BUDGET REVIEW SUBCOMMITTEE ON ECONOMIC DEVELOPMENT, TOURISM, AND ENVIRONMENTAL PROTECTION

Minutes of the 2nd Meeting of the 2025 Interim

August 20, 2025

Call to Order and Roll Call

The second meeting of the Budget Review Subcommittee on Economic Development, Tourism, and Environmental Protection was held on August 20, 2025, at 9:00 AM in Room 154 of the Capitol Annex. Senator Matt Nunn, Chair, called the meeting to order, and the secretary called the roll.

Present were:

<u>Members:</u> Senator Matt Nunn, Co-Chair; Representative Chris Fugate, Co-Chair; Senators Christian McDaniel and David Yates; Representatives Jim Gooch Jr., Matthew Lehman, Shawn McPherson, Bill Wesley, and Susan Witten.

<u>Guests:</u> Michael Mangeot, Commissioner, Department of Tourism; Mona Juett, Chief of Staff, Kentucky Tourism, Arts and Heritage Cabinet.

LRC Staff: Mariah Derringer-Lackey, Joseph Holt, and Amie Elam.

The minutes from July 15, 2025, were approved by voice vote.

Tourism Meeting and Convention Marketing Fund Update

Michael Mangeot, Commissioner, Department of Tourism, and Mona Juett, Chief of Staff, Kentucky Tourism, Arts and Heritage Cabinet, updated the committee regarding the Tourism Meeting and Convention Marketing Fund.

In response to a question from Senator McDaniel, Mr. Mangeot agreed to provide the committee with a list of the grants discussed. He also provided an update on bourbon tourism, noting that tariffs and a decline in Canadian tourists visiting the United States have significantly impacted visitation to the Bourbon Trail. Mr. Mangeot added that the rich history surrounding Kentucky bourbon is the primary attraction for tourists.

In response to a question from Representative Lehman, Mr. Mangeot stated that visitor tracking is research-based and largely relies on GPS and international travel data.

In response to a question from Representative Witten, Mr. Mangeot explained that ad

agency partners are selected through a bidding process, and contracts are aligned with budget cycles, with most lasting two years.

In response to a question from Representative Fugate, Mr. Mangeot stated that the economic impact in Eastern Kentucky is primarily driven by outdoor experiences and the region's musical heritage. Mr. Mangeot added that Eastern Kentucky's all-terrain vehicle (ATV) trail system is part of the department's marketing campaign.

In response to a question from Chair Nunn, Ms. Juett explained that the department has a meeting scheduled in September with VisitLex to discuss talent attraction strategies.

In response to a question from Senator Yates, Mr. Mangeot stated that Kentucky's greatest challenge is attracting first-time tourists. He added that once visitors experience the scenery and hospitality, they are often captivated, making return visits much more likely.

In response to a question from Chair Nunn, Mr. Mangeot stated that the U.S. Travel Association is finalizing the budget survey for states. He noted that Kentucky is currently around the middle of the pack in tourism spending compared to neighboring states, with more detailed information to be available once the survey is released.

There being no further business before the subcommittee, the meeting adjourned at 9:42 a.m.