

CABINET FOR ECONOMIC DEVELOPMENT

Andy Beshear
Governor

Mayo-Underwood Building
500 Mero Street, 5th Floor
Frankfort, Kentucky 40601

Jeff Noel
Secretary

October 14, 2025

Ms. Emily Caudill, Regulations Compiler
Legislative Research Commission
083, Capitol Annex
Frankfort KY 40601

Re: 307 KAR 1:080E
Kentucky Entertainment Incentive Programs

Dear Ms. Caudill:

After discussions with Administrative Regulation Review Subcommittee staff of the issues raised by 307 KAR 1:080E, the Cabinet for Economic Development proposes the attached amendment to 307 KAR 1:080E accepting the staff's suggested substitute.

Sincerely,

Matthew Wingate, General Counsel
Cabinet for Economic Development
Mayo-Underwood Building
500 Mero Street 5th Floor
Frankfort, KY 40601

9/30/2025 2:43 PM
SUGGESTED SUBSTITUTE
(Amended After Comments version)

CABINET FOR ECONOMIC DEVELOPMENT
(Emergency Amended After Comments)

307 KAR 1:080E. Kentucky Entertainment Incentive Program (Effective July 1, 2025).

RELATES TO: KRS 154.61-010, 154.61-020, 154.61-030

STATUTORY AUTHORITY: KRS 154.12-280, 154.61-030(5) ~~[, 2025 Ky. Acts ch. 91, sec. 1 (2025 SB 1)]~~

CERTIFICATION STATEMENT:

NECESSITY, FUNCTION, AND CONFORMITY: KRS 154.12-280, 154.61-010, 154.61-020, and 154-61-030 ~~[, and 2025 Ky. Acts ch. 91, sec. 1 (2025 SB 1)]~~ authorize the Kentucky Film Office and Kentucky Film Leadership Council, through the Cabinet for Economic Development and its Secretary, to establish procedures and standards for the Kentucky Entertainment Incentive Program. This administrative regulation establishes the application, criteria, fee structure, and economic analysis to evaluate applications for the KRS Chapter 154.61 incentives.

Section 1. Definitions.

(1) "Above-the-line production crew" is defined by KRS 154.61-010(1).

(2) "Applicant" means an eligible company submitting an application for incentives under KRS 154.61-030.

(3) "Application" means an Application for Kentucky Entertainment Incentive (KEI) [for tax incentives filed with the Cabinet pursuant to KRS 154.61-030.

(4) "Approved company" is defined by KRS 154.61-010(3).

~~[(3) "Applicant" means an eligible company submitting an application for incentives under KRS 154.61-030.~~

~~(4) "Application" means an Application for Kentucky Entertainment Incentive (KEI) [application] for tax incentives filed with the Cabinet pursuant to KRS 154.61-030.]~~

(5) "Below-the-line production crew" is defined by KRS 154.61-010(4).

(6) "Cabinet" is defined by KRS 154.61-010(5).

(7) "Common ownership" means two (2) or more legal entities, such as corporations, limited liability companies, partnerships, and the like, where the:

(a) Entities are owned by the same person;

(b) Same person serves as an officer or director of the entities; or

(c) Majority of one (1) entity is owned by one (1) or more of the other entities.

(8) "Commonwealth" is defined by KRS 154.61-010(6).

~~[(8) "Common ownership" means two or more legal entities, such as corporations, limited liability companies, partnerships, and the like, where the:~~

~~(a) [The]Entities are owned by the same person(s);~~

~~(b) [The]Same person(s) serves as officer(s) or director(s) of those entities; or~~

~~(c) [The]Majority of one entity is owned by one or more of the other entities.]~~

(9) "Compensation" is defined by KRS 154.61-010(7).

(10) "Continuous film production" is defined by KRS 154.61-010(8).

(11) "Council" is defined by KRS 154.61-010(9).

(12) "Eligible company" is defined by KRS 154.61-010(11).

(13) "Employee" is defined by KRS 154.61-010(12).

(14) "Enhanced incentive county" is defined by KRS 154.61-010(13).

(15) "Financial interest" means a pecuniary interest that a reasonable person would expect to influence the impartiality of the transaction.

(16) "Kentucky-based company" is defined by KRS 154.61-010(16).

(17) "Kentucky Film Office" **or "Office" means the office created**~~[is defined]~~ by **KRS 154.12-280[2025 Ky. Acts ch. 91, sec. 1]**.

(18) "Kentucky vendor" means an individual or entity that:

(a) Sells or rents a type of property of which more than a de minimis amount is regularly held in its inventory in the ordinary course of business in Kentucky, or provides a service not performed at the filming **or production** site but in Kentucky, which is the subject of the production expenditure, in its ordinary course of business;

(b) Has a physical location in Kentucky with at least one **(1)** Kentucky resident employee working at **the[such]** location on a regular basis. Registering with the Kentucky Secretary of State or appointing a registered agent in Kentucky does not establish a physical location in Kentucky for purposes of this definition;

(c) Is registered with the Kentucky Department of Revenue for collection of sales and use tax **if[where]** required by law;

(d) Has a local Kentucky business license **if[where]** required by law. The approved company **shall be[is]** required to obtain a copy of the license from any Kentucky vendor **if[where]** the total amount of purchases **exceeds[exceed]** \$50,000 for **the[such]** vendor during the period considered in the application and approval by the council; and

(e) **Provides[For]** services rendered on set **or within the Commonwealth and:[-such persons or vendors providing such services, are]**

1. Is identified on the daily production reports; or

2. Can provide other reasonable evidence that **these[such]** services were rendered **within the Commonwealth.**~~[on set is provided;]~~

(19) "Negotiated" means an arm's-length transaction between two **(2)** or more parties who are unrelated and unaffiliated, and entered into voluntarily in an open market where the parties acted in their own self-interest.

(20) "Non-resident" **means[is]** any individual not meeting the definition of a "resident" under KRS 154.61-010(22).

(21) "Pass-through entity" is defined by KRS 141.010(28).

(22) "Person" is defined by KRS 154.61-010(20).

(23) "Program" means the Kentucky Entertainment Incentive Program established by KRS 141.383, 154.61-020, and 154.61-030.

(24) "Qualifying expenditure" is defined by KRS 154.61-010(21).

(25) "Qualifying Kentucky crew training program" means a training program offered in conjunction with a motion picture or entertainment production, as defined by KRS 154.61-010(18), in partnership with:

(a) An accredited Kentucky educational institution;

(b) A local trade association; or

(c) A regional educational or trade association.

(26) [(25)] "Qualifying payroll expenditure" is defined by KRS 154.61-010(22).

(27) [(26)] "Resident" is defined by KRS 154.61-010(23).

Section 2. **The provisions of this administrative regulation shall be applicable on or after July 1, 2025.**

Section 3. Qualifying Payroll Expenditures under the Kentucky Entertainment Incentive Program.

(1) Qualifying payroll expenditures submitted to the Cabinet by an approved company shall only include those expenditures made in Kentucky for services performed in the Commonwealth by above-the-line production crew or below-the-line production crew.

(2) When submitting qualifying payroll expenditures for above-the-line production crew, an approved company shall demonstrate to the Cabinet that the employee's salary was negotiated prior to commencement of the production. Salaries paid to **above-the-line production crew**~~[producers]~~ with a financial interest in the approved company **shall be disclosed and accompanied by supporting documentation**~~[, to the Cabinet's satisfaction,]~~ **demonstrating the payroll expenditure was reasonable within market rates. Financial interest shall extend to parent companies, subsidiaries, or any other related individuals or entities deriving income, profits, or loss from the approved company**~~[shall not be considered negotiated and shall not meet the requirements of a qualifying payroll expenditure].~~

(3) When submitting qualifying payroll expenditures made in the Commonwealth for services performed in the Commonwealth, an approved company shall demonstrate to the Cabinet that the employee rendered the service on-set or otherwise within the Commonwealth. Compensation for services conducted or rendered both in the Commonwealth and outside of the Commonwealth shall only qualify as a qualified payroll expenditure to the extent the service is physically rendered in the Commonwealth. If an approved company is unable to track the cost of the services physically rendered in Commonwealth, then some other reasonable method which approximates the cost of the services rendered in the Commonwealth may be used to determine the amount attributable to the Commonwealth subject to adjustment by the Cabinet.

(4) Failing to provide documentation if/when requested by the Cabinet shall result in expenditures being disqualified and the claimed qualifying payroll expenditure being excluded.

Section ~~4~~**3**. Qualifying Expenditures under the Kentucky Entertainment Incentive Program.

- (1) An approved company submitting qualifying expenditures to the Cabinet shall only include expenditures made in the Commonwealth for one **(1)** or more of the categories listed in KRS 154.61-010(21)(a)(1) through (9).
- (2) Expenditures shall be considered made in the Commonwealth ~~if~~**[where]** they are made to a Kentucky vendor.
- (3) Expenditures shall not be considered to be made in the Commonwealth ~~if~~**[when]** those expenditures are paid to a Kentucky vendor acting as a conduit, waypoint, or pass-through entity solely to enable the purchases or rentals to qualify as qualifying expenditures.
- (4) Expenditures made to persons with common ownership or a financial interest with an approved company ~~shall~~**[must]** be accompanied by supporting documentation~~[, to the Cabinet's satisfaction,]~~ demonstrating the expenditure was reasonable within market rates. **Supporting documentation shall disclose the total value of goods and services provided for the project as well as a breakdown of all the[such] related party transactions.** Common ownership ~~shall extend~~**[extends]** to parent companies, subsidiaries, or any other related individuals or entities deriving income, profits, or loss from the approved company.
- (5) Failing to provide documentation ~~if~~**[when]** requested by the Cabinet shall result in expenditures being disqualified and the claimed qualifying expenditure being excluded.

Section ~~5~~**4**. Application Requirements.

- (1) Applicants seeking incentives under the program shall submit an Application **for Kentucky Entertainment Incentive (KEI)** to the Cabinet that includes:
 - (a) The name and address of the applicant;
 - (b) Verification that the applicant is a Kentucky-based company;
 - (c) The preliminary production script or a detailed synopsis of the script;
 - (d) The locations where the filming or production will occur;
 - (e) The anticipated date on which filming or production shall begin in Kentucky;
 - (f) The anticipated date on which the applicant will complete incurring expenditures in Kentucky;
 - (g) The total anticipated qualifying expenditures;
 - (h) The total anticipated qualifying payroll expenditures for resident and nonresident above-the-line crew by county;
 - (i) The total anticipated qualifying payroll expenditures for resident and nonresident below-the-line crew by county;
 - (j) The address of a Kentucky location at which records of the production will be kept;
 - (k) An affirmation that if not for the incentive offered under this subchapter, the eligible company would not film or produce the production in the Commonwealth;
 - (l) Proof of funding for the project. ~~[Acceptable-]~~Proof shall **demonstrate fifty (50) percent of funds raised through the following[include]:**
 1. IATSE ~~Bonds~~**[Bond]**, SAG ~~Bonds~~**[Bond]**, Completion ~~Bonds~~**[Bond]**;
 2. Payroll statements;
 3. Bank statements;

4. Financing or funding contracts~~[agreements]~~; or
5. Commitment letters, where the applicant shall:
 - a. Demonstrate twenty-five (25) percent of committed funds are held in an escrow account; and
 - b. Present a balance sheet and letter from an accredited financial institution, attorney, or accountant holding the funds.
- (m) Whether the applicant has a distribution contract for the project and supporting plans and documentation regarding distribution~~[-and]~~
- (n) Whether the applicant has previously received approval for incentives under the program, and, if so, specification of~~[shall specify]~~ the year~~[year(s)]~~ of the~~[such]~~ approval and amount~~[amount(s)]~~ of incentives received in each year. This information shall include incentives received by any other entity with common ownership or any individual with a financial interest in the applicant. Common ownership shall extend~~[extends]~~ to parent companies, subsidiaries, or any other related individuals or entities deriving income, profits, or loss from the applicant;
- (o) The number of resident and nonresident above-the-line and below-the-line production crew members included by the applicant, or any other entity with common ownership or any individual with a financial interest in the applicant, on a previous application. This information shall include:
 1. The date of the application;
 2. Whether the application was approved;
 3. The dates upon which the crew members were or are to be utilized; and
 4. Each crew member's role in the production;
- (p) Any deal memoranda between applicants and key personnel;
- (q) A detailed episode-by-episode synopsis and committed talent;
- (r) A detailed breakdown of the project's budget including all estimated line items used to support claimed qualifying payroll expenditures and qualifying expenditures. All budget line items shall be reasonable and within market rates;
- (s) A detailed explanation of timing of the production ~~if/in the event/~~ there are commonly held or financially interested applicants with overlapping personnel; and
- (t) Whether there are one (1) or more qualifying Kentucky crew training programs offered in conjunction with the project.
- (2) Applicants shall submit a completed application no later than thirty (30) calendar days prior to the date upon which applicant seeks to have the application reviewed by the council.
- (3) Within twenty (20) calendar days of receiving an application, the office~~[Kentucky Film Office]~~~~[Cabinet]~~ shall notify the applicant:
 - (a) That the office~~[Kentucky Film Office]~~~~[Cabinet]~~ received the application;
 - (b) Whether, upon initial review, the applicant appears to meet the criteria of an eligible company or whether the office~~[Kentucky Film Office]~~~~[Cabinet]~~ requires additional verification or documentation; and

(c) That~~[-provided the applicant has not exceeded the individual incentive limitation set forth in Section 5 of this regulation,]~~ either:

1. Based upon the annual allocated funds for the program, enough uncommitted incentives remain in the program's calendar year to move forward with an economic analysis,~~[and]~~ ranking of the application, and notification to the council~~[-thereof];~~ or
2. Based upon the remaining annual allocated funds for the program, the office/Kentucky Film Office/Cabinet will not move forward with the application.

Section 6[5]. Incentive Awards. To effectuate the purposes of the program set forth in KRS 154.61-020(1),~~[-:]~~

~~[(1)] [the amount of incentive awards received by any single approved company, not otherwise meeting the definition of continuous film production, shall be limited to no more than ten percent (10%) of the total annual tax credit cap under KRS 154.61-020(4). In determining whether this limit has been met, the Cabinet shall consider the applicant in conjunction with any approved company sharing common ownership or a financial interest with the applicant; and]~~

~~[(2)]~~ the amount of incentive awards approved for all applicants in any single calendar month, not otherwise meeting the definition of continuous film production, shall be limited to no more than \$10[ten] million[-dollar (\$10,000,000)]~~[(ten percent (10%))]~~ of the total annual tax credit cap under KRS 154.61-020(4). ~~If~~~~[In the event]~~ the amount of incentive awards approved does not meet the \$10[ten] million[-dollar (\$10,000,000)]~~[(ten percent (10%))]~~ limitation set forth in this subsection, the remainder shall carry forward to the subsequent calendar month. The council may elect to commit more than this monthly allocation if~~[in the event]~~ a project:

(1) Has anticipated qualifying expenditures and payroll expenditures that exceed this amount; and

(2) Commitment of incentives to the project is supported by the economic analysis set forth in Section 7[6] of this administrative regulation.

Section 7[6]. Economic Analysis.

(1) The Cabinet shall conduct an economic analysis of each application.

(2) The analysis shall evaluate each application on the:

(a) ~~[The-]~~Percentage of spend in the Commonwealth in relation to the total amount anticipated to be spent on a project;

(b) ~~[The]~~Relative percentage of total production costs associated with~~[in Kentucky compared to]~~ above-the-line and below-the-line production crew costs;

(c) ~~[The anticipated-]~~Percentage of project filming or production in enhanced incentive counties;

(d) Number~~[the percentage]~~ of anticipated employed Kentucky residents compared to ~~the~~~~[and]~~ total above-the-line and below-the-line production crew;

(e) ~~[The-]~~Amount of time filming or production will occur in Kentucky;~~[-and]~~

(f) ~~[The-]~~Presence of a distribution contract;

(g) Percentage of funding secured;

(h) Total amount of incentives sought compared to the number of Kentucky-based below-the-line production crew members employed;

(i) Percentage of incentives sought attributable to non-Kentucky-based production crew members; and

(j) Availability of one (1) or more qualifying Kentucky crew training programs offered in conjunction with the project.

(3) **The Cabinet shall conduct an economic analysis of**~~[The Cabinet shall then rank]~~ each application submitted under the program based upon the program's purposes set forth in KRS 154.61-020(1)(a) through (d). **Analysis**~~[Ranking]~~ shall prioritize applications with more Kentucky-based jobs, **committed funding, spend to**~~[employed]~~ **Kentucky-based vendors residents, qualifying Kentucky crew training programs, and overall economic benefit to Kentucky**~~[percentage of spend going to Kentucky-based vendors]~~ in relation to the total amount of proposed spend on a project or incentives sought by an eligible company.

(4) **For a national touring production of a Broadway show produced in Kentucky in accordance with KRS 154.61-010(18)(a)2., the number of anticipated employed Kentucky residents identified in subsection (2)(d) of this section shall include the number of Kentucky-based jobs at the production's venue supported by the production.**

(5) Upon completion of the project, submission of qualifying expenditures and qualifying payroll expenditures, and certification of eligible expenditures by an independent certified public accountant, the Cabinet may reduce the approved incentive amount to an approved company based upon the variation between the approved company's application for incentives and actual expenditures submitted to the Cabinet.

Section **8[7]**. Fees. Applicants seeking incentives under the program shall include with their application:

(1) A nonrefundable application fee in the amount of:

(a) ~~[Two hundred fifty dollars - (\$250 if)]~~**[where]** the total amount of qualifying expenditures and qualifying payroll expenditures is less than ~~[fifty thousand dollars (\$50,000)]~~;

(b) ~~[Five hundred dollars (\$500 if)]~~**[where]** the total amount of qualifying expenditures and qualifying payroll expenditures is between ~~[fifty thousand dollars (\$50,000)]~~ and ~~[one hundred thousand dollars (\$100,000)]~~; or

(c) ~~[One thousand dollars (\$1,000 if)]~~**[where]** the total amount of qualifying expenditures and qualifying payroll expenditures is more than ~~[one hundred thousand dollars (\$100,000)]~~; and

(2) An administrative fee of one-half of one percent (0.5%) of the estimated amount of tax incentive sought or ~~[five hundred dollars (\$500)]~~, whichever is greater.

Section 9[8]. Incorporation by Reference.

(1) "Application for Kentucky Entertainment Incentive (KEI)", September 2025, is incorporated by reference.

(2) This material may be inspected, copied, or obtained, subject to applicable copyright law, at the Cabinet for Economic Development, Mayo-Underwood Building, 500 Mero Street, Frankfort, Kentucky 40601, Monday through Friday, 8:00 a.m. to 4:30 p.m. or online at <https://cedky.com/cdn/1980 KEI Application 9-2025 CED Sample.pdf>.

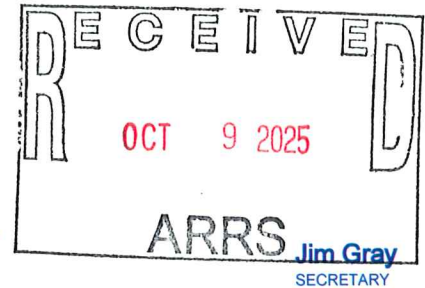
CONTACT PERSON: Matthew Wingate, General Counsel, Cabinet for Economic Development, Mayo Underwood Building, 500 Mero Street, Frankfort, Kentucky 40601, phone (502) 782-1948, fax (502) 564-3256, email matthew.wingate@ky.gov.



Andy Beshear
GOVERNOR

TRANSPORTATION CABINET

200 Mero Street
Frankfort, Kentucky 406 01



October 9, 2025

Senator Stephen West
Representative Derek Lewis
Legislative Research Commission
083, Capitol Annex
702 Capitol Avenue
Frankfort, KY 40601

Dear Co-Chairs:

After consideration of the issues raised by 601 KAR 23:070, the Transportation Cabinet proposes the attached Subcommittee Substitute to this ordinary regulation.

Sincerely,

Jon Johnson

Jon Johnson, Assistant General Counsel
Office of Legal Services
200 Mero Street
Frankfort, KY 40622

Subcommittee Substitute
Transportation Cabinet
Department of Vehicle Regulation
Division of Motor Vehicle Licensing

601 KAR 23:070. Street-legal special purpose vehicles.

RELATES TO: KRS 186.010, 186.020, 186.050, 186A.115

STATUTORY AUTHORITY: KRS **186.010** ~~[186.1(10)]~~, 186.020, 186.050, 186A.115

NECESSITY, FUNCTION, AND CONFORMITY: KRS **186.077** ~~[Chapter 186]~~ requires the Transportation Cabinet to establish procedures for inspection, registration, operation, and compliance of street-legal special purpose vehicles (SLSPVs) on designated public roadways in Kentucky.

Section 1. Definitions.

- (1) "Cabinet" means the Transportation Cabinet.
- (2) **"Kentucky certified inspector" means an inspector certified by the Department of Vehicle Regulation.**
- ~~(3) "Local government" is defined by KRS 186.077 [means a city, county, charter county government, urban-county government, consolidated local government, or unified local government].~~
- ~~(4) [(3)] "Low-speed vehicle" is defined by KRS 186.010 (16) [means a motor vehicle that is not considered a street-legal special purpose vehicle under this regulation, as defined in KRS 186.010].~~
- ~~[(4) "Kentucky certified inspector" means an inspector certified by the Department of Vehicle Regulation.]~~
- (5) "Proof of ownership" means that the owner has provided either a current title to the vehicle, MCO, manufacturer's certificate of origin, bill of sale, or affidavit of ownership.
- (6) "Special purpose vehicle (SPV)" **is defined by KRS 186.077 [means an all-terrain vehicle, utility terrain vehicle, minitruck, pneumatic-tired military vehicle, or full-size special purpose-built vehicle, including a vehicle that is self-constructed or built by the original equipment manufacturer and a vehicle that has been modified. This does not include a low-speed vehicle as defined in KRS 186.010].**
- (7) "Street-legal special purpose vehicle (SLSPV)" **is defined by KRS 186.077 [means a special purpose vehicle that meets the safety and registration requirements to operate on public highways, is not a low-speed vehicle as defined in KRS 186.010, and is equipped with:**
 - (a) One (1) or more headlamps;**
 - (b) One (1) or more tail lamps;**
 - (c) One (1) or more brake lamps;**
 - (d) A trail lamp or other lamp constructed and placed to illuminate the registration plate with a white light;**

- ~~(e) One (1) or more red reflectors on the rear of the vehicle;~~
- ~~(f) An amber electronic turn system, one (1) on each side of the front of the vehicle;~~
- ~~(g) An amber or red electric turn signals on the rear of the vehicle;~~
- ~~(h) A braking system, other than a parking brake;~~
- ~~(i) A horn or other warning device;~~
- ~~(j) A working muffler;~~
- ~~(k) Rearview mirrors on the right and left side of the driver;~~
- ~~(l) A windshield, unless the operator of the vehicle wears eye protection while operating the vehicle;~~
- ~~(m) A speedometer, illuminated for nighttime operation;~~
- ~~(n) A roll bar or roll cage;~~
- ~~(o) For multi-passenger vehicles, a seatbelt assembly that conforms to the federal motor vehicle safety standard provided in 49 C.F.R. sec. 571.209 for each designated seating position; and~~
- ~~(p) Tires that have at least two thirty-seconds (2/32) of an inch or greater tire tread].~~

Section 2. Registration Requirements.

- (1) ~~[All]~~ SLSPVs shall be registered with the Department of Vehicle Regulation.
- (2) ~~[The]~~ SLSPVs shall be registered with the county clerk in the county where the owner resides or if not owned by a local resident, the county clerk in the county where the street-legal SPV is principally operated.
- (3) The registration fee shall be ten (10) dollars per year pursuant to KRS 186.050.
- (4) SLSPVs shall be plated with a motorcycle registration plate.
- (5) Proof of insurance, as required under KRS 304.39-110, shall be submitted at the time of registration and shall be insured as a motorcycle.
- (6) Registration applications shall include:
 - (a) Vehicle Identification Number (VIN);
 - (b) Make, model, and year of the SLSPV;
 - (c) Owner's full name and address; and
 - (d) Proof of vehicle safety compliance with proof of inspection, pursuant to 601 KAR 9:090, by a Kentucky certified inspector with detailed checklist verifying the SLSPV meets the safety equipment requirements of Section 4 of this administrative regulation.

Section 3. Operating Restrictions.

- (1) SLSPVs may operate on public highways, subject to the following conditions:
 - (a) Operation is prohibited on highways located within the jurisdictional boundaries of a local government where operation of SLSPVs is not allowed by local ordinance.
 - (b) Operation is prohibited on controlled-access systems, including interstates or parkways.
 - (c) Operation is prohibited where the United States Department of Agriculture prohibits SLSPVs.
 - (d) SLSPVs are prohibited from traveling a distance greater than twenty (20) miles on a highway displaying centerline pavement markings.
- (2) Operators shall obey all traffic laws and carry proof of registration and insurance.

Section 4. Vehicle Safety Requirements.

- (1) A SLSPV shall be equipped with:
 - (a) One (1) or more headlamps;
 - (b) One (1) or more tail lamps;
 - (c) One (1) or more brake lamps;
 - (d) A trail lamp or other lamp constructed and placed to illuminate the registration plate with a white light;
 - (e) One (1) or more red reflectors on the rear of the vehicle;
 - (f) An amber electronic turn system, one (1) on each side of the front of the vehicle;
 - (g) An amber or red electric turn signals on the rear of the vehicle;
 - (h) A braking system, other than a parking brake;
 - (i) A horn or other warning device;
 - (j) A working muffler;
 - (k) Rearview mirrors on the right and left side of the driver;
 - (l) A windshield, unless the operator of the vehicle wears eye protection while operating the vehicle;
 - (m) A speedometer, illuminated for nighttime operation;
 - (n) A roll bar or roll cage;
 - (o) For multi-passenger vehicles, a seatbelt assembly that conforms to the federal motor vehicle safety standard provided in 49 C.F.R. sec. 571.209 for each designated seating position; and
 - (p) Tires that have at least two thirty-seconds (2/32) of an inch or greater tire tread.
- (2) The vehicle shall pass a ~~[an annual]~~ safety inspection conducted by a Kentucky certified inspector.

Section 5. Compliance and Enforcement.

- (1) Law enforcement officers shall verify the compliance of SLSPVs pursuant to this administrative regulation.
- (2) The license plate shall be the same size as the Kentucky motorcycle license plate.
- (3) **A** SLSPV may be equipped with a motorcycle temporary tag.
- (4) Failure to comply with the registration, operation, and equipment requirements shall result in a citation and potential fines as established in KRS Chapter 186.
- (5) Repeat offenders may face suspension or revocation of SLSPV registration.

Section 6. Appeals and Hearings.

- (1) An owner cited for non-compliance may request a hearing within thirty (30) days of the citation issuance.
- (2) The hearing shall be conducted in accordance with KRS Chapter 13B.

Section 7. Severability. If any provision of this administrative regulation is found invalid, the remaining sections shall remain in effect.

Section 8. Incorporation by Reference.

- (1) The following material is incorporated by reference:
 - (a) "Application for Kentucky Certificate of Title or Registration", TC 96-182, (01/2024 Edition);and

- (b) "Street-Legal Special Purpose Vehicle Inspection", TC 96-365, (06/2025 Edition).
- (2) This material may be inspected, copied, or obtained, subject to applicable copyright law, at the Transportation Cabinet Office Building, Department of Vehicle Regulation, 2nd Floor, 200 Mero Street, Frankfort, Kentucky 40622, Monday through Friday, 8:00 a.m. to 4:30 p.m.
- (3) This material is also available on Transportation Cabinet's website at drive.ky.gov.



EDUCATION AND LABOR CABINET

Department of Workplace Standards
Kimberlee C. Perry

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Andy Beshear
Governor

October 9, 2025

Senator Stephen West, Co-Chair
Representative Derek Lewis, Co-Chair
c/o Emily Caudill, Regulations Compiler
Legislative Research Commission
083, Capitol Annex
702 Capitol Avenue
Frankfort, Kentucky 40601

Dear Co- Chairs:

After discussions with Administrative Regulation Review Subcommittee staff of the issues raised by 803 KAR 2:250, the attached amendments to 803 KAR 2:250 are proposed.

Sincerely,

Standards Specialist
Department of Workplace Standards
KY Labor Cabinet
Mayo-Underwood Building, 3rd Floor
500 Mero Street
Frankfort, KY 40601



EDUCATION AND LABOR CABINET
Department of Workplace Standards
Division of Occupational Safety and Health Compliance
Division of Occupational Safety and Health Education and Training

803 KAR 2:250. Discrimination.

RELATES TO: KRS 338.015, 338.071, 338.121, 338.141, 338.991

STATUTORY AUTHORITY: KRS 338.051, 338.061

CERTIFICATION STATEMENT:

NECESSITY, FUNCTION, AND CONFORMITY: KRS 338.051(3) requires the Occupational Safety and Health Standards Board to promulgate occupational safety and health administrative regulations and authorizes the chairman to reference federal standards without board approval if necessary to meet federal time requirements. KRS 338.061 authorizes the board to establish, modify, or repeal standards and reference federal standards. This administrative regulation establishes the procedure for discrimination complaints pursuant to KRS 338.121.

Section 1. Definitions.

(1) "Commissioner" is defined by KRS 338.015(7).

(2) "Complainant" means any person who makes a "complaint" as defined by subsection (3) of this section.

(3) "Complaint" means any oral or written communication related to an occupational safety and health concern made by an employee to an employer, governmental agency, or made to the commissioner or the commissioner's designee.

(4) "Review commission" is defined by KRS 338.015(8).

(5) "Secretary" is defined by KRS 338.015(12).

(6) "Working days":

(a) Means Monday through Friday; and

(b) Does not mean[include] Saturday, Sunday, federal[,], or state holidays, or[and] the day of receipt of notice.

Section 2. Complaint.

(1) An employee or former employee may file an oral or written complaint with the commissioner or commissioner's designee alleging discrimination.

(2) A complaint shall be filed no more than thirty (30)[420] days from the occurrence of the alleged discriminatory activity.

(3) A complaint shall provide the name and address of the complainant, name and address of employer, date, and description of alleged discrimination.

(4) The commissioner or commissioner's designee shall provide the employer notification of the complaint upon initiation of an investigation.

Section 3. Settlement.

(1) Settlement shall be encouraged at any stage of the proceedings if the settlement is consistent with KRS Chapter 338.

(2) Primary consideration shall be the reinstatement of a complainant to his or her former position with back pay and assurance of the future protection of the rights of all employees pursuant to KRS Chapter 338.

Section 4. Withdrawal of Complaint to the Commissioner.

(1) A request by the complainant to withdraw a complaint filed with the commissioner shall be given careful consideration and substantial weight.

(2) The commissioner or commissioner's designee shall make the final determination if a complaint and subsequent investigation will be withdrawn and terminated.

Section 5. Arbitration or Other Agency Proceedings.

(1) A complainant may pursue grievance arbitration proceedings in collective bargaining agreements while requesting relief from other agencies such as the National Labor Relations Board.

(2) The commissioner's jurisdiction to receive KRS 338.121(3) complaints, to investigate, and to determine if discrimination occurred shall be independent of the jurisdiction of other agencies or bodies.

(3) The commissioner or commissioner's designee may investigate and issue citations against any party found in violation regardless of the pendency or determination of other proceedings.

(4) If a complainant is pursuing remedies other than those established by KRS 338.121, the commissioner's determination shall be postponed.

Section 6.

(1) Investigation.

(a) Upon receipt of a complaint, the commissioner or commissioner's designee may~~shall~~ initiate an investigation.

(b) The investigation shall be completed and the commissioner's determination issued within ninety (90) days, absent extenuating circumstances.

(2) Citation.

(a) If the commissioner finds a violation of KRS 338.121, he or she shall issue a citation, with delivery or receipt confirmation, and recommend a penalty pursuant to KRS 338.991.

(b) The citation shall include a determination by the commissioner as to the merits of the alleged violation.

(c) The commissioner or commissioner's designee shall provide notice of the determination to all affected parties.

(d) The citation shall state that it shall be deemed the final order of the review commission and not subject to review by any court or agency, as established by KRS 338.141, unless, within fifteen (15) working days from the date of receipt of the notice, the employer notifies the commissioner in writing that the employer intends to contest the citation before the review commission.

(e) The commissioner shall immediately transmit a notice to contest to the review commission in accordance with the rules of procedure established~~prescribed~~ by the commission in accordance with KRS 338.071.

(3) Penalty.

(a) The commissioner shall determine the amount of a proposed penalty, based on the appropriateness of the penalty with respect to the:

1. Size of the business of the employer being charged,
2. Gravity of the violation,
3. Good faith of the employer, and
4. History of previous violations.

(b) Penalties shall be proposed with respect to an alleged discriminatory act even if the employer immediately abates, or initiates steps to abate, the alleged violation.

(4)

(a) If the commissioner determines there has not been discriminatory action, the complainant shall be notified of the complainant's~~[his or her]~~ rights of review.

(b)

1. The complainant may petition the secretary for a review of the determination.

2. The petition shall be in writing and state reasons why the review is requested.

(c) The secretary shall affirm the determination or remand it to the commissioner for further investigation.

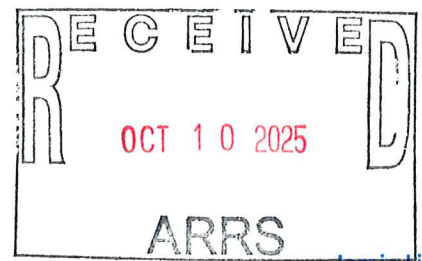
CONTACT PERSON: Robin Maples, OSH Standards Specialist, Education and Labor Cabinet, Mayo-Underwood Building, 500 Mero Street, 3rd Floor, Frankfort, Kentucky 40601, phone (502) 564-4107, fax (502) 564-4769, email robin.maples@ky.gov.



Andy Beshear
GOVERNOR

EDUCATION AND LABOR CABINET

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Frankfort, Kentucky 40601
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Jamie Link
SECRETARY

October 10, 2025

Senator Stephen West
Representative Derek Lewis
Legislative Research Commission
083, Capitol Annex
702 Capitol Avenue
Frankfort, Kentucky 40601

Dear Co-Chairs:

After consideration of the issues raised by 803 KAR 2:260, the Division of Workplace Standards proposes the attached suggested amendment to this ordinary regulation.

Respectfully,

A handwritten signature in blue ink, appearing to read "J. Link".

Jamie Link
Secretary, Education and Labor Cabinet

Final Version: 10/03/25 at 2:23 PM
SUGGESTED SUBSTITUTE – TO ORDINARY ONLY

803 KAR 2:260. Appeal procedure.

RELATES TO: KRS 338.091, 29 C.F.R. 2200.52, 2200.7, 2200.8, 2204.302, 2204.303, 2204.405, 2204.406, 5 U.S.C. 504(b)(1)(A), 601, 7 U.S.C. Chapter 38, 26 U.S.C. 501(a), 501(c)(3), 28 U.S.C. 2412
STATUTORY AUTHORITY: KRS 338.051, 338.061, 338.091

CERTIFICATION STATEMENT:

NECESSITY, FUNCTION, AND CONFORMITY: KRS 338.051(3) requires the Occupational Safety and Health Standards Board to promulgate occupational safety and health administrative regulations and authorizes the chair to reference federal standards without board approval if necessary to meet federal time requirements. KRS 338.061 authorizes the board to establish, modify, or repeal standards and reference federal standards. This administrative regulation establishes appeal procedures pertaining to occupational safety and health standards complaints and related actions~~[On Appeal, the Franklin Circuit Court may award actual expenses incurred, including court costs and attorney's fees, against the department. An eligible party may receive an award when it prevails over the commissioner of the department of workplace standards, unless the commissioner's position in the proceeding was substantially justified or special circumstances make an award unjust. Alternatively, an eligible party, even if not a prevailing party, may receive an award under KRS 338.091 when it successfully defends against an excessive demand made by the commissioner].~~

Section 1. Definitions.

- (1) "Commissioner" is defined by KRS 338.015(7)~~[338.0125(7)]~~.
- (2) "Fees and other expenses" means reasonable expenses of expert witnesses;~~;~~ the reasonable cost of any study, analysis, engineering report, test, or project ~~[which is]~~ found by the court to be necessary for the preparation of the party's case;~~;~~ and reasonable attorney fees.~~[The amount of fees awarded under this subsection shall be based upon prevailing market rates for the kind and quality of the services furnished, except that~~
 - ~~(a) no expert witness shall be compensated at a rate in excess of the highest rate of compensation for expert witnesses paid by the Commissioner; and~~
 - ~~(b) attorney fees shall not be awarded in excess of \$125 per hour unless the Franklin Circuit Court determines that an increase in the cost of living or a special factor, such as the limited availability of qualified attorneys for the proceedings involved, justifies a higher fee.]~~
- (3) "Small business" or "small entity" means;~~[is defined as]~~
 - (a) An individual whose net worth did not exceed \$2,000,000 at the time the adversary adjudication was initiated; or
 - (b) Any owner of an unincorporated business or any, ~~[or any]~~ partnership, corporation, association, unit of local government, or organization, the net worth of which did not exceed \$7,000,000 at the time the adversary adjudication was initiated, and which had not more than 500 employees at the time the adversary adjudication was initiated; except that an organization described in Internal Revenue Code of 1986, 26 U.S.C., Section 501(c)(3), which is~~[of the Internal Revenue Code of 1986]~~ exempt from taxation under 26 U.S.C., Section 501(a)~~[of such Code]~~, or a cooperative association as established in~~[defined in section 15(a) of]~~ the Agricultural Marketing Act, 7 U.S.C. Chapter 38, may be a party regardless of the net worth of the~~[such]~~ organization or cooperative association. For purposes of 5 U.S.C. 504(a)(4), "party" also includes a "small entity,"~~[as defined in 5 U.S.C. 601].~~

(4) "Small organization" or "small entity" means any not-for-profit enterprise that[which] is independently owned and operated and is not dominant in its field, unless an agency establishes, after opportunity for public comment, one (1) or more definitions of the[such] term, as[which are] appropriate to the activities of the agency, and publishes the definition or definitions[such definition(s)] in the Federal Register. [;]

(5) ~~["Small governmental jurisdiction" means governments of cities, counties, towns, townships, villages, school districts, or special districts, with a population of less than fifty thousand, unless an agency establishes, after opportunity for public comment, one or more definitions of such term which are appropriate to the activities of the agency and which are based on such factors as location in rural or sparsely populated areas or limited revenues due to the population of such jurisdiction, and publishes such definition(s) in the Federal Register.~~

(6) ~~"Small entity" shall have the same meaning as the terms "small business", "small organization" and "small governmental jurisdiction" defined in paragraphs (2), (3) and (4) of this section.~~

(7) ~~"Party" is defined by[means a party, as defined in] 5 U.S.C. 551(3) and[, who is (a) An individual whose net worth did not exceed \$2,000,000 at the time the adversary adjudication was initiated; or (b) Any owner of an unincorporated business, or any partnership, corporation, association, unit of local government, or organization, the net worth of which did not exceed \$7,000,000 at the time the adversary adjudication was initiated, and which had not more than 500 employees at the time the adversary adjudication was initiated; except that an organization described in section 501(c)(3) of the Internal Revenue Code of 1986 exempt from taxation under section 501(a) of such Code, or a cooperative association as defined in section 15(a) of the Agricultural Marketing Act, may be a party regardless of the net worth of such organization or cooperative association. For purposes of 5 U.S.C. 504(a)(4), "party" also] includes a small business, small organization, and small entity[as defined in 5 U.S.C. 601].~~

Section 2. Fees and Other Expenses; Qualification and Limits. The amount of fees awarded shall be based on prevailing market rates for the kind and quality of the services provided, except:

(1) An expert witness shall not be compensated at a rate in excess of the highest rate of compensation for expert witnesses paid by the commissioner; and

(b) Attorney fees shall not be awarded in excess of \$125 per hour unless the Franklin Circuit Court determines that an increase in the cost of living or a special factor, such as the limited availability of qualified attorneys for the proceedings involved, justifies a higher fee.

Section 3. Complaint.

(1) A party seeking an award under KRS 338.091 shall file a complaint with the Franklin Circuit Court within thirty (30) days after the final disposition of the adversary adjudication.

(2) The complaint shall:

(a) Identify the party and the proceeding for which an award is sought

(b)[. The complaint shall] Show that the complainant has prevailed;

(c)1. [and] Identify the position of the commissioner that the party alleges was not substantially justified; or

2.[.] If the party has not prevailed, [shall] show that the commissioner's demand was substantially in excess of the decision of the judge or commission and was unreasonable [when] compared with that decision under the facts and circumstances of that case;

~~(d)[The complaint shall also]~~ Identify the commissioner's position or positions~~[position(s)]~~ in the proceeding that the party alleges was or were not substantially justified or the commissioner's demand that is alleged to be excessive and unreasonable;

~~(e)[The complaint shall also]~~ Unless the party is an individual, ~~[the complaint shall also]~~ state the number of employees of the complainant and briefly describe the type and purpose of its organization or business;

~~(f)[The complaint shall also]~~

~~(3) The complaint shall also~~ Show that the party meets the definition of ~~["party"]~~ ~~in 29 C.F.R. 2204.201~~, including adequate documentation of ~~[its]~~ net worth, as established~~[set forth]~~ in 29 C.F.R. 2204.302;

~~(g)[The complaint shall]~~

~~(4) The complaint shall~~ State the amount of fees and expenses for which an award is sought, as established~~[subject to the requirements and limitations as set forth]~~ in 5 U.S.C. 504(b)(1)(A), with adequate documentation as set forth in 29 C.F.R. 2204.303;

~~(h)[The complaint shall]~~

~~(5) The complaint shall~~ Be signed by the complainant or an authorized officer, attorney, or agent of the complainant; and

~~(i)[It shall also]~~ Contain or be accompanied by a written verification under penalty of perjury that the information provided in the complaint is true and correct.

~~(3) [(6)]~~ Each complainant except a qualified tax-exempt organization; ~~;~~ cooperative association; ~~;~~ or, in the case of a complaint for an award related to an allegedly excessive demand by the commissioner, a small entity ~~[as that term is defined by 5 U.S.C. 601(6)]~~, shall provide with its complaint, a detailed exhibit showing the net worth of the complainant as required by 29 C.F.R. 2204.301(c) when the proceeding was initiated.

~~(a)~~ The exhibit may be in any form convenient to the complainant that provides full disclosure of the complainant's assets and liabilities and shall be~~[is]~~ sufficient to determine if~~[whether]~~ the complainant qualifies as a party ~~[as defined in 29 C.F.R. 2204.201]~~.

~~(b)~~ The Franklin Circuit Court could~~[may]~~ require a complainant to file additional information to determine its eligibility for an award.

~~(4)(a) Except as established in paragraph (b) of this subsection [(7) Ordinarily]~~, the net worth exhibit shall~~[will]~~ be included in the public record of the proceeding.

~~(b) If [However]~~, a complainant ~~[that]~~ objects to public disclosure of information in any portion of the exhibit and believes there are legal grounds for withholding it from disclosure, the complainant shall~~[may]~~ request that the documents be filed under seal or otherwise be treated as confidential, pursuant to 29 C.F.R. 2200.8 and 29 C.F.R. 2200.52.

~~(5)(a) [(8)]~~ The complaint shall be accompanied by adequate documentation of the fees and other expenses incurred after the initiation of the adversary adjudication, including ~~[but not limited to]~~, the reasonable cost of any study, analysis, engineering report, test, or project.

~~(b)~~ A complainant~~[complaint]~~ seeking an increase in fees to account for inflation pursuant to 29 C.F.R. ~~2204.406~~~~[2200.406]~~ shall also include adequate documentation of the change in the consumer price index for the attorney or agent's locality.

~~(c)~~ With respect to a claim for fees and expenses involving an excessive demand by the commissioner, the complaint shall be accompanied by adequate documentation of ~~[such]~~ fees and expenses incurred after initiation of the adversary adjudication for which an award is sought attributable to the portion of the demand alleged to be excessive and unreasonable.

~~(d)~~ A separate itemized statement shall be submitted for each professional firm or individual whose services are covered by the complaint, showing the hours spent in connection with the proceeding by

each individual, a description of the specific services performed, the rate at which each fee has been computed, any expenses for which reimbursement is sought, the total amount claimed, and the total amount paid or payable by the complainant or by any other person or entity for the services provided.

(e) The Franklin Circuit Court ~~could~~**[may]** require the complainant to provide vouchers, receipts, or other substantiation for any fees or expenses claimed.

(6) [(9)] Any complaint for an award, or any accompanying documentation related to a complaint shall be filed and served on all parties to the proceeding in accordance with 29 C.F.R. 2200.7 and 29 C.F.R. 2200.8, except as provided in 29 C.F.R. 2204.302(b) for confidential financial information.

(7) [(10)] Within twenty (20) days after service of a complaint, the commissioner shall file an answer to the complaint. Unless the commissioner requests an extension of time for filing or files a statement of intent to negotiate ~~[under paragraph (b) of this section]~~, failure to file an answer within the twenty (20) day period may be treated as a consent to the award requested

(8)(a) [(11)] If the commissioner and the complainant believe that the issues in the fee complaint can be settled, they may jointly file a statement of their intent to negotiate a settlement.

(b) The filing of this statement shall extend the time for filing an answer for an additional thirty (30) days.

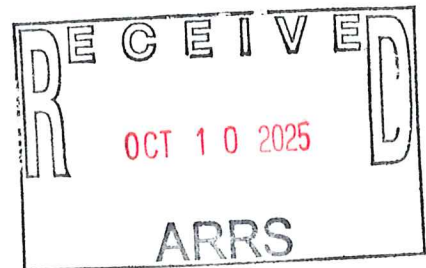
(c) [and] Further extensions ~~could~~**[may]** be granted by the Franklin Circuit Court upon request.

(9)(a) [(12)] The answer shall explain in detail any objections to the award requested and identify the facts relied on in support of the commissioner's position.

(b) If the answer is based on any alleged facts not already in the record of the proceeding, the ~~commissioner~~**[secretary]** shall include with the answer either supporting affidavits or a request for further proceedings under 29 C.F.R. 2204.405.

(10)(a) [(13)] Within fifteen (15) days after service of an answer, the complainant may file a reply.

(b) If the reply is based on any alleged facts not already in the record of the proceeding, the complainant shall include with the reply, either supporting affidavits or a request for further proceedings under 29 C.F.R. 2204.405.



Andy Beshear
GOVERNOR

Jacqueline Coleman
LIEUTENANT GOVERNOR

PUBLIC PROTECTION CABINET

**Kentucky Department of
Insurance**

500 Mero Street, 2SE11
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Phone: (502) 564-3630
Toll Free: (800) 595-6053

Ray A. Perry
SECRETARY

DJ Wasson
DEPUTY SECRETARY

Sharon P. Clark
COMMISSIONER

October 10, 2025

Senator Stephen West, Co-Chair
Representative Derek Lewis, Co-Chair
c/o Emily Caudill, Regulation Compiler
Administrative Regulation Review
Legislative Research Commission
083 Capitol Annex
Frankfort, KY 40601

RE: 806 KAR 2:200 Operations, eligibility, and grant procedures for the Strengthen Kentucky Homes Program.

Dear Co-Chairs West and Lewis:

After Discussion with Administrative Regulation Review Subcommittee staff of the issues raised by 806 KAR 2:200, the Kentucky Department of Insurance proposes the attached suggested substitute to 806 KAR 2:200.

Sincerely,

Shaun T. Orme, Executive Advisor
Kentucky Department of Insurance
Public Protection Cabinet
500 Mero Street, 2 SE 11
Frankfort, Kentucky 40601

Final, 10-8-2025

SUGGESTED SUBSTITUTE

**PUBLIC PROTECTION CABINET
Department of Insurance
Division of Property and Casualty Insurance**

806 KAR 2:200. Operations, eligibility, and grant procedures for the Strengthen Kentucky Homes Program.

RELATES TO: KRS 147A.050, 304.1-050, 304.2-450~~[340.2-450]~~

STATUTORY AUTHORITY: KRS 304.2-450

CERTIFICATION STATEMENT:

NECESSITY, FUNCTION, AND CONFORMITY: KRS 304.2-450 ~~requires~~**[authorizes]** the commissioner to promulgate administrative regulations to establish ~~[any additional]~~ rules and eligibility requirements that are necessary for the proper implementation and administration of the Strengthen Kentucky Homes program. This administrative regulation establishes the operations of the program, the eligibility rules and requirements, and the application and grant award process which are necessary to carry out the provisions of KRS 304.2-450, relating to the Strengthen Kentucky Homes Program.

Section 1. Definitions.

- (1) "Applicant" means a real property owner seeking, or who has been approved for, a financial grant pursuant to KRS 304.2-450.
- (2) "Commissioner" is defined by KRS 304.1-050(1).
- (3) "Contractor" means a person certified to act as a contractor by IBHS and who is approved to work with the SKH program pursuant to 806 KAR 2:210.
- (4) "Department" means the Kentucky Department of Insurance as defined ~~by~~**[in]** KRS 304.1-050(2).
- (5) "Evaluator" means a person certified to act as an evaluator by IBHS and who is approved to work with the SKH program pursuant to 806 KAR 2:210.
- (6) "IBHS" means the Insurance Institute for Business and Home Safety.
- (7) "IBHS FORTIFIED Designation Certificate" means a certificate issued by IBHS upon successful completion of a FORTIFIED project.
- (8) "Region" means a distinct geographic area designated for the purpose of fund allocation and grant award priority, and divided by area development districts established pursuant to KRS 147A.050.
- (9) "Resident" means a person who resides in Kentucky for at least 181 days per calendar year.
- (10) "SKH" means the Strengthen Kentucky Homes Program as established by KRS 304.2-450.

Section 2. Operations.

- (1) SKH shall operate within the Property and Casualty Division of the Department.
- (2) In accordance with KRS 304.2-450, the commissioner shall allocate monies held by the Strengthen Kentucky Homes Program Fund to the ~~[fifteen (15) different]~~ regions of the state in equal amounts.
- (3) If a region fails to exhaust all funds allocated to that region due to an insufficient number of applicants, the commissioner may proportionally reallocate that region's funds to regions which have exhausted all previously allocated funds.
- (4) The commissioner may establish special mitigation zones for the allocation of additional funds in any geographic area within the Commonwealth of Kentucky if:
 - (a) The Governor declares a state of emergency; or
 - (b) Additional funding is needed to mitigate areas which exhibit higher vulnerability to extreme weather events.

Section 3. Eligibility.

- (1) To be eligible for an SKH grant:
 - (a) The applicant shall be:

1. The homeowner of the property to be mitigated; and
2. A resident of Kentucky;
- (b) The property to be mitigated shall be:
 1. Deemed eligible for mitigation as determined by an evaluator based on the requirements included in the PSI-1 form; and
 2. An insurable, owner-occupied primary residence located in Kentucky and either:
 - a. A single-family home; ~~[-or]~~
 - b. A duplex; or
 - c. A townhome as defined in the 2025 Fortified Home Standard[multifamily home].
- (2) ~~If the property to be mitigated is a multifamily residence, it shall:~~
 - ~~(a) Be one singular structure; and~~
 - ~~(b) Contain or be comprised of four (4) housing units or less.~~
- ~~(3) Applications submitted for properties with multiple owners shall[must] complete the AOC-1 form with signatures from all owners of the property.~~
- ~~(3)[(4)] A single-family or multifamily structure is only eligible to receive one (1) SKH grant.~~
- ~~(4)[(5)] The property to be mitigated may be a modular home, but shall not be a condominium or mobile home.~~
- (5) The applicant shall comply with all local building codes, permitting requirements, and inspection requirements.
- (6) All mitigation projections shall be completed in accordance with the technical standards promulgated by IBHS as set forth in the:
 - (a) Foundation Requirements for FORTIFIED Home Eligibility, FH 2022-06;
 - (b) Eligibility and Compliance of Accessory Roof Structures, FH 2023-03;
 - (c) FORTIFIED Requirements for Cement and Clay Hip and Ridge Tile Installed Over Asphalt Shingle Roof Cover, FH 2023-05;
 - (d) FORTIFIED Home Requirements for Homes with Excessive Gaps Between Wood Decking Boards, FH 2023-07;
 - (e) FORTIFIED Guidance on Leaf Guards and Gutters, FH 2023-09; and
 - (f) 2025 Fortified Home Standard, FH Std.-2025.

Section 4. Application Process.

- (1) The applicant shall submit the online SKH[a-completed] Application via the SKH online portal at <https://skh.doi.ky.gov>.
- (2) The applicant shall select an evaluator from the Department's SKH list of evaluators as prompted by the SKH website upon successful completion of an application and shall be responsible for paying the evaluator's charge for services.
- (3) The evaluator shall:
 - (a) Examine the home to determine whether it is eligible for mitigation;
 - (b) Identify all improvements required to achieve IBHS Roof eligibility; and
 - (c) Report findings to the Department by submitting PSI-1 form to the SKH website.

Section 5. Approval of Grants and Process.

- (1) The Department shall:
 - (a) Review all applications for completeness and determine if the applicant is eligible to receive grant funds;
 - (b) Verify the accuracy of the information on the application; and
 - (c) Approve applicants in the order received within a region who:
 1. Meet all eligibility requirements set out in Section 3 of this administrative regulation;
 2. Successfully submit a complete and verified application; and
 3. Have a PSI-1 Form on file with the Department which finds the residence eligible for mitigation.
- (2) Grants of up to \$10,000 shall be awarded in the order that applications are approved within a region subject to availability of funds.
- (3) The Department shall send notice to the applicant informing him or her of an approval or disapproval of the application.

- (4) If approved, an applicant shall select at least one (1) contractor from the Department's SKH list of contractors on the SKH website to request a bid for the mitigation work.
- (5) Selected contractors shall utilize the BDS-1 form to electronically submit bid proposals via the SKH online portal at: <https://skh.doi.ky.gov>.
- (6) Applicants who elect to proceed shall select a contractor of his or her choice from bids received and enter into an agreement with the contractor to perform the mitigation work. Contractors who begin mitigation work prior to the Department's[Department] approval of the grant application[to begin mitigation work] shall not receive grant fund compensation.
- (7) Grant projects shall be completed within ninety (90) days of the date of the grant approval notification. Upon written request, the Department may provide an extension based upon the following:
- (a) Unknown additional required mitigation work;
 - (b) Acts of God; or
 - (c) Extenuating circumstances beyond the applicant or contractor's control.
- (8) Failure of a contractor to complete a grant project within ninety (90) days without an extension may result in forfeiture of the grant for non-responsive and unreasonably delayed projects.

Section 6. Grant Award Process.

- (1) Once the grant application is approved, the contractor selected by the applicant may begin the mitigation work.
- (2) Once the mitigation work is completed, the contractor shall submit completed CCF-1 and INV-1 forms via the SKH online portal at: <https://skh.doi.ky.gov>.
- (3) The evaluator previously selected by the applicant shall conduct all required evaluations confirming that the work was completed according to the most current IBHS FORTIFIED Standard and shall submit an HR-1 form to the online portal at: <https://skh.doi.ky.gov>.
- (4) After all required forms are completed and submitted, the Department shall pay the contractor's bid up to the limit of the grant.
- (5) The applicant shall be responsible for any remaining cost to the contractor.

Section 7. Release of Funds.

- ~~(1) [Once the grant application is approved, the contractor selected by the applicant may begin the mitigation work.~~
- ~~(2) Once the mitigation work is completed, the contractor shall submit completed CCF-1 and INV-1 forms via the SKH online portal at: <https://skh.doi.ky.gov>.~~
- ~~(3) The evaluator previously selected by the applicant shall conduct all required evaluations confirming that the work was completed according to the most current IBHS FORTIFIED Standard and shall submit an HR-1 form to the online portal at: <https://skh.doi.ky.gov>.~~
- ~~(4) After all required forms are completed and submitted, the Department shall pay the contractor's bid up to the limit of the grant.~~
- ~~(5) The applicant shall be responsible for any remaining cost to the contractor.~~
- ~~(6)]~~ Grant funds shall be paid on behalf of an approved applicant after:
- (a) A FORTIFIED Designation Certificate is issued for the property by IBHS and received by the Department; and
 - (b) The contractor completes and submits the INV-1 Form via the SKH online portal at: <https://skh.doi.ky.gov>.
- ~~(2)[(7)]~~ Checks shall be mailed to the address of the contractor's choice.

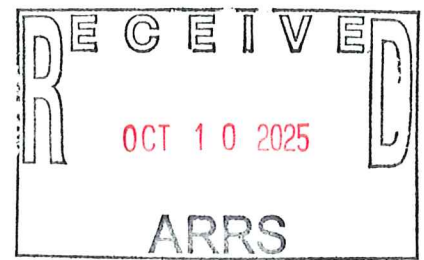
Section 8. Incorporation by Reference.

- (1) The following material is incorporated by reference:
- (a) "Contractor Bid Sheet", BDS-1 (7/2025);
 - (b) "Pre-Site Inspection Questions", PSI-1 (7/2025);
 - (c) "Completion Confirmation Form", CCF-1 (7/2025);
 - (d) "Additional Owners Consent Form", AOC-1 (7/2025);
 - (e) "Home Review Form", HR-1 (7/2025);
 - (f) "Standard Invoice", INV-1 (7/2025);

- (g) "Foundation Requirements for FORTIFIED Home Eligibility", FH 2022-06 (4/2023);
- (h) "Eligibility and Compliance of Accessory Roof Structures", FH 2023-03 (4/2023);
- (i) "FORTIFIED Requirements for Cement and Clay Hip and Ridge Tile Installed Over Asphalt Shingle Roof Cover", FH 2023-05 (4/2023);
- (j) "FORTIFIED Home Requirements for Homes with Excessive Gaps Between Wood Decking Boards", FH 2023-07 (4/2023);
- (k) "FORTIFIED Guidance on Leaf Guards and Gutters", FH 2023-09 (5/2023);
- (l) "2025 Fortified Home Standard", FH Std.-2025 (11/2024); and
- (m) "Online SKH Application", <https://skh.doi.ky.gov> (7/2025).

(2) This material may be inspected, copied or obtained, subject to applicable copyright law, at the Department of Insurance, Mayo-Underwood Building, 500 Mero Street, Frankfort, Kentucky 40601, Monday through Friday, 8 a.m. to 4:30 p.m. This material is also available on the department's website at: <https://insurance.ky.gov/ppc/CHAPTER.aspx>.

CONTACT PERSON: Shaun T. Orme, Executive Advisor, 500 Mero Street, Frankfort, Kentucky 40601, phone +1 (502) 782-1698, fax +1 (502) 564-1453, email shaun.orme@ky.gov.



Andy Beshear
GOVERNOR

Jacqueline Coleman
LIEUTENANT GOVERNOR

PUBLIC PROTECTION CABINET

**Kentucky Department of
Insurance**

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October 10, 2025

Senator Stephen West, Co-Chair
Representative Derek Lewis, Co-Chair
c/o Emily Caudill, Regulation Compiler
Administrative Regulation Review
Legislative Research Commission
083 Capitol Annex
Frankfort, KY 40601

RE: 806 KAR 2:210 Eligibility requirements for contractors and evaluators in the Strengthen Kentucky Homes Program.

Dear Co-Chairs West and Lewis:

After Discussion with Administrative Regulation Review Subcommittee staff of the issues raised by 806 KAR 2:210, the Kentucky Department of Insurance proposes the attached suggested substitute to 806 KAR 2:210.

Sincerely,

Shaun T. Orme, Executive Advisor
Kentucky Department of Insurance
Public Protection Cabinet
500 Mero Street, 2 SE 11
Frankfort, Kentucky 40601

Final, 10-8-2025

SUGGESTED SUBSTITUTE

**PUBLIC PROTECTION CABINET
Department of Insurance
Division of Property and Casualty Insurance**

806 KAR 2:210. Eligibility requirements for contractors and evaluators in the Strengthen Kentucky Homes Program.

RELATES TO: KRS 304.1-050, 304.2-450

STATUTORY AUTHORITY: 304.2-450

CERTIFICATION STATEMENT:

NECESSITY, FUNCTION, AND CONFORMITY: KRS 304.2-450 requires~~authorizes~~ the commissioner to promulgate administrative regulations to establish ~~any~~ rules and eligibility requirements that are necessary for the proper implementation and administration of the Strengthen Kentucky Homes program. This administrative regulation establishes the eligibility requirements for contractors and evaluators to participate in the Strengthen Kentucky Homes Program which are necessary to carry out the provisions of KRS 304.2-450, relating to the Strengthen Kentucky Homes Program.

Section 1. Definitions.

- (1) "Applicant" means a real property owner seeking, or who has been approved for, a financial grant pursuant to KRS 304.2-450.
- (2) "Commissioner" is defined by KRS 304.1-050(1).
- (3) "Contractor" or "SKH approved contractor" means a person certified to act as a contractor by IBHS and who is approved to work with the SKH program pursuant to this administrative regulation~~806 KAR 2:210~~.
- (4) "Department" means the Kentucky Department of Insurance as defined by/in KRS 304.1-050(2).
- (5) "Evaluator" or "SKH approved evaluator" means a person certified to act as an evaluator by IBHS and who is approved to work with the SKH program pursuant to this administrative regulation~~806 KAR 2:210~~.
- (6) "IBHS" means the Insurance Institute for Business and Home Safety.
- (7) "IBHS FORTIFIED Designation Certificate" means a certificate issued by IBHS upon successful completion of a FORTIFIED project.
- (8) "SKH" means the Strengthen Kentucky Homes Program as established by KRS 304.2-450.

Section 2. Contractor Eligibility. To be eligible to work as an SKH approved contractor, a person~~contractor~~ shall:

- (1) Be in good standing with IBHS;
- (2) Comply with all the requirements as set forth in the FORTIFIED Home Roofing Contractor Handbook;
- (3) Execute a Certified FORTIFIED Roofing Contractor Agreement with IBHS;
- (4) Maintain all required state or jurisdictional business licenses~~license(s)~~ or work permits required by Kentucky law;
- (5)~~(3)~~ Maintain an in-force General Liability policy with \$1,000,000 in liability coverage;
- (6)~~(4)~~ Comply with all state and federal Worker's Compensation laws;
- (7)~~(5)~~ Obtain a Letter of Good Standing from the Kentucky Department of Revenue;
- (8)~~(6)~~ Complete SKH mitigation projects within the time frame set forth in 806 KAR 2:200, Section 5(7); and
- (9)~~(7)~~ Create an account and submit to the Department the following through the SKH online portal at <https://skh.doi.ky.gov>:
 - (a) An active IBHS-Certified FORTIFIED Roofing Contractor Certificate;

- (b) Evidence of an in-force General Liability policy with \$1,000,000 in liability coverage; and
- (c) A Letter of Good Standing from the Kentucky Department of Revenue.

Section 3. Evaluator Eligibility. To be eligible to work as an SKH approved evaluator, a person[an evaluator] shall:

- (1) Be in good standing with IBHS;
- (2) **Comply with all the requirements as set forth in the Certified FORTIFIED Evaluator Handbook;**
- (3) **Execute a Certified FORTIFIED Home Evaluator Agreement with IBHS;**
- (4) Maintain all required state or jurisdictional business licenses[license(s)] or work permits required by Kentucky law;
- (5)[(3)] Maintain an in-force surety bond in the amount of \$50,000;
- (6)[(4)] Obtain a Letter of Good Standing from the Kentucky Department of Revenue; and
- (7)[(5)] Create an account and submit to the Department the following through the SKH online portal at <https://skh.doi.ky.gov>:
 - (a) An active IBHS-Certified FORTIFIED Home Evaluator Certificate;
 - (b) Evidence of an in-force surety bond in the amount of \$50,000; and
 - (c) A Letter of Good Standing from the Kentucky Department of Revenue.

Section 4. Conflict Prohibition.

- (1) Contractors and evaluators shall not have a financial interest in any project for which they perform work toward a FORTIFIED designation other than for payment for actual work performed on behalf of the applicant.
- (2) Contractors and evaluators shall not act as both the contractor and evaluator for a FORTIFIED designation on any project funded through SKH.
- (3) Both contractors and evaluators shall report, in writing to the Department, any potential conflicts of interest which may violate this section before work commences on any job funded through SKH.

Section 5. **Kentucky Resident Preference. Contractors and evaluators who reside in Kentucky may be granted a preference such as being designated as a Resident Preferred Contractor or Resident Preferred Evaluator on the SKH website available at <https://skh.doi.ky.gov>.**

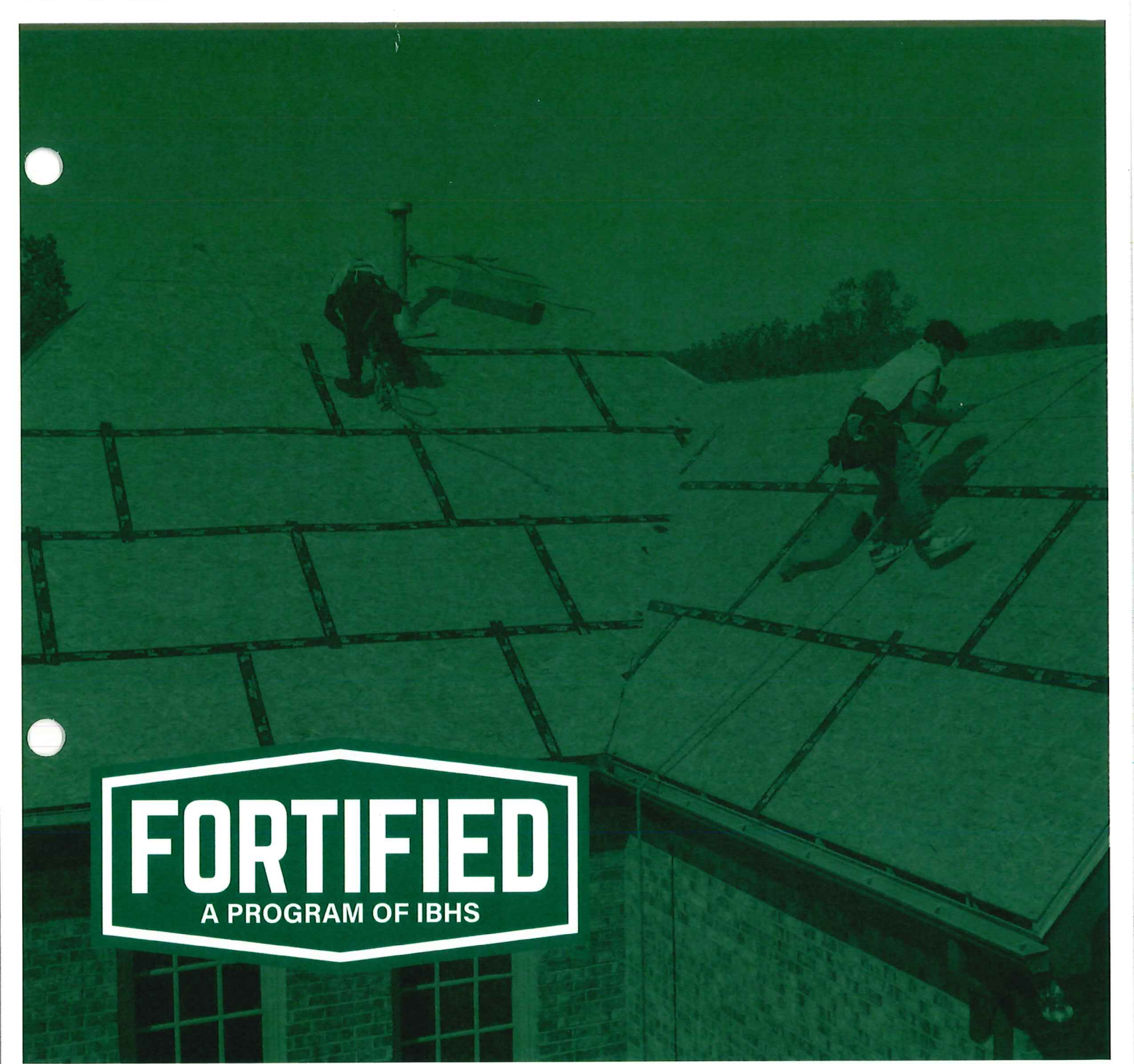
Section 6. Incorporation by Reference.

- (1) The following material is incorporated by reference:
 - (a) "**FORTIFIED Home** Roofing Contractor Handbook", (**2025-1[2024]** Edition);
 - (b) "Certified FORTIFIED Roofing Contractor Agreement", (2021 Edition);
 - (c) "Certified FORTIFIED Evaluator Handbook", (2023 Edition); and
 - (d) "Certified FORTIFIED Home Evaluator Agreement", (2023 Edition).
- (2) This material may be inspected, copied or obtained, subject to applicable copyright law, at the Department of Insurance, Mayo-Underwood Building, 500 Mero Street, Frankfort, Kentucky 40601, Monday through Friday, 8 a.m. to 4:30 p.m. This material is also available on the department's website at: <https://insurance.ky.gov/ppc/CHAPTER.aspx>.

CONTACT PERSON: Shaun T. Orme, Executive Advisor, 500 Mero Street, Frankfort, Kentucky 40601, phone +1 (502) 782-1698, fax +1 (502) 564-1453, email shaun.orme@ky.gov.

MATERIAL INCORPORATED BY REFERENCE

At the time that it files this staff suggested amendment, the agency needs to file one (1) clean copy of the "FORTIFIED Home Roofing Contractor Handbook" with the 2025-1 Edition Date that corresponds to the latest version being used on the IBHS website and as cross-referenced in other material incorporated by reference.



FORTIFIED

A PROGRAM OF IBHS

FORTIFIED HOME ROOFING CONTRACTOR HANDBOOK

Version – 2025.1



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Objectives of the FORTIFIED Home Program

All families deserve a home with a roof that can withstand the weather it will face.

With this guiding principle, the FORTIFIED Home™ program aims to meet the following objectives:

- Reduce risks facing homeowners by making new and existing homes more resistant to damage from hurricanes, tropical storms, hailstorms, high winds, and wind-driven rain associated with thunderstorms.
- Make best-practice engineering and building standards available to anyone who wants to strengthen new and existing residential structures.
- Show recognizable benefits to the building industry, insurance industry, code jurisdictions, consumers, and other interested parties.
- Provide a uniform, voluntary, superior set of standards to upgrade a home and help improve its resilience by adding system-specific upgrades to building code requirements.
- Ensure that essential verification and documentation services are provided to contractors and homeowners seeking a FORTIFIED designation.



FORTIFIED Overview

FORTIFIED is a suite of voluntary construction and re-roofing programs based on decades of research by the Insurance Institute for Business & Home Safety (IBHS) and designed to reduce the damage caused by hurricanes, tornadoes, and other severe weather events. There are three FORTIFIED programs:

- [**FORTIFIED Home™**](#)
- [**FORTIFIED Multifamily™**](#)
- [**FORTIFIED Commercial™**](#)



NOTE: The certifications, qualifications and responsibilities detailed in this handbook apply only to the FORTIFIED Home program.

To help property owners achieve a predictable level of storm protection based on their own budget and choices, each FORTIFIED program offers three progressive levels of designations:

- **FORTIFIED Roof™**
- **FORTIFIED Silver™**
- **FORTIFIED Gold™**

Because analysis shows that up to 92% of post-catastrophe insurance claims include damage to the roof, every FORTIFIED designated property must meet the FORTIFIED Roof standard and be installed by a certified FORTIFIED Roofing contractor. The specific requirements for a FORTIFIED Roof designation are detailed in the [2025 FORTIFIED Home Standard](#) and highlighted in [FORTIFIED Documentation Requirements](#).

An optional Hail Supplement can be added to any FORTIFIED-Hurricane or High Wind designation by meeting additional requirements outlined in the FORTIFIED standard. Most notably, if asphalt shingles are used, they must be rated Excellent or Good on the [IBHS Roof Shingle Hail Impact Ratings](#).

Homes with a FORTIFIED Silver or a FORTIFIED Gold designation will have a FORTIFIED roof and will also meet additional requirements that protect other areas of a house susceptible to high winds and heavy rain.

At all levels of FORTIFIED, products, installation and construction are documented by an independent third-party FORTIFIED evaluator. The evaluator works with contractors to collect photos and other documentation which are submitted to IBHS for review. Once IBHS confirms the project meets the FORTIFIED standard, a 5-year designation certificate is issued to the property.

The FORTIFIED designation certificate is typically required for homeowners to receive any FORTIFIED-related incentives, including insurance discounts, grants or tax credits.



Certified FORTIFIED Home™ Evaluators

The independent verification and documentation of FORTIFIED requirements is one of the three pillars of the FORTIFIED program. When combined with the FORTIFIED standard and trained contractors, the verification process gives homeowners confidence that their home offers increased protection from severe weather.

Certified FORTIFIED Home Evaluators document that contractors have completed key requirements of the construction standard and that materials used on each project comply with the FORTIFIED standard. This documentation gives both homeowners and insurers confidence that a home meets the FORTIFIED standard.

Certified FORTIFIED Wise Roofing Contractors

A roof is a home's first line of defense against severe weather and is key to preventing damage from high winds and heavy rain.

Certified FORTIFIED Wise Roofing Contractors have the training and experience to ensure their company's roof installations meet the FORTIFIED Roof standard. They also understand the strict documentation and verification process IBHS employs to maintain consistent risk reduction across the country.



IMPORTANT: As of November 1, 2025, for a home to be eligible for any level of FORTIFIED designation, the roof must be installed by a certified FORTIFIED Roofing Company, that employs at least one certified FORTIFIED Wise Roofing Contractor.



FORTIFIED Roofing Contractor Certification

To become a **FORTIFIED Roofing Company** and be listed in the [FORTIFIED Provider Directory](#), companies must:

1. Employ at least one individual who is a certified FORTIFIED Wise Roofing Contractor



FORTIFIED Roofing Companies wishing to have multiple physical locations listed in the FORTIFIED Provider Directory must have at least one employee who is a certified FORTIFIED Wise Roofing Contractor at each physical location.

2. Meet the specific requirements listed under “Qualifications for a FORTIFIED Roofing Company” (below)
3. Provide proof of required credentials to IBHS or its authorized representative.

To become a **certified FORTIFIED Wise Roofing Contractor** (and be a qualifier that makes a company eligible to be a FORTIFIED Roofing Company), an individual must:

1. Meet the specific professional experience requirements detailed in “Qualifications of a FORTIFIED Wise Roofing Contractor” (below)
2. Provide proof of required credentials to IBHS or its authorized representative.
3. Complete the FORTIFIED Roofing Contractor training
4. Demonstrate knowledge of the training materials by passing the FORTIFIED Roofing Contractor Certification Exam.
5. Be employed by the company seeking qualification and hold a position of authority to act on behalf of the organization.

Certified FORTIFIED Wise Roofing Contractors are not the partner, employee, agent, or representative of IBHS. Certification does not create a contract of employment between IBHS and the certified individual or their employer. The activities undertaken in connection with the FORTIFIED Home program are not services intended to confer a benefit to IBHS, and certified FORTIFIED Wise Roofing Contractors are not entitled to compensation from IBHS and are not permitted to submit claims for compensation, in any form, to IBHS.



Qualifications of a FORTIFIED Roofing Company

To be listed as a FORTIFIED Roofing Company, the Company must have at least **one employee** who is a certified FORTIFIED Wise Roofing Contractor at each location listed in the FORTIFIED Provider Directory. In addition, the company must meet the following requirements:

1. Nationally Recognized Roofing Manufacturer Certification
 - a. The company has proof of an approved top-tier roofing certification such as: GAF Factory Certified or Master Elite Certification, Owens Corning Preferred Contractor, Atlas Platinum Preferred Contractor, Malarkey Certified Residential Contractor, etc.
 - This list is not exhaustive. Other certifications may be acceptable, including those from metal roofing, tile and wood shingle and shake manufacturers.
2. A valid state issued contractor license. If contractor licenses are not required for roofing in your state, a valid business license is required.
3. Proof of a minimum of two (2) years in business.
4. Verification of one million dollars (\$1,000,000) in general liability insurance.
5. Provide proof of valid Workers' Compensation coverage.
 - a. If the company is exempt, they must provide the applicable exemption or fill out the Workers Compensation Insurance Waiver.
6. Sign the FORTIFIED Roofing Contractor Agreement
 - a. The Agreement must be fully executed by **company owner or principal** and IBHS **prior** to being listed as a certified FORTIFIED Roofing Contractor and before the Roofing Contractor may begin using FORTIFIED logos and/or marks.

Responsibilities of a FORTIFIED Roofing Company

Companies with at least **one employee** who is a certified FORTIFIED Wise Roofing Contractor are qualified to be listed as a FORTIFIED Roofing Company in the FORTIFIED Provider Directory. To maintain this qualification, companies must:

1. Submit proof of insurance and licensure (if applicable in the state(s) where the company does business) to IBHS or its designated representative.
 - a. Documentation must be **updated annually** to maintain active status.
 - b. If the required insurance and licensure information is not updated, certification will be suspended until the requirement is met.



2. Maintain appropriate records, up to date contact information (including but not limited to email addresses and phone numbers) and agree to be audited by IBHS or their designee.
3. Complete FORTIFIED roof installations in accordance with applicable FORTIFIED standards and provide documentation as needed, including but not limited to photographs, product testing information and compliance forms.
4. Provide contact information and timely schedule updates to FORTIFIED Evaluators before and during roof installation.
5. **Immediately** notify IBHS of the separation of any certified FORTIFIED Wise Roofing Contractor from the company.
 - a. If the qualified FORTIFIED Roofing Company has additional certified FORTIFIED Wise Roofing Contractors, no other action is necessary.
 - b. If there are no additional certified FORTIFIED Wise Roofing Contractors on staff, the company must have a replacement employee certified within 14 calendar days or face suspension of privileges until a replacement is approved by IBHS.
 - During the suspension, roofs installed while the company's certification is suspended, **will not be eligible for designation** until certification status is reinstated.
 - During the suspension, the Roofing Company will not be listed in the FORTIFIED Provider Directory, and the company is not permitted to use the FORTIFIED mark or other symbols of the FORTIFIED program as part of any promotion or advertising.



Qualifications of a FORTIFIED Wise Roofing Contractor *(individual)*

Every FORTIFIED Roofing Company must have at least **one employee** who is a certified FORTIFIED Wise Roofing Contractor at each location listed in the FORTIFIED Provider Directory. As the qualifier of a FORTIFIED Roofing Company, the certified FORTIFIED Wise Roofing Contractor must meet each of the following requirements:

1. Thorough understanding of the roofing systems (i.e. asphalt shingles, metal panel, tile roofing and low slope roofing) installed by company.
 - a. The FORTIFIED Wise qualifier must provide a descriptive summary of their roofing **field experience**. This includes the timeframes and types of roofing systems, (i.e. asphalt shingles, metal panel, tile roofing and low slope roofing) the qualifier has installed.
 - Field experience is actual on-site roofing installations where the full scale of practical conditions and problems arising in roofing installations are found.
 - **Sales/estimating, designing and other office work do not satisfy this prerequisite.**
2. Ability to properly explain FORTIFIED requirements to company employees, including installers.
3. Ability to explain any changes to the FORTIFIED standard or documentation requirements, as sent to the certified FORTIFIED Wise Roofing Contractor.
4. Complete the FORTIFIED Wise Roofing Contractor Training Course, prior to taking the FORTIFIED Roofing Contractor Certification Exam.
5. Complete and pass the FORTIFIED Roofing Contractor Certification Exam by an achieve a minimum score of 85%.
 - a. A copy of the FORTIFIED Roofing Contractor Certification Exam certificate must be provided.

Responsibilities of a Certified FORTIFIED Wise Roofing Contractor

Upon successfully completing the required training, passing the certification exam, and providing requested documentation, the individual will be required to:

1. Maintain up to date contact information (including but not limited to email addresses and phone numbers) within the Roofing Contractor's profile.
2. Ensure their FORTIFIED Roofing Company understands FORTIFIED requirements.



3. Maintain an appropriate knowledge base of the FORTIFIED Home program requirements by staying up to date with updates to the FORTIFIED Standard and technical resources such as Technical Bulletins and checklists, and completing any additional training required by the program.
 - a. Notify their FORTIFIED Roofing Company of any changes to the FORTIFIED standard or documentation requirements, as sent to the certified FORTIFIED Wise Roofing Contractor.
4. Provide their FORTIFIED Roofing Company with an understanding of documentation required for a FORTIFIED designation and the role of the certified FORTIFIED evaluator.
5. Notify IBHS if they leave a FORTIFIED Roofing Company.



FORTIFIED Wise Roofing Contractor Training

Whether in-person, online at [FORTIFIED Wise™ University](#), or another authorized outlet, the FORTIFIED Wise Roofing Contractor training course covers the technical requirements and protocol for installing a roof that complies with the FORTIFIED Roof standard. It is designed to ensure that FORTIFIED Roof installations meet the resiliency standard required and are consistent throughout the country. **The training course is required for those seeking FORTIFIED certification** and is also available to those who simply want to increase their own knowledge of the program.

Roofing Contractor Training Objectives

- Provide a comprehensive understanding of the FORTIFIED Home standards, requirements, and designation process.
- Ensure attendees understand the roles and responsibilities of a certified FORTIFIED Roofing Contractor and a FORTIFIED Roofing Company.
- Provide details about the documentation of FORTIFIED Home requirements, which must be submitted to IBHS for every project.
- Empower learners to be advocates for FORTIFIED and IBHS; and to be guides to homeowners seeking a stronger, more storm-resistant roof.

Certification Exam

Candidates have three and a half (3.5) hours to complete the online examination and must answer 85% or more of the examination questions correctly to pass. Three attempts are permitted within 30 days of exam registration.

Failing the Exam

Candidates who fail to pass after the three attempts, but want to continue with the certification process, are required to retake the FORTIFIED Wise Roofing Contractor Training Course before attempting the exam again. The candidate is required to pay all appropriate fees for the course and examination.

If a candidate takes the class for a second time and fails the exam three additional times, the candidate must wait six (6) months before retaking the course and the exam. The candidate must again pay all appropriate fees to re-enroll for the course and take another exam.

As long as required documentation (licenses, insurance, etc.) are kept up to date and do not expire or become invalid, **the FORTIFIED Wise Roofing Contractor certification is valid for a period of three (3) years.**



Recertification

FORTIFIED Wise Roofing Contractor certification is valid for a period of three (3) years.

At the end of the three-year period, FORTIFIED Wise Roofing Contractors, who continue to qualify for certification, are **required** to retake and pass the FORTIFIED Wise Roofing Contractor certification examination. The roofing contractor is responsible for all appropriate fees.



Supplemental Requirement: If a new version of the FORTIFIED Home standard is released within one (1) year prior to recertification, FORTIFIED Wise Roofing Contractors must complete required bridge training or the full updated FORTIFIED Roofing Contractor course prior to taking the certification exam.

- Roofing professionals who pass the exam and continue to satisfy all requirements of the program will be recertified and remain active in the FORTIFIED Provider Directory.
- Roofing contractors who fail to answer 85% or more of the exam questions correctly must retake the FORTIFIED Wise Roofing Contractor training course before retaking the exam again. The roofing contractor is responsible for all appropriate fees.
 - If a passing score of 85% or better is still not achieved, the candidate must wait six (6) months before retaking the exam and must again pay all appropriate fees to re-enroll for the course and take another exam.

Candidates who do not complete recertification by their renewal date will be decertified and deemed **Inactive**. Inactive providers are removed from the online directory and will not be able to claim FORTIFIED certification or use the FORTIFIED Home mark or other symbols of the FORTIFIED program as part of any promotion or advertising.



Professional Conduct and Disciplinary Policy

The Professional Conduct and Disciplinary Policy ensures certified FORTIFIED providers uphold program integrity, credibility, and FORTIFIED project performance through professional and ethical conduct. [The policy document](#) defines the professional and respectful way providers are expected to perform their work and details the disciplinary procedures for those who fail to meet these standards. All providers are expected to read and understand the policy.

Conflicts of Interest

Unless specifically allowed by the Insurance Institute for Business & Home Safety, certified FORTIFIED Wise Roofing Contractors may not obtain evaluation services from a certified FORTIFIED evaluator that works for (i) the same company as them, (ii) an affiliated company, or (iii) a company in which their employer has a financial interest

To simplify the process for homeowners, FORTIFIED Roofing Companies may invoice customers for evaluation services and redirect payment for those services to the evaluator. However, any other gift, gratuity or payment to FORTIFIED Evaluators is strictly prohibited. **If such an event occurs, it may result in revocation of FORTIFIED certification for the roofing contractor, roofing company and the evaluator.**



Logo and Marks

Companies participating in the FORTIFIED Home program are encouraged to use FORTIFIED brand and marks in their promotional materials. FORTIFIED logos, approved messaging and sample promotional materials can be found on the **Marketing Resources** page of the [Provider Portal](#) (users must be logged in to view).

Providers using the FORTIFIED brand and/or marks must adhere to the online, [FORTIFIED Brand Style Guide](#).

FORTIFIED Home Review Policy

Generally, certified FORTIFIED providers can use the FORTIFIED logo, without prior consent, on company apparel, website, flyers and billboards, as long as its use is consistent with the FORTIFIED Brand Style Guide.

Prior to final production or printing, IBHS must approve all educational and major promotional campaigns that feature the FORTIFIED mark. The submitted materials will be reviewed for consistency with the FORTIFIED Brand Style Guide.

Prior approval is not required for advertisements with the designation mark that are placed next to qualified homes.

Mark Violations

IBHS actively monitors proper use of the FORTIFIED Home mark and is prepared to take action as appropriate.



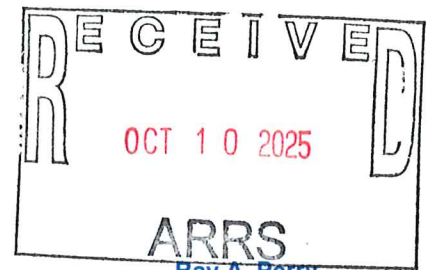
Andy Beshear
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**Kentucky Department of
Insurance**

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Ray A. Perry
SECRETARY

DJ Wasson
DEPUTY SECRETARY

Sharon P. Clark
COMMISSIONER

October 10, 2025

Senator Stephen West, Co-Chair
Representative Derek Lewis, Co-Chair
c/o Emily Caudill, Regulation Compiler
Administrative Regulation Review
Legislative Research Commission
083 Capitol Annex
Frankfort, KY 40601

RE: 806 KAR 2:220 Subsequent reinspection procedures for the Strengthen Kentucky Homes Program.

Dear Co-Chairs West and Lewis:

After Discussion with Administrative Regulation Review Subcommittee staff of the issues raised by 806 KAR 2:220, the Kentucky Department of Insurance proposes the attached suggested substitute to 806 KAR 2:220.

Sincerely,

Shaun T. Orme, Executive Advisor
Kentucky Department of Insurance
Public Protection Cabinet
500 Mero Street, 2 SE 11
Frankfort, Kentucky 40601

Final, 10-6-2025

SUGGESTED SUBSTITUTE

**PUBLIC PROTECTION CABINET
Department of Insurance
Division of Property and Casualty Insurance**

806 KAR 2:220. Subsequent reinspection procedures for the Strengthen Kentucky Homes Program.

RELATES TO: KRS Chapter 45A, 304.1-050, 304.2-450, 304.47-050, 304.99-010

STATUTORY AUTHORITY: 304.2-450

CERTIFICATION STATEMENT:

NECESSITY, FUNCTION, AND CONFORMITY: KRS 304.2-450 requires~~authorizes~~ the commissioner to promulgate administrative regulations to establish ~~any~~ rules and eligibility requirements that are necessary for the proper implementation and administration of the Strengthen Kentucky Homes program. This administrative regulation establishes subsequent reinspection rules, procedures, and requirements which are necessary to carry out the provisions of KRS 304.2-450, relating to the Strengthen Kentucky Homes Program.

Section 1. Definitions.

- (1) "Applicant" means a real property owner seeking, or who has been approved for, a financial grant pursuant to KRS 304.2-450.
- (2) "Commissioner" is defined by KRS 304.1-050(1).
- (3) "Department" means the Kentucky Department of Insurance as defined by~~in~~ KRS 304.1-050(2).
- (4) "Evaluator" means a person certified to act as an evaluator by IBHS and who is approved to work with the SKH program pursuant to 806 KAR 2:210.
- (5) "Grant recipient" means an applicant who has received a financial grant pursuant to KRS 304.2-450.
- (6) "IBHS" means the Insurance Institute for Business and Home Safety.
- (7) "SKH" means the Strengthen Kentucky Homes Program as established by KRS 304.2-450.

Section 2. Subsequent Reinspections.

- (1) All completed SKH mitigation projects are subject to subsequent reinspection by the Department.
- (2) If selected for reinspection, a grant recipient shall schedule and complete a reinspection within
~~be contacted by an evaluator to schedule the reinspection.~~
- ~~(3) Grant recipients shall have~~ sixty (60) days ~~[in which to schedule a reinspection]~~ from the date he or she is contacted by an evaluator.
- ~~(3) [(4)]~~ Upon written request, the Department shall provide up to two (2) sixty (60) day extensions.
- ~~(4) [(5)]~~ Extension requests may be sent by email to skh.doi@ky.gov.
- ~~(5) [(6)]~~ Evaluator services shall be procured by the Department in accordance with KRS Chapter 45A.
- ~~(6) [(7)]~~ The evaluator for the reinspection shall be paid through SKH at no cost to the grant recipient.
- ~~(7) [(8)]~~ Failure to comply with a required reinspection may result in penalties pursuant to KRS 304.99-010.
- ~~(8) [(9)]~~ Suspected criminal activities shall be reported to the Kentucky Department of Insurance Division of Insurance Fraud Investigation in accordance with KRS 304.47-050.

CONTACT PERSON: Shaun T. Orme, Executive Advisor, 500 Mero Street, Frankfort, Kentucky 40601, phone +1 (502) 782-1698, fax +1 (502) 564-1453, email shaun.orme@ky.gov.



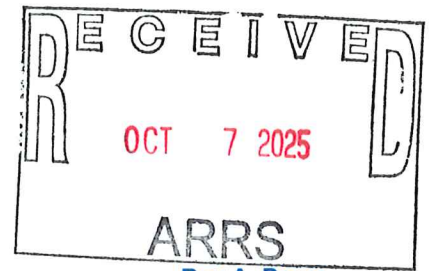
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c/o Emily Caudill, Regulation Compiler
Administrative Regulation Review
Legislative Research Commission
083 Capitol Annex
Frankfort, KY 40601

RE: 806 KAR 20:030 Car Valuation Guides

Dear Co-Chairs West and Lewis:

After Discussion with Administrative Regulation Review Subcommittee staff of the issues raised by 806 KAR 20:030, the Kentucky Department of Insurance proposes the attached suggested substitute to 806 KAR 20:030.

Sincerely,

Shaun T. Orme, Executive Advisor
Kentucky Department of Insurance
Public Protection Cabinet
500 Mero Street, 2 SE 11
Frankfort, Kentucky 40601

Final, 10-7-2025

SUGGESTED SUBSTITUTE

**PUBLIC PROTECTION CABINET
Department of Insurance
Division of Property and Casualty Insurance**

806 KAR 20:030. Car valuation guides.

RELATES TO: KRS 304.20-110

STATUTORY AUTHORITY: KRS 304.20-110

CERTIFICATION STATEMENT:

NECESSITY, FUNCTION, AND CONFORMITY: KRS 304.20-110 ***requires[authorizes]*** the commissioner to promulgate an administrative regulation to identify the nationally accepted used car valuation guides or tools to be used when determining the retail value of a wrecked, destroyed, or damaged motor vehicle, under KRS Chapter 186A. This administrative regulation establishes the nationally accepted used car valuation guides or tools to be used when determining the retail value of a wrecked, destroyed, or damaged motor vehicle.

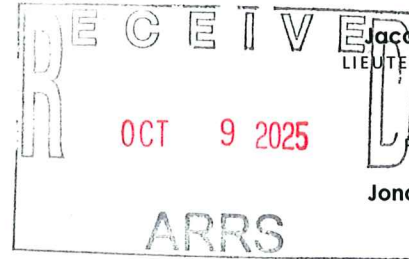
Section 1. A property insurer, casualty insurer, and property and casualty insurer shall use the following car valuation guides when determining the retail value of a wrecked, destroyed, or damaged motor vehicle, under KRS Chapter 186A:

- (1) The current version of the Kelley Blue Book ***available at <https://www.kbb.com/whats-my-car-worth/>***, or any successor entity; or
- (2) The current version of the J.D. Power Values/National Association of Auto Dealers guidelines ***available at <https://www.jdpower.com/cars>***, or any successor entity.

CONTACT PERSON: Shaun T. Orme, Executive Advisor, 500 Mero Street, Frankfort, Kentucky 40601, phone +1 (502) 782-1698, fax +1 (502) 564-1453, email shaun.orme@ky.gov.



4047 Iron Works Parkway | Lexington, KY 40511
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October 9, 2025

Senator Stephen West, Co-Chair
Representative Derek Lewis, Co-Chair
c/o Emily Caudill, Regulation Compiler
Administrative Regulation Review Subcommittee
Legislative Research Commission 083,
Capitol Annex
Frankfort, Kentucky 40601

Michael E. Berry
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Terry Finley
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William May
Catherine J. Parke
Dale Romans
C. Frank Shoop
James Edwin Worley
Ray A. Perry
Jeff Noel
Lindy Casebier

Re: 810 KAR 7:060

Dear Co-Chairs West and Lewis:

After consideration of the issues raised by 810 KAR 7:060, the Kentucky Horse Racing & Gaming Corporation proposes the attached suggested substitute to this ordinary administrative regulation.

Sincerely,

Ashleigh Bailey
Chief Legal Officer

SUGGESTED SUBSTITUTE

KENTUCKY HORSE RACING AND GAMING CORPORATION

810 KAR 7:060. Kentucky [~~Quarter Horse,~~]Paint Horse, Appaloosa, and Arabian Development Fund.

RELATES TO: KRS 138.510, 230.215, 230.225, 230.443, 230.445

STATUTORY AUTHORITY: KRS 230.215(2), 230.260(8), 230.445

CERTIFICATION STATEMENT: This certifies that this administrative regulation complies with the requirements of 2025 RS HB 6, Section 8.

NECESSITY, FUNCTION, AND CONFORMITY: KRS 230.215(2) and 230.260 authorize the corporation to promulgate administrative regulations establishing the conditions under which horse racing shall be conducted in Kentucky and to fix and regulate the minimum amount of purses, stakes, or awards to be offered for the conduct of any horse race meeting. KRS 230.445 ~~[establishes the Kentucky]~~~~[Quarter Horse,]~~~~[Paint Horse, Appaloosa, and Arabian development fund and]~~ requires the corporation to promulgate administrative regulations to carry out the purpose of the statute and to administer the **Paint Horse, Appaloosa, and Arabian** Development Fund in a manner to promote and aid in the development of the horse industry in Kentucky, upgrade the quality of racing in Kentucky, and to improve the quality of horses bred in Kentucky. This administrative regulation establishes eligibility standards, administrative practices to enforce the standards, and the administration of purses and payments **related to the Paint Horse, Appaloosa, and Arabian Fund**~~[in these races]~~.

Section 1. Definitions.

- (1) "Broodmare" means a mare that conceives and carries her genetic foal to term.
- (2) "Donor mare" means the mare from which an embryo is harvested for the purpose of performing an embryo transfer.
- (3) "Fund" means the Kentucky ~~[Quarter Horse,]~~Paint Horse, Appaloosa, and Arabian Development Fund established by KRS 230.445.
- (4) "Kentucky bred" means that a horse that meets the requirements of this administrative regulation and is:
 - ~~[(a)]~~ ~~[A Quarter Horse registered with the American Quarter Horse Association or its successor;]~~
 - ~~[(b)]~~ An Appaloosa registered with the Appaloosa Horse Club or its successor;
 - ~~[(c)]~~ An Arabian registered with the Arabian Horse Association Registry or its successor; or
 - ~~[(d)]~~ A Paint Horse registered with the American Paint Horse Association or its successor.
- (5) "Mare" means a broodmare, donor mare, or recipient mare.
- (6) "Recipient mare" means a mare of any breed who:
 - (a) Is implanted with an embryo from a donor mare;
 - (b) Carries the non-genetic foal to term; and
 - (c) Is implanted with an electronic horse identification microchip that accurately identifies the horse and is compliant with international standards ISO 11784.

Section 2. Advisory Committee. The fund advisory committee shall consist of five (5) members, all of whom shall be Kentucky residents, to be appointed by the chairman of the corporation by July 1 of each year. The committee shall consist of one (1):

- (1) Member of the corporation;

- (2) Officer or director of a licensed racing association in Kentucky conducting ~~[Quarter Horse,]Paint Horse, Appaloosa, or Arabian racing;~~
- (3) Owner of a horse nominated to the fund;
- (4) Owner of a mare registered with the fund; and
- (5) Member of a[the] Kentucky Paint, Appaloosa or Arabian~~[Quarter Horse Racing]~~ association recommended by that organization's board of directors.

Section 3. Mare Eligibility.

(1) In order for a foal to be eligible to earn money from the fund, the broodmare or both the donor and recipient mares shall be registered with the fund on or before December 31~~[February 15]~~ of the year of conception. Late registration may be accepted on or before July 1~~[June 15]~~ of the foaling year ~~[of conception]~~ as established by subsection (3) of this section.

~~[(a)] [Registration fees for mares conceiving foals during the 2023 and 2024 breeding seasons shall be waived, and the registration deadlines for each year of conception shall be extended to December 31 of the year of conception, in order to promote field growth.]~~

~~[(b)] [Weanling and all other applicable fees regarding the foals shall remain in effect for all foals, including foals conceived during 2023 and 2024.]~~

(2) In order to be eligible to be registered with the fund, a mare, whether a broodmare, donor mare, or recipient mare, shall reside in Kentucky for a period of no less than 180~~[120]~~ days from conception or embryo transfer implantation until foaling.

(3) A mare shall be registered with the fund by:

(a) Completing and filing with the corporation a Kentucky ~~[Quarter Horse,]Paint Horse, Appaloosa, and Arabian Development Fund Mare Registration Form, KHRGC 7-060-1, and accompanying registration fee of:~~

1. Twenty-five (25) dollars if postmarked by February 15 of the year of conception; or

2. \$200 if postmarked between February 16 and June 15 of the year of conception; and;

(b) Providing the corporation with a photocopy of:

1. The mare's official breed registration papers from the ~~[American]~~~~[Quarter Horse Association,]~~~~]~~American Paint Horse Association, Appaloosa Horse Club, the Arabian Horse Association Registry, or The Jockey Club or their respective successors; or

2. Documentation regarding a recipient mare's electronic horse identification microchip.

Section 4. Nomination.

(1) Except as established in subsection (4) of this section, in order for a horse to be eligible to earn money from the fund, it shall be "Kentucky bred" as defined by Section 1 of this administrative regulation and shall be nominated to the fund by:

(a) Completing and filing with the corporation a Kentucky ~~[Quarter Horse,]Paint Horse, Appaloosa, and Arabian Development Fund Nomination Form, KHRGC 7-060-2, and accompanying registration fee of:~~

1. Twenty-five (25) dollars to nominate a weanling;

2. \$100 to nominate a yearling; or

3. \$300 to nominate a horse of racing age; and~~[:]~~

(b) Providing the corporation with a photocopy of the horse's official breed registration papers from the ~~[American Quarter Horse Association,]~~American Paint Horse Association, Appaloosa Horse Club, or the Arabian Horse Association Registry, or their respective successors

(2) In order for a foal that is the product of an embryo transfer to be eligible to earn monies from the fund, the donor mare and the recipient mare shall be registered as established in Section 3 of this administrative regulation and shall meet the other requirements of this administrative regulation.

(3) If a registered donor mare produces more than one (1) foal in one (1) breeding season, two (2) genetic foals may be nominated to the fund as determined by the owner of the donor mare.

(4) ~~[A horse born before 2024 shall be eligible for nomination to the fund and participate in races offering monies from the fund.]~~ A horse shall be nominated by:

(a) Completing and filing with the corporation a Kentucky ~~[Quarter Horse,]Paint Horse, Appaloosa, and Arabian Development Fund Nomination Form, KHRGC 7-060-2, and accompanying registration fee of:~~

1. Twenty-five (25) dollars to nominate a weanling;

2. \$100 to nominate a yearling; or

3. \$300 to nominate a horse of racing age; and

(b) Including the following with the nomination form:

1. A photocopy of the official breed registration papers from the ~~[American Quarter Horse Association,]American Paint Horse Association, Appaloosa Horse Club, or the Arabian Horse Association Registry, or their respective successors;~~

2. Registration papers showing ownership and demonstrating that the horse was foaled in Kentucky;

3. An official breed registry shipped semen report or a stallion breeders certificate demonstrating that the horse was conceived in Kentucky; and

4. A signed affidavit from the owner of the mare at the time of her pregnancy stating that the mare resided in Kentucky for a period of no less than 180~~[120]~~ days from conception or embryo transfer implantation until foaling.

(5) Nothing in this section shall prevent a registered mare from being eligible to race for monies from the fund.

Section 5. Monies Allocated.

(1) Money deposited to the Fund shall be allocated on an equitable basis as determined by the corporation, pursuant to KRS 230.445.

(2) In allocating, the corporation shall consider at least the following factors:

(a) The amount contributed to the fund by each association;

(b) The amount of handle collected by each association;

(c) The breed or breeds approved for racing in Kentucky; and

(d) The population of horses by breed registered in Kentucky that are registered with the fund.

Section 6. Distribution of Funds.

(1) Each association shall submit a request to the advisory committee, including the proposed races eligible to receive monies from the fund and the proposed purse structure for those races, at least forty-five (45) days prior to the opening day of the live racing meet.

(2) Unless there is a corporation-approved proposal to the contrary, the proposed purse structure shall not exceed the total dollars generated by that breed to the association's fund account. Corporation approval shall be based on the standards established in Section 5(2) of this administrative regulation.

(3) The advisory committee shall review the proposed eligible races and purse structure and make a recommendation whether or not to approve the proposed races and purse structure to the corporation based upon the best interests of Kentucky racing.

(4) Two (2) or more associations conducting ~~[Quarter Horse,]Paint Horse, Appaloosa, or Arabian racing~~ may request permission from the advisory committee to combine their respective fund monies to

supplement purses at one (1) of the associations. The advisory committee shall recommend to the corporation whether or not to approve the request, based on Section 5(2) of this administrative regulation.

Section 7. Reconciliation.

- (1) Each association shall file weekly with the corporation a copy of the pari-mutuel tax form filed with the Department of Revenue, along with a copy of the check submitted for each report.
- (2) Each association shall report to the corporation the actual purse distribution within fifteen (15) calendar days after the last day of a live race meeting.
- (3) The corporation shall, on a monthly basis, reconcile the weekly reports submitted by the association with the Department of Revenue's reports and deposits.
- (4) If, at the close of a live race meet, an association has a balance of monies earned for that meet that has not been distributed in actual fund purse distribution, then the association may choose one (1) of the following options to distribute the remaining balance, contingent on the recommendation of the advisory committee and the approval of the corporation:
 - (a) Use fund monies previously earned to supplement purses at future live racing meets held by that association; or
 - (b) Use fund monies previously earned to supplement purses already distributed at the last live racing meet held by the association to the recipients of the original purse allocations.
- (5) If, at the close of a live race meet, an association offering wagering on historical horse races has a balance of fund monies earned from historical horse race wagers that has not been distributed in actual fund purse distribution, then the association may choose one (1) of the following options to distribute a portion of the balance, contingent on the recommendation of the advisory committee and the approval of the corporation:
 - (a) Use the historical horse race fund monies previously earned to supplement purses at future live racing meets held by that association;
 - (b) Use historical horse race fund monies previously earned to supplement purses already distributed at the last live racing meet held by the association to the recipients of the original purse allocations; or
 - (c) Use historical horse race fund monies previously earned to supplement purses at another licensed Kentucky racetrack.
- (6) Reasonable and customary corporation charges for time spent reconciling the account may be charged to each association by the corporation based on the percentage of funds generated by each association for the previous calendar year.
- (7) Each association shall sign an agreement stating that it accepts and agrees with the reconciliation prior to reimbursement of any funds.

Section 8. Incorporation by Reference.

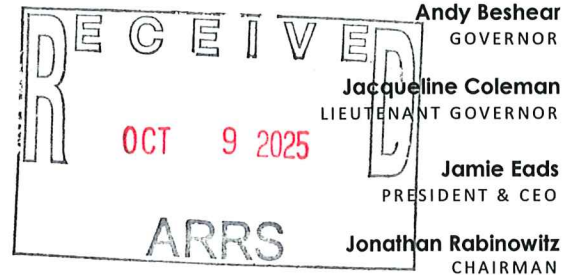
- (1) The following material is incorporated by reference:
 - (a) "Kentucky [~~Quarter Horse,~~]Paint Horse, Appaloosa, and Arabian Development Fund Mare Registration Form", KHRGC 7-060-1, **September 2025[04/2023]**;
 - (b) "Kentucky [~~Quarter Horse,~~]Paint Horse, Appaloosa, and Arabian Development Fund Nomination Form", KHRGC 7-060-2, **September 2025[04/2023]**; and
- (2) This material may be inspected, copied, or obtained, subject to applicable copyright law, at the Kentucky Horse Racing and Gaming Corporation, 4047 Iron Works Parkway, Lexington, Kentucky 40511, Monday through Friday, 8:00 a.m. to 4:30 p.m. This material is also available on the corporation's Web site at <http://khrc.ky.gov>.

***General Reviewer's Note:** Please file one (1) clean and one (1) dirty copy of each of the two (2) forms with the Compiler in conjunction with filing this suggested substitute.

CONTACT PERSON: Ashleigh Bailey, General Counsel, Kentucky Horse Racing & Gaming Corporation, 4047 Iron Works Parkway, Lexington, Kentucky 40511, phone (859) 246-2040, fax (859) 246-2039, email Ashleigh.Bailey@ky.gov



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October 9, 2025

Senator Stephen West, Co-Chair
Representative Derek Lewis, Co-Chair
c/o Emily Caudill, Regulation Compiler
Administrative Regulation Review Subcommittee
Legislative Research Commission 083,
Capitol Annex
Frankfort, Kentucky 40601

Re: 810 KAR 7:080

Dear Co-Chairs West and Lewis:

After consideration of the issues raised by 810 KAR 7:080, the Kentucky Horse Racing & Gaming Corporation proposes the attached suggested substitute to this ordinary administrative regulation.

Sincerely,

Ashleigh Bailey
Chief Legal Officer

SUGGESTED SUBSTITUTE

KENTUCKY HORSE RACING AND GAMING CORPORATION

810 KAR 7:080. Kentucky Quarter Horse Development Fund.

RELATES TO: KRS 138.510, 230.215, 230.225, 230.405, 230.443[, ~~230.405~~]

STATUTORY AUTHORITY: KRS 230.215(2), 230.260(8), 230.405

CERTIFICATION STATEMENT: This certifies that this administrative regulation complies with the requirements of 2025 RS HB 6, Section 8.

NECESSITY, FUNCTION, AND CONFORMITY: KRS 230.215(2) and 230.260 authorize the corporation to promulgate administrative regulations establishing the conditions under which horse racing shall be conducted in Kentucky and to fix and regulate the minimum amount of purses, stakes, or awards to be offered for the conduct of any horse race meeting. KRS 230.405[~~establishes the Kentucky Quarter Horse development fund and~~] requires the corporation to promulgate administrative regulations to carry out the purpose of the statute and to administer the Kentucky Quarter Horse Development Fund in a manner to promote and aid in the development of the horse industry in Kentucky, upgrade the quality of racing in Kentucky, and to improve the quality of horses bred in Kentucky. This administrative regulation establishes eligibility standards, administrative practices to enforce the standards, and the administration of purses and payments related to the Kentucky Quarter Horse Development Fund[~~in these races~~].

Section 1. Definitions.

- (1) "AI" means artificial insemination.
- (2) "AQHA" means the American Quarter Horse Association.
- (3) "Broodmare" means a mare that conceives and carries her genetic foal to term.
- (4) "Donor mare" means the mare from which an embryo is harvested for the purpose of performing an embryo transfer.
- (5) "ET" means an embryo transfer in which[~~where~~] an embryo is harvested from a donor mare and implanted into a recipient mare that[~~who~~] carries the non-genetic foal to term.
- (6) "Fund" means the Kentucky Quarter Horse Development Fund established by KRS 230.405.
- (7) "Kentucky bred" means a horse that meets the requirements of this administrative regulation and is:
 - (a) A Quarter Horse registered with the AQHA or its successor; and
 - (b) A Quarter Horse registered with the KYQHRA or its successor.
- (8) "KQHDF" means the Kentucky Quarter Horse Development Fund, established by KRS.230.405.
- (9) "KYQHRA" means the Kentucky Quarter Horse Racing Association, as the official registrar for the KQHDF pursuant to KRS 230.405
- (10) "Mare" means a broodmare, donor mare, or recipient mare.
- (11) "Qualified breeder" means the breeder of record according to the AQHA.
- (12) "Qualified winner" means a quarter horse registered with the AQHA, registered with the KQHDF, declared the official winner of an eligible race by the stewards, and [~~is~~]not eligible to be claimed in that race.
- (13) "Recipient mare" means a mare of any breed that[~~who~~]:
 - (a) Is implanted with an embryo from a donor mare;
 - (b) Carries the non-genetic foal to term; and

- (c) Is implanted with an electronic horse identification microchip that accurately identifies the horse and is compliant with international standards ISO 11784.
- (14) "Stallion" means a stallion registered with the KYQHRA

Section 2. Advisory Committee. The KQHDF advisory committee shall consist of five (5) members, all of whom shall be Kentucky residents, to be appointed by the chair[chairman] of the corporation by July 1 of each year. The committee shall consist of one (1):

- (1) Member of the corporation;~~[-and]~~
- (2) Officer or director of a licensed racing association in Kentucky conducting Quarter Horse racing;~~and]~~
- (3) Owner of a horse nominated to the fund;~~[-and]~~
- (4) Owner of a mare registered with the fund; and
- (5) Member of the Kentucky Quarter Horse Racing Association recommended by that organization's board of directors.

Section 3. Mare Eligibility.

(1) In order for a foal to be eligible to earn money from the fund, the broodmare or both the donor and recipient mare shall be registered with the fund on or before December 31 of the year of conception. Late mare registration shall[may] be accepted **if compliant with subsection (7) of this section. Late mare registration shall be** on or before July 1 of the foaling year **and shall proceed** as established by subsection (7) of this section.

(a) Beginning in 2025, and ending in 2028, a mare bred in another state and brought back to Kentucky to foal shall[may] be eligible for moneys from the fund. The pregnant mare shall register with the fund, be in Kentucky **at least thirty (30)[30]** days prior to foaling, foal in Kentucky, and have the resulting foal registered as a Kentucky-bred quarter horse.

(b) To maintain eligibility of the first foal, the mare shall[must] reregister and be bred back that same foaling year to a Kentucky registered stallion, remain in the state of Kentucky a minimum of 180 days during that year of conception, foal in Kentucky, and register the second resulting foal as a Kentucky-bred. Both foals shall then remain eligible as Kentucky-breds by fulfilling the remaining requirements of this administrative regulation.

(c) Pregnant mares from another state that[who] fail to have a viable foal, fail to breed back or lose one (1) of the two (2) foals to natural causes may maintain their eligibility along with the remaining foal's eligibility by providing to the KYQHRA [proper] medical documentation, verified by a licensed veterinarian, as to why a foal passed, the mare did not take, or documentation as to why the mare aborted. The mare shall remain in Kentucky for a period no less than 180 days only if there is a remaining foal on the ground or in utero sought to be eligible.

(d) Foals born in 2025 from a mare bred in another state may late register by submitting[filling-out] a Late Mare Registration Form, 7-080-2, **and accompanying registration fee of \$100 (note that the normal fee shall be discounted by fifty (50) percent for 2025 only), and a** Late KY Stallion Registration Form, 7-080-4, **and accompanying registration fee of \$100 (note that the normal fee shall be discounted by fifty (50) percent for 2025 only), [paying-half-of-those-late-nomination-fees-]** by July 1, 2026, and registering[shall-register] the resulting foal as a Kentucky-bred. The mare and foal shall then fulfill the additional requirements in **paragraphs (a) through (c) of this subsection[Section (1)(a), (b) and (c)].**

(e) Registration Deadlines for mares bred in 2025, with resulting foals of 2026, shall be extended to July 1, 2026, without penalty, by submitting both a Mare Registration Form, 7-080-1, and

accompanying registration fee of fifty (50) dollars, and a KY Stallion Registration Form, 7-080-3, and accompanying registration fee of \$100[-with-corresponding-payments].

(2) A mare shall be bred naturally, by AI, or by ET in the state of Kentucky and foal in the state of Kentucky.

(3) In order to be eligible to be registered with the fund, a pregnant mare, shall reside in Kentucky for a period no less than 180 days during the year of conception.

(4) Registrations shall be received by the KYQHRA by close of business or postmarked on the date of the deadline. If that deadline falls on a non-business day or federal holiday, the deadline shall extend to the next business day.

(5) Breeding involving an ET, [;]

(a)

1. A donor mare and recipient mare shall both be registered; and

2. ~~[(b)]~~ A recipient mare shall be microchipped. ~~[-and]~~

~~[(b)]~~ ~~[(c)]~~ A maximum of two (2) ET's, bred to a single stallion, may be done in a single breeding season as determined by the owner of the donor mare.

~~[(c)]~~ ~~[(d)]~~ A donor mare may also carry her own genetic foal to term and, if she has natural twins, ~~[they]~~ both foals shall be eligible to the fund.

(6) A mare shall be registered with the fund by:

(a) Completing and filing with the KYQHRA, a ~~[Kentucky Quarter Horse Development Fund]~~ Mare Registration Form, KHRGC 7-080-1, and accompanying registration fee of fifty (50) dollars; and

(b) Providing a photocopy of:

1. The mare's official breed registration papers from the AQHA; ~~[-and]~~

2. Documentation regarding a recipient mare's electronic horse identification; and

3. A stallion breeding report from AQHA.

(7) A late mare shall be registered with the fund by:

(a) Completing and filing with the KYQHRA, a ~~[Kentucky Quarter Horse Development Fund]~~ Late Mare Registration Form, KHRGC 7-080-2, and accompanying registration fee of \$200; and

(b) Providing a photocopy of:

1. The mare's official breed registration papers from the AQHA; ~~[-and]~~

2. Documentation regarding a recipient mare's electronic horse identification; and

3. A stallion breeding report from AQHA.

Section 4. Stallion Eligibility.

(1) In order for a foal to be eligible to earn money from the fund, the stallion shall be registered with the fund on or before December 31 of the year of conception. Late stallion registration ~~shall~~ may be accepted if compliant with subsection (4) of this section. Late stallion registration shall be on or before July 1 of the foaling year and shall proceed as established by subsection (4) of this section.

(2) Stallions do not have to reside in the state of Kentucky to maintain eligibility and may breed by AI ~~[artificial insemination]~~.

(3) A stallion shall be registered with the fund by:

(a) Completing and filing with the KYQHRA, a KY ~~[Kentucky Quarter Horse Development Fund]~~ Stallion Registration Form, KHRGC 7-080-3, and accompanying registration fee of \$100; and

(b) Providing a photocopy of:

1. The stallion's official breed registration papers from the AQHA; and

2. A stallion breeding report from AQHA.

(4) A late stallion shall be registered with the fund by:

(a) Completing and filing with the KYQHRA, a ~~[Kentucky Quarter Horse Development Fund]~~ Late ~~Stallion~~~~[Mare]~~ Registration Form, KHRGC 7-080-4, and accompanying registration fee of \$200; and

(b) Providing a photocopy of:

1. The stallion's official breed registration papers from the AQHA; and
2. A stallion breeding report from AQHA.

Section 5. Nomination. In order for a horse to be eligible to earn money from the fund, ~~the horse[-it]~~ shall be registered as Kentucky bred at the time of entry for an eligible race~~[-,"Kentucky-bred" as defined by Section 1 of this administrative regulation]~~ and shall be nominated to the fund by:

(1) Completing and filing with the KYQHRA, a ~~[Kentucky Quarter Horse Development Fund]~~ Nomination Form, KHRGC 7-080-5, and accompanying registration fee of:

(a) Fifty (50) dollars to nominate a weanling;

(b) \$100 to nominate a yearling; or

(c) \$300 to nominate a horse of racing age; and~~[-]~~

(2) Providing the KYQHRA with a photocopy of the horse's official AQHA registration.

Section 6. Purse Structure.

(1) Each licensed association shall submit its KQHDF purse structure proposal to the KQHDF advisory committee for approval at least forty-five (45) days prior to the opening day of the live race meet.

(2) The KQHDF advisory committee shall review the proposed purse structure and make a recommendation to the corporation whether to approve or deny the proposal based upon the best interests of Kentucky racing.

Section 7. Reconciliation.

(1) Each licensed association shall file with the corporation, a copy of the pari-mutuel tax form filed with the Department of Revenue, along with a copy of the check submitted for each report. These reports shall be filed weekly.

(2) The corporation shall reconcile the weekly reports submitted by the licensed association with the Department of Revenue's reports and deposit monthly.

(3) If at the close of a live race meet, a licensed association has a surplus balance of KQHDF monies earned pursuant to KRS 230.405, then the licensed association may request to distribute a portion of that balance, contingent on the recommendation of the KQHDF Advisory Committee and the approval of the corporation, based on promoting the best interests of racing, to:

(a) Supplement purses at future live race meets held by that licensed association;~~[-or]~~

(b) Fund supplemental purse structures approved by the corporation for a previous live race meet held by the licensed association to the recipients of the original purse allocation; or

(c) Supplement quarter horse purses at another licensed Kentucky racetrack conducting quarter horse racing.

(4) Reasonable and customary administrative charges for time spent reconciling the KQHDF account may be charged by the corporation.

(5) A licensed association, at its option, may pay reasonable advertising charges billed to the association by the KYQHRA from the association's KQHDF available balance, if the advertising charges are consistent with the intent of the KQHDF. Approval of any advertising payment shall be contingent on the recommendation of the KQHDF Advisory Committee and the approval of the corporation based on promoting the best interests of racing.

(6) Each licensed association shall submit its purses paid reports, advertising invoices, or any other documentation requested by the corporation, pertinent to reimbursement, within fifteen (15) calendar days after the last day of a live race meet. Each licensed association shall sign an acknowledgment from the corporation stating that **the association[it]** accepts and agrees with the reconciliation prior to the reimbursement of any KQHDF funds.

Section 8. Breeder Awards.

(1) An incentive of \$5,000 shall be awarded to the qualified breeder of the qualified winner of the following quarter horse race types with a minimum purse of \$15,000:

(a) Grade I, II or III stakes race, as defined by the AQHA Graded Stakes Committee anywhere in the USA;

(b) Non-Grades stakes race, as defined by the AQHA, anywhere in the USA;

(c) Allowance race, as defined by the AQHA, anywhere in the USA; **and**

(d) Maiden race, as defined by the AQHA, anywhere in the USA.

(2) Any race with a claiming component shall not be eligible.

(3) The qualified breeder of a qualified winner shall be notified by the corporation of an eligible award by July **1st** the year after the eligible race was won.

(4) The qualified breeder shall have until December 31st of the year after the eligible race was won to claim the award by submitting to the corporation a completed **Application for Breeder Award**~~**Kentucky Quarter Horse Development Fund Breeder Award Claim Form**~~, KHRGC 7-080-6. Any award not claimed shall roll back into the KQHDF.

Section 9. Shortfall and Bonus Calculation.

(1) Purses approved **as established** in Section 6 of this administrative regulation, shall be paid first.

(2) If, at the close of any calendar year, inadequate funding is available in the KQHDF to fund the awards provided for in Section 8 of this administrative regulation, the funding shall be decreased proportionally among all awards.

(3) If, at the close of any calendar year, extra funding is available in the KQHDF, a bonus to breeders winning awards in Section 8 of this administrative regulation may be provided; contingent on the recommendation of the KQHDF Advisory Committee and the approval of the corporation **based on promoting the best interests of racing.**

Section 10. Incorporation by Reference.

(1) The following material is incorporated by reference:

(a) "Mare Registration Form", KHRGC 7-080-1, September 2025;

(b) "Late Mare Registration Form", KHRGC 7080-2, September 2025;

(c) "KY Stallion Registration Form", KHRGC 7080-3, September 2025;

(d) "Late KY Stallion Registration Form", KHRGC 7080-4, September 2025;

(e) "Nomination Form", KHRGC 7080-5, September 2025; and

(f) "Application for Breeder Award", KHRGC 7-080-6, September 2025.

(2) This material may be inspected, copied, or obtained, subject to applicable copyright law, at the Kentucky Horse Racing and Gaming Corporation, 4047 Iron Works Parkway, Lexington, Kentucky 40511, Monday through Friday, 8 a.m. to 4:30 p.m.

(3) This material is also available at <http://khrgc.ky.gov>

***General Reviewer's Note:** Please file one (1) copy of each form with the Compiler in conjunction with filing this suggested substitute.