





The Workforce Center Board of Directors meets quarterly to address workforce needs of the Kentucky business community.

# Workforce Center Ramps Up: ADDRESSES NUMBER ONE ISSUE

As part of the philanthropic arm of the Kentucky Chamber, the Kentucky Chamber Workforce Center serves as the state's business resource to strengthen Kentucky's labor force. Under the helm of the Workforce Center Board of

Directors, the Center opened in 2017 with one employee and has since grown to nine staff members focused on supporting the business community and strengthening the state's talent pipeline.

The Workforce Center was created to answer the call of business to address the number one issue on the mind of employers, workforce. During the recession, when jobs were at a low, there was a mismatch of skills. Now, during a heightened economy, the pressures for Kentucky Chamber members have become even greater.

A report from the Chamber in 2015 detailed these challenges from the employer perspective. That report and subsequent discussions on the talent pipeline and related issues pointed out the need for the meaningful, ongoing involvement of the business community in the workforce development arena.

It's been an honor to serve as the founding Board Chair of the Workforce Center for the past two years. We have an incredible team of board members, project managers, regional champions and public/private partners that are facilitating action plans across the Commonwealth based on the local needs. We are seeing positive movement in the alignment of workforce resources in Kentucky because businesses are meaningfully engaged and helping to lead the conversation. Once again, Kentucky is in the national spotlight in a very positive way.







**Kentucky Chamber WORK**FORCE



**KIM MENKE BOARD CHAIR** WORKFORCE CENTER MANAGER COMMUNITY/ GOVERNMENT RELATIONS TOYOTA FINANCIAL SERVICES

### **FORMER WHITE HOUSE CHIEF OF STAFF JOHN KELLY TO GIVE KEYNOTE ADDRESS AT Kentucky** Chamber Annual Meeting

General John F. Kelly,

who served as White

House Chief of Staff

under President Donald

Trump from 2017-2019,

will speak to Kentucky

about leadership, the

as well as a behind-

making.

current state of affairs,

the-scenes look at

presidential decision

business leaders in July



**JOHN F. KELLY GENERAI** U.S. MARINE CORPS (RET)

Retired Gen. John Kelly is a 45-year Marine veteran who headed the U.S. Southern Command, where he focused on U.S. border security, organized crime, terrorist organizations and drug traffickers in his Latin American region for more than three years. Kelly retired as a four-star general in 2016.

General Kelly then served as the 5th United States Secretary of Homeland Security in the Trump Administration; Kelly earned a reputation for bei an aggressive enforcer of ethics, established Homeland Security policy, and, most importantly, the law. After six months, he was selected to serve as White House Chief of Staff, a position he held until January 2019.

# **U.S. COURT OF APPEALS** Ban on Lobbyist Gifts to Legislators Upheld

The U.S. Court of Appeals for the 6th District issued a decision in May reinstating Kentucky's legislative ethics prohibition on gifts and contributions from lobbyists.

The ruling comes after an effort to overturn Kentucky's quarter-century ban on gifts and contributions to legislators from lobbyists in a lawsuit filed in 2015 by state Sen. John Shickel and others. The decision in May reverses a previous ruling on the issue.

Attorney General Andy Beshear represented the state arguing Kentucky's strong legislative ethics law helps stop corruption and a "pay-to-play" system in the legislative process.

The Kentucky Chamber, along with the Kentucky League of Cities, Kentucky Coal Association, and Kentucky Nonprofit Network, filed an amicus brief in the case in support of appeal, urging the Court to uphold Kentucky's strong ethics laws.

"If upheld, the Order and Permanent Injunction would leave Kentucky's ethics systems in shambles and open up the floodgates for lobbyists to engage in exactly the type of actual or perceived corrupt behaviors that the law was enacted to shield against. Lobbyists would be free to inundate legislators with gifts of unlimited value-including lavish trips, fancy meals, and all kinds of valuable items—and flush their campaign funds with contributions," the group stated in the brief.

In response to the ruling that day, Kentucky Chamber President and CEO Dave Adkisson released a statement, "Kentucky won today by the court affirming our strong ethics laws which have guided us in the years since BOPTROT, kept our political system relatively clean and discouraged a 'pay to play' mentality."

Kelly will give the keynote address at the Kentucky Chamber Annual Meeting on July 11 at the Louisville Marriott Downtown at 6:30 p.m.

See the full agenda and register for the Business Summit and Annual Meeting at kychamber.com.

## **FIVE WORKFORCE PRIORITIES**



# FROM THE FRONT **Chamber Workforce Center**

Kentucky Chamber President and CEO Dave Adkisson had the vision to be the first state chamber in the country to create a statewide workforce platform for employers to engage with workforce training providers in a way that creates a return on investment for their involvement. The Workforce Center is now considered a national model with other states following suit and working with the Center to help grow and build similar platforms across the country.



## **Kentucky's Talent Pipeline System An Employer Led** Approach to Solving the Talent Gap

Through the Workforce Center, Kentucky was chosen by the U.S. Chamber to be one of three states to deploy a statewide Talent Pipeline Management (TPM) System. In December 2019, 40 leaders from workforce, local chambers, education, and business communities completed training on this demanddriven approach. Now, more than 150 employers are using Kentucky's Talent Pipeline system to signal out their company's talent needs. Based on these industry demand findings, communities are now creating stronger talent flows in partnership with local workforce and education providers.



## Bus to Business — **Bringing Classrooms** to Careers

As technology advances the way we do business, the skills needed by employers are also rapidly changing. In order to prepare the state's future workforce, Kentucky students in the K-12 system have to be exposed to the in-demand opportunities that await after high school. On October 2, 2019, the Kentucky Chamber Workforce Center will launch Kentucky's first statewide Bus to Business day. School buses full of students will visit local businesses across the state taking part in tours and hands-on, work-based learning activities. After Bus to Business day, educators and employers will be invited to create longer term engagements such as internships, apprenticeships, and additional work-based opportunities for K-12 students in the career pathways needed most to support Kentucky's future economy.



**Recovering Kentucky's** Workforce – A **Business Response Program for Combatting the Addiction Epidemic** 

In recent years, Kentucky's business community has become acutely aware that the state's addiction epidemic is more than just a public health issue. It has become a serious workforce issue and employers are feeling its impact firsthand. Employers are struggling to find and retain workers and the addiction epidemic is making the challenges even greater for business and human resource leaders.

In June, the Kentucky Chamber Workforce Center launched the Business Response Program for Workforce Recovery. Focused on hiring, treatment, prevention, recovery, and reducing stigma, the Workforce Center staff is providing added support to businesses by auditing existing polices and providing recommendations and access to support for the best practices to maintaining a drug-free workplace while supporting a recovery-friendly culture.

## GET INVOLVED

To get involved with the Workforce Center, please contact Beth Davisson, bdavisson@kychamber.com.



**Kentucky Chamber** WORKFORCE CENTER

# Thank You **TO OUR WORKFORCE SPONSORS**















U.S. CHAMBER OF COMMERCE FOUNDATION Center for Education and Workforc









# Workforce STATS

# 51%

of all Kentucky children are kindergarten ready.

(KYSTATS, 2019)

4%

Kentucky's unemployment rate

(KYSTATS, 2019)

# **42nd**

in the nation for workforce participation

(KYSTATS, 2019)

# 52,882

new jobs created in Kentucky since 2015, experiencing \$19B in new economic investments.

> (Kentucky Cabinet for Economic Development, 2019)

# 81%

of Kentucky companies report they are preparing for moderate to high growth in the next 3-5 years.

(KYSHRM, 2017)

# 84%

of Kentucky companies hiring indicate that recruiting qualified workers is difficult.

(KYSHRM, 2017)



# **Treatment is Critical**

**IN SOLVING OPIOID CRISIS AND ISSUES IN CRIMINAL JUSTICE SYSTEM, REF** 

As Kentucky struggles with big budget issues including an expensive criminal justice system and the damaging effects of the opioid crisis, state Rep. Jason Nemes says the state must focus on prioritizing treatment over incarceration for those with addiction issues, increased penalties for drug traffickers, and better

workforce training programs in prisons to help with reentry into Kentucky communities.

The most important aspect to fixing the criminal justice system, Nemes says, is treating addicts like they are addicts and ensuring they receive treatment rather than just throwing them in jail.

Meanwhile, Nemes believes Kentucky must be even tougher on people who

are trafficking drugs while also reevaluating all crimes the state has on the books and ensuring the punishment fits the crime.

These things, coupled with adding workforce training programs into the prisons to teach necessary skills needed after incarceration, Nemes feels will improve the state's criminal justice issues.

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"This is good for individuals, no doubt about that, getting them back on their feet. It is good for our communities because they are going to come back into our communities. It is good for our economy because we are spending \$600 million this year on our corrections department. But for me, most fundamentally, it is good for our families," Nemes said.

When asked about the opioid crisis being seen in Kentucky and across the country, Nemes said opioid addiction is a symptom of the state not having enough jobs and economic development as well as home issues and other issues.

As for what Rep. Nemes would like to see accomplished in the next legislative session, Nemes highlighted his medical marijuana bill, infrastructure investment legislation, and he would like to see lawmakers focus on economic development initiatives and take the next steps on tax reform.

## WATCH ONLINE

Watch the interview segment with Rep. Nemes on The Bottom Line at kychamberbottomline.com.



# Kentucky Joins the IRS & Over 35 Other States

## THAT REQUIRE ADMINISTRATIVE RULINGS BE MADE PUBLIC



JENNIFER BARBER ATTORNEY FROST BROWN TODD, LLC

The Kentucky Supreme Court has declined to reconsider its order affirming the Court of Appeals' decision requiring the Department of Revenue to publish its final administrative decisions, making the court decision final.

Tax attorney Mark Sommer and tax news publisher Tax Analysts sought access to Revenue's administrative rulings to determine the legal reasoning behind Revenue's decisions and whether Revenue's enforcement of Kentucky tax laws is fair and uniform. Revenue had used its administrative rulings against taxpayers in

litigation, while taxpayers lacked access to the same information. Revenue, however, argued that the administrative rulings should not be subject to public records disclosure because they contain confidential

information of individuals and businesses.

At all levels, Kentucky courts held that public records laws require the disclosure of Revenue's decisions with redactions to protect confidential taxpayer information.

The courts conducted an in camera review of a sample of administrative rulings and determined that transparency and taxpayer confidentiality could, and must, be balanced through redaction. The courts found that the administrative rulings contained helpful guidance to taxpayers and could be released in a manner that does not jeopardize the privacy interests of taxpayers.

The denial of Revenue's motion for reconsideration comes after the Kentucky General Assembly passed House Bill 354 on March 14, shielding Revenue's administrative rulings from public disclosure. Public statements made by lawmakers acknowledged Revenue's failure to disclose pending litigation on this issue. The General Assembly reversed course almost immediately on March 28, with House Bill 458 repealing the language in House Bill 354 and keeping in tact current Open Records laws that require disclosure of these documents. House Bill 458 was signed into law by the Governor on April 9.

Kentucky now joins the IRS and over 35 other states that make similar administrative tax decisions public.

The author, Jennifer Barber of Frost Brown Todd LLC, represents Mark Sommer and Tax Analysts in this case.

# **ELECTION**



# RESULTS

# **Bevin to Face Beshear in the Fall;** Attorney general race becomes one to watch

Kentucky voters turned out to vote in the 2019 primary election where Governor Matt Bevin easily won the Republican primary and Attorney General Andy Beshear was victorious in a tight three-way race on the Democratic side.

**Beshear won the Democratic primary with 37.8 percent of the vote** and a total of 149,438 votes. Turnout in the Republican primary was lower as **Bevin received 136,060 votes which gave him the win at 52.3% of the vote.** 

Another top race to watch on election night was the Republican race for **attorney general** where Louisville lawyer and former McConnell aide **Daniel Cameron** defeated state Senator Wil Schroder by just over 25,000 votes. Cameron will go on to face former House Speaker **Greg Stumbo**, a Democrat who held the office of attorney general from 2003-2007.

The race for secretary of state will see a contest between Democrat Heather

**French Henry**, former Miss America who served as commissioner of the Kentucky Department of Veterans Affairs, and **Republican Michael G. Adams**, a GOP election lawyer from Louisville.

**State auditor Mike Harmon** saw no competition in the Republican primary and will face the winner of the three-way Democratic primary, **Sherri Donahue**, who served in Security and Intelligence for the U.S. Navy.

## **LEARN MORE**

Learn more about all of the candidates for the November election at **kychamberbottomline.com**.

## **KENTUCKY COURT RULES EMPLOYERS MUST HAVE** LAWYERS IN

# Unemployment Insurance **Proceedings**

In April, the Kentucky Court of Appeals ruled that employers can no longer use a nonlawyer representative in unemployment proceedings, saying it violates the separationof-powers provisions of the Kentucky Constitution.

This decision is among the broadest case law decisions, reversing previous case law and imposing additional costs on employers in Kentucky. In many cases, businesses

say the cost of representation by an attorney may exceed the amounts at issue.

In response to the ruling, the Kentucky Office of Unemployment Insurance gave the following statement saying that while the case is being appealed, there will be no change to the current practice:

"The Court's decision, if it becomes final, will affect employers as it invalidates the state's current statute allowing non-attorneys

to represent an employer in administrative proceedings related to unemployment insurance claims. The Kentucky Unemployment Insurance Commission is taking the appropriate steps to seek the Kentucky Supreme Court's review of the decision. In the meantime, there will be no changes to the current practice of allowing representation by non-attorneys in these administrative proceedings."

UNENDER OYMENT Name Date Aress

LEARN MORE The full decision can be found on kychamberbottomline.com.

## **UPCOMING EVENT**









## 14TH BUSINESS SUMMIT AND ANNUAL MEETING

In many cases, businesses

say the cost of

representation by an

attorney may **exceed the** 

amounts at issue.

Presented by Bingham Greenebaum Doll LLP

JULY 11-12 | LOUISVILLE MARRIOTT DOWNTOWN

## Thursday — July 11

#### 1:00 p.m. - Registration

#### 1:30 p.m. – Welcome

Renee Shaw | Public Affairs Managing Producer & Host, KET Janet Jakubowicz | Chair, Partnership Board, Bingham Greenebaum Doll, LLP Friday – July 12

8:00 a.m. - Registration and breakfast

8:30 a.m. – Welcome

Renee Shaw | Public Affairs Managing Producer & Host, KET Paul Thompson | Chairman, CEO & President, LG&E-KU and Chairman, Board of Directors, Kentucky Chamber



GENERAL

U.S. MARINE CORPS (RET)

#### 1:35 p.m. - Program Overview

Paul Thompson | Chairman, CEO & President, LG&E-KU and Chairman, Board of Directors, Kentucky Chamber

#### 1:40 p.m. — Manufacturing Rules the South (including Kentucky): Obstacles and **Opportunities**

Mike Randle | Owner, Publisher, Southern Business & Development Magazine

#### 2:30 p.m. – HEMP: What Will it Mean to Kentucky's Economy?

Honorable Ryan Quarles | Agriculture Commissioner, Commonwealth of Kentucky Garrett Bain | Executive Vice President of Revenue, GenCanna

#### 3:40 p.m. — Opioid, Drug, Substance Abuse in the Workplace: What is it Costing Kentucky Business?

Honorable John Tilley | Secretary, Justice & Public Safety Cabinet, Commonwealth of Kentucky

4:30 p.m. – Topic TBD Honorable Kelly Knight Craft | U.S. Ambassador to Canada

#### 5:00 p.m. – Day one Business Summit concludes Annual Meeting Reception with sponsors

#### 6:30 p.m. – Annual Meeting Dinner Keynote

General John F. Kelly | 45-Year Marine Veteran and Former White House Chief of Staff to President Trump

#### 8:40 a.m. Getting to Know the Candidates for Governor

Honorable Matt Bevin, Governor, Commonwealth of Kentucky

#### 9:45 a.m. – Is Kentucky's Bourbon Trail the Next Napa Valley?

Adam Johnson | Senior Director of the Bourbon Trail, Kentucky Distillers Association (invited) Linsey Gallagher | CEO, Visit Napa Valley (invited) Moderator and Panelist: Kristen Branscum | Commissioner, Kentucky Department of Tourism

#### 10:40 a.m. - Diversity, Inclusion, and Respect - Significant Impact on the Bottom Line Eric Ellis | President and CEO, Integrity Development Corporation

#### 11:30 a.m. – Key Issues Facing Kentucky's Future

Dave Adkisson | President & CEO, Kentucky Chamber of Commerce

#### 12:00 p.m. – Luncheon Keynote: An Entrepreneurial Success Story: A Conversation with Texas Roadhouse's Kent Taylor

Kent Taylor, Founder, CEO and Chairman, Texas Roadhouse Corporation Interviewed by: Elizabeth McCoy

#### 1:30 p.m. – 14th Annual Business Summit concludes

# *Thank you* for your investment.

The following is a list of new members of the Kentucky Chamber. Please help us thank these companies for investing in the Chamber's mission by giving them your business.

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#### KENTUCKY CHAMBER NEWS

For address changes and subscription information, call **502-848-8739**.

For advertising information, call **Hilary Morgan** at **502-848-8724**.





# THE LEADERSHIP INSTITUTE FOR SCHOOL PRINCIPALS WELCOMES THE Class of 2020!

The Leadership Institute for School Principals welcomes the class of 2020 at the new BB&T Leadership Institute in Greensboro, North Carolina. This class includes four principals from counties that have never sent principals before, expanding the total reach of the program to **95 counties across Kentucky**.



The training is provided at no cost to the principals or their districts and is possible because of support from the BB&T Leadership Institute, and generous donations from the business community.

To support a principal in your community please contact Kelly Wolf at 502-848-8725 or kwolf@kychamber.com.



### **CHECK YOUR INBOX!**

Check your email this summer for the Kentucky Chamber's annual policy survey.

## **UPCOMING EVENT**

## **35TH ANNUAL HUMAN** RESOURCES CONFERENCE

Presented by Kentucky Career Center

PROVIDES HIGH QUALITY TRAINING FOR







#### HUMAN RESOURCE PROFESSIONALS

#### AUGUST 28-30, 2019 OMNI LOUISVILLE HOTEL

#### The Kentucky Society for Human Resource Management (KYSHRM) and the Kentucky Chamber of Commerce will host the 35th Annual Kentucky SHRM Conference.

The conference is a one-stop-shop for human resource professionals throughout Kentucky offering 6 preconference workshops, over 55 unique workshops (in the areas of benefits and compensation, human resource law, management, motivation, and business management strategy), professional development credits, an exhibit hall boasting more than 85 sponsors and exhibitors, and numerous networking opportunities. Attendees also will enjoy two receptions, one of which will be held at Tavern on Fourth at Fourth Street Live!



Meagan Johnson KEYNOTE SPEAKER

Professional Speaker & Author Johnson Training Group

#### Eric Ellis KEYNOTE SPEAKER President & CEO Integrity Development Corp.

Meredith Oliver KEYNOTE SPEAKER MRM, CSP Creative Director Meredith Communications

Keynote presentations during the event will include:

• 3:45 p.m. | Wednesday, August 28

Zap the Gap: Generational Differences Reexamined Meagan Johnson, Professional Speaker and Author, Johnson Training Group

• 8:45 a.m. | Thursday, August 29 Reducing Implicit Bias Through Effective Performance Calibration Eric Ellis, President & CEO, Integrity Development Corp.

• 12:00 p.m. | Friday, August 30 Reframe: The Power of Vulnerability to Unlock Peak Performance Meredith Oliver, MIRM, CSP Creative Director, Meredith Communications

## **MORE INFO**

Visit the conference website at **kyshrmconference.com** for more information or to register.

# NEW PREGNANCY LAW REQUIRES Updated Labor Law Posters

The Kentucky Equal Employment Opportunity Notice has been revised to include the Kentucky Pregnant Workers Act **(effective 6/27/2019)**. The Act requires companies with 15 or more employees to provide "reasonable accommodations" for pregnancy, childbirth and related conditions. The Kentucky Chamber has updated its Kentucky and Federal mandatory poster to reflect the revision.

To place an order call Lori Jo Goff at 502-848-8727 or purchase online at www.kychamber.com/KYFedPoster.





As infrastructure investment continues to be a top priority for the Kentucky business community, the Kentucky Chamber is forming an Infrastructure Policy Council.

To join, please contact Sawyer Coffey at scoffey@kychamber.com.

## Kentucky Chamber Key Investors

Commonwealth Partner \_





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# 

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\*Excludes batteries. Oil change service includes up to 5 quarts of any Valvoline oil (diesel quarts may vary; see store for details), filter (premium extra), lube & maintenance check. Good only at participating locations. Offer not valid with any other offers/ discounts; cash value \$0.001.

#### CONTACT US TO LEARN MORE

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visit us online at kychamber.com/membersavings