

1 AN ACT creating the Apprenticeship fund and making an appropriation therefore.

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

3 ➔SECTION 1. A NEW SECTION OF KRS CHAPTER 343 IS CREATED TO
4 READ AS FOLLOWS:

5 (1) *As used in this section:*

6 (a) *"Department" means the Department of Workforce Development of the*
7 *Kentucky Education and Workforce Development Cabinet; and*

8 (b) *"Qualifying expenses" include safety equipment, tools, and similar*
9 *necessary items as defined in an administrative regulation promulgated by*
10 *the department pursuant to KRS Chapter 13A.*

11 (2) (a) *There is hereby established in the State Treasury a restricted fund to be*
12 *known as the apprenticeship fund. The fund shall consist of income taxes*
13 *deducted and withheld from the pay of apprentices as directed by Section 2*
14 *of this Act, state appropriations, gifts, grants, and federal funds.*

15 (b) *The fund shall be administered by the department.*

16 (c) *Amounts deposited in the fund shall be used to pay the qualifying expenses*
17 *of apprentices enrolled in an apprenticeship program.*

18 (d) *Notwithstanding KRS 45.229, fund amounts not expended at the close of a*
19 *fiscal year shall not lapse but shall be carried forward into the next fiscal*
20 *year.*

21 (e) *Any interest earnings of the fund shall become a part of the fund and shall*
22 *not lapse.*

23 (f) *Moneys deposited in the fund are hereby appropriated for the purposes set*
24 *forth in this section and shall not be appropriated or transferred by the*
25 *General Assembly for any other purpose.*

26 (3) *The department shall promulgate an administrative regulation in accordance*
27 *with KRS Chapter 13A to implement this section. The administrative regulation*

1 shall, at a minimum:

2 (a) Establish a procedure for paying for or reimbursing qualified expenses
 3 necessary for participation in an apprenticeship program; and

4 (b) Further delineate items that can be considered qualifying expenses.

5 ➔Section 2. KRS 141.330 is amended to read as follows:

6 (1) (a) Every employer required to deduct and withhold tax under KRS 141.310 and
 7 141.315 shall, for the quarterly period beginning on the first day of January of
 8 each year, and for each quarterly period thereafter, on or before the last day of
 9 the month following the close of each quarterly period make a return and
 10 report to the department the tax required to be withheld under KRS 141.310
 11 and 141.315, unless the employer is permitted or required to report monthly or
 12 annually.

13 (b) Every~~Such~~ employer shall, on or before the last day of the month following
 14 the close of each quarterly period, pay over to the department the tax required
 15 to be withheld under KRS 141.310 and 141.315, unless~~;~~ ~~Provided, however,~~
 16 ~~That~~ the department~~—may~~, by administrative regulation~~regulations~~,
 17 requires~~require~~ the employer~~employers~~ to remit the tax withheld under
 18 KRS 141.310 and 141.315 within a reasonable time after the payroll period or
 19 other period.

20 (c) Every employer shall identify any amounts deducted and withheld from the
 21 pay earned by an apprentice while participating in an apprenticeship
 22 program as defined in KRS 343.010(7). The department shall deposit those
 23 amounts in the apprenticeship fund established by Section 1 of this Act.

24 (d) A return shall be filed by every employer making payment of wages even
 25 though no tax has been withheld.

26 (2) If the department, in any case, has reason to believe that the collection of the tax
 27 provided for in subsection (1) of this section is in jeopardy, it may require the

1 employer to make ~~a~~^a ~~[such]~~ return and pay ~~[such]~~ tax at any time.

2 (3) Every employer, who fails to withhold or pay to the department any sums required
3 by this chapter to be withheld and paid, shall be personally and individually liable
4 therefor to the Commonwealth; and any sum or sums withheld in accordance with
5 the provisions of KRS 141.310 and 141.315 shall be deemed to be held in trust for
6 the Commonwealth.

7 (4) The Commonwealth shall have a lien upon all the property of any employer who
8 fails to withhold or pay over to the department sums required to be withheld under
9 KRS 141.310 and 141.315. If the employer withholds but fails to pay the amounts
10 withheld to the department, the lien shall accrue as of the date the amounts withheld
11 were required to be paid to the department. If the employer fails to withhold, the
12 lien shall accrue at the time the liability of the employer becomes fixed.