

154.25-050 Supplemental projects -- Application for and approval of -- Project's activation date -- Inducements, when authorized.

- (1) If an approved company makes additional investments in the form of additional jobs retention projects during the term of the initial jobs retention project, the approved company may apply for, and the authority may approve, a supplemental project.
- (2) The authority, upon adoption of its final approval of a supplemental project, may enter into, with any approved company, an amended agreement with respect to both the initial jobs retention project and the supplemental project which shall jointly make up its project. The terms and provisions of each amended agreement, including the amount of approved costs, the amount of the tax credit pursuant to KRS 154.25-030, the job maintenance requirement established by the agreement, and any limitations the authority may deem necessary, shall be determined by negotiations between the authority and the approved company, except that each agreement shall include the following provisions:
 - (a) Upon approval of a supplemental project, the amount the approved company may recover through inducements for the initial project and any supplemental projects shall be a negotiated percentage not to exceed seventy-five percent (75%) of the eligible costs from the initial project and all newly incurred eligible costs from any supplemental projects, subject to the annual maximum negotiated and approved by the authority. At the time a supplemental project is approved, the recoverable amount and the annual maximum inducement for the initial jobs retention project and any previous supplemental projects may also be increased at the discretion of the authority pursuant to KRS 154.25-030;
 - (b) The activation date for a supplemental project shall be no more than three (3) years from final approval of the supplemental project. Prior to the activation date, the authority may extend the time for the completion of the jobs retention project and compliance with the required investment upon request of the approved company for good cause; however, the ten (10) year period for the term of the agreement shall begin from the activation date. Within three (3) months of the completion date for a supplemental project, the approved company shall document the actual cost of the project in a manner acceptable to the authority. The authority may employ an independent consultant to verify the cost of the supplemental project subject to reimbursement for the cost of same from the approved company; and
 - (c) In consideration of the execution of the amended agreement, on the date stated in the agreement, the approved company may be permitted during the term of the amended agreement to take the inducements set forth in KRS 154.25-030(2)(b), (2)(c), and (3)(a), subject to the remaining terms of that section.

Effective: April 27, 2026

History: Amended 2026 Ky. Acts ch. 198, sec. 12, effective April 27, 2026. -- Amended 2012 Ky. Acts ch. 23, sec. 3, effective July 12, 2012. -- Created 2007 Ky. Acts ch. 91, sec. 5, effective March 23, 2007.

Legislative Research Commission Note (4/27/2026). In subsection (2)(c) of this statute, there is a reference to KRS 154.25-030(3)(a), a provision that does not exist. Language that would have added a new subsection (3)(a) to KRS 154.25-030 was proposed in the House Committee Substitute to 2026 House Bill 869, but that language was deleted before the final version of the bill was enacted. An internal reference to that deleted provision, however, was inadvertently left in place.