the permanent residence of the owner.

**HB 317 is expected to have a fiscal impact on affected jurisdictions, but the magnitude of that impact cannot be estimated at this time due to data limitations. However, available information suggests the fiscal impact is likely to be significant for affected jurisdictions.**

**The costs of HB 317 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):** LRC Staff; Harp Enterprises

**Preparer:** JB **Reviewer:** AS (MDA) **Date:** 1/26/26