



Andy Beshear
Governor

Jacqueline Coleman
Lt. Governor

**KENTUCKY TOURISM, ARTS
AND HERITAGE CABINET**

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Lindy Casebier
Secretary

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Deputy Secretary

September 1, 2025

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 2025 from the Tourism, Meeting and Convention Marketing Fund (1% Statewide Lodging Tax) enacted by the General Assembly in 2005. A copy of the statute, KRS 142.406, is included in Attachment 1.

In FY25, the fund had a total of \$32,756,167 available for the marketing and promotion of tourism in the commonwealth. Expenditures from this fund for the fiscal year totaled \$25,380,892. The amount of carry forward cash into Fiscal Year 2026 was \$7,375,274 (Attachment 2).

With regard to the FY25 expenditures totaling \$25,380,892, the Kentucky Department of Tourism spent \$17,967,439 for marketing and promotion nationally and internationally, and \$2,844,210 was spent on marketing by other agencies in the Tourism, Arts and Heritage Cabinet. As required by 24 RS HB 6 and SB 91, we distributed line-item transfers of \$1,750,000 for the Kentucky Mountain Regional Recreational Authority, National Quilt Museum \$500,000, and from SB 91 Southern Kentucky Chamber of Commerce \$500,000. (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 \$1,819,244. This program distributes much-needed marketing funds to local tourism promotion agencies on a matching fund basis as prescribed by state regulation, as summarized in Attachment 4.

The Cabinet's goal is to use these monies in the most beneficial way to support the Commonwealth's tourism industry. I will be happy to answer any questions you or your staff may have regarding this important and effective spending.

Sincerely,

Lindy Casebier
Secretary

Attachments

cc: Honorable Andy Beshear
Executive Cabinet Secretary John Hicks