

KYR Legislative Update – 2/16/2026

The sixth week of the 2026 legislative session was highly active in the General Assembly. Both chambers were tasked with numerous committee hearings, where legislators advanced several proposals across industries. The Assembly is also set to craft and approve a two-year state budget during this session. Appropriators continue to have comprehensive discussions and hearings regarding Kentucky's budget, which will be essential for funding education, healthcare, social services, and other critical sectors.

QRT News

KYR Legislative Bill Tracker – 2026 Legislative Priorities

This week marked strong progress in the legislative session, as the QRT has been actively evaluating a range of proposals with potential implications for our industry. In just a short period, the team has pinpointed several measures that warrant attention and has voted to support two House bills—HB617 and HB618—as well as one Senate bill, SB180. The QRT has also chosen to continue tracking four additional proposals. These efforts support our organization's mission to strengthen the real estate industry and drive down housing prices for communities across Kentucky.

Supported Bills (3):

HB617 (Witten, S)

The bill creates new rules for planning and zoning in Kentucky. It defines specific types of planning units and residential developments, and limits how local planning units can restrict housing projects or small-lot developments. While planning units can still regulate environmental issues and require buffers between new and existing developments, they must justify any denial of a project with clear and convincing evidence of substantial negative impacts. Additionally, it permits mixed-use and multifamily housing as allowed uses in commercial zones within qualifying planning units and prevents stricter requirements being imposed on those developments. The act takes effect July 1, 2027.

<https://apps.legislature.ky.gov/record/26RS/HB617.html>

HB617 (Witten, S)

The bill updates Kentucky's building code rules by ensuring that duplexes, triplexes, and four-family homes follow the same standards and exemptions as single-family homes. It creates a new permitting process requiring regulatory authorities to respond quickly: confirming application completeness within 3 days, completing plan reviews within 14 days, and performing inspections within 5 days. Deadlines can be extended only in limited cases. Applicants may use approved third-party inspectors, and the bill outlines their qualifications, roles, and how fees are handled when they're used. Regulatory authorities must issue permits within one business day after all reviews and inspections are completed. Any conflicting local rules are void. Authorities may still issue stop-work orders for immediate safety threats and are granted immunity for actions taken by applicants or third-party inspectors. The act takes effect July 1, 2027.

<https://apps.legislature.ky.gov/record/26RS/HB618.htm>

SB180 (Mills, R)

Amend KRS 132.010, relating to state and local property taxation, to amend the definitions of "agricultural land" and "horticultural land" to include a parcel in agricultural or horticultural land that has been converted to a residential use as part of a planned development containing 10 or more parcels until a certificate of occupancy is issued for the parcel; state that agricultural value is calculated based on the agricultural value prior to the conversion to residential use; amend KRS 132.454 to outline the procedure and timeline for transition of agricultural use to residential use for property tax purposes; amend KRS 132.450 to conform.

<https://apps.legislature.ky.gov/record/26RS/SB180.html>