

- **Tracked approximately 250 bills during the session that had an impact on cities.**

Bills that did not pass that could have had a negative impact

- **Illegal immigration: E-verify for public contracts**
- **Naming of public properties**
- **Annual Safety inspections for vehicles**
- **Increased worker's comp benefits for firefighters**
- **Cancer presumption for firefighters**
- **Expansion of police bill of rights**
- **Mandatory collective bargaining**
- **State-wide smoking ban**
- **Personal liability of firearms ordinances**
- **911 legislation reducing local revenues**
- **Increase in firefighter pay supplements**
- **Occupational license tax limitations**
- **Open records amendments to require posting of draft minutes**
- **Disability retirement increases**
- **Health-care mandates**

Bills of interest

SB 40 Alcoholic Beverages

- **Clarifies calculation food sales in determining whether restaurants meet licensing requirements for alcohol by the drink to clearly exclude items that are not food or beverage.**
- **Eliminates the requirement that in order for a premises to be licensed for retail sale of alcoholic beverages that the establishment has to have a street level entrance in a business center or on a main thoroughfare.**
- **Amends the definition of "qualified historic site" to eliminate the requirement for lodging be provided on premises.**

HB 481 Synthetic Drugs

- **Creates new crimes related to trafficking in and possession of synthetic drugs.**
- **Expands definitions of synthetic cannabinoids and synthetic piperazines.**
- **Provides flexibility by allowing the Kentucky Office of Drug Control Policy to request that the Cabinet for Health and Family Services schedule substances substantially similar to synthetic cannabinoids or piperazines.**
- **Effective now.**

SB 3 Pseudoephedrine

- **Limits the amount of ephedrine, pseudoephedrine, or phenylpropranolamine-based compounds that may be purchased without a prescription in non-liquid form to 7.2 grams in a 30 day period or 24 grams a year.**
- **Prohibits any individuals with methamphetamine related convictions from making over-the-counter purchases of medications containing these substances for a period of five years.**
- **Requires pharmacies to use the Meth-Check system when dispensing.**

HB 112 Age for City Officials

- **Lowens the age requirements for individuals who serve as mayor from 25 to 21.**
- **Lowens the age requirements for individuals who serve on the legislative body of a city, including commissions, councils, and board of commissioners from 21 to 18.**

HB 465 Brownfield Liability

- **Establishes new state program that relieves the owner of real property from having to perform corrective action to clean up contaminated property under certain circumstances.**
- **Circumstances may includes instances where contamination occurred prior to the property owner's acquisition, did not contribute to contamination, and the new use allows continued remediation.**

HB 500 Firearm Regulation

- **Extends prohibition of local government regulation of transfer, ownership, possession, carrying, or transportation of firearms, ammunition and related components to add sale, purchase, taxation, and storage of firearms and components.**
- **Clarifies that prohibition applies to consolidated local governments, local government agencies, including special districts, government boards and commissions, airport boards, transit authorities, and housing authorities.**
- **Requires local governments to repeal, amend, or rescind any local ordinance or rule that violates the provisions by December 10, 2012.**
- **This does not impact local authority to regulate concealed carry of deadly weapons in city-owned buildings or portions thereof.**
- **Permits any person or organization to bring suit for ordinances in violation and requires court to award attorney fees.**
- **Public servant in violation may be charged for official misconduct for knowingly violating the provisions of HB 500.**

HB 62 Deed in Lieu of Foreclosure

- **Requires a mortgage holder to file a deed in lieu of foreclosure with county clerk within 45 days after the execution.**
- **Failure to file subjects mortgage holder in compliance with legislation is guilty of a violation and may be fined \$500.**
- **Clarifies that a deed in lieu of foreclosure is not subject to the real estate transfer tax.**

HB 396 Expedited Foreclosure

- **Provides a mechanism for expeditious enforcement of a mortgage lien by providing a sale of abandoned and vacant property within 70 days by the master commissioner.**
- **Real property may be considered vacant by a court if there has been no legal resident for a period of 45 days and there is other evidence of abandonment.**
- **Mortgage holder must offer proof in complaint of foreclosure.**
- **Amends the Criminal law to provide make it a Class C felony for any person or organization to defraud a secured creditor by damaging property with the intent to lower the value of a secured interest.**

HB 390 Metal theft

- **Regulates secondary metal recyclers and provides new rules for acceptance of restricted metals, which include utility poles, guardrails, traffic signs, whole road tiles, storm drain covers, copper wire, and manhole covers.**
- **Requires secondary metal recyclers to register with the Kentucky Public Protection Cabinet by Sept 11, 2012.**
- **Requires metal recyclers to obtain proof of ownership or has authorization to sale a restricted metal before accepting it.**
- **Requires recycler to pay by check mailed to the street address of the seller within one day following the transaction.**
- **Requires metal recycler to report to local law enforcement daily and maintain equipment for receipt of information regarding stolen restricted metals.**
- **Creates new criminal felonies related to the unlawful purchase of metals.**
- **Ordinances enacted by local government on the subject may not be less stringent.**
- **Creates a Recyclable Metals Theft Prevention Working Group that includes a city representative appointed by KLC.**

HB 189 Merged Governments (underlying bill to which we added "Littering")

- **Amends Charter County and Unified Government statutes to protect city interests and ensure that cities will not be subject to hostile take-over from a county government.**
- **Clarifies the petition process for charter county government by establishing petition standards and requiring signatures from residents in unincorporated portions of the county and residents within cities.**
- **Requires the comprehensive plan for unified local government and charter county government to include contingency plans and mechanism for dissolution no sooner than 5 years after merged government is formed.**
- **Requires Charter County Government Comprehensive plan to be completed within 4 years.**
- **For merged government to take effect, it requires plan to be approved by a majority of those voting in unincorporated portions of the county and EITHER:**
 - **A majority of those voting in the most populous city within the county; OR**
 - **A majority of those voting in a number of cities that contain at least 50% of the entire population residing in incorporated cities within the county.**
- **Any city where the majority of those voting do not approve the merger plan shall not participate in the merged government.**
- **Effective January 1, 2013**

HB 122 Residential Care Facilities

- **Makes explicit that local governments are preempted from adopting and enforcing ordinances that specifically regulate residential care facilities beyond those permitted by state or federal laws.**
- **Makes clear that the provisions do not prohibit the enforcement of local laws and regulations of general applicability against residential care facilities, their operators and owners. Such as occupational tax ordinances and property maintenance codes.**
- **Allows local government to submit a resolution to the Health and Family Services Cabinet, to provide information on the location of and person responsible for the administration of residential care facilities.**
- **Does not modify existing law that requires local governments to allow operation of residential care facilities in single family zones.**

HB 277 Occupational License Tax Forms

- Requires all local governments that impose an occupational license tax on net profits or gross receipts (not flat or regulatory license fees or payroll) to send a electronic or paper copies of its ordinances, forms, and any form instructions to the Secretary of State by November 1, 2012.
- After November 1, 2012 any city that updates its net profits or gross receipts tax ordinance is required to send the updated ordinance, forms, and instructions within 30 days of the change to the Secretary of State.
- Failure to provide ordinance, forms and instructions or any updates will result in suspension of funding and services from the state and its agencies unless the non-compliance is remedied within 30 days or receiving notice from the SOS.
- The SOS will provide online access to businesses to access the local government's forms, instructions, or ordinances on the state business portal or website maintained by the SOS.
- Requires the SOS to develop standard a standard return form or forms for net profits or gross receipts occupational license taxes. In addition, it requires the SOS to develop instructions or sets of instructions for the completion of the form or forms.
- In the development of the form or forms, the SOS must consult with local government representatives and the Society of CPAS, and one representative of business.
- The form must be adopted by promulgation of an administrative regulation and subject to approval of the Interim Joint Committee on Local Government.
- Once adopted, the standard form or forms and instructions must be included on the business portal or a website at no cost to the local government or to the public for accessing.
- Local governments are required to accept returns filed with it on an applicable standard form unless it sends copy of a written order enacted by the governing body that it is opting out of acceptance of the form. The local government may still use its own forms.
- After July 1, 2017, the local government is required to accept the applicable standard forms with net profits or gross receipt returns unless it has applied and received approval from the SOS for an exemption because acceptance of the form would create and undue financial hardship. The local government may continue to use its own forms.
- At any point after adoption by the SOS, the local government may elect to exclusively use the standard form or forms.
- Allows the SOS to provide links for electronic filing of returns.
- Specifies that the law shall not be interpreted to relieve taxpayer of compliance with local ordinances and procedures or the payment of tax and penalties and that the legislation shall not be construed to authorize the collection of local revenues by the state or any of its agencies.

Additional Legislation of interest

- **HB 121** – Requires any government purchasing POW/MIA flags to only purchase a flag that is manufactured in the United States.
- **HB 496** – Amends the Open Records statutes to provide that the funds received from state and local authorities as a result of a contract through public competitive bidding process shall not be considered in determining whether the entity is a public agency subject to the open records laws.
- **HB 123** – Allows a second class city within a consolidated local government to establish a board of adjustments.
- **SB 55** – Permits mutual aid agreements with units of governments from other states.

- **HB 499** – suspends the occupational license tax credit in Knox County and Corbin. It also provides that local insurance premium taxes shall not apply to excess insurance policies purchased by pool insurance programs composed of cities, counties, or school districts for the next two years.
- **HB 148** – Increases the maximum civil penalty which can be assessed by the PSC for violation of the minimum gas pipeline standards adopted by the US Department of Transportation.
- **HB 215** – Directs the Kentucky Department of Housing, Buildings, and Construction to create a task force to study possible changes to the laws on electrical inspection and licensure for Kentucky electricians and electrical inspectors. Two city official representatives must be appointed by the governing body of the Kentucky League of Cities.
- **SB 152** – Creates a Board of Directors for the “811 Call Before you Dig” One Call Center. The board has to include representatives of municipal utilities.
- **House Bill 518** – Adds a mayor to the Waste Tire Working Group appointed by the Governor from a list of three submitted by the Kentucky League of Cities.
- **SB 123** – clarifies the requirements for signing on various referendum petitions applicable to local governments to require the printed name of the petitioner, signature, and year of birth, residential address, and date the petitioner signed it.
- **HB 368** – Amends the KLEFP pay supplement statutes to provide that police officers continue to receive the supplement when called to active duty in the Kentucky National Guard or the US Armed Forces. The city will continue to receive it and pay it to the officer during the time of service.
- **SB 32** – Creates the Kentucky Blue Alert System to provide public notification and awareness when an officer has been killed, injured, or is missing in the line of duty. It is administered by the State Police and is used to locate the officer or a suspect.

HB 502 Pension Plans in second class cities

- Current law prohibits cost of living increases for closed police and fire pension funds in 2nd class cities by board of trustees unless increase is actuarially sound.
- HB 502 allows the city governing body to provides a cost of living increase for beneficiaries under the program even if it is not actuarially sound.
- Limits COLA to annual average increase in CPI or 5%, whichever is less.
- Permits the legislative body to suspend, reduce, or repeal COLA given under this legislation if welfare of the city demands it.

HB 300 Retirement Systems Administration

- Provides term limits for members of the Kentucky Retirement Systems Board of Trustees and imposes 4 year term limitations on service as chair and vice chair of the board. In addition, the legislation
- Requires application and background information for candidates to the KRS Board of Trustees.
- Requires the State Auditor to perform an audit of the systems at least every 5 years.
- Prohibits payments to unregulated placement agents and requires authorized placement agents to register as executive branch lobbyists.
- Effective Now.

HB 265 Suspension of Retirees COLA

- **HB 265 suspends for the next two years any cost of living increases in the benefits paid to retirees participating in the state-administered retirement systems, including CERS.**
- **Reduced unfunded liability, and could have minimal impact on employer contribution rate in FY 2014.**
- **Will expire at end of the budget and COLA will be automatic for FY 2015 unless additional action is taken by the General Assembly. Does not include LFUCG police and fire.**

Rupp language:

(30) Lexington Downtown Redevelopment Project: Notwithstanding KRS 42.4588, funds totaling \$1,250,000 in each fiscal year shall be transferred from the Local Government Economic Development Fund, Multi-County Fund, to the Lexington Downtown Redevelopment Planning and Design capital project, Finance and Administration Cabinet, General Administration budget unit, as set forth in Part II, Capital Projects Budget, of this Act. These funds shall be used exclusively for the planning and design of the renovation of Rupp Arena. These funds shall not be expended unless matching funds are provided on a dollar-for-dollar basis.

HCR 162 – Retirement System Task Force

- **Creates the Kentucky Public Pensions Task Force to study and develop recommendations concerning the benefits, investments, and funding of the state-administered retirement systems, including any other measures that are believed would lead to the financial stability of the public pension funds.**
- **The task force is a legislative task force composed of legislators from the State Government and Appropriations and Revenues Committees in each chamber selected by House and Senate Leaders.**
- **Must meet once a month during legislative interim and submit findings and recommendations to LRC by December 7, 2012. Does not include LFUCG police and fire.**

HB 378 – Public Advocacy – Number of judges in Fayette County is set by statute. This bill allows family court judges not to be included in the calculation. If we had gone over the number set by statute it could have cost LFUCG two million dollars.

HB 267 Transportation budget: Attached