GENERAL ASSEMBLY
COMMONWEALTH OF KENTUCKY

2017 REGULAR SESSION

HOUSE BILL NO. 3

THURSDAY, JANUARY 5, 2017

The following bill was reported to the Senate from the House and ordered to be printed.

1 AN ACT relating to prevailing wage and declaring an emergency.

2 ***Be it enacted by the General Assembly of the Commonwealth of Kentucky:***

3 ➔Section 1. KRS 12.020 is amended to read as follows:

4 Departments, program cabinets and their departments, and the respective major
5 administrative bodies that they include are enumerated in this section. It is not intended
6 that this enumeration of administrative bodies be all-inclusive. Every authority, board,
7 bureau, interstate compact, commission, committee, conference, council, office, or any
8 other form of organization shall be included in or attached to the department or program
9 cabinet in which they are included or to which they are attached by statute or statutorily
10 authorized executive order; except in the case of the Personnel Board and where the
11 attached department or administrative body is headed by a constitutionally elected officer,
12 the attachment shall be solely for the purpose of dissemination of information and
13 coordination of activities and shall not include any authority over the functions,
14 personnel, funds, equipment, facilities, or records of the department or administrative
15 body.

16 I. Cabinet for General Government - Departments headed by elected officers:

17 (1) The Governor.

18 (2) Lieutenant Governor.

19 (3) Department of State.

20 (a) Secretary of State.

21 (b) Board of Elections.

22 (c) Registry of Election Finance.

23 (4) Department of Law.

24 (a) Attorney General.

25 (5) Department of the Treasury.

26 (a) Treasurer.

27 (6) Department of Agriculture.

1 (a) Commissioner of Agriculture.
2 (b) Kentucky Council on Agriculture.
3 (7) Auditor of Public Accounts.
4 II. Program cabinets headed by appointed officers:
5 (1) Justice and Public Safety Cabinet:
6 (a) Department of Kentucky State Police.
7 (b) Department of Criminal Justice Training.
8 (c) Department of Corrections.
9 (d) Department of Juvenile Justice.
10 (e) Office of the Secretary.
11 (f) Office of Drug Control Policy.
12 (g) Office of Legal Services.
13 (h) Office of the Kentucky State Medical Examiner.
14 (i) Parole Board.
15 (j) Kentucky State Corrections Commission.
16 (k) Office of Legislative and Intergovernmental Services.
17 (l) Office of Management and Administrative Services.
18 (m) Department for Public Advocacy.
19 (2) Education and Workforce Development Cabinet:
20 (a) Office of the Secretary.
21 1. Governor's Scholars Program.
22 2. Governor's School for Entrepreneurs Program.
23 (b) Office of Legal and Legislative Services.
24 1. Client Assistance Program.
25 (c) Office of Communication.
26 (d) Office of Budget and Administration.
27 1. Division of Human Resources.

1 2. Division of Administrative Services.
2 (e) Office of Technology Services.
3 (f) Office of Educational Programs.
4 (g) Office for Education and Workforce Statistics.
5 (h) Board of the Kentucky Center for Education and Workforce Statistics.
6 (i) Board of Directors for the Center for School Safety.
7 (j) Department of Education.
8 1. Kentucky Board of Education.
9 2. Kentucky Technical Education Personnel Board.
10 (k) Department for Libraries and Archives.
11 (l) Department of Workforce Investment.
12 1. Office for the Blind.
13 2. Office of Vocational Rehabilitation.
14 3. Office of Employment and Training.
15 a. Division of Grant Management and Support.
16 b. Division of Workforce and Employment Services.
17 c. Division of Unemployment Insurance.
18 (m) Foundation for Workforce Development.
19 (n) Kentucky Office for the Blind State Rehabilitation Council.
20 (o) Kentucky Workforce Investment Board.
21 (p) Statewide Council for Vocational Rehabilitation.
22 (q) Unemployment Insurance Commission.
23 (r) Education Professional Standards Board.
24 1. Division of Educator Preparation.
25 2. Division of Certification.
26 3. Division of Professional Learning and Assessment.
27 4. Division of Legal Services.

1 (s) Kentucky Commission on the Deaf and Hard of Hearing.
2 (t) Kentucky Educational Television.
3 (u) Kentucky Environmental Education Council.
4 (3) Energy and Environment Cabinet:
5 (a) Office of the Secretary.
6 1. Office of Legislative and Intergovernmental Affairs.
7 2. Office of General Counsel.
8 3. Office of Administrative Hearings.
9 4. Mine Safety Review Commission.
10 5. Kentucky State Nature Preserves Commission.
11 6. Kentucky Environmental Quality Commission.
12 7. Kentucky Public Service Commission.
13 (b) Department for Environmental Protection.
14 1. Office of the Commissioner.
15 2. Division for Air Quality.
16 3. Division of Water.
17 4. Division of Environmental Program Support.
18 5. Division of Waste Management.
19 6. Division of Enforcement.
20 7. Division of Compliance Assistance.
21 (c) Department for Natural Resources.
22 1. Office of the Commissioner.
23 2. Division of Technical and Administrative Support.
24 3. Division of Mine Permits.
25 4. Division of Mine Reclamation and Enforcement.
26 5. Division of Abandoned Mine Lands.
27 6. Division of Oil and Gas.

1 7. Division of Mine Safety.
2 8. Division of Forestry.
3 9. Division of Conservation.
4 10. Office of the Reclamation Guaranty Fund.
5 11. Kentucky Mining Board.
6 (d) Department for Energy Development and Independence.
7 1. Division of Efficiency and Conservation.
8 2. Division of Renewable Energy.
9 3. Division of Biofuels.
10 4. Division of Energy Generation Transmission and Distribution.
11 5. Division of Carbon Management.
12 6. Division of Fossil Energy Development.
13 (4) Public Protection Cabinet.
14 (a) Office of the Secretary.
15 1. Office of Communications and Public Outreach.
16 2. Office of Legal Services.
17 a. Insurance Legal Division.
18 b. Charitable Gaming Legal Division.
19 c. Alcoholic Beverage Control Legal Division.
20 d. Housing, Buildings and Construction Legal Division.
21 e. Financial Institutions Legal Division.
22 (b) Crime Victims Compensation Board.
23 (c) Board of Claims.
24 (d) Kentucky Board of Tax Appeals.
25 (e) Kentucky Boxing and Wrestling Authority.
26 (f) Kentucky Horse Racing Commission.
27 1. Division of Licensing.

1 2. Division of Incentives and Development.
2 3. Division of Veterinary Services.
3 4. Division of Security and Enforcement.
4 (g) Department of Alcoholic Beverage Control.
5 1. Division of Distilled Spirits.
6 2. Division of Malt Beverages.
7 3. Division of Enforcement.
8 (h) Department of Charitable Gaming.
9 1. Division of Licensing and Compliance.
10 2. Division of Enforcement.
11 (i) Department of Financial Institutions.
12 1. Division of Depository Institutions.
13 2. Division of Non-Depository Institutions.
14 3. Division of Securities.
15 (j) Department of Housing, Buildings and Construction.
16 1. Division of Fire Prevention.
17 2. Division of Plumbing.
18 3. Division of Heating, Ventilation, and Air Conditioning.
19 4. Division of Building Code Enforcement.
20 (k) Department of Insurance.
21 1. Property and Casualty Division.
22 2. Health and Life Division.
23 3. Division of Financial Standards and Examination.
24 4. Division of Agent Licensing.
25 5. Division of Insurance Fraud Investigation.
26 6. Consumer Protection Division.
27 7. Division of Kentucky Access.

1 (l) Office of Occupations and Professions.
2 (5) Labor Cabinet.
3 (a) Office of the Secretary.
4 1. Division of Management Services.
5 2. Office of General Counsel.
6 (b) Office of General Administration and Program Support for Shared
7 Services.
8 1. Division of Human Resource Management.
9 2. Division of Fiscal Management.
10 3. Division of Budgets.
11 4. Division of Information Services.
12 (c) Office of Inspector General for Shared Services.
13 (d) Department of Workplace Standards.
14 1. Division of Employment Standards, Apprenticeship, and
15 Mediation.
16 2. Division of Occupational Safety and Health Compliance.
17 3. Division of Occupational Safety and Health Education and
18 Training.
19 4. Division of Workers' Compensation Funds.
20 (e) Department of Workers' Claims.
21 1. Office of General Counsel for Workers' Claims.
22 2. Office of Administrative Law Judges.
23 3. Division of Claims Processing.
24 4. Division of Security and Compliance.
25 5. Division of Information and Research.
26 6. Division of Ombudsman and Workers' Compensation Specialist
27 Services.

1 7. Workers' Compensation Board.
2 8. Workers' Compensation Advisory Council.
3 9. Workers' Compensation Nominating Commission.
4 (f) Workers' Compensation Funding Commission.
5 (g) Kentucky Labor-Management Advisory Council.
6 (h) Occupational Safety and Health Standards Board.
7 (i) ~~[Prevailing Wage Review Board.~~
8 ~~(j)~~]Apprenticeship and Training Council.
9 *(j)*[~~(k)~~] State Labor Relations Board.
10 *(k)*[~~(l)~~] Employers' Mutual Insurance Authority.
11 *(l)*[~~(m)~~] Kentucky Occupational Safety and Health Review Commission.
12 (6) Transportation Cabinet:
13 (a) Department of Highways.
14 1. Office of Project Development.
15 2. Office of Project Delivery and Preservation.
16 3. Office of Highway Safety.
17 4. Highway District Offices One through Twelve.
18 (b) Department of Vehicle Regulation.
19 (c) Department of Aviation.
20 (d) Department of Rural and Municipal Aid.
21 1. Office of Local Programs.
22 2. Office of Rural and Secondary Roads.
23 (e) Office of the Secretary.
24 1. Office of Public Affairs.
25 2. Office for Civil Rights and Small Business Development.
26 3. Office of Budget and Fiscal Management.
27 4. Office of Inspector General.

1 (f) Office of Support Services.
2 (g) Office of Transportation Delivery.
3 (h) Office of Audits.
4 (i) Office of Human Resource Management.
5 (j) Office of Information Technology.
6 (k) Office of Legal Services.
7 (7) Cabinet for Economic Development:
8 (a) Office of the Secretary.
9 1. Office of Legal Services.
10 2. Department for Business Development.
11 a. Office of Entrepreneurship.
12 i. Commission on Small Business Advocacy.
13 b. Office of Research and Public Affairs.
14 c. Bluegrass State Skills Corporation.
15 3. Office of Financial Services.
16 a. Kentucky Economic Development Finance Authority.
17 b. Division of Finance and Personnel.
18 c. Division of Network Administration.
19 d. Compliance Division.
20 e. Incentive Assistance Division.
21 (8) Cabinet for Health and Family Services:
22 (a) Office of the Secretary.
23 (b) Office of Health Policy.
24 (c) Office of Legal Services.
25 (d) Office of Inspector General.
26 (e) Office of Communications and Administrative Review.
27 (f) Office of the Ombudsman.

1 (g) Office of Policy and Budget.
2 (h) Office of Human Resource Management.
3 (i) Office of Administrative and Technology Services.
4 (j) Department for Public Health.
5 (k) Department for Medicaid Services.
6 (l) Department for Behavioral Health, Developmental and Intellectual
7 Disabilities.
8 (m) Department for Aging and Independent Living.
9 (n) Department for Community Based Services.
10 (o) Department for Income Support.
11 (p) Department for Family Resource Centers and Volunteer Services.
12 (q) Kentucky Commission on Community Volunteerism and Service.
13 (r) Kentucky Commission for Children with Special Health Care Needs.
14 (s) Governor's Office of Electronic Health Information.
15 (9) Finance and Administration Cabinet:
16 (a) Office of General Counsel.
17 (b) Office of the Controller.
18 (c) Office of Administrative Services.
19 (d) Office of Public Information.
20 (e) Office of Policy and Audit.
21 (f) Department for Facilities and Support Services.
22 (g) Department of Revenue.
23 (h) Commonwealth Office of Technology.
24 (i) State Property and Buildings Commission.
25 (j) Office of Equal Employment Opportunity and Contract Compliance.
26 (k) Kentucky Employees Retirement Systems.
27 (l) Commonwealth Credit Union.

1 (m) State Investment Commission.
2 (n) Kentucky Housing Corporation.
3 (o) Kentucky Local Correctional Facilities Construction Authority.
4 (p) Kentucky Turnpike Authority.
5 (q) Historic Properties Advisory Commission.
6 (r) Kentucky Tobacco Settlement Trust Corporation.
7 (s) Kentucky Higher Education Assistance Authority.
8 (t) Kentucky River Authority.
9 (u) Kentucky Teachers' Retirement System Board of Trustees.
10 (v) Executive Branch Ethics Commission.
11 (10) Tourism, Arts and Heritage Cabinet:
12 (a) Kentucky Department of Travel and Tourism.
13 1. Division of Tourism Services.
14 2. Division of Marketing and Administration.
15 3. Division of Communications and Promotions.
16 (b) Kentucky Department of Parks.
17 1. Division of Information Technology.
18 2. Division of Human Resources.
19 3. Division of Financial Operations.
20 4. Division of Facilities Management.
21 5. Division of Facilities Maintenance.
22 6. Division of Customer Services.
23 7. Division of Recreation.
24 8. Division of Golf Courses.
25 9. Division of Food Services.
26 10. Division of Rangers.
27 11. Division of Resort Parks.

1 12. Division of Recreational Parks and Historic Sites.
2 (c) Department of Fish and Wildlife Resources.
3 1. Division of Law Enforcement.
4 2. Division of Administrative Services.
5 3. Division of Engineering.
6 4. Division of Fisheries.
7 5. Division of Information and Education.
8 6. Division of Wildlife.
9 7. Division of Public Affairs.
10 (d) Kentucky Horse Park.
11 1. Division of Support Services.
12 2. Division of Buildings and Grounds.
13 3. Division of Operational Services.
14 (e) Kentucky State Fair Board.
15 1. Office of Administrative and Information Technology Services.
16 2. Office of Human Resources and Access Control.
17 3. Division of Expositions.
18 4. Division of Kentucky Exposition Center Operations.
19 5. Division of Kentucky International Convention Center.
20 6. Division of Public Relations and Media.
21 7. Division of Venue Services.
22 8. Division of Personnel Management and Staff Development.
23 9. Division of Sales.
24 10. Division of Security and Traffic Control.
25 11. Division of Information Technology.
26 12. Division of the Louisville Arena.
27 13. Division of Fiscal and Contract Management.

1 14. Division of Access Control.
2 (f) Office of the Secretary.
3 1. Office of Finance.
4 2. Office of Research and Administration.
5 3. Office of Governmental Relations and Tourism Development.
6 4. Office of the Sports Authority.
7 5. Kentucky Sports Authority.
8 (g) Office of Legal Affairs.
9 (h) Office of Human Resources.
10 (i) Office of Public Affairs and Constituent Services.
11 (j) Office of Creative Services.
12 (k) Office of Capital Plaza Operations.
13 (l) Office of Arts and Cultural Heritage.
14 (m) Kentucky African-American Heritage Commission.
15 (n) Kentucky Foundation for the Arts.
16 (o) Kentucky Humanities Council.
17 (p) Kentucky Heritage Council.
18 (q) Kentucky Arts Council.
19 (r) Kentucky Historical Society.
20 1. Division of Museums.
21 2. Division of Oral History and Educational Outreach.
22 3. Division of Research and Publications.
23 4. Division of Administration.
24 (s) Kentucky Center for the Arts.
25 1. Division of Governor's School for the Arts.
26 (t) Kentucky Artisans Center at Berea.
27 (u) Northern Kentucky Convention Center.

1 (v) Eastern Kentucky Exposition Center.
2 (11) Personnel Cabinet:
3 (a) Office of the Secretary.
4 (b) Department of Human Resources Administration.
5 (c) Office of Employee Relations.
6 (d) Kentucky Public Employees Deferred Compensation Authority.
7 (e) Office of Administrative Services.
8 (f) Office of Legal Services.
9 (g) Governmental Services Center.
10 (h) Department of Employee Insurance.
11 (i) Office of Diversity and Equality.
12 (j) Center of Strategic Innovation.
13 III. Other departments headed by appointed officers:
14 (1) Council on Postsecondary Education.
15 (2) Department of Military Affairs.
16 (3) Department for Local Government.
17 (4) Kentucky Commission on Human Rights.
18 (5) Kentucky Commission on Women.
19 (6) Department of Veterans' Affairs.
20 (7) Kentucky Commission on Military Affairs.
21 (8) Office of Minority Empowerment.
22 (9) Governor's Council on Wellness and Physical Activity.
23 ➔Section 2. KRS 99.480 is amended to read as follows:
24 Before the agency enters into any contracts for work of demolition, grading,
25 clearing or construction of utilities or other facilities or site improvements, it shall satisfy
26 all requirements of the law, applicable to similar contracts of the community, relating to
27 the advertisement and acceptance of bids, execution of bonds, and award of contracts.[

1 ~~The agency shall also attach to and make a part of the specifications for a contract for said~~
2 ~~work, a schedule of prevailing wages, and shall conform to all of the requirements of~~
3 ~~KRS 337.510 to 337.540, inclusive.~~]
4 ➔Section 3. KRS 227.487 is amended to read as follows:
5 Except where other rules are adopted by a city or county, the following reporting and fee
6 requirements shall apply to electrical inspections of residential buildings and single-
7 family dwellings:
8 (1) The inspector shall complete a report for each inspection. One (1) copy of the report
9 shall be given to the owner of the electrical installation or his representative at the
10 time the inspection fees are paid. A second copy of the report shall be sent to the
11 Department of Housing, Buildings and Construction no later than one (1) week after
12 the inspection is completed. The report shall include, but is not limited to, the
13 following:
14 (a) The address of the dwelling inspected;
15 (b) The number of rooms, number of receptacles and number of switch boxes
16 inspected;
17 (c) Number of code violations, if any;
18 (d) A description of each code violation, and recommended change to correct the
19 violation;
20 (e) The date and time of day the inspection commenced;
21 (f) The time, in hours and minutes, required for the inspection;
22 (g) The number of miles and hours and minutes of travel time incurred by the
23 inspector for that inspection, if mileage and travel charges are added to the
24 inspection fee;
25 (h) The amount charged for the inspection, separated into an amount for mileage,
26 if any, and the amount for travel time, if any, and the amount charged for the
27 actual inspection.

1 (2) The maximum inspection fee shall be an amount equal to the ***wage paid to a***
2 ***majority of***[~~prevailing wage for a~~]master ***electricians***[~~electrician~~] in the region in
3 which the inspection is made, multiplied by the time required to conduct the
4 inspection. This rate shall not be applied to travel time to and from the inspection.
5 (3) An inspector may charge, in addition to the inspection fee, an amount for necessary
6 travel to and from the inspection site. The mileage rate charged shall not exceed the
7 amount per mile allowed to state employees, and the inspector shall charge no more
8 than ten dollars ($10) per hour for travel time. If two (2) or more inspections are
9 made during one (1) trip, then the cost of travel shall be divided between the
10 inspections made. In no case shall an inspector charge more than once for the same
11 trip, or charge for mileage or time not actually expended.
12 (4) Each inspector shall furnish bond of five thousand dollars ($5,000) with surety
13 satisfactory to the Department of Housing, Buildings and Construction.
14 (5) The Department of Housing, Buildings and Construction shall design reporting
15 forms which meet the requirements of subsection (1) of this section, and provide
16 these forms to electrical inspectors. The department shall adopt regulations to
17 administer the requirements of this section.
18 (6) Nothing in this section is intended to limit the right of cities or counties to set fees
19 or adopt rules for electrical inspections which are different from those specified in
20 subsections (1), (2), (3) or (4) of this section.
21 ➔Section 4. KRS 336.015 is amended to read as follows:
22 (1) The secretary of the Labor Cabinet shall have the duties, responsibilities, power,
23 and authority relating to labor, wages and hours, occupational safety and health of
24 employees, child labor, apprenticeship, workers' compensation, and all other matters
25 previously under the jurisdiction of the Department of Labor.
26 (2) The Labor Cabinet shall consist of the Office of the Secretary, the Department of
27 Workers' Claims, and the Department of Workplace Standards.

1 (3) The following agencies are attached to the cabinet for administrative purposes only:
2 (a) Kentucky Labor-Management Advisory Council;
3 (b) Kentucky Occupational Safety and Health Review Commission;
4 (c) State Labor Relations Board;
5 (d) Workers' Compensation Funding Commission;
6 (e) Occupational Safety and Health Standards Board;
7 (f) ~~[Prevailing Wage Review Board;~~
8 ~~(g)~~]Apprenticeship and Training Council;
9 ***(g)***[~~(h)~~] Employers' Mutual Insurance Authority;
10 ***(h)***[~~(i)~~] Office of General Administration and Program Support for Shared
11 Services, which shall be headed by an executive director appointed by the
12 Governor in accordance with KRS 12.040 upon recommendation from the
13 secretaries of the Energy and Environment Cabinet, the Labor Cabinet, and
14 the Public Protection Cabinet. The office is composed of the following
15 divisions:
16 1. Division of Human Resource Management;
17 2. Division of Fiscal Management;
18 3. Division of Budgets; and
19 4. Division of Information Services; and
20 ***(i)***[~~(j)~~] Office of Inspector General for Shared Services, which shall be headed
21 by an executive director appointed by the Governor in accordance with KRS
22 12.040 upon recommendation from the secretaries of the Energy and
23 Environment Cabinet, the Labor Cabinet, and the Public Protection Cabinet.
24 ➔Section 5. KRS 337.010 is amended to read as follows:
25 (1) As used in this chapter, unless the context requires otherwise:
26 (a) "Commissioner" means the commissioner of the Department of Workplace
27 Standards under the direction and supervision of the secretary of the Labor

1 Cabinet;

2 (b) "Department" means the Department of Workplace Standards in the Labor
3 Cabinet;

4 (c) 1. "Wages" includes any compensation due to an employee by reason of his
5 or her employment, including salaries, commissions, vested vacation
6 pay, overtime pay, severance or dismissal pay, earned bonuses, and any
7 other similar advantages agreed upon by the employer and the employee
8 or provided to employees as an established policy. The wages shall be
9 payable in legal tender of the United States or checks on banks
10 convertible into cash on demand at full face value, subject to the
11 allowances made in this chapter;

12 2. For the purposes of calculating hourly wage rates for scheduled overtime
13 for professional firefighters, as defined in KRS 95A.210(5), "wages"
14 shall not include the distribution to qualified professional firefighters by
15 local governments of supplements received from the Firefighters
16 Foundation Program Fund. For the purposes of calculating hourly wage
17 rates for unscheduled overtime for professional firefighters, as defined in
18 KRS 95A.210(6), "wages" shall include the distribution to qualified
19 professional firefighters by local governments of supplements received
20 from the Firefighters Foundation Program Fund;

21 (d) "Employer" is any person, either individual, corporation, partnership, agency,
22 or firm who employs an employee and includes any person, either individual,
23 corporation, partnership, agency, or firm acting directly or indirectly in the
24 interest of an employer in relation to an employee; and

25 (e) "Employee" is any person employed by or suffered or permitted to work for an
26 employer.

27 (2) As used in KRS 337.275 to 337.325, 337.345, and KRS 337.385 to 337.405, unless

1 the context requires otherwise:

2 (a) "Employee" is any person employed by or suffered or permitted to work for an
3 employer, but shall not include:

4 1. Any individual employed in agriculture;

5 2. Any individual employed in a bona fide executive, administrative,
6 supervisory, or professional capacity, or in the capacity of outside
7 salesman, or as an outside collector as the terms are defined by
8 administrative regulations of the commissioner;

9 3. Any individual employed by the United States;

10 4. Any individual employed in domestic service in or about a private home.
11 The provisions of this section shall include individuals employed in
12 domestic service in or about the home of an employer where there is
13 more than one (1) domestic servant regularly employed;

14 5. Any individual classified and given a certificate by the commissioner
15 showing a status of learner, apprentice, worker with a disability,
16 sheltered workshop employee, and student under administrative
17 procedures and administrative regulations prescribed and promulgated
18 by the commissioner. This certificate shall authorize employment at the
19 wages, less than the established fixed minimum fair wage rates, and for
20 the period of time fixed by the commissioner and stated in the certificate
21 issued to the person;

22 6. Employees of retail stores, service industries, hotels, motels, and
23 restaurant operations whose average annual gross volume of sales made
24 for business done is less than ninety-five thousand dollars ($95,000) for
25 the five (5) preceding years exclusive of excise taxes at the retail level or
26 if the employee is the parent, spouse, child, or other member of his or
27 her employer's immediate family;

1 7. Any individual employed as a baby-sitter in an employer's home, or an
2 individual employed as a companion by a sick, convalescing, or elderly
3 person or by the person's immediate family, to care for that sick,
4 convalescing, or elderly person and whose principal duties do not
5 include housekeeping;
6 8. Any individual engaged in the delivery of newspapers to the consumer;
7 9. Any individual subject to the provisions of KRS Chapters 7, 16, 27A,
8 30A, and 18A provided that the secretary of the Personnel Cabinet shall
9 have the authority to prescribe by administrative regulation those
10 emergency employees, or others, who shall receive overtime pay rates
11 necessary for the efficient operation of government and the protection of
12 affected employees;
13 10. Any employee employed by an establishment which is an organized
14 nonprofit camp, religious, or nonprofit educational conference center, if
15 it does not operate for more than seven (7) months in any calendar year;
16 11. Any employee whose function is to provide twenty-four (24) hour
17 residential care on the employer's premises in a parental role to children
18 who are primarily dependent, neglected, and abused and who are in the
19 care of private, nonprofit childcaring facilities licensed by the Cabinet
20 for Health and Family Services under KRS 199.640 to 199.670; or
21 12. Any individual whose function is to provide twenty-four (24) hour
22 residential care in his or her own home as a family caregiver and who is
23 approved to provide family caregiver services to an adult with a
24 disability through a contractual relationship with a community board for
25 mental health or individuals with an intellectual disability established
26 under KRS 210.370 to 210.460, or is certified or licensed by the Cabinet
27 for Health and Family Services to provide adult foster care;

1 (b) "Agriculture" means farming in all its branches, including cultivation and
2 tillage of the soil; dairying; production, cultivation, growing, and harvesting of
3 any agricultural or horticultural commodity; raising of livestock, bees,
4 furbearing animals, or poultry; and any practice, including any forestry or
5 lumbering operations, performed on a farm in conjunction with farming
6 operations, including preparation and delivery of produce to storage, to
7 market, or to carriers for transportation to market;
8 (c) "Gratuity" means voluntary monetary contribution received by an employee
9 from a guest, patron, or customer for services rendered;
10 (d) "Tipped employee" means any employee engaged in an occupation in which
11 he or she customarily and regularly receives more than thirty dollars ($30) per
12 month in tips; and
13 (e) "U.S.C." means the United States Code.
14 ~~[(3) As used in KRS 337.505 to 337.550, unless the context requires otherwise:~~
15 ~~(a) "Construction" includes construction, reconstruction, improvement,~~
16 ~~enlargement, alteration, or repair of any public works project by contract fairly~~
17 ~~estimated to cost more than two hundred fifty thousand dollars ($250,000). No~~
18 ~~public works project, if procured under a single contract and subject to the~~
19 ~~requirements of this section, may be divided into multiple contracts of lesser~~
20 ~~value to avoid compliance with the provisions of this section;~~
21 ~~(b) "Contractor" and "subcontractor" include any superintendent, foreman, or~~
22 ~~other authorized agent of any contractor or subcontractor who is in charge of~~
23 ~~the construction of the public works or who is in charge of the employment or~~
24 ~~payment of the employees of the contractor or subcontractor who are~~
25 ~~employed in performing the work to be done or being done by the contractor~~
26 ~~or subcontractor under the particular contract with any public authority;~~
27 ~~(c) 1. "Locality" shall be determined by the commissioner. The commissioner~~

1 ~~may designate more than one (1) county as a single locality, but if more~~
2 ~~than one (1) county is designated, the multicounty locality shall not~~
3 ~~extend beyond the boundaries of a state Senatorial district. The~~
4 ~~commissioner shall not designate less than an entire county as a locality.~~
5 ~~If there is not available in the locality a sufficient number of competent,~~
6 ~~skilled laborers, workmen, and mechanics to efficiently and properly~~
7 ~~construct the public works, "locality" shall include any other locality~~
8 ~~nearest the one in which the work of construction is to be performed and~~
9 ~~from which such available skilled laborers, workmen, and mechanics~~
10 ~~may be obtained in sufficient number to perform the work; and~~
11 ~~2. "Locality" with respect to contracts advertised or awarded by the~~
12 ~~Transportation Cabinet of this state shall be determined by the secretary~~
13 ~~of the Transportation Cabinet. The secretary may designate any number~~
14 ~~of counties as constituting a single locality. The secretary may also~~
15 ~~designate all counties of the Commonwealth as a single locality, but he~~
16 ~~or she shall not designate less than an entire county as a locality;~~
17 ~~(d) "Public authority" means any officer, board, or commission of this state, or~~
18 ~~any political subdivision or department thereof in the state, or any institution~~
19 ~~supported in whole or in part by public funds, including publicly owned or~~
20 ~~controlled corporations, authorized by law to enter into any contract for the~~
21 ~~construction of public works and any nonprofit corporation funded to act as an~~
22 ~~agency and instrumentality of the government agency in connection with the~~
23 ~~construction of public works, and any "private provider", as defined in KRS~~
24 ~~197.500, which enters into any contract for the construction of an "adult~~
25 ~~correctional facility", as defined in KRS 197.500; and~~
26 ~~(e) "Public works" includes all buildings, roads, streets, alleys, sewers, ditches,~~
27 ~~sewage disposal plants, waterworks, and all other structures or work,~~

1 ~~including "adult correctional facilities", as defined in KRS 197.500,~~
2 ~~constructed under contract with any public authority.~~
3 ~~(4) If the federal government or any of its agencies furnishes by loans or grants any part~~
4 ~~of the funds used in constructing public works, and if the federal government or its~~
5 ~~agencies prescribe predetermined prevailing minimum wages to be paid to~~
6 ~~mechanics, workmen, and laborers employed in the construction of the public~~
7 ~~works, and if KRS 337.505 to 337.550 is also applicable, those wages in each~~
8 ~~classification which are higher shall prevail.]~~
9 ➔Section 6. KRS 337.990 is amended to read as follows:
10 The following civil penalties shall be imposed, in accordance with the provisions in KRS
11 336.985, for violations of the provisions of this chapter:
12 (1) Any firm, individual, partnership, or corporation that violates KRS 337.020 shall be
13 assessed a civil penalty of not less than one hundred dollars ($100) nor more than
14 one thousand dollars ($1,000) for each offense. Each failure to pay an employee the
15 wages when due him under KRS 337.020 shall constitute a separate offense.
16 (2) Any employer who violates KRS 337.050 shall be assessed a civil penalty of not
17 less than one hundred dollars ($100) nor more than one thousand dollars ($1,000).
18 (3) Any employer who violates KRS 337.055 shall be assessed a civil penalty of not
19 less than one hundred dollars ($100) nor more than one thousand dollars ($1,000)
20 for each offense and shall make full payment to the employee by reason of the
21 violation. Each failure to pay an employee the wages as required by KRS 337.055
22 shall constitute a separate offense..
23 (4) Any employer who violates KRS 337.060 shall be assessed a civil penalty of not
24 less than one hundred dollars ($100) nor more than one thousand dollars ($1,000)
25 and shall also be liable to the affected employee for the amount withheld, plus
26 interest at the rate of ten percent (10%) per annum.
27 (5) Any employer who violates the provisions of KRS 337.065 shall be assessed a civil

1 penalty of not less than one hundred dollars ($100) nor more than one thousand
2 dollars ($1,000) for each offense and shall make full payment to the employee by
3 reason of the violation.
4 (6) Any person who fails to comply with KRS 337.070 shall be assessed a civil penalty
5 of not less than one hundred dollars ($100) nor more than one thousand dollars
6 ($1,000) for each offense and each day that the failure continues shall be deemed a
7 separate offense.
8 (7) Any employer who violates any provision of KRS 337.275 to 337.325, KRS
9 337.345, and KRS 337.385 to 337.405, or willfully hinders or delays the
10 commissioner or the commissioner's authorized representative in the performance
11 of his or her duties under KRS 337.295, or fails to keep and preserve any records as
12 required under KRS 337.320 and 337.325, or falsifies any record, or refuses to
13 make any record or transcription thereof accessible to the commissioner or the
14 commissioner's authorized representative shall be assessed a civil penalty of not less
15 than one hundred dollars ($100) nor more than one thousand dollars ($1,000). A
16 civil penalty of not less than one thousand dollars ($1,000) shall be assessed for any
17 subsequent violation of KRS 337.285(4) to (9) and each day the employer violates
18 KRS 337.285(4) to (9) shall constitute a separate offense and penalty.
19 (8) Any employer who pays or agrees to pay wages at a rate less than the rate applicable
20 under KRS 337.275 and 337.285, or any wage order issued pursuant thereto shall be
21 assessed a civil penalty of not less than one hundred dollars ($100) nor more than
22 one thousand dollars ($1,000).
23 (9) Any employer who discharges or in any other manner discriminates against any
24 employee because the employee has made any complaint to his or her employer, to
25 the commissioner, or to the commissioner's authorized representative that he or she
26 has not been paid wages in accordance with KRS 337.275 and 337.285 or
27 regulations issued thereunder, or because the employee has caused to be instituted

1 or is about to cause to be instituted any proceeding under or related to KRS
2 337.385, or because the employee has testified or is about to testify in any such
3 proceeding, shall be deemed in violation of KRS 337.275 to 337.325, KRS 337.345,
4 and KRS 337.385 to 337.405 and shall be assessed a civil penalty of not less than
5 one hundred dollars ($100) nor more than one thousand dollars ($1,000).
6 (10) Any employer who violates KRS 337.365 shall be assessed a civil penalty of not
7 less than one hundred dollars ($100) nor more than one thousand dollars ($1,000).
8 (11) ~~[Any person who violates KRS 337.530 shall be assessed a civil penalty of not less~~
9 ~~than one hundred dollars ($100) nor more than one thousand dollars ($1,000).~~
10 ~~(12) Any contractor or subcontractor who violates any wage or work hours provision in~~
11 ~~any contract under KRS 337.505 to 337.550 shall be assessed a civil penalty of not~~
12 ~~less than one hundred dollars ($100) nor more than one thousand dollars ($1,000)~~
13 ~~for each offense, and the contractor or subcontractor shall make full restitution to all~~
14 ~~employees to whom he or she is legally indebted by reason of said violation. The~~
15 ~~prime contractor shall be jointly and severally liable with a subcontractor for wages~~
16 ~~due an employee of the subcontractor. For a flagrant or repeated violation the~~
17 ~~offending contractor or subcontractor shall be barred from bidding on, or working~~
18 ~~on, any and all public works contracts, either in his or her name or in the name of~~
19 ~~any other company, firm, or other entity in which he or she might be interested for a~~
20 ~~period of two (2) years from the date of the last offense. Each day of violation shall~~
21 ~~constitute a separate offense, and the violation as affects each individual worker~~
22 ~~shall constitute a separate offense.~~
23 ~~(13) Any public authority, public official, or member of a public authority who willfully~~
24 ~~fails to comply or to require compliance with KRS 337.505 to 337.550 shall be~~
25 ~~assessed a civil penalty of not less than one hundred dollars ($100) nor more than~~
26 ~~one thousand dollars ($1,000) for each offense. Each day of violation shall~~
27 ~~constitute a separate offense. If a public authority, public official or member of a~~

1 ~~public authority willfully or negligently fails to comply with KRS 337.505 to~~
2 ~~337.550 and the failure results in damages, injury or loss to any person, the public~~
3 ~~authority, public official, or member of a public authority may be held liable in a~~
4 ~~civil action.~~
5 ~~(14)]~~A person shall be assessed a civil penalty of not less than one hundred dollars
6 ($100) nor more than one thousand dollars ($1,000) when that person discharges or
7 in any other manner discriminates against an employee because the employee has:
8 (a) Made any complaint to his or her employer, the commissioner, or any other
9 person; or
10 (b) Instituted, or caused to be instituted, any proceeding under or related to KRS
11 337.420 to 337.433; or
12 (c) Testified, or is about to testify, in any such proceedings.
13 ➔Section 7. KRS 337.420 is amended to read as follows:
14 (1) "Employee" means any individual employed by any employer, including but not
15 limited to individuals employed by the state or any of its political subdivisions,
16 instrumentalities, or instrumentalities of political subdivisions.
17 (2) "Employer" means a person who has two (2) or more employees within the state in
18 each of twenty (20) or more calendar weeks in the current or preceding calendar
19 year and an agent of such a person.
20 (3) "Wage rate" means all compensation for employment, including payment in kind
21 and amounts paid by employers for employee benefits, as defined by the
22 commissioner in regulations issued under KRS 337.420 to 337.433 and
23 337.990*(11)*[~~(14)~~].
24 (4) "Employ" includes to suffer or permit to work.
25 (5) "Occupation" includes any industry, trade, business, or branch thereof, or any
26 employment or class of employment.
27 (6) "Commissioner" means the commissioner of the Department of Workplace

1 Standards under the direction and supervision of the secretary of the Labor Cabinet.
2 (7) "Person" includes one (1) or more individuals, partnerships, corporations, legal
3 representatives, trustees, trustees in bankruptcy, or voluntary associations.
4 ➔Section 8. KRS 337.423 is amended to read as follows:
5 (1) No employer shall discriminate between employees in the same establishment on
6 the basis of sex, by paying wages to any employee in any occupation in this state at
7 a rate less than the rate at which he or she pays any employee of the opposite sex for
8 comparable work on jobs which have comparable requirements relating to skill,
9 effort and responsibility. Differentials which are paid pursuant to established
10 seniority systems or merit increase systems, which do not discriminate on the basis
11 of sex, shall not be included within this prohibition. Nothing in KRS 337.420 to
12 337.433 and 337.990***(11)***[~~(14)~~] shall apply to any employer who is subject to the
13 federal Fair Labor Standards Act of 1938, as amended, when that act imposes
14 comparable or greater requirements than contained in KRS 337.420 to 337.433 and
15 337.990***(11)***[~~(14)~~] and when the employer files with the commissioner of the
16 Department of Workplace Standards a statement that the employer is covered by the
17 federal Fair Labor Standards Act of 1938, as amended.
18 (2) An employer who is paying a wage differential in violation of KRS 337.420 to
19 337.433 and 337.990***(11)***[~~(14)~~] shall not, in order to comply with it, reduce the
20 wage rates of any employee.
21 (3) No person shall cause or attempt to cause an employer to discriminate against any
22 employee in violation of KRS 337.420 to 337.433 and 337.990***(11)***[~~(14)~~].
23 (4) No employer may discharge or discriminate against any employee by reason of any
24 action taken by such employee to invoke or assist in any manner the enforcement of
25 KRS 337.420 to 337.433 and 337.990***(11)***[~~(14)~~].
26 ➔Section 9. KRS 337.425 is amended to read as follows:
27 (1) For this purpose, the commissioner, or the commissioner's authorized

1 representative, may enter the place of employment of any employer to inspect and
2 copy payrolls and other employment records, to compare character of work and
3 operations on which persons employed by him or her are engaged, to question such
4 persons, and to obtain other information necessary to the administration and
5 enforcement of KRS 337.420 to 337.433 and 337.990***(11)***[~~(14)~~].
6 (2) The commissioner or the commissioner's authorized representative may examine
7 witnesses under oath, and require by subpoena the attendance and testimony of
8 witnesses and the production of any documentary evidence relating to the subject
9 matter of any investigation undertaken pursuant to KRS 337.420 to 337.433 and
10 337.990***(11)***[~~(14)~~]. If a person fails to attend, testify or produce documents under or
11 in response to a subpoena, the Circuit Court in the judicial circuit where the hearing
12 is being held, on application of the commissioner or the commissioner's
13 representative, may issue an order requiring the person to appear before the
14 commissioner or the commissioner's authorized representative, or to produce
15 documentary evidence, and any failure to obey the order of the court may be
16 punished by the court as contempt.
17 (3) The commissioner may endeavor to eliminate pay practices unlawful under KRS
18 337.420 to 337.433 and 337.990***(11)***[~~(14)~~] by informal methods of conference,
19 conciliation and persuasion, and supervise the payment of wages owing to any
20 employee under KRS 337.420 to 337.433 and 337.990***(11)***[~~(14)~~].
21 (4) The commissioner may issue regulations not inconsistent with the purpose of KRS
22 337.420 to 337.433 and 337.990***(11)***[~~(14)~~], necessary or appropriate to carry out its
23 provisions.
24 ➔Section 10. KRS 337.427 is amended to read as follows:
25 (1) Any employer who violates the provisions of KRS 337.423 shall be liable to the
26 employee or employees affected in the amount of their unpaid wages, and in
27 instances of willful violation in employee suits under subsection (2) of this section,

1 up to an additional equal amount as liquidated damages.
2 (2) Action to recover the liability may be maintained in any court of competent
3 jurisdiction by any one (1) or more employees for and in behalf of himself, herself,
4 or themselves and other employees similarly situated. The court in the action shall,
5 in cases of violation in addition to any judgment awarded to the plaintiff or
6 plaintiffs, allow a reasonable attorney's fee to be paid by the defendant, and costs of
7 the action.
8 (3) An agreement by any employee to work for less than the wage to which the
9 employee is entitled under KRS 337.420 to 337.433 and 337.990***(11)***[~~(14)~~] shall not
10 be a bar to any such action, or to a voluntary wage restitution of the full amount due
11 under KRS 337.420 to 337.433 and 337.990***(11)***[~~(14)~~].
12 (4) At the written request of any employee claiming to have been paid less than the
13 wage to which he may be entitled under KRS 337.420 to 337.433 and
14 337.990***(11)***[~~(14)~~], the commissioner may bring any legal action necessary in behalf
15 of the employee to collect the claim for unpaid wages. The commissioner shall not
16 be required to pay the filing fee, or other costs, in connection with the action. The
17 commissioner shall have power to join various claims against the employer in one
18 (1) cause of action.
19 (5) In proceedings under this section, the court may order other affirmative action as
20 appropriate, including reinstatement of employees discharged in violation of KRS
21 337.420 to 337.433 and 337.990***(11)***[~~(14)~~].
22 (6) The commissioner may on his or her own motion petition any court of competent
23 jurisdiction to restrain violations of KRS 337.423, and petition for such affirmative
24 relief as the court may deem appropriate, including restoration of unpaid wages and
25 reinstatement of employees, consistent with the purpose of KRS 337.420 to 337.433
26 and 337.990***(11)***[~~(14)~~].
27 ➔Section 11. KRS 337.430 is amended to read as follows:

1 Court action under KRS 337.420 to 337.433 and 337.990***(11)***[~~(14)~~] may be commenced
2 no later than six (6) months after the cause of action occurs.
3 ➔Section 12. KRS 337.433 is amended to read as follows:
4 Every person subject to KRS 337.420 to 337.433 and 337.990***(11)***[~~(14)~~] shall keep an
5 abstract or copy of KRS 337.420 to 337.433 and 337.990***(11)***[~~(14)~~] posted in a
6 conspicuous place in or about the premises where any employee is employed. Employers
7 shall be furnished copies or abstracts of KRS 337.420 to 337.433 and 337.990***(11)***[~~(14)~~]
8 by the state on request without charge.
9 ➔SECTION 13. A NEW SECTION OF KRS CHAPTER 65 IS CREATED TO
10 READ AS FOLLOWS:
11 ***The legislative body of any city, county, consolidated local government, urban-county***
12 ***government, charter county government, or unified local government shall not have***
13 ***the authority to require any employer to pay to an employee a certain wage or fringe***
14 ***benefit other than as determined by the employer.***
15 ➔Section 14. The following KRS sections are repealed:
16 337.505 Definition of "prevailing wage" -- Fringe benefits included.
17 337.510 Public authority's duties as to inclusion of prevailing wage in proposals and
18 contracts.
19 337.512 Duties of individual officers with respect to prevailing wage law.
20 337.520 Determination of prevailing wages -- Administrative regulations -- Filing wage
21 contract.
22 337.522 Hearings -- Publication of determination -- Revisions -- Prevailing wage review
23 boards attached to Labor Cabinet for administrative purposes.
24 337.524 Which rates to apply while review is pending.
25 337.525 Judicial review.
26 337.530 Contractor to pay prevailing wages and post rates -- Payroll records -- On-site
27 inspections.

1 337.540 Limitation of working hours -- Exceptions -- Overtime.

2 337.548 Injunction of violation of prevailing wage law.

3 337.550 Department to aid in enforcement -- Remedies of laborer.

4 ➔Section 15. The repeal of prevailing wage requirements for public works
5 projects in this Act applies to any public works project or portion thereof for which bids
6 have not yet been awarded as of the effective date of this Act. For bids that have been
7 requested but not awarded prior to the effective date of this Act, the public authority may
8 elect to request a resubmission of bids to conform to the provisions of this Act.

9 ➔Section 16. Whereas immediate steps need to be undertaken to control the costs
10 of public construction projects, an emergency is declared to exist, and this Act takes
11 effect upon its passage and approval by the Governor or upon its otherwise becoming a
12 law.

Speaker-House of Representatives

President of Senate

Attest: Chief Clerk of House of Representatives

Approved Governor

Date 7 JANUARY 2017