



TRANSPORTATION CABINET

200 Mero Street
Frankfort, Kentucky 40601

Andy Beshear
GOVERNOR

Rebecca Goodman
SECRETARY

June 10, 2026

TO: Recipients of the 2026 Enacted Highway Plan

On behalf of Governor Andy Beshear, the Kentucky Transportation Cabinet (KYTC) is pleased to present the 2026 Enacted Highway Plan. As required by KRS Chapter 176, this plan is the means by which major highway improvement projects scheduled for the next six years were submitted to, and enacted by, the 2026 Kentucky General Assembly. The 2026 Enacted Highway Plan outlines scheduled highway project activities for the remainder of FY 2026 and for the FY 2027 through FY 2032 six-year planning period.

As this highway plan document was being produced for distribution after the 2026 legislative session, a series of international events pertaining to the war in Iran and the closure of the Strait of Hormuz precipitated a sudden spike in gasoline prices to above \$4.00 per gallon across America. To help ease the resulting financial burden on Kentucky citizens, Governor Beshear declared a state of emergency related to gas prices and reduced the state tax on gasoline and other motor fuels by 10 cents (\$0.10) per gallon beginning on May 11, 2026. Through a Department of Revenue regulation, the Governor also froze the tax on gasoline and other motor fuels to prevent an increase on July 1, 2026. KYTC will adjust transportation programs to match the amount of state funding availability. Most importantly, immediate relief is being provided to help Kentucky families.

With every dollar made available, the Kentucky Transportation Cabinet's mission is to provide a safe, efficient, environmentally sound, and fiscally responsible transportation system that delivers economic opportunity and enhances the quality of life in Kentucky. In helping to develop Kentucky's 2026 Enacted Highway Plan, KYTC used highway system performance data to prioritize bridge and pavement needs determined through asset management scenario planning.

Alongside the asset management scenario evaluations, KYTC also employed the SHIFT (Strategic Highway Investment Formula for Tomorrow) mechanism for ranking proposed highway mobility projects across the state. The 2026 Enacted Highway Plan is largely a data-driven document, seeking to balance existing system investments with needed safety, regional access, and economic development projects located across the Commonwealth.

This plan provides substantial state and federal funding to help address the significant backlog of pavement repairs and deficient bridges. Through the SHIFT Process, KYTC worked with legislators, local officials, Area Development Districts (ADDs), and Metropolitan Planning Organizations (MPOs) to weigh the relative need of individual projects. The SHIFT prioritization tool used technical data analyses

to produce relative scores for projects being considered for the Highway Plan and was augmented by those local discussions. Asset management needs, engineering judgment, and KYTC's long-range vision and goals also contributed to the prioritization of Highway Plan investments.

For the 2026 Enacted Highway Plan, FY 2027 through FY 2032 funding estimates total more than \$9.6 billion, including \$6.4 billion in federal funds, \$1.4 billion in required state matching funds, \$114 million in local matching funds, \$575 million in state construction funding expected to be available for state priority "SPP" projects, \$70 million of state road funds in FY 2027 and \$20 million of state road funds in FY 2028 for a County Priority Projects Program/Local Assistance Road Program (CPPP/LARP), \$215 million in remaining General Fund money identified for "High Growth Counties" projects, and \$275 million of General Fund revenue recommended by the Governor to be made available for the Brent Spence Bridge Corridor Project (\$125 million) and the I-69 Ohio River Crossing (ORX) project (\$150 million previously authorized in the 2024 legislative session). The \$125 million of state General Funds for the Brent Spence Bridge was not appropriated by the 2026 General Assembly. The 2026 General Assembly did, however, amend the condition that the \$150 million appropriation for the I-69 ORX be dependent upon Kentucky receiving a federal Multimodal Project Discretionary Grant (MPDG) award and, instead, made the funding contingent on Kentucky receiving either a federal grant or a federal loan for the project.

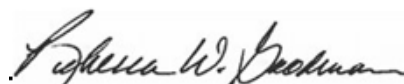
The federal dollars contained in this document are based on the Infrastructure Investment and Jobs Act (IIJA) enacted by Congress in November 2021. That federal law reauthorized existing federal transportation programs and provided opportunities for competitive discretionary highway grant funding. It is KYTC's goal to continue to compete favorably for those federal grants to help fund some of our larger projects, while also working closely with local governments to aggressively pursue grant funds for locally important projects.

Rapid increases in project costs have been experienced over the last four years across the national transportation landscape. The Federal Highway Administration's National Highway Construction Cost Index shows that highway construction costs rose by 61% from 2020 to 2025. Across-the-board project cost increases coupled with increased state matching fund requirements have reduced the amount of leftover state funds that can be directed to 100% state-funded project opportunities. Kentucky's Highway Program is more heavily dependent on federal programs in recent years, and all federal projects must be included in the federally required, fiscally balanced Statewide Transportation Improvement Program (STIP) for Kentucky.

Finally, it is important to recognize that this recommended highway plan is carrying forward many state-funded projects that were identified in past legislatively enacted highway plans, but funding has not been available to advance them. These projects are identified by the "SPP" fund code, a funding category with significant competition for very limited funds.

The 2026 Enacted Highway Plan provides a core group of projects designed to responsibly address key infrastructure priorities across Kentucky for the next six years. The Kentucky Transportation Cabinet is pleased to present this regionally diverse, priority highway funding plan.

Sincerely,



Rebecca Goodman
Secretary