PUBLIC PROTECTION CABINET
Department of Insurance
Division of Property and Casualty Insurance
(New Administrative Regulation)

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

RELATES TO: KRS 340.2-450
STATUTORY AUTHORITY: KRS 304.2-450
CERTIFICATION STATEMENT:
NECESSITY, FUNCTION, AND CONFORMITY: KRS 304.2-450 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 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 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 must complete the AOC-1 form with signatures from all owners of the property.

(4) A single-family or multifamily structure is only eligible to receive one (1) SKH grant.

(5) The property to be mitigated may be a modular home but shall not be a condominium or mobile home.

Section 4. Application Process.

(1) The applicant shall submit 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 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 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 Department approval 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.

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.

(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.

COMPILER'S NOTE: 2025 RS HB 6, enacted by the General Assembly on March 27, 2025, altered the information to be provided at the time an administrative regulation is filed. Aside from formatting changes necessary to upload the regulation into the LRC's publication application, this regulation has been published as submitted by the agency.

SHARON P. CLARK, Commissioner
RAY A. PERRY, Secretary

APPROVED BY AGENCY: July 9, 2025
FILED WITH LRC: July 9, 2025 at 2:35 p.m.

PUBLIC HEARING AND COMMENT PERIOD: A public hearing on this administrative regulation shall be held at 9:00 a.m.on September 22, 2025, at 500 Mero Street, Frankfort, Kentucky 40601. Individuals interested in being heard at this hearing shall notify this agency in writing by five workdays prior to the hearing, of their intent to attend. If no notification of intent to attend the hearing is received by that date, the hearing may be canceled. If held, this hearing will be open to the public. Any person who wishes to be heard will be given an opportunity to comment on the proposed administrative regulation. A transcript of the public hearing will not be made unless a written request for a transcript is made. If you do not wish to be heard at the public hearing, you may submit written comments on the proposed administrative regulation. Written comments shall be accepted through 11:59 p.m. on September 30, 2025. Send written notification of intent to be heard at the public hearing or written comments on the proposed administrative regulation to the contact person below.

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.