

INTERIM JOINT COMMITTEE ON ECONOMIC DEVELOPMENT AND WORKFORCE INVESTMENT

Minutes of the 5th Meeting of the 2025 Interim

October 23, 2025

Call to Order and Roll Call

The fifth meeting of the Interim Joint Committee on Economic Development and Workforce Investment was held on October 23, 2025, at 9:00 AM in Room 149 of the Capitol Annex. Senator Phillip Wheeler, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Senator Phillip Wheeler, Co-Chair; Representative Josh Branscum, Co-Chair; Senators Gary Boswell, Shelley Funke Frommeyer, Rick Girdler, Jason Howell, Matt Nunn, Reginald L. Thomas, Mike Wilson, and Max Wise; and Representatives Adam Bowling, Robert Duvall, Daniel Elliott, Al Gentry, Peyton Griffiee, Vanessa Grossl, Kevin Jackson, Kim King, Nima Kulkarni, Matt Lockett, Scott Sharp, and Timmy Truett.

Guests: Representative Patrick Flannery, District 96; Chad Conley, Rapid Response Coordinator, United Steelworkers District 8; Dustin Reinstedler, President, Kentucky State AFL-CIO; Mike Buckentin, CEO, MI2; Chad Mills, Director, Kentucky State Building and Construction Trades Council; Jerald Adkins, Legislative Agent, Working Strategies 2, LLC; Ellen Yonts Suetholz, Legislative Agent, Working Strategies 2, LLC; Erik Elzy, Executive Director of Government Relations, Kentucky Pipe Trades Association; Nick Brown, Training Coordinator, UA Local 502; Steve Willinghurst, Retired Training Director, Louisville Electrical JATC; Scott Koloms, Founder & CEO, Canopy KY; and Adam Watson, Education Director, Canopy KY.

LRC Staff: Janine Coy, Christian Deeter, Austin Johnson, and Angela Rhodes.

Approval of September Minutes

A motion was made by Senator Boswell and seconded by Senator Nunn to approve the minutes of the September 25, 2025, meeting. Minutes were approved by voice vote without objection.

Kentucky Buy American Act

Representative Patrick Flannery, District 96; Chad Conley, Rapid Response Coordinator, United Steelworkers District 8; Dustin Reinstedler, President, Kentucky State AFL-CIO; and

Mike Buckentin, CEO, MI2, discussed how the proposed Kentucky Buy American Act would create new sections of KRS Chapters 45A, 56, and 65 requiring that state and local contracts contain a provision that any iron, steel, aluminum, and manufactured goods used in all state and local projects be manufactured in the United States unless a waiver is granted.

In response to Representative Grossl, Representative Flannery stated the recent investment Nippon Steel made into US Steel is an appropriate investment under the Kentucky Buy American Act as long as the goods are made in the United States.

In response to Co-Chair Branscum, Representative Flannery and Mr. Conley stated the party responsible for granting a waiver process would be decided by the General Assembly.

Representative Gentry commented he is a supporter of the legislation and is available to assist moving the legislation forward.

Senator Nunn commented he thinks the legislation is a great idea, but the definition of "US goods" and the waiver process should take into consideration industry standards and the country of origin.

In response to Representative Kulkarni, Mr. Conley stated he would follow-up with information to committee staff regarding the impact of Buy America laws in other states.

In response to Senator Boswell, Mr. Conley stated that federal standards provide if there is a 25 percent cost increase, then the Buy American provisions do not apply. Last year's legislation provided for a 10 percent cost increase in determining whether to issue a waiver. The General Assembly has the discretion to set that cost.

Chair Wheeler commented that this is a great concept. Over the last 30 to 40 years, some of the uniparty people in Washington have caused damage to the national security and United States by shipping a lot of these industries overseas, and he believes they should return these industries to the United States.

Earn As You Learn: Kentucky Building Trades Apprenticeship

Erik Elzy, Executive Director of Government Relations, Kentucky Pipe Trades Association; Nick Brown, Training Coordinator, UA Local 502; and Steve Willinghurst, Retired Training Director, Louisville Electrical JATC, discussed a plumbers, pipefitters, and HVAC techs apprenticeship program that is accessible to anyone with a good work ethic, positive attitude, and able to remain drug free. The program offers a debt free earn while you learn schedule that provides a pathway to gain all required licenses, certifications, an opportunity to achieve an Associate's Degree in Applied Science, and a benefit package with health insurance and pension plan.

In response to Chair Wheeler, Mr. Brown stated the UA Local 502 center maintains three training centers with approximately 50 other local training centers throughout the state. Mr. Willinghurst added that all 120 counties have some affiliation with a building trades program. Mr. Brown reiterated that the apprentices come out of the program debt free. The certifications and licenses are recognized outside the program. The apprentices have the opportunity to start their own business.

Representative Truett commented that his son is enrolled in an electrician apprenticeship program which has been a positive experience. In response to a question, Mr. Brown stated the UA Local 502 center has about a 12 percent failure rate.

In response to Senator Funke Frommeyer, Mr. Brown stated that the UA Local 502 center does not have a partnership with the Kentucky Community & Technical College System. However, the UA Local 502 will connect their apprentices with Ivy Tech Community College if they want to further their education. The Local 502 center also offers members availability to acquire more than one trade.

Worker Misclassification in the Construction Industry

Chad Mills, Director, Kentucky State Building and Construction Trades Council; Jerald Adkins, Legislative Agent, Working Strategies 2, LLC; and Ellen Yonts Suetholz, Legislative Agent, Working Strategies 2, LLC, discussed how worker misclassification in the commercial construction industry has a negative financial impact on individual workers, state government, and the private sector. Misclassifying workers as independent contractors is wage theft as it robs families of income and benefit protections under Kentucky laws and robs the government from tax revenue. The presenters discussed drafting legislation for misclassified workers in the construction industry that would enforce existing laws involving workers and potentially raise lost revenue for the state without raising taxes on any taxpayer.

In response to Senator Boswell, Mr. Adkins stated the auditing process of Kentucky fall under the Department of Revenue.

In response to Representative Gentry, Mr. Mills stated he would follow-up with committee staff on workplace injury due to worker misclassification.

Investing in Kentucky's Future Workforce Through the Good Business Initiative

Scott Koloms, Founder & CEO, Canopy KY; and Adam Watson, Education Director, Canopy KY, discussed how Canopy KY is a Kentucky organization funded largely through their own revenue with a clear plan for growth and accountability. Their mission is to help Kentucky businesses grow profitably while strengthening communities. Mr. Koloms presented an

appropriation request of \$750,000 for FY 2026 for delivery of Canopy KY services to rural and underserved counties, onboarding and training educators, coordinating with districts and partners statewide, growing membership to increase earned revenue, and measuring publicly support and outcomes transparently. This investment would support roughly 4,000 high school students each year and 125 schools across Kentucky. Approximately, 12,000 fifth graders would be introduced to business literacy each year. Mr. Koloms asserted that the funding would allow more Kentucky businesses to be trained in practices that drive performance and retention in a financially sustainable model that would rely primarily on earned revenue.

Adjournment

There being no further business, the meeting was adjourned.