

Andy Beshear Governor

Jacqueline Coleman Lt. Governor

KENTUCKY TOURISM, ARTS AND HERITAGE CABINET

500 Mero Street, Fifth Floor Frankfort, KY 40601 (502) 564-4270 Lindy Casebier Secretary

Sebastian Kitchen Deputy Secretary

September 1, 2024

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 2024 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 FY24, the fund had a total of \$29,474,537.28 available for the marketing and promotion of tourism in the commonwealth. Expenditures from this fund for the fiscal year totaled \$17,498,999.61. The amount of carry forward cash into Fiscal Year 2025 was \$11,975,537.67 (Attachment 2).

With regard to the FY24 expenditures totaling \$17,498,999.61, the Kentucky Department of Tourism spent \$12,284,156.84 for marketing and promotion nationally and internationally, and \$2,861,941.65 was spent on marketing by other agencies in the Tourism, Arts and Heritage Cabinet. As required by 22 RS HB 1, we distributed a line-item transfer of \$500,000 for the Kentucky Mountain Regional Recreational Authority (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 \$1,852,901.12. 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

