INTERIM JOINT COMMITTEE ON APPROPRIATIONS AND REVENUE

Budget Review Subcommittee on Economic Development, Tourism, and Environmental Protection

Minutes of the 5th Meeting of the 2020 Interim

November 10, 2020

Call to Order and Roll Call

The 5th meeting of the Budget Review Subcommittee on Economic Development, Tourism, and Environmental Protection of the Interim Joint Committee on Appropriations and Revenue was held on Tuesday, November 10, 2020, at 8:30 AM, in Room 169 of the Capitol Annex. Senator Rick Girdler, Chair, called the meeting to order, and the secretary called the roll.

Present were:

<u>Members:</u> Senator Rick Girdler, Co-Chair; Representative Lynn Bechler, Co-Chair; Senators Morgan McGarvey and Max Wise; Representatives Terri Branham Clark, Savannah Maddox, Bart Rowland, and Russell Webber.

Guests: Larry Hayes, Interim Secretary, Cabinet for Economic Development (CED); Katie Smith, Commissioner, Department for Financial Services, CED; Vicky Wise, Deputy Secretary, Labor Cabinet; Nicole Broyles, Budget Staff, Labor Cabinet; Chris Herndon, Budget Staff, Labor Cabinet; Kerry Harvey, Secretary, Public Protection Cabinet (PPC); Tammy S. Branham, Deputy Executive Director, Office of Administrative Services, PPC; Rebecca Goodman, Secretary, Energy and Environment Cabinet (EEC); John Lyons, Deputy Secretary, EEC; Cori Troutman, Assistant Director, Division of Financial Management, EEC; Mike Berry, Secretary, Tourism, Arts, and Heritage Cabinet (TAHC); Christopher Reece, Executive Director, Office of Finance, TAHC; Mona Juett, Deputy Commissioner, Department of Tourism; and Melissa Brewer, Division Director, Finance Division, TAHC.

LRC Staff: Sara Rome, Kevin Newton, Joseph Holt, and Benjamin Thompson

Cabinet for Economic Development

Secretary Hayes and Commissioner Smith provided an overview of the Cabinet for Economic Development and the cabinet's budget for fiscal years 2020-21.

In response to questions from Representative Webber, Secretary Hayes noted that about seventy five percent of the cabinet's investments are for the expansion of existing industries rather than new developments. Secretary Hayes stated that rather than waiting for consulting firms to bring possible projects to the state, the cabinet tries to recruit companies directly to locate in Kentucky. Secretary Hayes agreed to provide additional information regarding the breakdown of the cabinet's investments in new and expanding industries.

Labor Cabinet

Deputy Secretary Wise provided a presentation regarding the Labor Cabinet's budgetary needs.

In response to questions from Co-Chair Bechler, Deputy Secretary Wise said that she believes all unemployment insurance claims from March have been settled. Secretary Wise noted that the cabinet only investigates the most egregious reported violations of COVID-19 restrictions.

In response to a question from Senator Wise, Deputy Secretary Wise stated that the cabinet stopped notifying legislators when a constituent's issues were resolved in order to streamline and make the process more efficient.

Public Protection Cabinet

Secretary Harvey and Ms. Branham provided an update on the Public Protection Cabinet's anticipated budget for fiscal year 2021.

Energy and Environment Cabinet

Secretary Goodman, Deputy Secretary Lyons, and Ms. Troutman spoke on the Energy and Environment Cabinet and its budgetary needs.

Tourism, Arts, and Heritage Cabinet

Secretary Berry, Mr. Reece, Ms. Juett, and Ms. Brewer presented on the budgetary needs of the Tourism, Arts, and Heritage Cabinet and its various agencies.

There being no further business before the subcommittee, the meeting was adjourned at 10:15AM.