

**COMMONWEALTH OF KENTUCKY FISCAL NOTE STATEMENT
LEGISLATIVE RESEARCH COMMISSION
2026 REGULAR SESSION**

MEASURE

2026 BR NUMBER 1219

SENATE BILL NUMBER 11/SCS 1

TITLE AN ACT relating to a residential safe room rebate program.

SPONSOR Senator Meredith

FISCAL SUMMARY

STATE FISCAL IMPACT: YES NO UNCERTAIN

OTHER FISCAL STATEMENT(S) THAT MAY APPLY: ACTUARIAL ANALYSIS
 LOCAL MANDATE CORRECTIONS IMPACT HEALTH BENEFIT MANDATE STATE
EMPLOYEE HEALTH PLAN IMPACT

APPROPRIATION UNIT(S) IMPACTED: _____

FUND(S) IMPACTED: GENERAL ROAD FEDERAL RESTRICTED Residential Safe
Room Rebate Fund

FISCAL ESTIMATES	2025-2026	2026-2027	2027-2028	ANNUAL IMPACT AT FULL IMPLEMENTATION
REVENUES				
EXPENDITURES			Indeterminable	Indeterminable
NET EFFECT			(indeterminable)	(indeterminable)

() indicates a decrease/negative

PURPOSE OF MEASURE: Senate Bill 11/SCS 1 establishes a residential safe room rebate program and fund that will be administered by the Division of Emergency Management. This proposal will allow qualified homeowners who construct residential safe rooms that meet or exceed Federal Emergency Management Agency (FEMA) guidelines to apply for a rebate. The rebate shall be equal to 50% of the costs incurred in constructing or installing a residential safe room, not to exceed \$5,000. This rebate program will be available to receive applications beginning January 2027. SCS 1 removes state appropriations from moneys in the fund and adds that federal funds shall include FEMA funds.

FISCAL EXPLANATION: Qualified homeowners may apply with the state Division of Emergency Management for a rebate, with federal funding anticipated through FEMA for pre-disaster hazard mitigation. FEMA Hazard Mitigation funding is only available when the program is authorized by a President’s disaster declaration, after which FEMA can provide 75%-90% of the cost share to areas affected. The matching funds must derive from non-Federal funds.

The Division of Emergency Management estimates an initial cost to be \$395,000 and annual expenses of \$320,000 for two additional personnel and operating costs to implement the administrative requirements contained in the bill, and includes:

- Creating an application process of homeowners to request the rebate;
- Verifying the residential safe room complies with all FEMA guidelines, the safe room is open to the community, and determining how safe room occupants will know how to locate the safe room;
- Maintaining a list for the public of all residential safe rooms in the state; and
- Providing guidance to qualified homeowners about the application process.

DATA SOURCE(S): LRC Staff; FEMA website; Department of Military Affairs

PREPARER: Sarah Watts, Emma Mills NOTE NUMBER: 84 REVIEW: JMR DATE: 2/27/2026