

TIME'S UP: NEW KENTUCKY LAW REDUCES TIME EMPLOYEES HAVE TO BRING DISCRIMINATION AND WAGE LAWSUITS

Insights
Jun 11, 2024

The Kentucky Legislature recently delivered good news to employers when it passed a new law reducing the time employees have to bring certain claims under state law, including discrimination, retaliation, wrongful discharge, and wage and hour claims. House Bill 320, which was passed on April 10, seeks to align Kentucky's statute of limitations for employment-related claims with federal law and competitors states. Notably, limiting the time employees have to bring a claim can help employers resolve issues faster, reduce uncertainty and legal fees, and encourage prompt reporting. Effective July 15, employees will now have three years instead of five to bring claims under the Kentucky Civil Rights Act (KCRA) and the Kentucky Wage and Hour laws. Here are the top three things Kentucky employers need to know.

1. What Does the New Law Actually Limit?

The new law shortens the statute of limitations for claims under the [Kentucky Civil Rights Act](#) and for actions against an employer for wrongful discharge in violation of public policy. This will include actions alleging discrimination or retaliation based on any of Kentucky's recognized protected categories, such as race, color, religion, national origin, sex, pregnancy, age (40 and over), disability, or because the individual is a smoker or nonsmoker.

But that's not it: the new law also shortens the statute of limitations for claims under the [Kentucky Wage and Hour law](#), which includes claims for unpaid wages or overtime compensation. Starting July 15, employees will have only

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three years to pursue these claims either through a court action or through an administrative action.

2. The Law is NOT Retroactive

Notably absent from the new legislation is any kind of retroactive language. This means the new statute of limitations will apply only to claims brought **after the July 15 effective date**. Any claims brought prior to the effective date will still proceed under the five-year statute of limitations.

3. How Does This Impact Employers?

- This new legislation aims to **attract new businesses to Kentucky** by removing potential barriers for employers.
- The goal is to **alleviate some of the administrative burden** — especially for smaller businesses — from having to preserve significant documentation from decisionmakers for lengthy periods of time because it may be relevant to a claim brought by a current or former employee.
- The new legislation also helps to **promote reliable evidence and witness testimony for hearings and trials**, since issues may arise when evidence is stale or witnesses are unavailable, for example, when employees move on to other employment, retire, or otherwise are separated from employment.

Conclusion

As noted above, the new law goes into effect on July 15. While this will likely not affect Kentucky employers immediately, you should consult with counsel to discuss any changes to retention policies as a result of this new law. For further information, contact your Fisher Phillips attorney, the authors of this Insight, or any attorney in our [Louisville office](#). Fisher Phillips will continue to monitor workplace law developments and will provide updates as warranted, so make sure you are subscribed to [Fisher Phillips' Insight System](#) to get the most up-to-date information directly to your inbox.

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