



Kentucky Chamber
Uniting Business. Advancing Kentucky.



Results for **Business** 2022

What passed. What didn't. And what it means to your bottom line.

Legislature Delivers for

Kentucky Businesses





Ashli Watts

PRESIDENT & CEO

Kentucky Chamber of Commerce

Coming out of a two-year pandemic, facing extreme workforce shortages and working toward economic recovery, the Kentucky Chamber knew we had to have a bold plan heading into the 2022 General Assembly. This included driving down the income tax rate, addressing our low workforce participation, investing in infrastructure, supporting our signature industries and protecting employers' rights. Now that we have closed the door on a busy, action-packed legislative session, it is clear the General Assembly focused on pro-growth policies and delivered for Kentucky businesses.

Topping the list of successes was the passage of House Bill 8, a tax reform package which includes a multi-year plan to eliminate Kentucky's individual income tax. Last year, the Chamber partnered with the Tax Foundation to publish a report that described pragmatic, responsible options for improving Kentucky's tax code and making us more competitive. Over the past year, I traveled the state and listened to employers talk about the need to reduce income taxes to more effectively compete for employees and economic opportunity. We watched as Indiana, Ohio, North Carolina, and other competitor states dropped their income tax rates. We studied Census data that showed low- and no-income tax states outgrew us on population, GDP, jobs, and workforce participation. The General Assembly met the moment and put us on a path to truly compete and lower taxes for our citizens.

Another major theme of the session was tackling our low workforce participation, and for such a complex issue, we knew it would take a multi-faceted approach. A major step was to modernize our outdated unemployment insurance system. House Bill 4 encourages Kentuckians to rejoin the workforce by shortening the number of weeks of benefits when the economy is strong and jobs are plentiful, increasing work search activities, encouraging and incentivizing reskilling and retraining, creating a workshare program for employers and changing tax calculations for entrepreneurs.

As a mother of two small children, I know another major barrier to workforce is the cost and lack of availability of quality child care. The Chamber championed House Bill 499, the Employee Child Care Assistance Partnership, which creates an innovative, employer-led approach to child care cost assistance. We look forward to seeing this program launch next year, creating a much-needed benefit for working families.

The Chamber has long advocated for increasing infrastructure funding and commends the General Assembly for setting aside \$250 million for transportation mega projects, including the Brent Spence Bridge in Northern Kentucky. This funding will be critical as we seek competitive funds from the federal infrastructure package passed last year.

Rounding out the many pro-business successes from this session, we saw a freeze in the unemployment insurance tax and replenishment of the UI Trust Fund, saving employers significant money, improved opportunities for our bourbon industry to grow, and passage of a responsible two-year budget that prioritized education, including funding all-day kindergarten.

And success was not only seen in the bills that saw passage, but also in stopping legislation that would have proved harmful to business. We commend the legislature for holding the line on bills that would have weakened employer rights related to vaccination, raised taxes on businesses, and other proposals that would have decreased our competitiveness, hindered business growth and moved us in the wrong direction.

Looking back over this session, it is clear the legislature had a focus on growing our economy, improving our tax code and figuring out solutions to our workforce crisis. Because of this, the 2022 General Assembly was easily one of the most successful for Kentucky businesses in recent history and will move Kentucky forward. The Kentucky Chamber applauds the legislature and looks forward to working together to see the Commonwealth reach our true economic potential.

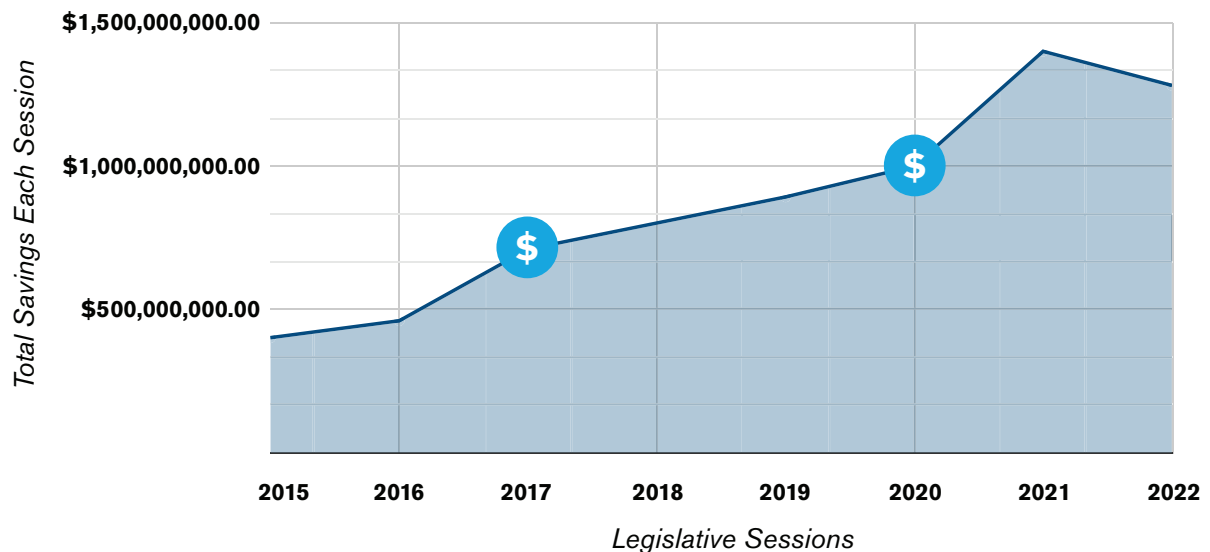


THE KENTUCKY CHAMBER'S ADVOCACY EFFORTS:

Saving Money for Kentucky Businesses

The Kentucky Chamber's advocacy during the 2022 regular session of the Kentucky General Assembly saved Kentucky businesses an estimated **\$1.281 billion**, roughly **\$19,000 for each employer in the Commonwealth**.¹ This marks the third year in a row of savings equal to more than a billion dollars for the business community thanks to the General Assembly and the Chamber's aggressive advocacy. Every dollar saved for businesses is another dollar to be reinvested in the Commonwealth's economy. Employer savings from actions by the General Assembly have steadily increased since 2017, when savings for businesses surpassed half-a-billion dollars.

Savings for Kentucky Businesses, 2015-2022



¹ This is based on a count of 67,340 employer firms in the Census Bureau's 2019 SUSB Annual Data Tables by Establishment Industry.

2022 SAVINGS

TOTAL SAVINGS **\$1.281** Billion

\$19,000 for each employer in the Commonwealth

Legislation

Estimated Annual Savings

*(To the Kentucky Business Community
Under Normal Economic Conditions)*

HB 144

Unemployment Insurance Tax Freeze **passed**

House Bill 144 enacted a freeze to the UI tax “schedule” and taxable wage base, saving Kentucky businesses an estimated \$128 million in 2022 or roughly \$75 per covered employee. In addition, this legislation also appropriated \$242 million in federal relief dollars to Kentucky’s UI Trust Fund – which is solely funded by Kentucky employers – to bring the balance back to prepandemic levels.

\$370
Million

HB 4

Unemployment Insurance Reform **passed**

House Bill 4 implemented several major reforms to Kentucky’s unemployment insurance system to more effectively support laid-off workers in finding re-employment and to ensure the solvency of the UI Trust Fund. While the focus of House Bill 4 is on reemployment, shorter periods of benefit duration for UI claimants are projected to result in fewer withdraws from the Trust Fund and save Kentucky employers an estimated \$55 million in reduced unemployment insurance taxes.

\$55
Million

HB 8

Tax Reform **passed**

House Bill 8 establishes a bold plan to reduce and phase out Kentucky’s individual income tax, which will dramatically increase the Commonwealth’s economic competitiveness. This legislation will keep more earnings in the pockets of taxpayers but will also save money for small business owners, many of which pay individual income taxes as pass-through entities. In 2023 and 2024, assuming certain triggers are met, as outlined in the bill, House Bill 4 will save small businesses in Kentucky an estimated \$140 million. As the bill triggers further income tax rate reductions in the future, tax savings for small businesses will rise to more than half a billion dollars.

\$140
Million

Legislation

Estimated Annual Savings

*(To the Kentucky Business Community
Under Normal Economic Conditions)*

HB 201

Tax Increases on Businesses **defeated**

House Bill 201 would have significantly increased taxes on businesses by increasing the corporate tax rate from 5 percent to 7 percent, reinstating the bank franchise fee, and rolling back several other key provisions of the 2018 and 2019 reform packages. Collectively, this proposal could have cost businesses an estimated \$420 million.

\$420
Million

HB162
& HB166

Rollbacks of Workers' Compensation Reform **defeated**

House Bill 162 and **166** threatened to rollback key reforms to Kentucky's workers compensation system established by House Bill 2 in 2018. Since its passage, House Bill 2 has led to an average decrease in workers' compensation costs of 25 percent for Kentucky employers. Efforts to rollback provisions of House Bill 2 would have cost employers upwards of \$50 million.

\$50
Million

HB 509

Reinstatement of Prevailing Wage **defeated**

House Bill 509 proposed reinstating a prevailing wage law in Kentucky. In 2017, the General Assembly repealed prevailing wage following analysis which showed that government-mandated wage requirements for construction projects dramatically increased costs. Reinstating prevailing wage in Kentucky would have cost employers an estimated \$190 million.

\$190
Million

HB 417

Construction Materials Mandate **defeated**

House Bill 417 would have required construction materials, such as iron and steel, to be produced in the United States, regardless of cost or availability. The so-called "Kentucky Buy American Act" would further exacerbate supply-chain challenges for employers and raise costs upwards of \$57 million.

\$57
Million

HB 260

Property Tax **defeated**

House Bill 260 would have fundamentally altered Kentucky's approach to property valuation by imposing new restrictions on the use of sales comparison valuation method. According the Council on State Taxation, this legislation threatened to "lead to protracted litigation" and "could also increase small businesses' property taxes." An exact estimate of the potential increase in costs for businesses from House Bill 260 is unavailable.

Indeterminate



HB 489

Third-Party Lawsuit Lending **defeated**

House Bill 489 sought to legitimize and loosely regulate third-party lawsuit lending in Kentucky. Significant concerns have been raised regarding how this practice can lead to prolonged litigation, lower settlements for plaintiffs, difficulty in resolving disputes, and increased costs for businesses. An exact estimate of the potential increase in costs for businesses from House Bill 489 is unavailable.

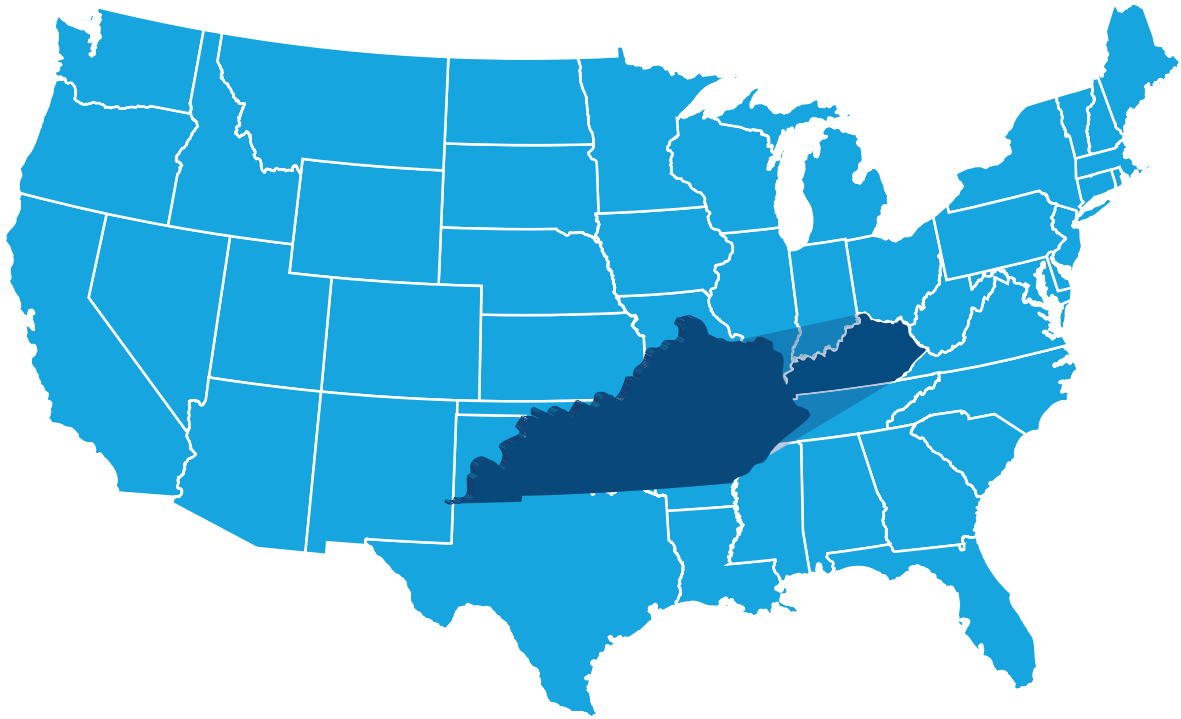
Indeterminate

SB 13, HB 59,
HB 181, HB 357

Mandates on Businesses **defeated**

Several pieces of legislation were filed in the 2022 session seeking to impose increased mandates on employers related to issues such as wages and leave policies. These proposals, including Senate Bill 13 and House Bills 59, 181, and 357, would not only increase costs for businesses but potentially lead to job losses as well. An exact estimate of the potential increase in costs for businesses from these bills is unavailable.

Indeterminate



THE KENTUCKY CHAMBER'S ADVOCACY EFFORTS:

Major Investments in Kentucky's Future

The Chamber advocated for numerous major investments in Kentucky's future during the 2022 legislative session, many of which were included in the state budget and other bills. These strategic investments totaled **more than \$1.4 billion** and will drive Kentucky's economy in years to come.

Additional Economic Investment

The following bills were passed that will create economic investments important to the business community:

Estimated Investment

HB 499

Employee Child Care Assistance Partnership **passed**

House Bill 499 creates the framework for a new public-private partnership to support employers who wish to offer child care assistance as a benefit of employment. This new partnership will help more working Kentucky families afford quality child care, ensure more children have access to early learning opportunities, and support small businesses and our vital child care sector. House Bill 1, the budget bill, appropriated \$15 million to fund House Bill 499.

\$15
Million

HB 241

Funding for Major Infrastructure Projects **passed**

House Bill 241 included \$250 million in matching funds for major infrastructure projects championed by the Chamber, including a new Interstate 69 bridge between Henderson, KY and Evansville, IN, expansion of the Mountain Parkway in Eastern Kentucky, and the Brent Spence Bridge project in Northern Kentucky.

\$250
Million

HB 1

Full-Day Kindergarten **passed**

Funding for full-day Kindergarten was included in the state budget, which will support more early childhood learning and put Kentucky's future workforce on a path to success. House Bill 66, which passed the House Appropriations and Revenue Committee, also proposed full-day Kindergarten with an estimated investment of \$242 million over the biennium.

\$242
Million

HB 1

Paying Down Pension Debt **passed**

Kentucky's economic potential continues to be weighed down by long-term pension debt. The state budget appropriated an additional \$964 million above the actuarially-required contributions for the State Police Pension System, KERS Non-hazardous, and the Teachers Retirement System.

\$964
Million

SB 90

Behavioral Health Diversion Pilot Program **passed**

Senate Bill 90 included \$21 million to fund a new pilot program aimed at diverting individuals with mental health issues and substance use disorders away from incarceration and into treatment. These resources will help reduce incarceration and give more Kentuckians the opportunities they need to succeed instead of spending time behind bars.

\$21
Million

HB 1

Analysis of Workforce Programming **passed**

Included in the state budget was \$500,000 for an analysis of state-sponsored workforce development programs to be presented to the legislature later this year. This study was one of several recommendations made by the Chamber's workforce report, "20 Years in the Making: Kentucky's Workforce Crisis." **Senate Concurrent Resolution 168**, which passed the Senate, also called for analysis of state-sponsored workforce programs.

\$500
Thousand



Rep. Russell Webber, Kentucky Community and Technical College System President Dr. Paul Czarapata, Kentucky Chamber Senior Vice President of Public Affairs Kate Shanks and Kentucky Chamber Senior Policy Analyst Dr. Charles Aull testify on House Bill 4

Legislature Tackles **Unemployment Insurance Issues**

Holding businesses harmless has been a common goal for chambers of commerce across the country since the COVID-19 pandemic began in early 2020, forcing many businesses to temporarily shut down or drastically scale back operations and employee hours.

By no fault of their own, Kentucky employers saw the Unemployment Insurance Trust Fund, which carried a healthy balance of about \$619 million at the end of 2019, dwindle away to zero in a matter of months due to a massive increase in claims caused by the pandemic. The cost of the drained system was set to be on the backs of Kentucky employers.

In 2022, the Kentucky Chamber again fought to keep the tax schedule at the 2020 rate to limit the burden on employers with the passage of House Bill 144, sponsored by Representative Russell Webber. The bill also appropriated \$242 million in additional federal relief to the Unemployment Insurance Trust Fund, helping employers continue building back the trust fund to prepare for any future economic hardships.

While House Bill 144 was a huge win for Kentucky's business community, the Chamber also sought to reform the state's unemployment insurance system in the face of a heightened, nationwide workforce shortage and a long history of an unsustainable unemployment insurance system.

House Bill 4, also sponsored by Rep. Webber, was supported by the Kentucky Chamber as a strategy to aid Kentucky businesses, support re-employment, and ensure trust fund solvency by making sweeping changes to the state's unemployment system.

Both Kentucky Chamber Senior Vice President of Public Affairs Kate Shanks and Kentucky Chamber Senior Policy Analyst Dr. Charles Aull, testified in favor of House Bill 4 at committee hearings in the House and Senate. In their testimony, the Chamber team pointed to academic research illustrating that strong work-search requirements can reduce the amount of time an unemployed worker spends receiving benefits and lead to faster, more meaningful re-employment.

House Bill 4 was given final passage by the legislature in March after a gubernatorial veto. In addition to strengthening Kentucky's work-search program, the new law also ties benefit weeks to economic conditions, encourages laid off workers to upskill and retrain, and provides employers with alternatives to lay-offs, among other provisions.



A Plan for **Bold, Transformative Tax Reform**

In the summer of 2021, the Kentucky Chamber's Board of Directors was asked what the organization's most critical strategic priority should be for the years ahead. The resounding answer to that question from the state's top business leaders was unanimous: bold, transformative tax reform.

Since that meeting, the Chamber has worked diligently to pursue this critical strategic objective, recognizing that tax reform is the key to ensuring Kentucky's competitive edge in growing its workforce, attracting investment, and creating opportunity for future generations.

Acknowledging that tax reform is a journey and not a destination, the Chamber prioritized enacting a plan to reduce and phase out Kentucky's individual income tax in the 2022 session. Data and the actions of other states stressed the urgency of addressing this issue. Census data shows that states without individual income taxes have grown, on average, faster than states with individual income taxes. Analysis by the Tax Foundation and the Chamber underscored the positive impacts of reducing individual income taxes on GDP growth and personal incomes. States throughout the nation have taken note of the economic benefits of reduced income taxes. Dozens of states in 2021 and 2022 enacted legislation to lower individual income taxes, including key competitor states such as Indiana, Missouri, Ohio, and North Carolina. Without action, Kentucky ran the risk of becoming an outlier and being left behind.

Fortunately, the General Assembly was intent on making sure this did not happen. The Chamber's advocacy and focus paid off with passage of House Bill 8. This landmark legislation set in statute a targeted plan to carefully and responsibly phase out Kentucky's individual income tax. To achieve this goal, the bill conditions gradual rate reductions to the individual income tax on "revenue triggers," a concept advocated for by the Chamber and recommended by the Tax Foundation. Thanks to House Bill 8, Kentucky's individual income tax rate will likely drop from 5 percent to 4 percent by 2024 and will continue to drop further as revenue triggers are met.

Passage of House Bill 8 sets Kentucky on a new path of economic competitiveness. Alongside the reforms passed by the General Assembly in 2018 and 2019, Kentucky is well positioned to continue the vital work of tax reform, which will remain a focal point for the business community in future legislative sessions as the Chamber continues to advocate for comprehensive reforms to multiple aspects of the Commonwealth's tax code.

"For decades state leaders have talked about tax reform, engaging in countless studies, work groups, and task forces. The problem is, most approached tax reform as a way to increase state revenue rather than grow our economy. You can't tax your way to prosperity because state government will just continue to grow. Instead, we chose a fiscally responsible approach that benefits working Kentuckians."

— House Speaker David Osborne (R-Prospect)

Pro-Business Legislative Victories

Many pro-business victories were enacted in the **2022 session of the General Assembly.**

Unemployment Insurance Reform

HB 4

Reforms Kentucky's unemployment insurance system to support re-employment and workforce development.

Unemployment Insurance Tax Freeze

HB 144

Freezes the unemployment insurance tax at schedule A, saving employers about \$75 per employee in tax increases.

Tax Reform

HB 8

Reduces personal income tax and broadens the sales tax base to create a more competitive tax code for growth.

Early Literacy

SB 9

Expands evidence-based reading intervention to help ensure grade-level literacy before a student reaches fourth grade.

Employee Child Care Assistance Partnership

HB 499

Encourages non-profit and for-profit employers to offer child care assistance as a benefit by matching employer contributions with state dollars, thereby addressing a significant barrier to work.

State Budget

HB 1/HB 241

Includes key Chamber priorities such as funding for full-day Kindergarten, the Employee Child Care Assistance Partnership, public pensions, K-12 and higher education, major infrastructure projects like I-69 and the Brent Spence Bridge, and more.

Behavioral Health Diversion Pilot Program

SB 90

Creates a pilot program to provide eligible individuals an alternative to receive treatment for a behavioral health disorder instead of incarceration, resulting in dismissal of the criminal charges upon successful completion of the program.

Addressing Nursing Shortages

SB 10

Establishes rules for registered nurses and licensed practical nurses from another state who want to practice in Kentucky, exempts nurses licensed in a nursing compact member state, and allows nurses in good standing in another state to practice in Kentucky.

Bourbon Private Barrel Selects & Privileges Parity

HB 500

Establishes and legitimizes the private barrel selection process with no sample sizes or bottle limits. Gives distilleries the option to sell or ship the entire contents of a private barrel selection only to private consumers and non-profits directly through a distiller's gift shop.

Benefits Cliffs

HB 708

Provides new resources to support working families and requires study of benefits cliffs in Kentucky.

Lung Cancer Screening & Prevention Program

HB 219

Creates the Lung Cancer Screening and Prevention Program to increase lung cancer screenings, reduce morbidity and mortality from lung cancer, and decrease the cost of treating lung cancer in Kentucky.

Superintendent Authority

SB 1

Gives Superintendents the ability to weigh in on the personnel and curriculum decisions across the districts that they represent.

Kindergarten

HB 1/ HB 66

Provides that all school districts in Kentucky offer full-day Kindergarten.

Assisted Living Modernization

SB 11

Modernizes Kentucky's assisted living social model to align more closely with the vast majority of states and allows assisted living communities to deliver basic health services in an environment that encourages meaningful aging in place.

Regulations

HB 594

Requires a cost analysis of a regulation's impact on regulated entities and a determination by the agency if the regulation has a major economic impact.

Charter Schools

HB 9

Builds on the charter school legislation passed in 2017 by establishing a permanent funding mechanism for charter schools.

BILLS THE KENTUCKY CHAMBER DEFEATED

Property Tax

HB 260

Would have required property evaluation administrators to assess real property based on the success of a business instead of the constitutional standard of the property's fair cash value.

Third-Party Lawsuit Lending

HB 489

Would have authorized lawsuit lending and created regulatory oversight with inadequate protections for consumers leading to increased litigation and higher costs.

Prohibiting Immunization Requirements

HB 28

Would have prohibited certain employers from adopting specific vaccine policies, thereby eroding employers' rights.

Vaccination Exemption Requirements

SB 93

Would have required employers to permit employees to opt out of a vaccination policy based on categories of individual exemptions, thereby eroding employers' rights.



Metro United Way Chief Policy Officer Mandy Simpson, Rep. Samara Heavrin, Kentucky Chamber Senior Vice President of Public Affairs Kate Shanks, and Kentucky Chamber Senior Policy Analyst Dr. Charles Aull testify on House Bill 499

Reducing Barriers to Workforce, House Bill 499 aims to **Make Child Care More Affordable for Kentucky Workers**

After the Kentucky Chamber released a pair of reports last year highlighting the state's workforce crisis and the need to reform Kentucky's tax code, members of the Chamber team set out on a tour of the state, soliciting feedback from employers big and small to learn more about the challenges they faced.

From Paducah to Pikeville, the need for a skilled and knowledgeable workforce kept coming up. When the Chamber surveyed businesses to see what main factors were contributing to the workforce crisis, access to child care was repeatedly at the top of the list.

After much consensus building with various stakeholders, House Bill 499 was introduced, which aimed to aid businesses in providing child care assistance for employees. Sponsored by Representative Samara Heavrin, House Bill 499 established the Employee Child Care Assistance Partnership, which encourages non-profit and for-profit employers to offer child care assistance as a benefit of employment by matching employer contributions with state dollars.

"Being able to afford quality child care is a critical workforce issue in Kentucky – particularly for working mothers. I was proud to sponsor House Bill 499 to support working Kentucky families, help remove a major barrier to workforce participation, and ensure more children in the Commonwealth have access to early learning opportunities," Representative Heavrin said following the bill's final passage.

Under the program, each partnership will submit a contractual agreement to the Cabinet for Health and Family Services, and if approved, the state will match the employer contribution up to 100 percent of the cost of care. The amount of the match is tied to the worker's household income.

\$15 million in funding for the bill was included in the state's next two-year budget and the program would begin in July 2023.

"Thanks to House Bill 499, fewer Kentucky parents and guardians will have to choose between working and ensuring their children receive care and education," said Kentucky Chamber President and CEO Ashli Watts. "The bill also gives employers another tool to help attract and retain talent. On behalf of the business community and working families, we thank Rep. Samara Heavrin for her dedicated work on this issue and celebrate its passage."



Small Business Day 2022

During the Kentucky Chamber's 2022 Small Business Day at the Capitol, over 75 Kentuckians representing small businesses from across the state gathered to share priorities with lawmakers.

Participants had the opportunity to hear from legislators including Senate Majority Leader Damon Thayer, House Speaker Pro Temp David Meade, Representative Samara Heavrin, and Representative Jonathan Dixon. Attendees also had the opportunity to individually interact with their local lawmakers as the entire General Assembly was invited to join for lunch.

Kentucky Chamber Small Business Council Chair Sarah Whitaker, owner of Williams Advertising, and Kentucky Chamber Manager of Public Affairs John Hughes testified on top issues facing employers in front of the House Small Business and Information Technology Committee, chaired by Representative Phillip Pratt.

Whitaker emphasized the challenges presented by the state's workforce crisis, which is causing great harm to small businesses. She highlighted the Chamber's recent report "20 Years in the Making: Kentucky's Workforce Crisis," which showed that 50 percent of all small business owners reported job openings they could not fill in the current period. She also added that Kentucky small businesses employ nearly half of the Commonwealth's workforce, and the lack of a sufficient workforce is a threat to Kentucky's economy.



Kentucky Chamber Small Business Policy Council Chair Sarah Whitaker, Williams Advertising, and Kentucky Chamber Public Affairs Manager John Hughes testify on small business issues



Senate Majority Leader Damon Thayer speaks with Small Business Day attendees

Left on the Table

Several measures would have improved the economic climate of Kentucky. Unfortunately, many positive, pro-business measures below were not passed by the **2022 General Assembly**.

Sports Wagering HB 606

Would have legalized most forms of sports wagering and regulated the taxation of all online gambling, including fantasy sports.

Speedy Trial SB 31

Would have given defendants a right to trial within a specific amount of time by laying out rules for a hearing after a certain amount of time and for temporary release, if the judge allows.

Local Taxes HB 475

Would have allowed Kentuckians to vote on a constitutional amendment in support of improved flexibility for local taxing authority.

Smokers Protected Class HB 400

Would have removed smokers from Kentucky's protected class statute.

Liability Reform SB 142/ HB 455

Would have proposed a constitutional amendment to place caps on non-economic damages. This piece of legislation would increase healthcare and economic competitiveness within our state.

Increased Access to Expungement HB 218/ SB 33

Would have helped more Kentuckians expunge criminal records and participate in the workforce.

Gray Machine Regulation HB 608

Would have defined "skill-based games," also known as "gray machines" and clarified legality of said games and machines. Would have authorized the Kentucky State Police to establish a task force dedicated to removing gambling devices not authorized by law and directed Justice and Public Safety Cabinet to promulgate regulations regarding the task force.

FAFSA HB 126

Would have required completion of the Free Application for Federal Student Aid form as a high school graduation requirement. The bill would have provided waiver options for meeting the requirement.

Tobacco/Vapor Product Regulation SB 166

Would have permitted a city, county, urban-county government, charter county government, consolidated local government, or unified local government to impose restrictions or requirements on the use, display, sale, or distribution of tobacco products or vapor products that are stricter than those imposed under state law.

Limited Liability Entity Tax HB 445

Would have aligned the definition of "cost of goods sold" with IRS guidelines thereby simplifying compliance and reducing tax burden.

Expanding Dual Credit Scholarships

HB 85

Would have increased the dual credit tuition ceiling amount, given eligibility for high school freshmen and sophomores, and added career and technical education courses to the dual credit scholarship.

Teacher Certification

HB 147

Would have given Kentucky public school teachers the opportunity to begin the process of certification within their first three years in the classroom and to achieve certification early in their careers.

Patient Protection

SB 51

Would have taken steps to stop deceptive lawsuit advertising that fails to warn patients it is dangerous to stop taking prescribed medication before consulting with a physician.

Kentucky Problem Gaming Assistance Fund

HB 609

Would have established the Kentucky problem gambling assistance fund as a revolving account and created the Kentucky Problem Gambling Assistance Board to administer, organize, invest, and distribute money from the fund.

Expanded Access to KEES

SB 163

Would have expanded access to the Kentucky Educational Excellence Scholarship by including proprietary schools in Kentucky's top five workforce sectors under eligible institutions and repealing a ban on ex-felons from accessing their KEES dollars.

Kentucky Chamber Senior Vice President of Public Affairs Kate Shanks, Sen. Brandon Storm, and Kentucky Higher Education Assistance Authority Vice President of Government Relations Erin Klarer testify on **Senate Bill 163**, legislation seeking to address workforce issues by expanding access to financial assistance



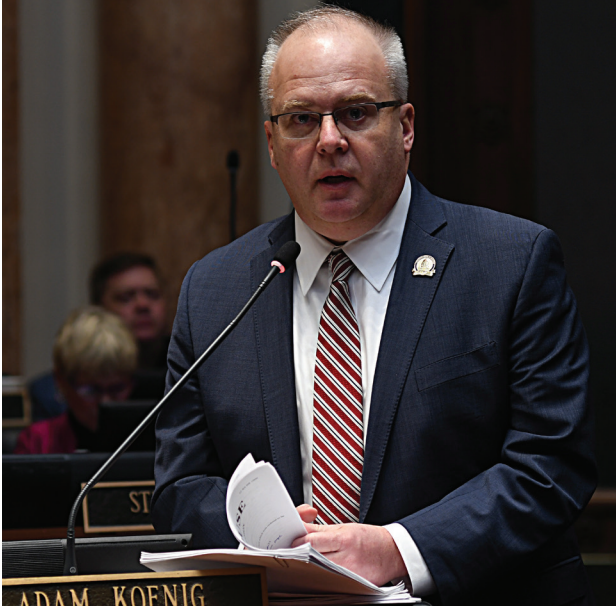
House

LEGISLATOR	DISTRICT	SUPPORT%	STATE BUDGET HB 1	UNEMPLOYMENT INSURANCE REFORM HB 4	TAX REFORM HB 8	UNEMPLOYMENT INSURANCE TAX FREEZE HB 144	LUNG CANCER SCREENING & PREVENTION PROGRAM HB 219	EMPLOYEE CHILD CARE ASSISTANCE PARTNERSHIP HB 499	BOURBON PRIVATE BARREL SELECTS & PRIVILEGES PARITY HB 500	SPORTS WAGERING HB 606
Lewis, Derek	R-London	87%	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Lewis, Scott	R-Hartford	73%	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes
Lockett, Matt	R-Nicholasville	67%	Yes	Yes	Yes	Yes	Yes	X	Yes	No
Maddox, Savannah	R-Dry Ridge	67%	Yes	Yes	No	Yes	Yes	No	Yes	Yes
Marzian, Mary Lou	D-Louisville	27%	No	No	No	No	X	X	Yes	X
Massey, C. Ed	R-Hebron	87%	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
McCool, Bobby	R-Van Lear	80%	Yes	No	Yes	Yes	Yes	Yes	Yes	X
McCoy, Chad	R-Bardstown	93%	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
McPherson, Shawn	R-Scottsville	73%	Yes	Yes	Yes	Yes	Yes	Yes	No	No
Meade, David	R-Stanford	87%	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No
Meredith, Michael	R-Oakland	93%	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Miles, Suzanne	R-Owensboro	93%	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Miller, Charles	D-Louisville	73%	X	No	X	Yes	Yes	Yes	Yes	Yes
Miller, Jerry T.	R-Eastwood	87%	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Minter, Patti	D-Bowling Green	73%	No	No	No	Yes	Yes	Yes	Yes	Yes
Moser, Kimberly Poore	R-Taylor Mill	87%	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Nemes, Jason	R-Louisville	80%	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Osborne, David W.	R- Prospect	87%	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Palumbo, Ruth Ann	D-Lexington	73%	No	No	No	Yes	Yes	Yes	Yes	Yes
Petrie, Jason	R-Elkton	67%	Yes	Yes	Yes	Yes	Yes	Yes	No	No
Pollock, Michael Sarge	R-Campbellsville	87%	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Pratt, Phillip	R-Georgetown	93%	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Prunty, Melinda Gibbons	R-Belton	80%	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No
Rabourn, Felicia	R-Turners Station	53%	Yes	Yes	No	Yes	Yes	X	Yes	X
Raymond, Josie	D-Louisville	60%	No	No	No	No	Yes	Yes	Yes	Yes
Reed, Brandon	R-Hodgenville	67%	Yes	Yes	Yes	Yes	Yes	Yes	No	No
Riley, Steve	R-Glasgow	73%	Yes	Yes	Yes	Yes	Yes	Yes	No	No
Roberts, Rachel	D-Newport	73%	No	No	No	Yes	Yes	Yes	Yes	Yes
Rowland, Bart	R-Tompkinsville	67%	Yes	Yes	Yes	X	X	Yes	Yes	Yes
Rudy, Steven	R-Paducah	80%	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No
Santoro, Sal	R-Florence	87%	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes
Scott, Attica	D-Louisville	53%	No	No	No	No	Yes	Yes	Yes	Yes
Sharp, Scott	R-Ashland	80%	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes
Sheldon, Steve	R-Bowling Green	87%	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No
Smith, Tom	R-Corbin	80%	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes
Stevenson, Cherlynn	D-Lexington	67%	No	No	No	Yes	Yes	Yes	Yes	Yes
Stevenson , Pamela	D-Louisville	60%	No	No	No	No	Yes	Yes	Yes	Yes
Tackett Laferty, Ashley	D-Martin	53%	No	No	No	Yes	Yes	Yes	No	X
Tate, Nancy	R-Brandenburg	67%	Yes	Yes	Yes	Yes	Yes	Yes	No	No
Thomas, Walker	R-Hopkinsville	80%	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No
Timoney, Killian	R-Lexington	87%	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Tipton, James	R-Taylorsville	73%	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No
Truett, Timmy	R-McKee	73%	Yes	Yes	Yes	Yes	Yes	Yes	No	No
Upchurch, Ken	R-Monticello	80%	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No
Webber, Russell	R-Shepherdsville	87%	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Wesley, Bill	R-Ravenna	60%	Yes	No	Yes	Yes	Yes	Yes	No	No
Westrom, Susan	D-Lexington	67%	No	No	X	Yes	Yes	Yes	Yes	Yes
Wheatley, Buddy	D-Covington	80%	No	No	No	Yes	Yes	Yes	Yes	Yes
White, Richard	R-Morehead	73%	X	Yes	X	Yes	Yes	Yes	Yes	Yes
Willner, Lisa	D-Louisville	60%	No	No	No	No	Yes	Yes	Yes	Yes

“House Bills 4 and 144 were critical pieces of legislation that will support our workforce and business community and ensure the long-term solvency and sustainability of Kentucky’s unemployment insurance system. Through their input and advocacy, the Chamber was a vital partner in securing passage of these key bills during the 2022 session.”

— Representative Russell Webber
(R-Shepherdsville)

GRAY MACHINE REGULATION HB 608	BENEFITS CLIFFS HB 708	EARLY LITERACY SB 9	ADDRESSING NURSING SHORTAGES SB 10	BEHAVIORAL HEALTH DIVERSION PILOT PROGRAM SB 90	PROHIBITING IMMUNIZATION REQUIREMENTS HB 28	PROPERTY TAX HB 260
Yes	Yes	Yes	Yes	Yes	Yes	Yes
No	Yes	Yes	Yes	Yes	Yes	Yes
No	Yes	Yes	Yes	Yes	Yes	Yes
No	Yes	Yes	Yes	No	Yes	No
X	X	Yes	Yes	X	No	Yes
Yes	Yes	Yes	Yes	Yes	Yes	Yes
Yes	Yes	Yes	Yes	Yes	Yes	No
Yes	Yes	Yes	Yes	Yes	Yes	No
Yes	Yes	Yes	Yes	Yes	Yes	Yes
Yes	Yes	Yes	Yes	Yes	Yes	No
Yes	Yes	Yes	Yes	Yes	Yes	No
Yes	Yes	Yes	Yes	Yes	Yes	No
Yes	Yes	Yes	Yes	Yes	No	Yes
No	Yes	Yes	Yes	Yes	Yes	No
Yes	Yes	Yes	Yes	Yes	No	Yes
No	Yes	Yes	Yes	Yes	Yes	No
No	Yes	Yes	Yes	Yes	Yes	Yes
Yes	Yes	Yes	Yes	Yes	Yes	Yes
Yes	Yes	Yes	Yes	Yes	No	Yes
No	Yes	Yes	Yes	Yes	Yes	Yes
Yes	Yes	Yes	Yes	Yes	Yes	Yes
Yes	Yes	Yes	Yes	Yes	Yes	No
Yes	Yes	Yes	Yes	Yes	Yes	Yes
Yes	Yes	Yes	Yes	Yes	Yes	Yes
X	X	Yes	Yes	No	Yes	No
No	Yes	Yes	Yes	Yes	No	Yes
No	Yes	Yes	Yes	Yes	Yes	Yes
Yes	Yes	Yes	Yes	Yes	Yes	Yes
X	Yes	Yes	Yes	Yes	No	No
Yes	X	Yes	Yes	Yes	Yes	X
Yes	Yes	Yes	Yes	Yes	Yes	Yes
Yes	Yes	Yes	Yes	Yes	Yes	No
No	Yes	X	Yes	Yes	No	Yes
Yes	Yes	Yes	Yes	Yes	Yes	Yes
Yes	Yes	Yes	Yes	Yes	Yes	No
No	Yes	Yes	Yes	Yes	Yes	No
Yes	Yes	No	Yes	Yes	No	Yes
X	Yes	Yes	Yes	Yes	No	Yes
Yes	Yes	Yes	Yes	Yes	Yes	Yes
No	Yes	Yes	Yes	Yes	Yes	Yes
Yes	Yes	Yes	Yes	Yes	Yes	Yes
Yes	Yes	Yes	Yes	Yes	Yes	Yes
Yes	Yes	Yes	Yes	X	No	Yes
X	Yes	Yes	Yes	Yes	Yes	Yes
Yes	Yes	Yes	Yes	Yes	X	Yes
Yes	Yes	Yes	Yes	Yes	Yes	Yes
Yes	Yes	Yes	Yes	Yes	Yes	Yes
X	Yes	Yes	Yes	Yes	Yes	Yes
No	Yes	Yes	Yes	Yes	No	Yes
Yes	Yes	Yes	Yes	Yes	No	No
Yes	Yes	Yes	Yes	X	Yes	No
No	Yes	Yes	Yes	Yes	No	Yes



Rep. Adam Koenig (R-Erlanger) sponsored **House Bill 606**, legislation to enact sports wagering in Kentucky



House Majority Leader Steven Rudy (R-Paducah) played a leadership role in passing Chamber priorities such as tax modernization and critical workforce policies

Kentucky Chamber Senior Policy Analyst Dr. Charles Aull, Rep. Jonathan Dixon, and Kentucky Chamber President and CEO Ashli Watts testify on **House Bill 708**, legislation to address public benefit cliffs



2022 Legislative Voting Record Senate

LEGISLATOR	DISTRICT	SUPPORT%	STATE BUDGET HB 1	UNEMPLOYMENT INSURANCE REFORM HB 4	TAX REFORM HB 8	UNEMPLOYMENT INSURANCE TAX FREEZE HB 144	LUNG CANCER SCREENING & PREVENTION PROGRAM HB 219	EMPLOYEE CHILD CARE ASSISTANCE PARTNERSHIP HB 499	BOURBON PRIVATE BARREL SELECTS & PRIVILEGES PARITY HB 500	SPORTS WAGERING HB 606
Adams, Julie Raque	R-Louisville	100%	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
Alvarado, Ralph	R-Winchester	100%	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
Berg, Karen	D-Louisville	67%	No	No	No	No	Yes	Yes	Yes	
Carpenter, Jared	R-Berea	92%	Yes	Yes	Yes	Yes	Yes	Yes	No	
Carroll, Danny	R-Benton	100%	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
Castlen, Matt	R-Owensboro	75%	Yes	X	Yes	Yes	Yes	Yes	No	
Douglas, Donald	R-Nicholasville	100%	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
Embry Jr., C.B.	R-Morgantown	17%	X	No	X	X	Yes	X	No	
Girdler, Rick	R-Somerset	83%	Yes	Yes	Yes	Yes	Yes	Yes	No	
Givens, David P.	R-Greensburg	92%	Yes	Yes	Yes	Yes	Yes	Yes	No	
Harper Angel, Denise	D-Louisville	67%	No	No	No	No	Yes	Yes	Yes	
Higdon, Jimmy	R-Lebanon	92%	Yes	No	Yes	Yes	Yes	Yes	Yes	
Hornback, Paul	R-Shelbyville	75%	Yes	X	Yes	Yes	Yes	Yes	No	
Howell, Jason	R-Murray	92%	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
Kerr, Alice Forgy	R-Lexington	42%	Yes	X	Yes	X	Yes	X	X	
McDaniel, Christian	R-Taylor Mill	92%	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
McGarvey, Morgan	D-Louisville	67%	No	No	No	No	Yes	Yes	Yes	
Meredith, Stephen	R-Leitchfield	83%	Yes	Yes	Yes	Yes	Yes	Yes	No	
Mills, Robby	R-Henderson	100%	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
Neal, Gerald A.	D-Louisville	67%	No	No	No	No	Yes	Yes	Yes	
Nemes, Michael J.	R-Shepherdsville	92%	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
Parrett, Dennis	D-Elizabethtown	75%	No	No	No	Yes	Yes	Yes	Yes	
Schickel, John	R-Union	83%	Yes	Yes	Yes	Yes	Yes	No	Yes	
Schroder, Wil	R-Wilder	92%	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
Smith, Brandon	R-Hazard	75%	No	No	Yes	Yes	Yes	Yes	No	
Southworth, Adrienne	R-Lawrenceburg	42%	No	No	A	Yes	A	No	A	
Stivers, Robert	R-Manchester	100%	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
Storm, Brandon J.	R-London	92%	Yes	Yes	Yes	Yes	Yes	Yes	No	
Thayer, Damon	R-Georgetown	100%	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
Thomas, Reginald	D-Lexington	67%	No	No	No	No	Yes	Yes	Yes	
Turner, Johnnie	R-Harlan	83%	Yes	No	Yes	Yes	Yes	Yes	Yes	
Webb, Robin L.	D-Grayson	58%	No	No	No	Yes	Yes	Yes	No	
West, Stephen	R-Paris	83%	Yes	Yes	Yes	Yes	Yes	No	Yes	
Westerfield, Whitney	R-Crofton	92%	Yes	Yes	Yes	Yes	Yes	Yes	No	
Wheeler, Phillip	R-Pikeville	83%	Yes	No	Yes	Yes	Yes	Yes	Yes	
Wilson, Mike	R-Bowling Green	100%	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
Wise, Max	R-Campbellsville	100%	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
Yates, David	D-Louisville	67%	No	No	No	No	Yes	Yes	Yes	

THE SENATE DID NOT VOTE ON HOUSE BILL 606



Sen. Wil Schroder and Kentucky Chamber Director of Public Affairs John Cox testify on **Senate Concurrent Resolution 168**, legislation to ensure Kentucky's workforce development programs are performing at the highest possible levels to address ongoing workforce issues



Public Policy Councils

As the state's premier business advocate, the Kentucky Chamber of Commerce is a recognized and respected voice at the state Capitol. With thousands of members representing every major industry sector, the Chamber's diverse business policy initiatives converge upon one goal: a healthy, vibrant Kentucky economy. Ensuring that business has a voice in the legislative process, we are working with local business leaders to identify critical trends. As part of its advocacy mission, the Kentucky Chamber has developed seven public policy councils composed of business leaders from around the state, each of which is responsible for developing legislative positions and priorities for their respective policy areas.

Energy & Environment



David Huyck

Westlake Chemical Corporation

Education & Workforce



Kelley Workman

Planters Bank

Health Care



Rodney Shocley

Forcht Group of Kentucky

Kentucky Competitiveness



Jay Ingle

Jackson Kelly

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Join a policy council today! If you are interested in joining a policy council contact **Claire True** at **502-848-8757** or **ctrue@kychamber.com**.



Board of Directors

The Kentucky Chamber is the state's largest business organization, representing businesses of all sizes throughout the Commonwealth. The Board of Directors is composed of 60 business leaders which work directly with the Chamber's public policy councils to form the organization's annual legislative agenda - the document which shapes our advocacy efforts each year.

Public Affairs & Communications Teams



Ashli Watts
President & CEO



Kate Shanks
Senior Vice President,
Public Affairs



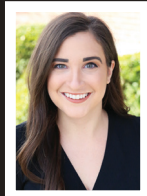
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John Cox
Director,
Public Affairs



Sawyer Coffey
Senior Manager,
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John Hughes
Manager,
Public Affairs



Amy Cloud
Executive Director,
Kentucky Chamber
of Commerce
Executives



Jon Dye
Field Organizer,
Public Affairs



Claire True
Coordinator,
Public Affairs



John Cubine
Senior Policy
Consultant



Kentucky Chamber

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There are numerous ways our membership to the Kentucky Chamber has had a positive impact on our small business. Not only has the Chamber's advocacy efforts directly impacted our cost of doing business, but the Chamber's member savings programs have also allowed my business to reduce the cost of our healthcare. Furthermore, the relationships I have made through our membership have given me the opportunity to grow my business, and each member of the Chamber staff has made me feel like I have someone looking out for my bottom line. I can't say enough great things about being affiliated as a small business with the Kentucky Chamber!



— **Sarah Whitaker,**
Williams Advertising, LLC



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A majority of the laws and regulations affecting Kentucky businesses are passed in Frankfort, not Washington.

You can't be at the Capitol on a daily basis, but we can. With the goal of closely monitoring the progress and facts of business-related legislation in Kentucky and delivering behind the scenes knowledge of state government, The Bottom Line breaks down complex policy issues for the business community.

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Diane Medley

BOARD CHAIR

Kentucky Chamber of Commerce

Partner and Co-Founder

MCM CPAs & Advisors

Louisville

“The Kentucky Chamber’s advocacy efforts are unparalleled. In the 2022 session, Kentucky saw huge victories including modernization of the state’s unemployment insurance system, steps toward a lower individual income tax, needed child care assistance measures, criminal justice reforms, and much more which will lead to a better Kentucky. The business community stands united to continue progress for a brighter future and applauds the General Assembly for taking bold action this year.”

Kentucky Chamber Key Investors

Commonwealth Partner



Chairman's Circle



Champion



Advisor



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Amteck of Kentucky
AppHarvest
Association of Equipment Manufacturers
Assured Partners
Atlas Air
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Brenntag
Bristol-Myers Squibb
Cardinal Hill Rehabilitation Hospital
CareSource
Carespring Healthcare Management, LLC
Carvana
Century Aluminum of Kentucky, LLC
CertainTeed
Chase

Citizens National Bank
Clark's Pump N Shop
Coca-Cola Bottling Company Consolidated
Commonwealth Credit Union
Community Trust Bancorp. Inc.
Computer Services, Inc. DBA CSI
Consolix
Corning Incorporated
Country Oven Bakery
Dean Dorton
Deloitte Consulting
Diageo North America
Dismas Charities
Domtar Paper Company
Dorman
Double Kwik
EDF Renewables
Family Wealth Group

Farmers National Bank of Danville
First Breckinridge Bancshares Inc.
First National Bank of Manchester
First State Bank
Four Rivers Nuclear Partnership
Galt House Hotel & Suites
Geenex Solar
German American Bank
Godolphin
Gray Construction
Hyster-Yale Group Inc.
Jackson Kelly PLLC
Johnson & Johnson Services, Inc.
Kentucky Community and Technical System
Kentucky League of Cities, Inc.
Laurel Grocery Company
Lockmasters
Louisville Water Company

Manchester Memorial Hospital
McBrayer PLLC
Merck & Co.
Meritor-Florence
Mississippi Lime
Mubea North America
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Restoration Systems
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Somerset Hardwood Flooring
Stantec
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Stock Yards Bank and Trust
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Kentucky Chamber
Uniting Business. Advancing Kentucky.