

WORKERS' COMPENSATION AND EMPLOYERS' LIABILITY

Listed below is information about workers' compensation and other liability insurance. Please refer to Kentucky Revised Statutes (KRS), Volume 12A, Chapter 342 for detailed information or contact information and research director for Kentucky's Labor Cabinet.

Based on KRS and the HOME Program regulations, all employees must be covered by workers' compensation; furthermore, any contractor or subcontractor must carry workers' compensation for all its employees.

HOME regulations incorporate Part 84 and 85 which state that contractors shall be in compliance with public policy. Workers' compensation is a public policy and required by KRS 342.

Federal Regulations for nonprofit Agencies 24 CFR 84.44 (d). Contracts shall be made only with responsible contractors who possess the potential ability to perform successfully under the terms and conditions of the proposed procurement. Consideration shall be given to such matters as contractor integrity; compliance with public policy, including where applicable, Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u); record of past performance; financial and technical resources or accessibility to other necessary resources.

Federal Regulation for Government Agencies 24 CFR Part 85.36 (b)(8). Grantees and subgrantees will make awards only to responsible contractors possessing the ability to perform successfully under the terms and conditions of a proposed procurement. Consideration will be given to such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources.

It is recommended that HOME recipients verify contractors' and subcontractors' insurance policies by obtaining a copy of their ACORD Certificate of Insurance (see attachment). The copy should be filed in the appropriate vendor file for any future references and a renewal copy should be added when the policy expires.

This summary is not intended to be a complete summary of the requirements. Please consult your legal counsel and tax adviser for additional information. Additionally, you may contact information and research director for Kentucky's Labor Cabinet. KHC does not provide legal advice.