Human Rights
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Kentucky is an “at will” employment state. This means that an employee may be fired at any time, for any reason, with or without cause. However, there are multiple exceptions that Kentucky Law carves out as illegal reasons to be fired, such as discrimination based on a protected category (i.e. race, gender, disability, etc.), retaliation for engaging in a legally protected activity, or refusing to violate a state law. It is possible for employers/employees to negotiate the “at will” nature of employment via contract or mutual agreement. Examples of such stipulations are: contract provisions requiring the employer show “just cause” for termination, or addition of a severance payment.

Does your job offer require that you sign a non-compete agreement?

Non-compete agreements are generally valid and enforceable in Kentucky, as long as the agreement is reasonable in time, scope, and geography. The reasonableness of a non-compete agreement is highly dependent on type of employment and the industry. Additionally, for a non-compete agreement to be valid, there must be an exchange of consideration, meaning that each party is exchanging something of commensurate value. When an employer requires an employee to agree to a covenant not to compete at the beginning of their employment as a condition of employment, there has been an exchange of consideration. However, an employer may not require an existing employee to sign a non-compete agreement without providing additional consideration. Kentucky courts have ruled continued employment alone is not adequate consideration, and that the employer must provide something of additional value in exchange for the employee’s promise to not compete with the employer. Additional consideration from the employer can come in the form of a pay-raise, a bonus, a promotion in title, or specialized training that the employee may not have acquired otherwise.

Does your salary match the salary of your co-workers?

Kentucky law does not require that employers post pay scales for positions, but an employee is allowed to request pay scales for the offered position. However, under federal law, employers may not prohibit employees from discussing compensation with co-workers. Both Kentucky state law and federal law prohibit discrimination in pay on the basis of a protected category, such as gender, race, age (40+), or disability status. Additionally, an employer may not lower an employee’s pay rate in retaliation for engaging in a legally protected activity such as making a complaint of discrimination or taking legally protected medical leave.

Assuming your employment is “at will,” can you negotiate for contractual protections?

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Have you properly excluded your individual inventions prior to accepting your job offer?

An employer may require an employee to sign an agreement stating that patent rights for inventions made in the course of employment is the property of the employer. These types of agreements will often include a place to identify any prior inventions that are to be excluded from the agreement, and that the employee agrees to not incorporate his or her prior inventions in the work the employee does for the employer.

Does your job offer require that you sign a forced arbitration agreement?

It is very common for employers to require that their employees sign agreements for arbitration, mediation, or other forms of alternative dispute resolution as a condition or pre-condition of employment. Generally, such arbitration agreements will be permitted. However, these agreements are subject to general contract defenses such as unconscionability, duress, and fraud. Employees have certain protections under Kentucky law regarding their rights related to arbitration agreements including: reasonable location for arbitration; fairness to the parties to the agreement (can include provisions about an impartial arbitrator); provisions that provide the parties have at least one channel for legal claim pursuit; and empowering the arbitrator to award all types of relief for the particular type of claim that would be available in court, such as punitive damages. Some employers’ agreements include “opt out” provisions which allow you to opt-out of the arbitration process.

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