



Andy Beshear
GOVERNOR

TRANSPORTATION CABINET

200 Mero Street
Frankfort, Kentucky 40601

Jim Gray
SECRETARY

MEMORANDUM

TO: All Prequalified Consultants

FROM: Eric Pelfrey, P.E. *EP*
Director, Division of Professional Services

DATE: January 1, 2026

SUBJECT: 2026 Direct Costs for Mileage, Per Diem, and Hotel

Pursuant to 600 KAR 6:070, travel reimbursements shall be governed by 200 KAR 2:006, which establishes reimbursement rates. Accordingly, these rates shall determine the allowable reimbursement for average gasoline cost, per diem for meals, and hotel lodging. Effective immediately, the following rates are hereby established and shall apply to all contracts and contract modifications executed from the date of this memorandum through December 31, 2026.

In accordance with the regulation, the average gasoline cost shall be calculated using an adjustable scale based on the average reimbursement rates for the preceding twelve months as prescribed by 200 KAR 2:006. For calendar year 2026, the allowable direct cost for gasoline is set at forty-three cents (\$0.43) per mile. A premium of thirteen cents (\$0.13) per mile is authorized for four-wheel drive vehicles, resulting in a maximum allowable rate of fifty-six cents (\$0.56) per mile.

Allowable direct costs for meals shall remain at the following rates:

- Breakfast: authorized travel 6:30 a.m. through 9:00 a.m. – Twelve dollars (\$12)
- Lunch: authorized travel 11:00 a.m. through 2:00 p.m. – Fifteen dollars (\$15)
- Dinner: authorized travel 5:00 p.m. through 9:00 p.m. – Twenty-three dollars (\$23)

The current policy for negotiating direct cost reimbursement for hotel lodging shall also remain at one hundred and ten dollars (\$110) per night for all personnel. This rate shall also apply to survey crews and field personnel.

For cost-plus-a-fixed-fee contracts, KYTC shall reimburse actual hotel expenses. These expenses will be examined for reasonableness during payment requests and post-audit procedures. Should the Cabinet find the expenses unreasonable, reimbursement may be disallowed or restricted to a reasonable sum. Per diem and mileage will be reimbursed in accordance with organizational policy, not exceeding the maximum permissible rates specified above.

