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2025 Kentucky Legislative Session Update for Kentucky Farmers

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The 2025 session of the Kentucky General Assembly concluded on Friday, March 28th. There were 533 Senate, and 907 House bills and resolutions introduced of which 50 Senate and 96 House bills became law.

Bills that passed this session, that did not contain an emergency clause or a specific effective date, are set to take effect June 27, 2025.

The following is a summary report of many of the bills and resolutions from this legislative session that are pertinent to Kentucky farmers.

Bills of Interest that DID PASS

[SB 28: J. Howell- AN ACT relating to agricultural economic development and declaring an emergency.](#)

This bill created a new section of KRS Chapter 24 to create a new agricultural economic development program within the Department of Agriculture, established an agricultural economic development board, and created the agricultural economic development fund. Board members for the Kentucky Agricultural Economic Development Board are: **Dr. Kenny Burdine** (Extension Professor, University of Kentucky Agricultural Economics), **Lori Noel** (Executive Vice President, FNB Bank), **Kevin Fields** (Owner of a cow-calf operation and co-owner of Tri-County Fertilizer and Propane Co.), **Neil Denton** (farmer, co-owner of Atlas Media Solutions, owner of Agri-Move LLC), and **Missy Vanderpool** (Executive Director, Henderson Regional Industrial Authority).

[HB 775: J. Nemes – AN ACT relating to fiscal matters.](#)

This bill became the Revenue Bill for the 2025 legislative session. The bill will make a number of changes to different statutes, but the major positive change was that it includes updates to the Kentucky Selling Farmer Tax Credit. The bill will update the Selling Farmer Tax Credit to:

- Allow all active farmers to participate.
- Update language from “selling farmer” to “seller”.

- Allow sellers that sell land or assets to an active farmer to receive a \$25,000 tax credit per year up to \$100,000 in a lifetime.
- Allow sellers that sell to a beginning farmer to receive a \$50,000 tax credit per year up to \$200,000 per lifetime.
- The buyer must commit to keeping land in production for 10 years.
- Increase “beginning farmer” definition to any active farmer with less than twenty (20) years of ownership experience.
- Allow the Economic Development Cabinet to preapprove credits.
- Clarifying language of buyer responsibility for any tax reimbursement if the land is removed from production within the 10-year commitment.
- The bill will sunset the program on December 31, 2031.

HB 1: J. Petrie – AN ACT relating to the individual income tax rate.

This bill will reduce the individual income tax rate from 4% to 3.5% for taxable years beginning on or after January 1, 2026.

HB 19: J. Hodgson – AN ACT relating to privacy protection.

This bill states that a person shall not use an unmanned aircraft system to record an image of privately owned real property or of the owner, tenant, occupant, invitee, or licensee of such property with the intent to conduct surveillance on, or publish unauthorized images of, the individual or property captured in the image in violation of the person's reasonable expectation of privacy. The bill will provide for certain exceptions for business uses, such as an insurance company, for purposes of underwriting a risk or investigating damage. The bill will establish a civil action and a statute of limitations for the civil action.

HB 157: K. Upchurch – AN ACT relating to special license plates.

This bill will establish a friends of Kentucky agriculture special license plate, for which a portion of the initial and renewal fee is dedicated to the agricultural program trust fund.

SB 89: S. Madon – AN ACT relating to environmental protection and declaring an emergency.

This bill changes the definition of "water" or "waters of the Commonwealth" to be consistent with the definition of “Waters of the United States”.

Bills of Interest that DID NOT PASS

Several bills that could be of interest to Kentucky farmers did not pass in the 2025 legislative session. There were two bills (SB 67 and SB 11) that would have raised the required minimum wage for employees, and neither of these bills passed into law. There was also a bill (SB 49) that would have required employers who provide services in agriculture, landscaping, construction, and transportation to maintain a written heat illness prevention plan or face a penalty for not doing so, that did not pass.

The Kentucky Proud School Match Act (SB 48), part of which would have required some low-income school districts to develop and implement a Kentucky Proud school plan to identify and purchase available Kentucky-grown agricultural products did not pass.

Thank you to Kentucky Farm Bureau for providing these legislative updates. View Kentucky Farm Bureau's legislative summary [here](#).

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