



Commonwealth of Kentucky Labor Cabinet

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FOR IMMEDIATE RELEASE

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Kentucky Labor Cabinet Partners with U.S. Department of Labor to Protect Misclassified Workers

Fraud hurts workers, taxpayers and Kentucky's economy

FRANKFORT, Ky. (July 15, 2015) – Today the Kentucky Labor Cabinet announced a partnership with the U.S. Department of Labor to combat the misclassification of employees as independent contractors. Under a memorandum of understanding, both agencies may share information and coordinate law enforcement.

“Simply put, misclassification cheats workers, steals from taxpayers, hurts businesses that follow the law, and weakens our economy,” said Labor Cabinet Secretary Larry L. Roberts. “Although legitimate independent contractors are an important part of our economy, the misclassification of employees presents a serious problem that is happening at public and private projects all over the Commonwealth.”

Employers that misclassify employees as independent contractors cut costs by not paying payroll taxes, Social Security and workers’ compensation coverage. Misclassification reduces an employer’s labor and related costs, thereby allowing a business to underbid competitors.

“Misclassification deprives workers of their hard-earned wages and undercuts law-abiding businesses,” said Dr. David Weil, U.S. Department of Labor Wage and Hour administrator. “Combating misclassification is one of several important steps the U.S. Labor Department is taking to ensure that workers receive a fair day’s pay for a fair day’s work.”

Workers who suspect they are victims of misclassification can fill out a [wage and hour complaint](#) form online at www.labor.ky.gov.

For more information about federal wage laws, or to [file a complaint](#) with the U.S. Department of Labor, call the Wage and Hour Division's toll-free helpline at 866-4US-WAGE (487-9243).

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The Kentucky Labor Cabinet's primary responsibility is to ensure that divisions and offices falling under the auspices of the Cabinet work within the jurisdiction of Kentucky labor law to ensure equitable and fair treatment of the Commonwealth's nearly 1.9 million wage-earning employees. The Cabinet, according to regulation, has the duties, responsibilities, power, and authority relating to labor, wage and hour issues, occupational safety and health of employees, child labor, apprenticeship, workers' compensation insurance, and all other matters under the jurisdiction of the Labor Cabinet. For more information, visit www.labor.ky.gov.

