

Local Government Mandate Statement
Kentucky Legislative Research Commission
2026 Regular Session

Part I: Measure Information

Bill Request #:	1114	Bill #:	SB 51
Document ID #:	2260	Sponsor:	Sen. Michael J. Nemes
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

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

SB 51 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.

SB 51 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 SB 51 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:** JR (MDA) **Date:** 1/23/25