

COMMONWEALTH OF KENTUCKY
GENERAL ASSEMBLY
2027 REGULAR SESSION

HOUSE BILL NO. ____

THE KENTUCKY HOPE ACT OF 2027

Kentucky Homeownership Opportunity and Property-Tax Equity Act of 2027

A BILL

To restore affordable homeownership, provide property-tax relief, expand Kentucky's housing supply, protect local revenue for schools and essential services, as well as renew the American Dream for our fellow Kentuckians for generations to come.

Sponsored by:

SETH WINSLOW YOUNG

Candidate for Kentucky House of Representatives

District 63 - Boone and Kenton Counties

Villa Hills, Kentucky

BY COVENANT, THE PEOPLE SHALL BE FREE

The Kentucky HOPE Act (KHOPE)

In the Name of the Father, and of the Son, and of the Holy Spirit. Amen.

O Lord Jesus Christ, our God, Who art the eternal Word and the true Cornerstone upon which every just society is built; Who hast sanctified the family hearth as the first church, the first school, and the first economy of Thy Kingdom: look down with mercy upon the General Assembly of the Commonwealth of Kentucky as it takes up this Kentucky HOPE Act.

Grant unto Thy servants here assembled and especially unto Thy servant Seth Winslow Young the spirit of wisdom, the fear of God, and the courage of the saints. Illumine their minds with Thy divine light, that every provision of this Act may protect the sacred right of Kentucky families to own and keep their homes, relieve the crushing burden of stacked taxation, and restore the American Dream to Thy covenant people.

Preserve the schools, the cities, the libraries, the firehouses, and every lawful authority, that they may flourish without devouring the very families they exist to serve. Strengthen the bonds of faith and fidelity in every household, that the Commonwealth may once again be a beacon of ordered liberty under Thy crown rights as King of kings.

Through the intercessions of Thy Most Pure Mother, the Theotokos and Ever-Virgin Mary; of the holy hierarchs and martyrs of this land; and of all Thy saints, have mercy upon us and upon our Commonwealth. For blessed art Thou, together with Thine unoriginate Father and Thine all-holy, good, and life-creating Spirit, now and ever, and unto ages of ages.

Amen.

Foreword

(by Seth Winslow Young, Candidate for Kentucky House District 63)

The Kentucky HOPE Act of 2027 is the Commonwealth's faithful response to the same crisis I confronted in the national American Dream Mandate. While that federal document laid out a sweeping covenant to reclaim homeownership for every American citizen under forty, this state bill translates that vision into immediate, practical relief right here in Northern Kentucky especially for the working families of House District 63.

Property taxes in Kentucky are not one tax; they are a stack state, county, school, library, health, fire, and special districts that quietly rises with every assessment increase. This Act does not cut one dime from classrooms, city services, or public safety. Instead, it caps runaway assessments on primary residences, requires “truth-in-taxation” compensating rates, grows the tax base through pro-family housing expansion, and delivers direct, citizen-first relief to young families trying to buy and keep their first home.

It is covenantal governance: the recognition that the family home is the foundation of a free republic, one that is blessed by Almighty God and the sentiments of the people, defended by just law. May this Act be the first stone in rebuilding the American Dream, one Kentucky household at a time. As such the rejuvenation, and hope of our people shall capture the potential that the Commonwealth presents to all who still wish to participate in the American Dream.

By Covenant, the People Shall Be Free.

— Seth Winslow Young (*Candidate for House District 63*)

A BILL

To restore affordable homeownership and property tax relief for Kentucky citizens by addressing stacked local property taxes, expanding housing supply, providing targeted affordability measures for American citizens, and protecting revenue for schools, cities, libraries, fire districts, and other local services, while prioritizing Kentucky families, faith, and the American Dream.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Preamble

WHEREAS, the family home, sanctified by God as the cradle of virtue, faith, and intergenerational stability, has become increasingly unattainable for Kentucky citizens due to the layered burden of local property taxation; and

WHEREAS, Kentucky's property tax system consists not of a single rate but of a complex stack of state, county, school district, library, health, extension, fire, city, and special-district levies, the cumulative effect of which falls most heavily upon young families and first-time homebuyers; and

WHEREAS, the sacred covenant between God, the people, and this Commonwealth demands that lawful authority protect the hearth and home rather than erode it through silent assessment increases or excessive taxation; and

WHEREAS, the General Assembly recognizes its duty to relieve the tax burden on primary residences of American citizens while preserving full revenue for schools, cities, libraries, fire protection, and essential public services; and

WHEREAS, expanding housing supply, modernizing assessment rules with transparency and accountability, and prioritizing Kentucky families, faith, and community will restore hope and homeownership without raising other taxes or diminishing local budgets;

Now, therefore, be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. SHORT TITLE.

This Act may be cited as the “Kentucky Homeownership Opportunity and Property-tax Equity Act of 2027” or the “Kentucky HOPE Act of 2027” (KHOPE).

SECTION 2. SENSE OF THE GENERAL ASSEMBLY

RESOLVED, That the General Assembly of the Commonwealth of Kentucky hereby declares:

- (1) The family home is the foundational unit of a free and virtuous republic, the first government, the first church, and the first economy ordained by Almighty God;
- (2) The restoration of affordable homeownership for Kentucky citizens under the age of forty who pledge allegiance to family, faith, and flag is a patriotic and moral imperative;
- (3) No taxing district shall be permitted to silently increase revenue through assessment growth without explicit public accountability;
- (4) All relief and incentives under this Act shall be reserved first and foremost for American citizens, with preference given to households that honor the covenant of marriage and the raising of children in the fear of the Lord.

SECTION 3. FINDINGS AND PURPOSE.

(a) **FINDINGS.**—The General Assembly finds the following:

- (1) Kentucky’s property taxes are not a single statewide rate but a layered stack of state, county, school district, library, health, extension, fire, city, and special-district levies. The state rate is only 0.106 per \$100 of assessed value, yet the total effective rate in Northern Kentucky (Boone and Kenton Counties) often exceeds 1.00 per \$100, driven largely by school-district portions (e.g., 0.655 in Boone County schools).
- (2) In House District 63 and surrounding Northern Kentucky communities, young families and first-time buyers face the highest burden: median home prices combined with rising assessments have pushed the effective tax load beyond what many working households can sustain, even as the statewide homestead exemption remains limited to seniors and the disabled at \$49,100.

(3) A shortage of affordable housing units, restrictive local zoning, and demand pressures have driven up prices and assessments, while local governments rely heavily on property taxes for schools and essential services.

(4) Without reform, the “stack” silently increases family costs through assessment growth, even when local officials hold nominal rates steady.

(5) Kentucky can grow the tax base, deliver direct relief to citizen homeowners, and keep every dollar flowing to classrooms, city budgets, libraries, and public safety without raising other taxes.

(b) PURPOSE.—The purpose of this Act is to—

(1) lower the total property-tax bill felt by Kentucky families and first-time homebuyers;

(2) expand housing supply and the local tax base so rates can fall while revenue for schools and cities is protected or increased;

(3) provide targeted, citizen-first affordability relief;

(4) modernize assessment and rate-setting rules with transparency and accountability; and

(5) restore hope and homeownership in Kentucky for citizens under age 40 who pledge to family, faith, and community.

SECTION 4. DEFINITIONS.

(1) ELIGIBLE AMERICAN RESIDENT—A United States citizen or lawful permanent resident.

(2) AMERICAN CITIZEN- A person(s) who owes allegiance to the United States government and is entitled to its protection, possessing full rights and responsibilities. A legal citizen of the United States.

(3) PRIMARY RESIDENCE—A single-family or multifamily dwelling owned and occupied as the principal home by an American citizen.

(4) FIRST-TIME HOMEBUYER—A Kentucky citizen who has not owned a primary residence in the prior three years and whose household income is at or below 150% of area median income.

(5) COMPENSATING RATE—The property tax rate that would produce the same revenue as the prior year from existing property (adjusted only for new construction and inflation).

SECTION 5. PROPERTY TAX RELIEF FOR FAMILIES AND FIRST-TIME BUYERS.

(a) Expanded Homestead Exemption. The homestead exemption is increased to \$75,000 for all primary residences owned by American citizens and is extended (on a phased, income-tested basis) to first-time homebuyers and families with children under age 18. The exemption shall be indexed annually to inflation.

(b) Circuit-Breaker Credit. A new state-funded circuit-breaker credit is created for primary residences where property taxes exceed 5% of household income. The credit is fully funded by the state so no local taxing district loses revenue. Priority is given to households with children or veterans.

(c) First-Time Buyer Abatement. First-time homebuyers in primary residences receive a three-year phased abatement on the school-district and county portions of the property tax bill (up to 50% in year one, 33% in year two, 0% in year three), funded by state general funds.

(d) Down-Payment and Closing-Cost Tax Credit. A refundable state income-tax credit of up to \$5,000 is available for down payments and closing costs on primary residences for qualifying American citizens.

(e) Faith-and-Family Homeownership Credit. A refundable state income-tax credit of up to \$2,500 per year shall be available to married American-citizen households with at least one dependent child under age 18 who occupy a primary residence, provided the household's combined income does not exceed 200% of area median income. The credit shall be funded entirely by the state general fund and shall not reduce revenue to any local taxing district.

SECTION 6. ASSESSMENT AND RATE-SETTING REFORMS (“TRUTH IN TAXATION”).

(a) Primary Residence Assessment Cap. Annual increases in assessed value on primary residences are capped at 3% or the inflation rate, whichever is lower (with exceptions only for new construction or major improvements). Excess growth rolls forward.

(b) Compensating / Certified Rate Requirement. Every taxing district (county, school, library, fire, etc.) must calculate and levy the compensating rate each year unless a public hearing and majority vote of

the governing body approves a higher rate. Any “silent increase” above the compensating rate requires explicit approval and public notice.

(c) Local Option for Rate Reduction. Counties and school districts that adopt pro-housing zoning reforms (as-of-right permitting for density increases of 50% above current medians) receive priority state matching grants for infrastructure, allowing them to lower rates while protecting or increasing total revenue.

SECTION 7. HOUSING SUPPLY EXPANSION AND TAX-BASE GROWTH.

(a) Builder Incentives. A state tax credit equal to 20% of construction costs is available for developers of affordable primary-residence units (priced at or below 120% of area median income) built in participating localities.

(b) State Grants for Zoning Reform. \$50 million is authorized over five years in competitive grants to counties and cities that eliminate exclusionary zoning and fast-track permitting for new single-family and multifamily housing. Priority is given to high-growth areas including Northern Kentucky.

(c) Public Land and Modular Housing. The Transportation Cabinet and Finance Cabinet shall identify surplus state land suitable for modular or workforce housing, with priority lotteries for Kentucky citizen veterans and first-time buyers.

(d) Faith-Based and Community Housing Partnerships. The Kentucky Housing Corporation shall allocate not less than 15% of zoning-reform grant funds to qualified faith-based organizations, churches, and covenantal community land trusts that develop workforce and affordable housing restricted to American citizens. Priority shall be given to projects that include on-site family support services rooted in biblical principles of marriage, child-rearing, and moral formation.

SECTION 8. CITIZEN PRIORITY AND ENFORCEMENT.

(a) E-Verify for Rental and Housing Programs. All state-funded rental assistance, public housing, or property-tax relief programs shall require E-Verify confirmation of legal status. Undocumented occupants of publicly supported units shall be phased out in coordination with federal authorities, with reclaimed units converted to citizen-priority vouchers.

(b) Local Cooperation with Federal Immigration Enforcement. Local governments are encouraged (and may not be penalized) for cooperating with federal deportation and relocation efforts that free up housing stock.

(c) Revenue Protection for Schools and Localities. Any rate reductions enabled by this Act shall be back-filled for the first five years by increased state SEEK formula aid or direct grants so that school districts, libraries, fire departments, and cities receive no less revenue than the prior year (plus new-growth revenue).

SECTION 8.1. FAMILY PRIORITY ACCORD

The General Assembly finds that the natural family — one man and one woman united in holy matrimony, together with their children — is the divinely ordained foundation of society. Therefore, in the administration of all programs created or funded under this Act, preference shall be given to households headed by married American citizens raising children, consistent with the public policy of the Commonwealth to strengthen marriage and family life.

SECTION 9. ENFORCEMENT AND OVERSIGHT.

(a) An independent Kentucky Housing Affordability Board is created to monitor implementation, publish annual reports on effective tax rates, homeownership rates, and school/city revenue, and recommend adjustments.

(b) Forty percent of new housing and relief resources shall target underserved Kentucky communities, including rural areas, veterans, and working families in Northern Kentucky.

SECTION 9.1. ANNUAL REVIEW OF THE OATH OF THE PUBLIC TRUST

The Kentucky Housing Affordability Board shall include in its annual report a covenantal impact statement evaluating the degree to which the Act has (1) relieved the tax burden on family homes, (2) increased homeownership among citizens under age forty, and (3) protected the revenue streams of schools and local governments without compromising the moral and spiritual foundations of Kentucky society.

SECTION 10. IMPLEMENTATION TIMELINE.

(a) 2027 Session — Enactment; adoption of the preamble, Legislative Resolution, and covenantal priority provisions; homestead/circuit-breaker expansion; first compensating-rate rules.

(b) 2028 — First-time buyer abatements and zoning-grant program launch.

(c) 2029–2031 — Full assessment caps, supply incentives, and school-revenue back-fill; annual evaluation by the Legislative Research Commission.

SECTION 11. PROJECTED OUTCOMES.

Implementation is projected to:

- Reduce the effective property-tax burden on typical Northern Kentucky families by 15–25% while protecting or increasing total revenue for schools and local services;
- Add thousands of new housing units and expand the tax base;
- Increase homeownership rates among Kentucky citizens under age 40;
- Restore affordability without raising sales or income taxes.

SECTION 12. EFFECTIVE DATE.

This Act shall take effect on January 1, 2028, or upon passage, whichever is later.

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