



ANDY BESHEAR
GOVERNOR

EXECUTIVE ORDER

Secretary of State
Frankfort
Kentucky

2026 - 667
October 7, 2026

STATE OF EMERGENCY

In Kentucky, we are reigniting the American Dream.

Unfortunately, President Trump's reckless actions have put that dream out of reach for many American families. His failed tariff policy has increased the cost of food, consumer goods, and prescription medication. The President's war of choice in Iran that closed the Strait of Hormuz has led to the highest gas and diesel fuel costs in history – making it even more expensive to deliver food, goods, and services to our families and communities.

Recognizing the threat in May, I took steps to declare a state of emergency and reduce the state tax on gasoline and diesel fuel by ten cents, which saved Kentuckians an estimated \$27 million per month; froze the gas tax from automatically increasing in July, which is saving Kentuckians about \$1.7 million per month; froze any increase in motor vehicle property taxes in 2027; urged leaders in Congress and within the Kentucky congressional delegation to suspend the federal gas tax until the end of the year; and advocated for Congress to pass a new law that would make it easier for Kentucky farmers to buy and store fertilizer.

At the time, these actions built upon our successful efforts to encourage the federal Environmental Protection Agency to remove the reformulated gasoline requirements for Jefferson County, parts of Oldham County and Bullitt County, to help Kentuckians in those places avoid paying an additional 10 to 35 cents per gallon at the pump. The federal government's reformulated gas requirements, in place for more than 30 years, ended on May 27, 2026, saving drivers in those counties approximately \$137 million a year.

Still, more must be done. Our farmers, truckers, and the families they support are bearing the brunt of President Trump's costly war in Iran and disastrous global tariffs.

Recognizing the importance of our farmers, truckers, and their fuel needs, both state and federal law allow diesel used for farm purposes, heating, and off-road construction equipment to be tax-exempt. *See* 26 U.S.C. § 4082; KRS 138.210, *et seq.* This diesel is often dyed red so it can be easily recognized. But dyed, tax-exempt diesel is only allowed to be used for non-road, agricultural purposes under both state and federal law. *See* KRS 138.502; 26 U.S.C. § 6715.

On Monday, October 5, 2026, the President signed an Executive Order, "Emergency Tax Relief on Diesel Fuel," directing the Treasury Secretary to loosen federal restrictions and allow the use of tax-exempt, dyed diesel on public roadways. It appears the intention is to ensure farmers are not penalized under federal law for using dyed-tax exempt diesel on public roadways, and we expect the federal administration to honor that guidance in the Executive Order.

As a result, and pending sign off by the Kentucky Attorney General, beginning tomorrow, October 8, 2026, and for the duration of the war in Iran, the expiration of the President's Executive Order on December 31, 2026, or the end of this State of Emergency, I am allowing Kentucky farmers and truckers to use untaxed or dyed diesel fuel on public



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roadways. Allowing Kentucky farmers and truckers to transport goods to market without the added burden of state diesel tax will provide much-needed relief.

NOW, THEREFORE, I, Andy Beshear, Governor of the Commonwealth of Kentucky, by virtue of the authority vested in me by the Constitution of Kentucky and KRS Chapters 39A and 367, do hereby **DECLARE** a State of Emergency relating to gas prices in the Commonwealth and **ORDER** and **DIRECT** the following:

1. Pursuant to KRS 39A.180(2)(b), KRS 138.502(1)-(3) shall be suspended, and the State penalties reflected in KRS 138.502(5)(a)-(b) shall be suspended for the duration of the State of Emergency and any extensions of the State of Emergency. This part shall take effect on October 8, 2026, if the Attorney General signs off on this suspension of statutes to help Kentucky farmers and truckers in these emergency circumstances.

This order shall be effective October 8, 2026.

A handwritten signature in blue ink that reads "Andy Beshear".

ANDY BESHEAR, Governor
Commonwealth of Kentucky

MICHAEL G. ADAMS
Secretary of State