

Kentucky Farm Bureau 2025 Kentucky General Assembly Summary

Below is an excerpt from the **Kentucky Farm Bureau (KFB) Legislative Report No. 10** specific to bills affecting Horticulture producers. If you would like to read the entire report please click [here](#).

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. Kentucky Farm Bureau was involved in many pieces of legislation this session supporting, opposing, and monitoring bills.

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 detailed report summarizing many of the bills and resolutions in which KFB was involved:

BILLS FARM BUREAU SUPPORTED THAT PASSED

[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 for KFB was 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.

2025 KFB State Priority Issue:

“Support updating the Selling Farmer Tax Credit to \$25,000 per year if farmland and assets are sold to an active farmer and increase the tax credit to \$50,000 per year if sold to a beginning farmer.”

SB 28: J. Howell – AN ACT relating to agricultural economic development and declaring an emergency.

This bill creates a new agricultural economic development program (fund and board) within the Department of Agriculture. The Division of Agricultural Economic Development is an office within the Kentucky Office of Agricultural Policy and allows KDA to provide incentives to agriculture-based companies to locate in Kentucky. The bill also contained provisions updating internal offices within KDA.

2025 KFB State Priority Issue:

"Support efforts that will retain and attract new business and industry to rural areas of Kentucky with a priority on agricultural processing facilities."

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.

2025 KFB State Priority Issue:

"Kentucky's tax code should be reformed based on sound economic principles to create a more competitive business climate."

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.

KFB Policy:

"We support legislation that would require written permission or a warrant to access real and private property by state agencies, including unmanned surveillance."

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.

KFB Policy:

"We support the current equal distribution of proceeds generated by the voluntary \$10 donation made when renewing Kentucky farm license plates to the Kentucky FFA, Kentucky 4-H, and Kentucky Proud and we encourage county clerks to promote participation."

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".

KFB Policy:

"We oppose state regulations or fees that are more stringent than federal."

BILLS FARM BUREAU OPPOSED THAT DID NOT PASS

HB 67: D. Grossberg – AN ACT relating to wages.

This bill would have raised the minimum wage for employers to \$9.50 an hour on the effective date of this Act and incrementally thereafter to \$15.00 an hour on July 1, 2029.

KFB Policy:

"We oppose an increase in the minimum hourly wage."

SB 11: R. Thomas – AN ACT relating to wages.

This bill would have increased the applicable threshold of employees of retail stores and service industries from \$95,000 to \$500,000 average annual gross volume of sales for the employer. The bill would have also amended KRS 337.275 to incrementally raise the minimum wage to \$15 an hour and include anti-preemption language permitting local governments to establish minimum wage ordinances in excess of the state minimum wage.

KFB Policy:

"We oppose an increase in the minimum hourly wage."

SB 49: C. Armstrong – AN ACT relating to heat injury prevention.

This bill would have required employers who provide services in agriculture, construction, landscaping, and transportation to maintain a written heat illness prevention plan informing employees of policies and procedures to be followed when an employee is suffering from a heat illness and would have established a penalty for a violation.

KFB Policy:

"We recommend that any heat-related labor regulations account for the diverse labor requirements of agriculture and not be so restrictive as to create unnecessary difficulty in completing tasks essential to farming."

OTHER BILLS OF INTEREST THAT DID NOT PASS

HB 278: J. Bray – AN ACT relating to poultry.

This bill would have defined “end consumer” and would have allowed certain USDA-exempted poultry processors to sell directly to an end consumer on a farm, at a farmer’s market, or at a roadside stand.

SB 48: C. Armstrong – AN ACT relating to school meals at low-income schools.

This bill would have established the Kentucky Proud School Match Program fund and the Kentucky Proud School Match Program. The bill directed the Department of Education to reimburse an eligible school district \$0.33 for every meal reimbursed by the community eligibility provision at the paid rate and would have required a school district that receives a reimbursement to develop and implement a Kentucky Proud school plan to identify and purchase available Kentucky-grown agricultural products and to optimize food usage. The bill directed the Kentucky Board of Education to promulgate administrative regulations necessary to carry out this section and provided that the section shall be null and void if the community eligibility provision is terminated by the United States Department of Agriculture. The bill would have been cited as the Kentucky Proud School Match Act.