

LEGISLATIVE ALERT

Breaking Legislative News from the **KENTUCKY ASSOCIATION OF MANUFACTURERS**

February 26, 2007

Alert! KAM Fights Bill That Would Trash Workers Comp System (HB 398)

Calling HB 398 “the worst piece of legislation I’ve ever seen,” one member of KAM’s powerful lobbying team pretty much sums up what no doubt would capture the views of all Kentucky manufacturers. **The bill would effectively end the current worker’s comp insurance system in Kentucky as we know it.** The bill would allow an employee to sue an employer **outside the workers comp system** for damages, ending the whole reason for having workers comp in the first place: that it provides **“exclusive remedy”** for all workplace-related injuries and deaths. **KAM NEEDS YOUR HELP ON THIS BAD BILL. CONTACT YOUR LEGISLATOR TODAY** and tell them to stop this bill because it will put Kentucky manufacturers out of business, give them a good reason to leave Kentucky and cause outside companies to not want to come here.

Alert! New Law Proposal Would Shut Down Construction Projects, Drive Up Costs, Let Spouses Be Sued (HB 490)

Slyly called the “Kentucky Fairness in Construction Act,” **HB 490 is anything but fair to the manufacturers who take the financial risks and hire construction companies to do the work in the first place.** Effectively, the bill would allow contractors and subs to **ignore the contracts they signed up front with a manufacturer and immediately stop work on a job if a payment dispute arises.** The proposal **encourages litigation** because, contrary to existing law, attorneys’ fees are automatically awarded to the prevailing party. It would **supersede and void existing construction and case law and put construction projects in limbo as the courts interpret what the law means.** What’s worse, the bill would allow a construction company to not only recover damages from the manufacturing company owner, **but also the owner’s engineer, architect and even his or her SPOUSE!** **CONTACT YOUR LEGISLATOR TODAY AND URGE HIM/HER TO VOTE AGAINST THIS BILL!**

Well-Meaning ‘Consortia’ Bill Costly To Kentucky Manufacturers (HB 403)

Everyone sympathizes with the families of the victims of the crash of Comair 5191 last August at Lexington’s Bluegrass Airport. That’s why lawmakers are pushing through a bill that would allow spouses of the victims to retroactively sue for “loss of consortia” damages. It just sounds like the right thing to do. However, **the law would not stop there; it would allow spouses of victims of industrial accidents to also sue for loss of consortia,** costing manufacturers millions of dollars in the future, driving up costs and **adding yet another cost burden** that prevents them from fairly competing in the global economy. While KAM supports the idea of helping the spouses of the crash victims, KAM is against the bill because **it goes far beyond Comair 5191...in fact, too far.**

KAM Fights Bill To Raise Gas Prices, Drive Up Costs for Gasoline Marketers (HB 304)

It sounds like a good idea...until the unintended consequences kick in. **HB 304 would force gasoline marketers to round up the price of gasoline on all gas pumps in Kentucky to an even number (i.e. from \$2.29.9 to \$2.30).** Easier to understand? Yes. But it would still **add a tenth of a cent onto the price of gasoline** for Kentuckians and cost at least one gasoline marketer **\$600,000 to replace signs at each facility.** KAM believes **lawmakers**

have better things to do with their time. Consumers have long been accustomed to paying for gasoline priced to the tenth of a cent. This law does nothing to add value to anyone; in fact, it will drive up costs for consumers and the industry. TELL YOUR REPRESENTATIVES TODAY TO STOP THIS BAD LEGISLATION.

Additional Bills Being Tracked

HB 417 - Establishes procedures for civil actions arising from exposure to silica or mixed dust.

HB 426 - limits supersedes bonds to no more than \$100,000,000.

HB 480 - clarifies net operating loss carryforwards (**Important bill**).

HCR 164 - directs the LRC to designate legislative staff to study railroad hazard and safety issues in Jefferson County.

SB 82 & SB 442- various **favorable** amendments to the "Brownfields Redevelopment Program".

SB 125 - removes the defined "Tire Derived Fuel from the definition of solid waste to encourage more recycling of waste tires into a recovered material useful for a high btu energy source.

Editor's Note: Legislative Update is an E-Newsletter for members and stakeholders in the Kentucky Association of Manufacturers (KAM). It is published periodically to communicate important information about how KAM is looking out for your interests in the Kentucky General Assembly, U.S. Congress, local governments, or through other groups and/or associations. Through KAM, you have the largest and most experienced team of lobbyists in Kentucky, led by Hank List, vice president of government affairs. If you do not want to receive KAM Legislative Update, please let us know by return e-mail.

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