KENTUCKY WAGE AND HOUR LAWS

POST THIS ORDER WHERE ALL EMPLOYEES MAY READ

MINIMUM WAGE:
Minimum wage rates and effective dates are as follows: $5.85 per hour effective June 26, 2007, $6.55 per hour effective July 1, 2008, and $7.25 per hour effective July 1, 2009. Should the federal minimum wage rate as prescribed by 29 U.S.C. Section 206(a)(1) be higher, Kentucky's minimum wage rate will adjust to match the federal rate.

OVERTIME:
No employer shall employ any employee for a workweek longer than forty hours unless such employee receives compensation for employment in excess of forty hours in a workweek at a rate of not less than one and one-half times the hourly rate employed. This section does not apply to employees of retail stores engaged in work connected with selling, purchasing and distributing merchandise, wares, goods, articles or commodities, or to employees of restaurant, hotel and motel operations, to employees as defined and exempted from the overtime provision of the Fair Labor Standards Act in section 213(b)(1), 213(b)(10) and 213(b)(17) of Title 29, U.S.C. (KRS 337.285 Sec. (2)(d), (2)(e) and (4) County Employees).

EXEMPTIONS:
Minimum Wage (KRS 337.275) and Overtime (KRS 337.285) do not apply to: the following list of employees: (1) Any individual employed in agriculture; (2) Any individual employed in a bona fide executive, administrative, supervisory or professional capacity, or in the capacity of outside salesman, or as an outside collector as such terms are defined by administrative regulations of the Executive Director; (3) Any individual employed by the United States; (4) Any individual employed in domestic service in or about a private home. The provisions of this section shall include individuals employed in domestic service in or about the home of an employer where there is more than one domestic servant regularly employed; (5) Any individual classified and given a certificate by the Executive Director of Workplace Standards showing a status of handicapped worker or sheltered workshop employee under administrative regulations promulgated by the Executive Director of Workplace Standards; (6) Employees of retail stores, service industries, hotels, motels, and restaurant operations whose average annual gross volume of sales made for business done is less than ninety-five thousand dollars for the five preceding years exclusive of excise taxes at the retail level or if the employee is the parent, spouse, child, or other member of the employer's immediate family; (7) Any individual employed as a babysitter in the employer's home or as a companion by a sick, convalescing or elderly person or by the person's immediate family, to care for that sick, convalescing or elderly person and whose principal duties do not include housekeeping; (8) Any individual engaged in the delivery of newspapers to the consumer; (9) Any individual subject to the provisions of KRS Chapters 7, 16, 27A, 30A, and 18A provided that the secretary of the Personnel Cabinet shall have the authority to prescribe by administrative regulation those emergency employees, or others, who shall receive overtime pay rates necessary for the efficient operation of government and the protection of affected employees; (10) Any employee employed by an establishment which is an organized nonprofit camp, religious, or nonprofit educational conference center, if it does not operate for more than seven months in any calendar year; (11) Any employee whose function is to provide 24 hour residential care on the employer's premises in a parental role to children who are primarily dependent, neglected and abused and who are in the care of private nonprofit childcaring facilities licensed by the Cabinet for Health and Family Services under KRS Chapter 199; or (12) Any individual whose function is to provide 24 hour residential care in his or her own home as a family caregiver and who is approved to provide family caregiver services to an adult with a disability through a contractual relationship with a community mental health-mental retardation board established under KRS 210.370 to 210.460, or is certified or licensed by the Cabinet for Health and Family Services to provide adult foster care. (KRS 337.101(2))

TIPPED EMPLOYEES:
Any employee engaged in an occupation in which more than $30 dollars per month is customarily and regularly received in tips, the employer may pay a minimum of $2.13 per hour if the employer's records can establish for each week where credit is taken, when adding the tips received to wages paid, not less than the minimum wage is received by the employee. Subsequently, the tipped rate will adjust in accordance with the federal minimum tipped rate as prescribed by 29 U.S.C. Sec. 206(a)(1). No employer shall use all or part of any tips or gratuities received by employees toward the payment of the minimum wage. (KRS 337.275(2)) No employer shall require an employee to remit to the employer any gratuity, or any portion thereof, except for the purpose of withholding amounts required by federal or state law. No employer shall require an employee to participate in a tip pool whereby the employee is required to remit to the pool any gratuity, or any portion thereof, for distribution among employees of the employer. Employees may voluntarily enter into an agreement to divide gratuities among themselves. The employer may inform the employees of the existence of a voluntary pool and the customary tipping arrangements of the employees at the establishment. Upon petition by the participants in the voluntary pool, and at the employer's own option and expense, an employer may provide custodial services for the safekeeping of funds placed in the pool if the account is properly identified and segregated from the other business records and open to examination by pool participants. (KRS 337.065)

RECORDS:
Every employer subject to the provisions of the Kentucky Minimum Wage Law shall make and preserve records containing the following information: (a) Name, address, and Social Security Number of each employee; (b) Hours worked each day and each week by each employee; (c) Regular hourly rate of pay; (d) Overtime hourly rate of pay for hours in excess of forty hours in a workweek; (e) Additions to cash wages at cost, or deductions (meals, board, lodging, etc.) from stipulated wages in the amount deducted, or at cost of the item for which deductions are made; (f) Total wages paid for each workweek and date of payment. Such records shall be kept on file for at least one year after entry. No particular form or order is prescribed for these records provided that the information required is easily obtainable for inspection purposes. (KRS 337.320)

REST PERIODS:
No employer shall require any employee to work without a rest period of at least ten (10) minutes during each four (4) hours worked except those employees who are under the Federal Railway Labor Act. This shall be in addition to the regularly scheduled lunch period. No reduction in compensation shall be made for hourly or salaried employees. (KRS 337.365)

LUNCH PERIODS:
Employers, except those subject to the Federal Railway Labor Act, shall grant their employees a reasonable period for lunch, and such time shall be as close to the middle of the employee's scheduled work shift as possible. In no case shall an employee be required to take a lunch period sooner than three (3) hours after the work shift commences, nor more than five (5) hours from the time the work shift commences. This section shall not be construed to negate any provision of a collective bargaining agreement or mutual agreement between the employee and employer. (KRS 337.355)

PAYMENT OF WAGES:
Any employee who leaves or is discharged from employment shall be paid in full all wages or salary earned not later than the next normal pay period following the date of dismissal or voluntary leaving or fourteen (14) days following such date of dismissal or voluntary leaving whichever last occurs. (KRS 337.055)

UNLAWFUL FOR EMPLOYER TO WITHHOLD WAGES:
No employer shall withhold from any employee's wages any part of the agreed wage rate; unless (a) the employer is required to do so by local, state, or federal law; or (b) when a deduction is expressly authorized in writing by the employee to cover insurance premiums, hospital, or medical dues; or (c) other deductions not amounting to a rebate or deduction from the standard wage arrived at by collective bargaining or pursuant to wage agreement or statute; or (d) deductions for union dues where such deductions are authorized by joint wage agreements or collective bargaining contracts negotiated between employers and employees or their representatives. No employer shall deduct the following from the wages of employees: (a) Fines; (b) Cash shortages in a common money till, cash box or register used by two (2) or more persons; (c) Breakage; (d) Losses due to acceptance by an employee of checks which are subsequently dishonored if such employee is given discretion to accept or reject any check; or (e) Losses due to defective or faulty workmanship, lost or stolen property, damage to property, default of customer credit or nonpayment for goods or services received by the customer if such losses are not attributable to employee's willful or intentional disregard of employer's interest. (KRS 337.060)

TIME AND A HALF FOR WORK DONE ON SEVENTH DAY OF WEEK:
Any employer who permits any employee to work seven days in any one workweek shall pay the rate of time and a half for the time worked on the seventh day. The above shall not apply in any case in which the employee is not permitted to work more than forty hours during the workweek; or to telephone exchanges having less than five hundred subscribers; stenographers, bookkeepers or technical assistants of professions such as doctors, accountants, lawyers and other professions licensed under the laws of this state; employees subject to the Federal Railway Labor Act and seamen or persons engaged in operating boats or other water transportation facilities upon navigable streams; persons engaged in icing railroad cars; common carriers under the supervision of the Department of Vehicle Regulation; and any officer, superintendent, foreman or supervisor whose duties are principally limited to directing or supervising other employees. (KRS 337.050)

PERFORMANCE BONDS:
Except for employers who have been doing business in the state for five (5) consecutive years, every employer engaged in construction work, or the severance, preparation, or transportation of minerals, shall furnish on a form prescribed by the Executive Director a performance bond to assure the payment of all wages due from the employer. Surety for the bond shall be an amount of money equal to the employer's gross payroll operating at full capacity for four (4) weeks. (KRS 337.200)

ADDITIONAL INFORMATION:
Kentucky Department of Labor
Division of Employment Standards,
Apprenticeship and Training
1047 U.S. HWY 127 South, Suite 4
Frankfort, Kentucky 40601-4381
Phone (502) 564-3070 Fax (502) 564-2248
Website: www.labor.ky.gov

"No individual in the United States shall, on the grounds of race, color, religion, sex, national origin, age, disability, political affiliation or belief, be excluded from participation in, or denied the benefits of, or be subjected to discrimination under any program or activity under the jurisdiction of the Kentucky Department of Labor."

Kentucky UNBRIDLED SPIRIT

DEPARTMENT OF LABOR Kentucky MCMXLII

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