



notice of requirements in the legislation to all contractors and subcontractors awarded contracts. After the award, the city would have to collect monthly reports from all contractors and subcontractors to verify compliance with the provisions of the bill. The legislation does not specify what needs to be on the reports, nor does it direct the Kentucky Labor Cabinet to create a sample report for local government use. KLC also notes that the phrase, "Employees on the project" is not defined, leaving how to classify employees that are "employed on the project" open to considerable interpretation. The legislation requires cities to include these new requirements in their written contract and verify their compliance, which, KLC adds, may lead to contract disputes and potential litigation.

Related to the financial impact, KLC states that this legislation could drive up personnel costs on major public construction projects for cities. Particularly in areas along the state's border, construction companies doing business in (or drawing workers from) other states may no longer qualify to bid on public construction projects in Kentucky. The lack of apprentices may also cause a problem for potential bidders, possibly increasing costs. If these non-qualifying entities otherwise would have been the low bidder, then the local taxpayers may be paying more for the same project. Potential litigation, as outlined in Section 3, could also cost cities in court and in time lost on the project.

**Data Source(s):** Kentucky League of Cities, Kentucky Association of Counties

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