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BULLETIN **2026-08**

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 PROPERTY AND CASUALTY INSURANCE COMPANIES
AUTHORIZED TO TRANSACT BUSINESS IN THE
COMMONWEALTH OF KENTUCKY

FROM: SHARON P. CLARK, COMMISSIONER

RE: FORTIFIED POLICY PROVISION IN ACCORDANCE WITH KRS
304.13-346

DATE: September 30, 2026

Purpose

The purpose of this bulletin is to provide guidance to property and casualty insurers issuing homeowner policies in Kentucky regarding FORTIFIED rider/endorsement/supplemental policy provisions ("FORTIFIED endorsements").

Background

In 2024, Governor Beshear signed House Bill 256 (HB 256), establishing the Strengthen Kentucky Homes Program and requiring property and casualty insurers issuing homeowner policies to offer insureds an optional FORTIFIED endorsement. This requirement was codified as KRS 304.13-346. Specifically, KRS 304.13-346(2) provides:

(2) All insurance companies writing property insurance for personal risks that provide coverage of any single-family dwelling located in Kentucky that is a non-FORTIFIED dwelling shall offer an optional rider, endorsement, or supplemental policy provision that provides the insured a right to receive claim payments for the cost to upgrade the single-family dwelling for any claim that:

(a) Is covered under the insurance policy or contract; and

(b) Requires replacement of the covered dwelling's roof as defined by the insurance policy or contract.

Regulation and Enforcement

All insurers were required to begin offering this product for all policies issued or renewed after March 1, 2026. Admitted carriers without an approved FORTIFIED endorsement may be subject to administrative action including but not limited to civil penalties.

Upon review, several FORTIFIED endorsement filings have been found to contain language which violates KRS 304.13-346. KRS 304.13-346 requires the FORTIFIED endorsement to cover the “cost to upgrade the single-family dwelling.” “Cost to upgrade the single-family dwelling” means the cost required to upgrade the roof structure of the single-family dwelling to meet or exceed the most recent version of the FORTIFIED Home roof structure construction standards published by the Insurance Institute for Business and Home Safety (“IBHS”) or a successor entity. KRS 304.13-346(1)(a). Accordingly, insurers are not permitted to exclude items required to achieve the FORTIFIED designation.

Specific examples of violative form language include but are not limited to:

- 1.) We will not pay for: loss if your dwelling or other structures do not meet the IBHS requirements for foundation, roof rafter framing, roof sheathing, or roof decking.
- 2.) We will not pay for: the increased costs for a more expensive roof material than your existing roof material.

Under KRS 304.13-346, insurers shall not exclude mitigation requirements for roof rafter framing, roof sheathing, or roof decking. Additionally, insurers shall not issue FORTIFIED endorsements to homes with foundations ineligible for FORTIFIED designation. Finally, an insurer shall not exclude the additional costs of more expensive roof materials if those materials are required to reach the FORTIFIED designation. Insurers concerned with the potential significant costs associated with FORTIFIED mitigation should instead price the product in accordance with the risk.

Multiple filings also include language stating, “with respect to property that qualified as a

“Fortified Standard” prior to loss or damage, nothing in this endorsement shall reduce the coverage otherwise applicable under this policy for replacement of such property with comparable materials and products.” Insurers shall not issue FORTIFIED endorsements covering properties that already meet the FORTIFIED standard.

Insurers with FORTIFIED endorsements containing language in violation of KRS 304.13-346 as described above shall withdraw and resubmit a new FORTIFIED endorsement no later than November 1, 2026, or otherwise be subject to administrative penalties as determined by the Department.

Any questions regarding this Bulletin may be directed to the Property and Casualty Division at DOI.PropertyCasualty@ky.gov.

Sharon P. Clark

Sharon P. Clark, *Commissioner*
Kentucky Department of Insurance
On this 30th day of September 2026