



## PUBLIC PROTECTION CABINET

**Andy Beshear**  
GOVERNOR

**Jacqueline Coleman**  
LIEUTENANT GOVERNOR

**Kentucky Department of  
Insurance**

500 Mero Street, 2SE11  
Frankfort, KY 40601  
Phone: (502) 564-3630  
Toll Free: (800) 595-6053

**Ray A. Perry**  
SECRETARY

**DJ Wasson**  
DEPUTY SECRETARY

**Sharon P. Clark**  
COMMISSIONER

### **BULLETIN 2024-07**

*The following Bulletin is to advise the reader of the current position of the Kentucky Department of Insurance ("Department"), on the specified issue.*

THIS BULLETIN IS FOR INFORMATIONAL PURPOSES ONLY. IT DOES NOT AMEND OR INTERPRET PROVISIONS OF THE KENTUCKY REVISED STATUTES OR THE KENTUCKY ADMINISTRATIVE REGULATIONS.

TO: ALL INSURERS AND LICENSEES LICENSED TO DO BUSINESS IN KENTUCKY

FROM: SHARON P. CLARK, COMMISSIONER

RE: NEW PREMIUM RATES FOR THE MINE SUBSIDENCE INSURANCE PROGRAM

DATE: SEPTEMBER 06, 2024

#### **Purpose**

The Department issued Bulletin 2024-05 on July 17, 2024 relating to the new premium rates for the Mine Subsidence Insurance Program. This bulletin amends the rates set forth in Bulletin 2024-05.

#### **Effective Date**

This bulletin shall take effect on January 1, 2025.

#### **Background**

Following the enactment of Bulletin 2024-05 the Department received multiple communications from within the insurance industry requesting the use of round numbers in the mine subsidence rate tables. For the sake of simplicity and efficiency, the Department is issuing the below rate table, based on the actuarial information, with rounded figures.

## REGULATORY GUIDANCE

The regulatory guidance contained in Bulletin 2024-05 remains intact and to avoid confusion, is republished here for reference.

KRS 304.44-020 authorizes the Administrator of the Mine Subsidence Fund to establish the premium rates for mine subsidence insurance. Accordingly, the rates set forth in this bulletin shall be charged for the appropriate amount of coverage beginning on January 1, 2025.

In addition to amendments to the premium rates and maximum total reinsured value limits, the additional living expense limit referenced in KRS 304.44-030(2) is increasing to fifty thousand dollars (\$50,000.00). The additional living expense covers living expenses reasonably and necessarily incurred by the owner of a residence who has been temporarily displaced as the direct result of damage to the residence caused by mine subsidence.

Furthermore, all insurers doing business in Kentucky will need to re-execute reinsurance agreements with the Department due to the change in the total insured value eligible for reinsurance. The new reinsurance agreement attached to this bulletin shall be executed by all insurers providing mine subsidence coverage by January 1, 2025.

Policies in effect on January 1, 2025 may remain at their current rate and coverage limit until renewal of the policy. The new reinsured value limits and corresponding premium rates reflected in this bulletin shall be implemented at the renewal of existing policies.

Any questions should be addressed in writing to the Department's Property and Casualty Division at [DOI.PropertyCasualty@ky.gov](mailto:DOI.PropertyCasualty@ky.gov).

## COMMONWEALTH OF KENTUCKY

### COAL MINE SUBSIDENCE RATES

<b>Mine Subsidence Limits/Structures</b>	<b>Calculated Premium Residential</b>	<b>Calculated Premium Commercial</b>
Up to \$50,000	16.00	21.00
\$50,001 to \$60,000	19.00	24.00
\$60,001 to \$70,000	21.00	26.00
\$70,001 to \$80,000	23.00	28.00
\$80,001 to \$90,000	26.00	31.00
\$90,001 to \$100,000	27.00	32.00
\$100,001 to \$110,000	29.00	34.00
\$110,001 to \$120,000	31.00	36.00

<b>Mine Subsidence Limits/Structures</b>	<b>Calculated Premium Residential</b>	<b>Calculated Premium Commercial</b>
\$120,001 to \$130,000	32.00	37.00
\$130,001 to \$140,000	34.00	39.00
\$140,001 to \$150,000	35.00	40.00
\$150,001 to \$160,000	36.00	41.00
\$160,001 to \$170,000	37.00	42.00
\$170,001 to \$180,000	38.00	43.00
\$180,001 to \$190,000	39.00	44.00
\$190,001 to \$200,000	40.00	45.00
\$200,001 to \$210,000	41.00	46.00
\$210,001 to \$220,000	42.00	47.00
\$220,001 to \$230,000	42.00	47.00
\$230,001 to \$240,000	43.00	48.00
\$240,001 to \$250,000	43.00	48.00
\$250,001 to \$260,000	44.00	49.00
\$260,001 to \$270,000	44.00	49.00
\$270,001 to \$280,000	45.00	50.00
\$280,001 to \$290,000	45.00	50.00
\$290,001 to \$300,000	46.00	51.00
\$300,001 to \$310,000	46.00	51.00
\$310,001 to \$320,000	46.00	51.00
\$320,001 to \$330,000	47.00	52.00
\$330,001 to \$340,000	47.00	52.00
\$340,001 to \$350,000	47.00	52.00
\$350,001 to \$360,000	48.00	53.00
\$360,001 to \$370,000	48.00	53.00
\$370,001 to \$380,000	48.00	53.00

<b>Mine Subsidence Limits/Structures</b>	<b>Calculated Premium Residential</b>	<b>Calculated Premium Commercial</b>
\$380,001 to \$390,000	48.00	53.00
\$390,001 to \$400,000	48.00	53.00
400,001 to \$410,000	49.00	54.00
\$410,001 to \$420,000	49.00	54.00
\$420,001 to \$430,000	49.00	54.00
\$430,001 to \$440,000	49.00	54.00
\$440,001 to \$450,000	49.00	54.00
\$450,001 to \$460,000	49.00	54.00
\$460,001 to \$470,000	49.00	54.00
\$470,001 to \$480,000	49.00	54.00
\$480,001 to \$490,000	50.00	55.00
\$490,001 to \$500,000	50.00	55.00

**NOTE:** A commercial structure is defined for rating purposes as a building that is not principally used for residential purposes or house of more than four family units.

A total limit of \$550,000 is the maximum amount of insurance reinsured by the Kentucky Mine Subsidence Insurance Fund. This amount includes a maximum limit of \$500,000 for structures, and a maximum limit of \$50,000 for additional living expense.

Additional living expense premium is included in the premium for residential structures.

**FARM DWELLINGS AND OUTBUILDINGS**

**Mine Subsidence**

**Limits/Outbuildings**

**Calculated Premium**

Up to \$10,000	4.00
\$10,001 to \$20,000	7.00
\$20,001 to \$30,000	11.00
\$30,001 to \$40,000	14.00
\$40,001 to \$50,000	16.00

*Sharon P. Clark*

\_\_\_\_\_  
Sharon P. Clark, *Commissioner*  
Kentucky Department of Insurance

9/06/2024

\_\_\_\_\_  
Date