

CHAPTER 5

(SB 11)

AN ACT relating to a residential safe room rebate program.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

➔SECTION 1. A NEW SECTION OF KRS CHAPTER 39A IS CREATED TO READ AS FOLLOWS:

(1) *As used in this section:*

- (a) *"FEMA" means the Federal Emergency Management Agency;*
- (b) *"Qualified homeowner" means a resident of this state who has constructed a residential safe room with the intent to open it to others within their community in the event of a weather-related emergency; and*
- (c) *"Residential safe room" means a structure that is:*
 - 1. a. *Stand alone and adjacent to a qualified homeowner's primary residence; or*
 - b. *An internal safe room within or affixed to the qualified homeowner's primary residence;*
 - 2. *Designed and constructed to meet or exceed the standards contained in the most current editions of the International Code Council Inc.'s, ICC 500 and FEMA P-361, in adherence to FEMA funding criteria; and*
 - 3. *Made available and opened to the community during a weather-related emergency.*

(2) (a) *There is hereby established in the State Treasury a trust and agency account to be known as the residential safe room rebate fund.*

(b) *The fund shall consist of moneys received from gifts; grants; federal funds, including FEMA funds; and other funds, both private and public.*

(c) *Notwithstanding KRS 45.229, any moneys remaining in the fund at the close of the fiscal year shall not lapse but shall be carried forward into the succeeding fiscal year to be used for the purposes set forth in this section.*

(d) *Any interest earnings of the fund shall become a part of the fund and shall not lapse.*

(3) (a) *The residential safe room rebate fund shall be administered by the division to provide rebates for costs incurred by qualified homeowners related to the construction or installation of a residential safe room.*

(b) *The rebate shall:*

- 1. *Equal fifty percent (50%) of the costs incurred in constructing or installing a residential safe room; and*
- 2. *Not exceed five thousand dollars (\$5,000).*

(4) *The division shall:*

(a) *Create an application process by which a qualified homeowner may request a rebate for the construction or installation of a residential safe room;*

(b) *Verify that the residential safe room complies with all FEMA guidelines;*

(c) *Verify that the residential safe room will be open to those in the community, and complete an affidavit of agreement for such that includes:*

- 1. *The location of the residential safe room;*
- 2. *The occupancy of the safe room;*

3. *An indication of how potential safe room occupants will know how to locate the safe room; and*
 4. *The distance the impacted population will travel to the safe room;*
 - (d) *Maintain a list for the public of all residential safe rooms available in this state during a severe weather event; and*
 - (e) *Beginning January 2027, in January and July of each year as long as funds are available, provide:*
 1. *Approval of a qualified homeowner's application and issue a residential safe room rebate;*
 2. *An explanation of adjustment or denial of a requested rebate; or*
 3. *A method of prioritization for applications in the succeeding calendar year in the event that funding is not available for all approved rebate applications received in the current application round.*
- (5) *A qualified homeowner shall provide to the division within thirty (30) days for which the costs were incurred for the construction or installation of a residential safe room:*
- (a) *A completed application;*
 - (b) *Copies of invoices and corresponding proof of payment in support of the residential safe room costs and amount of rebate requested;*
 - (c) *A signed certificate of installation;*
 - (d) *Coordinates of the location of the residential safe room;*
 - (e) *Building and zoning permits, if applicable;*
 - (f) *Certification from the manufacturer or a design professional attesting that the residential safe room and components meet FEMA standards; and*
 - (g) *Any other information the division deems necessary during the rebate approval process.*
- (6) *The division shall promulgate administrative regulations in accordance with KRS Chapter 13A to effectively administer this program.*
- (7) *By April 1 of each year and annually thereafter as long as the residential safe room rebate is available, the division shall report to the Legislative Research Commission for referral to the Senate, House, or Interim Joint Committee on Appropriations and Revenue the following for the previous calendar year's applications:*
- (a) *The total number of applications received by county;*
 - (b) *The total number and amounts of rebates requested by qualified homeowners, by county;*
 - (c) *The total number and amounts of rebates issued, by county;*
 - (d) *The reasons for denial or adjustment of the requested rebates; and*
 - (e) *The balance in the residential safe room rebate fund at the beginning and ending of the corresponding fiscal years.*

Signed by Governor March 23, 2026.