

# **INTERIM JOINT COMMITTEE ON APPROPRIATIONS & REVENUE**

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

### **Minutes of the Second Meeting of the 2021 Interim**

**July 7, 2021**

#### **Call to Order and Roll Call**

The second 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 Wednesday, July 7, 2021, at 9:00 AM, in Room 154 of the Capitol Annex. Senator Matt Castlen, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Senator Matt Castlen, Co-Chair; Representative Lynn Bechler, Co-Chair; Senators Christian McDaniel, Morgan McGarvey, and Wil Schroder; Representatives Al Gentry, David Hale, Nima Kulkarni, Bart Rowland, and Russell Webber.

Guests: Phillip Pratt, Representative, District 62; Bob Babbage, Managing Partner, Babbage Cofounder; Lauren Hogan, Director of Advocacy and Media, Babbage Cofounder; Chris McDaniel, Senator, District 23; Russ Meyer, Commissioner, Kentucky Department of Parks; Will Adams, Deputy Commissioner, Kentucky Department of Parks.

LRC Staff: Sara Rome, Kevin Newton, Joseph Holt, and Amie Elam

The minutes from the June 2, 2021 meeting of the Budget Review Subcommittee on Economic Development, Tourism, and Environmental Protection were unanimously approved.

#### **Data Center Bill**

Representative Phillip Pratt, Bob Babbage, and Lauren Hogan spoke to the subcommittee about data centers. In the 2021 Regular Session, HB 372 was vetoed by Governor Andy Beshear. Representative Pratt explained the past issues surrounding the bill. He expressed a renewed effort to address data centers in the upcoming 2022 Regular Session.

#### **Remote Worker Bill**

Senator McDaniel testified to the committee about the remote worker bill. The bill aims to attract potential employees and residents by providing a tax incentive for remote workers living in Kentucky. The remote worker bill will be revisited in the upcoming 2022 Regular Session.

In response to a question from Representative Hale, Senator McDaniel said that the Governor's reason for vetoing 2020 Regular Session HB 372 was in reference to the financial impact of the bill.

In response to a question from Representative Webber, Senator McDaniel said that there are at least a dozen incentives for remote workers in other states.

### **Tourism, Arts and Heritage Cabinet**

Russ Meyer, Commissioner, and Will Adams, Deputy Commissioner, Department of Parks, spoke to the committee about the economic impact of the pandemic on Kentucky State Parks. They also spoke about the challenges and shared some positive news highlights.

In response to a question from Representative Webber, Mr. Adams said that as group sales increase, it is imperative to update lodges and facilities at the parks. Mr. Meyer said that park facilities are in dire need of investment. Mr. Adams agreed to provide the General Assembly a comprehensive list of capital needs prior to the 2022 Regular Session. Mr. Adams said there are major hurdles to privatization. He stated that many of Kentucky's state parks were established with funding from the Land and Water Conservation Fund, which permanently restricts the property for outdoor recreation. He said that for private investors that restriction is an area of concern. Mr. Adams stated that the Department of Parks would continue to look for ways to explore private partnerships.

In response to a question from Chair Castlen, Mr. Meyer agreed to provide a priority wish list to the General Assembly prior to the 2022 Regular Session.

In response to a question from Representative Hale, Mr. Meyer said that thirteen Kentucky State Parks have golf courses. Mr. Meyer said that all of the golf courses are revenue generators. He added that there are many unforeseen costs to maintain a golf course including, irrigation and the upkeep of sand traps.

In response to a question from Representative Bechler, Mr. Meyer said that the Department had nearly completed the upgrades to broadband. Mr. Meyer said that it is difficult to put a dollar figure on golf courses as an asset. He added that part of the mission of the golf courses is to drive tourism into communities.

There being no further business to come before the subcommittee, the meeting adjourned at 10:17 A.M.