



**Andy Beshear**  
Governor

**KENTUCKY TOURISM, ARTS  
AND HERITAGE CABINET**

**Lindy Casebier**  
Secretary

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September 1, 2023

Legislative Research Commission  
Kentucky General Assembly  
702 Capitol Avenue  
Frankfort, Kentucky 40601

Dear Commission Members:

As required by KRS 142.406, the Tourism, Arts and Heritage Cabinet is pleased to provide you with a report on the expenditures made in Fiscal Year 2023 from the Tourism, Meeting, and Convention Marketing Fund (1% Statewide Lodging Tax) enacted by the General Assembly in 2005. A short synopsis of KRS 142.406 is included in Attachment 1.

In FY23, the fund had a total of \$26,037,953 available for the marketing and promotion of tourism in the commonwealth. Expenditures from this fund for the fiscal year totaled \$17,490,000. During FY23, \$35,255.85 was adjusted by the Department of Revenue for incorrect tax payment amounts. Carry forward cash into Fiscal Year 2024 was \$8,547,953 (Attachment 2).

Kentucky Department of Tourism expenditures made from this fund in FY23 totaled \$17,490,000. \$11,922,656 was spent by the Department for marketing and promotion both nationally and internationally, and \$3,046,094 was spent on marketing by other agencies in our Cabinet. As required by 22 RS HB 1, a line-item transfer of \$500,000 for the Kentucky Mountain Regional Recreational Authority was distributed (Attachment 3). Lastly, the Department helped fund local projects in each of the nine tourism regions through its Tourism Marketing Incentive Program in the amount of \$2,021,250. This program distributes much-needed marketing funds to local tourism promotion agencies on a matching basis as prescribed by state regulations, as summarized in Attachment 4.

Our Cabinet's goal is to use these monies in the most efficient manner to support the commonwealth's tourism industry. If you have any questions feel free to contact me at 502-564-4270.

Sincerely,

Lindy Casebier  
Secretary

Attachments

C: Honorable Andy Beshear  
Executive Cabinet Secretary John Hicks

**142.406 Tourism, meeting, and convention marketing fund -- Creation and fund sources -- Authorized investments -- Use of funds -- Annual report to Legislative Research Commission and to Governor.**

- (1) There is hereby created and established in the State Treasury a trust and agency account to be known as the tourism, meeting, and convention marketing fund. The fund shall be administered by the Tourism, Arts and Heritage Cabinet, with the approval of the Governor's Office for Policy and Management.
- (2) All tax receipts from the tax imposed under KRS 142.400 shall be deposited into the tourism, meeting, and convention marketing fund, and shall be appropriated for the purposes set forth in subsection (3) of this section. The fund shall also contain any other money contributed, allocated, or appropriated to it from any other source. Money in the fund shall be invested by the Finance and Administration Cabinet in instruments authorized under KRS 42.500. Investment proceeds shall be deposited to the credit of the fund. Money in the fund shall not lapse but shall be carried forward to the next fiscal year or biennium.
- (3) The tourism, meeting, and convention marketing fund shall be used for the sole purpose of marketing and promoting tourism in the Commonwealth including expenditures to market and promote events and venues related to meetings, conventions, trade shows, cultural activities, historical sites, recreation, entertainment, natural phenomena, areas of scenic beauty, craft marketing, and any other economic activity that brings tourists and visitors to the Commonwealth. Marketing and promoting tourism shall not include expenditures on capital construction projects.
- (4) By September 1 of each year, the secretary of the Tourism, Arts and Heritage Cabinet shall report to the Governor and the Legislative Research Commission concerning the receipts, expenditures, and carryforwards of the fund for the preceding fiscal year.

**Effective:** June 25, 2009

**History:** Amended 2009 Ky. Acts ch. 16, sec. 14, effective June 25, 2009. -- Created 2005 Ky. Acts ch. 168, sec. 70, effective June 1, 2005.

**2020-2022 Budget Reference.** See State/Executive Branch Budget, 2020 Ky. Acts ch. 92, Pt. V, 1, 1 at 941.

**Legislative Research Commission Note (6/1/2005).** 2005 Ky. Acts chs. 11, 85, 95, 97, 98, 99, 123, and 181 instruct the Reviser of Statutes to correct statutory references to agencies and officers whose names have been changed in 2005 legislation confirming the reorganization of the executive branch. Such a correction has been made in this section.

**Kentucky Tourism, Arts and Heritage Cabinet  
Tourism Meeting and Convention Marketing Fund  
Cash Summary FY 2023**

<b>Revenues</b>	<b>Amount</b>
Beginning Cash Balance	6,948,607.55
Recognized Revenues	18,928,557.36
Misc Revenues	0.00
Interest Income	196,043.62
Revenue Correction Transfers from Recognized Revenue	<u>(35,255.85)</u>
<b>Available Cash</b>	<b>26,037,952.68</b>
<b>Expenditures</b>	<b>Amount</b>
State Expenditures	14,968,749.76
Local Tourism Marketing Incentive Funds	2,021,249.46
22 RS HB1 (Line Item)	<u>500,000.00</u>
<b>Total Expenditures</b>	<b>17,489,999.22</b>
<b>Year-End Cash Balance</b>	<b>8,547,953.46</b>

**Note: Revenue correction transfer due to incorrect tax amounts paid. As a correction measure these amounts were credited back to the Department of Revenue.**

**Kentucky Tourism, Arts and Heritage Cabinet  
Tourism Meeting and Convention Marketing Fund  
State Expenditures FY 2023**

Dept of Tourism Marketing & Advertising	8,539,684.62
Dept of Tourism - International Marketing	1,285,102.59
Dept of Tourism - Web/Internet Marketing	643,061.26
Dept of Tourism - Sponsorship	352,611.50
Dept of Tourism - Research	506,680.00
Dept of Tourism - Membership Dues/Partnerships/Tradeshows	277,073.53
Dept of Tourism - Public Relations	318,442.50
Dept of Parks Marketing	1,235,578.28
KY Artisan Center Marketing	148,413.11
KY Horse Park Marketing	351,631.39
Heritage Council Marketing	115,224.81
KY Performing Arts/GSA Marketing	105,903.95
KY Arts Council Marketing	212,320.47
KY Historical Society Marketing	62,121.25
Ky Center for African American Heritage Marketing	170,668.50
Office of the Secretary Marketing	644,232.00
Tourism Marketing Incentive Program	2,021,249.46
22 RS HB1 (Line Item)	<u>500,000.00</u>
<b>Total State Expenditures</b>	<b><u><u>17,489,999.22</u></u></b>

**Tourism Marketing Incentive Program  
Region Summary  
Disbursements FY 2023**

<b>Region</b>	<b>Regional</b>	<b>Local</b>	<b>Region Totals</b>
Western Kentucky Lakes & Rivers Region	0.00	0.00	186,062.11
Green River Region	0.00	0.00	79,701.33
Kentucky's Cave Region	0.00	0.00	141,916.38
Louisville Lincoln Region	0.00	0.00	639,787.10
Southern Kentucky Region	0.00	0.00	48,637.49
Northern Kentucky Tourism Region	0.00	0.00	334,568.18
Kentucky's Bluegrass Region	0.00	0.00	446,824.43
Eastern Highlands North Region	0.00	0.00	65,161.16
Eastern Highlands South Region	0.00	0.00	78,591.28
	<b>0.00</b>	<b>0.00</b>	<b>2,021,249.46</b>

**Tourism Marketing Incentive Program  
Western Kentucky Lakes & River Region  
Disbursements FY 2023**

<b>Applicant</b>	<b>Regional/Local</b>	<b>Amt Paid</b>
Kentuckys Western Waterland Inc.	REGIONAL	0.00
City Of Marion Recreational, Tourism & Convention Commission	Local	1,144.00
Marshall County Tourist & Convention Commission	Local	18,617.30
Murray Convention & Visitors Bureau	Local	11,889.30
Grand Rivers Tourism Commission C/O City Of Grand Rivers Ky	Local	4,315.50
Hopkinsville Christian Co Rec. Tourism & Conv.	Local	31,393.00
Lake Barkley Tourist Commission/Lyon Co Fiscal Court	Local	7,286.00
Cadiz-Trigg County Tourism and Convention Commission	Local	8,405.00
Oak Grove Toursim and Convention Commission	Local	22,532.63
Mayfield Tourism Commission	Local	5,384.00
City of Princeton	Local	1,250.00
Paducah Conv & Visitors Bureau	Local	<u>73,845.38</u>
	<b>Region Total</b>	<b>186,062.11</b>

**Tourism Marketing Incentive Program  
Green River Region  
Disbursements FY 2023**

<b>Applicant</b>	<b>Regional/Local</b>	<b>Amt Paid</b>
Green River Tourism Committee Inc	REGIONAL	0.00
Henderson Co Tourist Commission	Local	16,012.00
Hopkins Co. Tourist & Convention Commission	Local	16,270.00
Owensboro-Daviess Co. Convention And Visitors Bureau	Local	41,383.33
Muhlenburg County Tourism Commission	Local	3,601.00
Ohio County Tourism Commission	Local	<u>2,435.00</u>
	<b>Region Total</b>	<b>79,701.33</b>

**Tourism Marketing Incentive Program  
Kentucky's Cave Region  
Disbursements FY 2023**

<b>Applicant</b>	<b>Regional/Local</b>	<b>Amt Paid</b>
Kentuckys Cave Country Inc	REGIONAL	0.00
Bowling Green Area Convention Visitors Bureau	Local	87,438.43
Cave City Tourism & Convention Commission	Local	8,702.88
Edmonson County Tourist & Convention Commission	Local	2,777.00
Glasgow Barren Co Tourist & Conv Commission	Local	5,542.49
Hart County Tourist Commission	Local	5,404.92
Logan County Tourist & Convention Commission	Local	2,100.16
Monroe County	Local	810.00
Park City Tourist & Convention Commission	Local	10,477.00
Scottsville Allen Co Chamber of Commerce	Local	2,000.00
Simpson Co Tourism Commission	Local	<u>16,663.50</u>
	<b>Region Total</b>	<b>141,916.38</b>



**Tourism Marketing Incentive Program  
Louisville Lincoln Region  
Disbursements FY 2023**

<b>Applicant</b>	<b>Regional/Local</b>	<b>Amt Paid</b>
Louisville Lincoln Tourism Region, Inc	REGIONAL	0.00
Bardstown/Nelson Co Rec, Tourist & Conv Commission	Local	11,929.50
City Of Leitchfield Tourism And Convention Commission	Local	2,220.00
Lebanon Tourist & Convention Commission	Local	1,211.25
The City of Leitchfield Tourism & Conv Comm	Local	92.00
City Of Radcliff - Radcliff Recreation Convention & Tourist	Local	23,837.90
Elizabethtown Tourism & Convention Bureau	Local	17,897.33
Grayson Co Tourism Commission	Local	3,520.50
Louisville And Jefferson County Visitors & Convention Commis	Local	528,697.00
Oldham County Tourist & Convention Commission	Local	13,429.62
Shelbyville/Shelby Co Tourist & Convention Comm	Local	7,519.00
Springfield Tourism Commission	Local	995.00
Shepherdsville Bullitt Co Tourist & Conv Comm	Local	<u>28,438.00</u>
	<b>Region Total</b>	<b>639,787.10</b>

**Tourism Marketing Incentive Program  
Southern Kentucky Region  
Disbursements FY 2023**

<b>Applicant</b>	<b>Regional/Local</b>	<b>Amt Paid</b>
Southern Ky Vacations Inc	REGIONAL	0.00
Burnside Tourist and Recreation Commission	Local	7,239.25
Clinton Co Tourist and Convention Commission	Local	2,435.00
Cumberland County Tourism Commission	Local	4,374.00
Lake Cumberland Tourist Commission	Local	11,148.00
Liberty Tourism & Convention Commission	Local	1,331.00
Somerset Pulaski Co Conv & Visitors Bureau	Local	<u>22,110.24</u>
	<b>Region Total</b>	<b>48,637.49</b>

**Tourism Marketing Incentive Program  
Northern Kentucky Tourism Region  
Disbursements FY 2023**

<b>Applicant</b>	<b>Regional/Local</b>	<b>Amt Paid</b>
Northern Ky Tourism Region Inc	REGIONAL	0.00
City of Augusta	Local	1,905.00
Carrollton Carroll Co Tourism & Convention Comm	Local	5,239.50
Gallatin Co Recreation, Tourism & Conv Comm	Local	6,620.00
Grant Co. Tourist & Convention Commission	Local	12,609.75
Maysville-Mason County Convention & Visitors	Local	10,360.00
Northern Ky Conv And Visitors Commission	Local	<u>297,833.93</u>
	<b>Region Total</b>	<b>334,568.18</b>

**Tourism Marketing Incentive Program  
Kentucky's Bluegrass Region  
Disbursements FY 2023**

<b>Applicant</b>	<b>Regional/Local</b>	<b>Amt Paid</b>
Bluegrass Tourism Region Inc.	REGIONAL	0.00
Berea Tourism/City of Berea	Local	10,386.00
Danville Boyle Co Conv and Visitors Bureau	Local	16,324.51
Frankfort/ Franklin Co Tourist and Convention Commission	Local	18,031.00
Georgetown/ Scott Co Tourism & Convention Commission	Local	32,191.00
Greater Lexington Convention And Visitors Bureau	Local	298,889.78
Harrodsburg/ Mercer Co Tourist Commission	Local	12,119.00
Lawrenceburg/Anderson Co Tourism Commission	Local	1,950.00
Nicholasville, Wilmore, Jessamine Co Joint Tourism Commission	Local	8,136.00
Paris/Bourbon Co Tourism Commission	Local	4,963.50
Richmond Tourism Commission	Local	26,928.00
Lincoln Co Fiscal Court	Local	1,482.00
Winchester Clark County Recreation Convention & Tourism Comm	Local	13,773.64
Woodford Co Tourist Commission	Local	<u>1,650.00</u>
	<b>Region Total</b>	<b>446,824.43</b>

**Tourism Marketing Incentive Program  
Eastern Highlands North Region  
Disbursements FY 2023**

<b>Applicant</b>	<b>Regional/Local</b>	<b>Amt Paid</b>
Eastern Highlands North	REGIONAL	0.00
Ashland Tourism & Convention Commission	Local	12,933.16
Mt Sterling/Montgomery Co Tourist Commission	Local	8,809.00
Morehead/Rowan Recreation & Tourism Conv Commission	Local	10,599.00
Pikeville/Pike County Tourism Commission	Local	21,096.00
Prestonsburg Tourism Commission	Local	<u>11,724.00</u>
	<b>Region Total</b>	<b>65,161.16</b>

**Tourism Marketing Incentive Program  
Eastern Highlands South Region  
Disbursements FY 2023**

<b>Applicant</b>	<b>Regional/Local</b>	<b>Amt Paid</b>
Eastern Kentucky Highlands South Inc	REGIONAL	0.00
City of Barbourville Tourism	Local	2,662.00
City of Harlan Tourist & Convention Commission	Local	8,369.00
Letcher County Tourism & Convention Commission	Local	1,795.50
London/ Laurel County Tourist Commission	Local	41,540.38
Middlesborough/Pineville/Bell County Tourism	Local	3,573.00
Powell Co Tourism Commission	Local	5,898.52
Williamsburg Tourist & Convention Commission	Local	9,699.38
Whitley County Tourism Board	Local	3,258.00
Mt Vernon/Rockcastle Co Tourist Commission Inc	Local	<u>1,795.50</u>
	<b>Region Total</b>	<b>78,591.28</b>