KENTUCKY CABINET FOR ECONOMIC DEVELOPMENT

KENTUCKY TALENT RECRUITMENT GRANT PROGRAM

ELIGIBILITY CRITERIA & PROGRAM GUIDELINES

AUGUST 2026

These guidelines provide the full eligibility criteria, eligible uses, goal-setting parameters, recommended metrics, and reporting expectations for each of the three project categories established in HB 576. They are designed to be read alongside the Application Framework.

INTRODUCTION

Kentucky is winning projects. Major employer announcements and record capital investment have established the Commonwealth as a competitive destination for business across manufacturing, logistics, healthcare, and technology.

Seventy-two percent of Kentucky employers report plans to expand staff in the next two years, yet growth is increasingly constrained by Kentucky's ability to fill jobs and grow its working-age population. In an environment where the national competition for talent is fiercer than ever, Kentucky is investing in a regional approach to solve its talent pipeline challenges.

Perception research conducted on behalf of the Commonwealth in 2025 confirms a core challenge: Kentucky has real strengths, including affordability, career opportunity and cultural identity, but persistent image challenges are preventing high-potential talent from considering it in the first place. Meanwhile, students want to stay in Kentucky after graduation but don't feel confident that the job opportunities they need to grow exist here.

The Kentucky Talent Recruitment Grant Program (TRG), established by HB 576 (2026 Regular Session), is the Commonwealth's first dedicated funding program for regional talent attraction and a meaningful step toward reversing brain drain, filling employer pipelines, and building the regional economies that will define Kentucky's next chapter.

Administered by the Cabinet for Economic Development, TRG awards competitive grants of up to $500,000 to eligible local and regional entities to design and execute programs that attract new residents, retain Kentucky graduates, and build the marketing infrastructure needed to shift perceptions and generate sustained interest in Kentucky as a place to live and work.

The program funds three categories of eligible activity: relocation incentive programs, student retention programs, and targeted marketing campaigns. To make the most of this investment, funded programs should collectively address every stage of the relocation decision funnel: building awareness among target audiences who may not have considered Kentucky, driving consideration through compelling and authentic storytelling, and converting interest into action through clear pathways to jobs, community, and opportunity. Every funded program is expected to have a defined target audience, a clear strategy, measurable goals, and a plan to track and report impact.

SECTION 1

PROGRAM BASICS

ADMINISTERED BY	Kentucky Cabinet for Economic Development (CED)
ESTABLISHED BY	HB 576 (2026 Regular Session)
MAXIMUM AWARD	$500,000 per eligible applicant
REQUIRED LOCAL MATCH	20% of total project cost (cash, local investment, or in-kind including staff time)
PROGRAM DURATION	Up to 18 months; all grant-funded activities must be completed within this period
DISBURSEMENT	50% upon execution of the grant agreement; remaining 50% upon approval of a satisfactory performance report. Category A and B recipients must meet the applicable statutory performance threshold. Category C recipients must demonstrate satisfactory progress against the KPIs and implementation milestones approved in the grant agreement.

1:1 | WHO CAN APPLY

ELIGIBLE APPLICANTS INCLUDE:

- County or city governing bodies
- Entities organized under Kentucky law engaged in economic development, workforce investment, talent development, or community development
- Nonprofit organizations organized under 26 U.S.C. § 501(c)(3) or (6) engaged in economic development, workforce investment, talent development, or community development

1:2 | REGIONAL PROJECTS

A Regional Project is an eligible project proposed by eligible grant applicants from two or more different counties in Kentucky who submit a single joint application. **Regional applications are strongly encouraged.** The Program is designed around the recognition that people move to regions, not individual counties, and that Kentucky's 120 counties vary dramatically in their workforce needs, competitive positioning, and talent attraction maturity.

FOR REGIONAL APPLICATIONS:

- One organization must serve as the lead applicant and primary signatory to the grant agreement
- All participating organizations must meet eligibility criteria and sign letters of participation
- Local match obligations may be pooled across participating counties
- Bonus scoring points are awarded for regional applications *(see Application Framework, Section 3)*

Single-entity applications will be considered when the applicant can demonstrate: (a) regional scope and reach that extends beyond a single county; (b) capacity to engage and benefit a broader region; (c) support from other regional stakeholders; and (d) concrete plans for regional coordination during implementation.

1:3 | FUNDING PARAMETERS

MAXIMUM AWARD	$500,000 per eligible grant applicant
REQUIRED LOCAL MATCH	20% of total project cost; may be cash, local investment, or in-kind contributions (including staff time, memberships, and services)
DISBURSEMENT FIRST TRANCHE	50% upon execution of the grant agreement
DISBURSEMENT SECOND TRANCHE	50% upon submission and CED approval of at least one satisfactory semiannual performance report demonstrating meaningful progress toward stated program goals
PROGRAM DURATION	Up to 18 months; all grant-funded activities must be completed within this period

SECTION 2

CATEGORY GUIDELINES

Each category has specific eligibility requirements and design expectations. Read the section(s) that apply to your application carefully.

CATEGORY A | RELOCATION PROGRAMS

Attracting talent from outside Kentucky requires more than a financial incentive. Research confirms that working-age adults make relocation decisions based on career opportunity, quality of life, and community fit — financial incentives can accelerate a decision, but they rarely make it. Category A programs are designed to reach qualified households in target markets, make a compelling case for Kentucky as a place to build a career and a life, and provide a clear pathway to relocation. Programs that pair incentives with marketing, employer connections, and community integration consistently outperform those that lead with cash alone. Funded programs are evaluated on the quality and reach of the full strategy.

ELIGIBLE USE OF FUNDS

- Program design, administration, and evaluation
- Program design and strategy (research, messaging, vendor selection)
- Marketing and outreach to out-of-state audiences
- Direct financial incentives to qualifying households (cash, relocation assistance, or in-kind benefits)
- Community integration programming for new residents (onboarding, networking, social programming)
- Employer partnerships and job connection services

HOUSEHOLD ELIGIBILITY

To receive direct incentives under a **Category A** program, a household must:

- Reside outside Kentucky at the time of application
- Meet the applicable household income guideline or an alternative income target approved by the state
- Submit a completed application to the grant recipient's program
- Commit to relocating to (or have already relocated to) the designated locality

PROGRAM DESIGN REQUIREMENTS

- Define a specific target audience by occupation, industry, life stage, geographic market, or other
- Include marketing and outreach that goes beyond cash incentives to address awareness and perception
- Describe how the program connects new residents to regional job opportunities
- Describe community integration programming that supports new residents once they arrive

INCENTIVE CAP: Direct cash incentives may not exceed 60% of the total grant award.

INCOME THRESHOLD GUIDANCE: Category A programs should generally apply a minimum household income of $70,000 for Heritage Counties and $90,000 for Non-Heritage Counties. These guidelines reflect the Commonwealth's priority of attracting skilled, higher-wage workers who can help address workforce needs and generate a strong return on investment.

A recipient may propose serving households below the applicable guideline when it identifies a compelling local or regional workforce opportunity. The recipient must provide a specific justification, including the proposed use of grant and local matching funds, and receive prior approval from the state.

RETENTION COMMITMENT: CED encourages programs to include a minimum 24-month commitment period for households receiving direct incentives.

WHAT MAKES A STRONG CATEGORY A APPLICATION

- A narrowly defined target audience with a clear reason to choose your region
- A financial incentive paired with community storytelling, employer connections, and an onboarding experience
- A realistic household goal calibrated to your budget and audience size
- A plan for tracking and verifying relocations

CATEGORY B | STUDENT RETENTION PROGRAMS

Kentucky's research confirms that students want to stay — the barrier is not affinity for the state, but visibility into career pathways. Category B programs are designed to close that gap: building awareness of regional job opportunities, strengthening connections between students and employers, and shifting perceptions of what a career in Kentucky looks like. While employment outcomes are the ultimate measure of success, whether a student is offered or accepts a job is outside of the control of regional entities, so funded programs are evaluated on the quality, reach and effectiveness of their efforts to move students through the awareness-to-action funnel.

ELIGIBLE USE OF FUNDS

- Program design, administration, and evaluation
- Campus engagement programming connecting students with regional employers
- Job placement and career connection services
- Alumni ambassador and boomerang programs
- Employer partnerships supporting student recruitment and post-graduation hiring
- Marketing to students and alumni highlighting regional career opportunities
- Audience and perception research to establish baselines and track shifts over time
- Financial incentives tied to in-state employment commitment (signing bonuses, student loan assistance, housing grants)

PROGRAM DESIGN REQUIREMENTS

- Identify the target audience: which students, at which institutions, in which fields or graduation years
- Describe the awareness and engagement strategy: how will you reach students during critical junctures in their post-graduation career decision process
- How connections will be facilitated to regional employers
- Describe what is new or additive: how does this program go beyond what institutions already provide through standard career services

PERFORMANCE MEASUREMENT

Each applicant must establish a measurable retention goal and supporting KPIs. Because verified graduate retention may not be fully trackable within the grant period, KPIs may include student engagement, employer connections, awareness and intent to remain in Kentucky, and verified placements where available. These measures will be finalized in the grant agreement and used to determine second-tranche eligibility.

WHAT MAKES A STRONG CATEGORY B APPLICATION

- A focus on specific fields where regional employers have documented demand
- A marketing and engagement strategy that reaches students before or during post-graduation decisions
- Named employer partners with specific roles in program delivery
- A realistic, multi-layered measurement approach that captures both engagement and perception, including a research component to establish a baseline and track shifts

CATEGORY C | TARGETED MARKETING PROGRAMS

Before talent can be recruited, Kentucky has to be on the radar. Perception research confirms that the Commonwealth's primary barrier is not a lack of opportunity, but rather awareness and image. Category C programs are designed to change that: reaching defined audiences in priority markets, shifting perceptions through authentic storytelling and clear connections to opportunity, and generating qualified interest in Kentucky as a place to live and work. Because marketing outcomes build over time, Category C programs are evaluated on the quality of strategy, precision of targeting, and measurable engagement and marketing leads rather than on relocation numbers.

ELIGIBLE USE OF FUNDS

- Program design, administration, and evaluation
- Targeted digital advertising in priority out-of-state markets
- Content production (video, photography, written storytelling)
- Social media strategy targeting external audiences
- Public relations and earned media
- Talent attraction website or landing page development
- Brand and messaging strategy development
- Conversion tools (lead capture and nurture mechanisms, job connections, etc.)
- Audience research and market testing

PROGRAM DESIGN REQUIREMENTS

DEFINED TARGET AUDIENCE: Every Category C application must identify specific target audiences.

CONVERSION MECHANISM: Programs must include at least one way for interested talent to engage: a lead capture form or direct outreach, job connection tool, event registration, or similar.

PLACE-SPECIFIC VALUE PROPOSITION: Marketing should be grounded in authentic regional differentiators, not generic claims about affordability or quality of life.

PERFORMANCE MEASUREMENT

Each applicant must establish measurable KPIs and implementation milestones appropriate to its proposed timeline. If a program is still completing research, strategy, or campaign development at the first reporting point, satisfactory completion of those approved milestones may be used to demonstrate progress. As implementation advances, recipients will be expected to report available campaign performance and outcome metrics.

WHAT MAKES A STRONG CATEGORY C APPLICATION

- A data-backed strategy that addresses urgent workforce needs and leverages marketable assets among best-bet audiences
- Precision-targeted campaigns reaching specific occupations or demographics in specific metros
- Authentic storytelling featuring real residents and real employers
- A conversion pathway that turns awareness into qualified leads
- Pre- and post-campaign measurement to document perception shifts

SECTION 3

PROGRAM DESIGN PRINCIPLES

All funded programs, regardless of category, are expected to reflect the following principles. CED reviewers will assess applications against these standards.

PRINCIPLE	WHAT IT MEANS
RESEARCH-DRIVEN	Ground your program in data about your target audience, competitive landscape, and regional workforce needs.
COMPREHENSIVE	Integrate strategies across the talent journey: building awareness, driving consideration, and converting interest to action.
SPECIFICALLY TARGETED	Focus on a defined "best bet" audience where your region's value proposition is genuinely competitive. Broad campaigns aimed at the general population are not an effective use of funds.
EMPLOYER-CONNECTED	Connect talent to real job opportunities wherever possible. Employer partnerships strengthen all three categories.
MEASURABLE	Establish clear goals, KPIs, implementation milestones, and reporting protocols from day one. Second-tranche disbursement will be based on demonstrated progress against the measures approved in the grant agreement.

SECTION 4

HERITAGE COUNTY PRIORITY

Heritage Counties are designated by HB 869 based on the KY County Population Ranking Report 2026. A county is a Heritage county if its population ranking is 97 or above. Heritage Counties are organized into five tiers, with Tier 1 representing the most rural and economically distressed communities.

Heritage County participation earns bonus points in the scoring process. The bonus structure is:

CRITERION	BONUS	NOTES
At least one participating county is Heritage Tier 1 or Tier 2	+5	Mutually exclusive with the any-tier bonus below
At least one participating county is Heritage (any tier)	+2	Mutually exclusive with the Tier 1/2 bonus above
Majority of participating counties are Heritage (any tier)	+5	Stackable with either Heritage bonus

Heritage County tier designations are defined in HB 869 and the Heritage Counties reference map. Applicants should confirm their county's designation before submitting. Pre-application technical assistance is available from CED for Heritage County applicants.

SECTION 5

REPORTING METRICS BY CATEGORY

Recipients will report against the goals, KPIs, and implementation milestones approved in their grant agreements. The measures used to evaluate progress should reflect each program's category, timeline, and stage of implementation.

All awardees must submit semiannual performance reports within 30 days of the end of each six-month program period. Reports must include the metrics below for each applicable category, plus the universal requirements listed at the end of this section.

CATEGORY A | RELOCATION PROGRAMS

- Reach and engagement metrics from program promotion
- Total household applications received
- Total approved/eligible households
- Total verified household relocations to date
- Annual income and occupations of relocated households
- State or country of prior residence
- Relocation grant amount per household
- Retention status of previously relocated households (tracked for program duration where applicable)
- Estimated state and local tax revenue generated
- Estimated total economic impact

CATEGORY B | STUDENT RETENTION PROGRAMS

- Number of students reached through program activities (marketing impressions and engagement, event attendance, digital engagement)
- Number of employer/job connections facilitated
- Number of verified in-state job placements or commitments, where trackable
- Awareness and perception metrics: changes in student awareness of regional job opportunities and willingness to consider staying in Kentucky, measured through pre/post surveys or equivalent research
- Number of students who express intent to pursue in-state employment (survey-based)

CATEGORY C | TARGETED MARKETING PROGRAMS

- Reach and engagement metrics for campaign activities (vs. established benchmarks)
- Conversion metrics: high-intent actions (e.g., job clicks, form fills, direct outreach)
- Target audience engagement metrics (e.g., top markets, most engaged job titles, top keywords)
- Number of qualified talent leads generated
- Media coverage and earned impressions (where applicable)
- Documented perception shifts (brand lift and/or pre/post survey data where applicable)

ALL RECIPIENTS

- Financial summary: expenditures by budget category to date
- Progress against stated goals
- Key learnings, challenges, and adjustments to program approach
- Qualitative impact: employer feedback, success stories, documented relocations or placements
- Recommendations for program improvement or policy actions

SECTION 6

PROGRAM COORDINATION

6:1 | SEMIANNUAL LEARNING SESSIONS

All awardees are required to participate in two CED-convened semiannual learning sessions during the program period as a condition of the grant agreement. Sessions are timed to coincide with semiannual report submissions. Awardees share highlights, challenges, and learnings from the previous six months. Attendance by a designated representative is mandatory.

Sessions cover: performance updates across funded programs, market coordination to avoid regions competing for the same talent pools, peer problem-solving, and recommendations that strengthen Kentucky's overall talent attraction efforts.

CED will provide guidance on the format and content that each awardee organization should prepare in advance of meetings. Compiled summaries are shared with all awardees after each meeting.

6:2 | SEMIANNUAL LEARNING SESSIONS

Every program funded under TRG contributes to a shared evidence base for Kentucky's long-term talent attraction efforts. The data generated through reporting (household relocations, employer connections, perception shifts, graduate retention rates) collectively documents the return on investment that justifies continued and expanded commitment to talent attraction across the Commonwealth.

The most effective TRG programs build infrastructure that outlasts the grant period: partnerships formed, audiences reached, and employer relationships established that continue generating results long after the 18-month window closes.

CONTACT & TECHNICAL ASSISTANCE

Contact CED before submitting if you have questions about eligibility, program design, or the application process.

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