INTERIM JOINT COMMITTEE ON TOURISM, SMALL BUSINESS, AND INFORMATION TECHNOLOGY

Minutes of the 2nd Meeting of the 2021 Interim

July 27, 2021

Call to Order and Roll Call

The 2nd meeting of the Interim Joint Committee on Tourism, Small Business, and Information Technology was held on Tuesday, July 27, 2021, at 1:00 PM, in Room 154 of the Capitol Annex. Representative Kim King, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Senator Wil Schroder, Co-Chair; Representatives Kim King, Co-Chair, and Phillip Pratt, Co-Chair; Senators Rick Girdler, Alice Forgy Kerr, Robby Mills, Adrienne Southworth, Brandon J. Storm, Reginald Thomas, Phillip Wheeler, and David Yates; Representatives Shane Baker, Lynn Bechler, Tina Bojanowski, Josh Branscum, George Brown Jr., Josh Calloway, Jeffery Donohue, Ryan Dotson, Daniel Fister, Deanna Frazier, Chris Freeland, Chris Fugate, Jim Gooch Jr., Richard Heath, Thomas Huff, Norma Kirk-McCormick, Adam Koenig, William Lawrence, Charles Miller, Ruth Ann Palumbo, Josie Raymond, Brandon Reed, Rachel Roberts, Bart Rowland, Steve Sheldon, Cherlynn Stevenson, Ashley Tackett Laferty, Nancy Tate, Killian Timoney, Bill Wesley, and Richard White.

<u>Guests:</u> Rick Storm, Commissioner, Department of Fish and Wildlife; Gabe Jenkins, Acting Director, Information and Education Division, Department of Fish and Wildlife; Scott Alvey, Executive Director, Kentucky Historical Society; Kurt Krouse, Chair, St. Paul Parish Historical Preservation Ministry; and Foster Ockerman Jr., President and Chief Historian, Lexington History Museum.

<u>LRC Staff:</u> Andrew Manno, Audrey Ernstberger, Kirk Smith, Sasche Allen, and Helen McArthur.

Approval of Minutes

A motion to approve the minutes of the June 17, 2021 meeting was made by Representative Lynn Bechler, seconded by Representative Jim Gooch Jr., and approved by voice vote.

Department of Fish and Wildlife Resources Update

The mission of the Department of Fish and Wildlife Resources is to conserve, protect, and enhance Kentucky's fish and wildlife resources and provide outstanding opportunities for fishing, hunting, trapping, boating, shooting sports, wildlife viewing, and related activities. The Department is an agency of the Tourism, Arts, and Heritage Cabinet with a volunteer nine member commission board. Fishing, hunting, wildlife watching, and boating total approximately \$344 million yearly in local and state tax revenue. Within the tourism industry, fish and wildlife recreation has an economic impact of \$5.9 billion and supports 70,000 jobs. The Department is primarily funded through hunting and fishing license sales and federal grants such as wildlife restoration grants and sport fish restoration grants. Divisions of the Department of Fish and Wildlife Resources include Fisheries; Wildlife; Administrative Services; Engineering, Infrastructure, and Technology; Information and Education; Law Enforcement; and Marketing.

The Commissioner discussed various programs, partnerships, and initiatives of the Department. There are two state fish hatcheries located in Rowan County and Franklin County and one federal hatchery in Russell County. The two state hatcheries produce 4.5 million fish per year and the federal hatchery produces 700,000 trout per year. The Fish Habitat Improvement Program includes large scale multiyear projects on large reservoirs and smaller projects on many lakes statewide each year. A partnership highlighted was Fishing in Neighborhoods (FINs), which is a collaboration between the Department and local governments across the state that provides easy access to lakes that are stocked throughout the year with harvestable fish. Other topics covered included the Kentucky Wetland and Stream Mitigation Fund; Kentucky Wild; Black Bears throughout the state; statewide boat ramps and access sites; improved access for paddle crafts; communication efforts during the COVID-19 pandemic; Kentucky Afield; conservation camps; hunter education; and life jacket loaner stations. Commissioner Storm also discussed employer pension contribution rates.

Answering a question from Representative Jim Gooch Jr., Gabe Jenkins, the Acting Director of the Information and Education Division at the Department, stated he was unaware of the legality of caracal cats in the state. Representative Gooch requested for additional information on the subject.

Replying to Representative Lynn Bechler, Commissioner Storm said 15 citations had been written for Asian Carp bow hunting. Answering a follow up, he stated the Department's average receipt for a fine is \$10 but violations are often dismissed but the matters are frequently handled by each county's court system. Replying to another follow up, the Commissioner stated that several factors play a role in why residence license sales decreased from 2015 to 2019 which may include a changes in lifestyles for some Kentuckians.

Addressing a question from Representative Ryan Dotson, Commissioner Storm elaborated on employer pension contribution rate. The Department has an 88 percent

employer contribution rate for non-hazardous employees, which is drastically higher than other states such as Illinois, Tennessee, and Ohio. He explained that employee salary increases would be difficult to achieve, because the employer pension contribution would increase as well. Answering a follow up question, the Commissioner explained that prior to the COVID-19 pandemic non-residence fishing and hunting license sales were on the rise, but residence license sales were declining.

Responding to Representative Cherlynn Stevenson, Commissioner Storm commented about the Department tries to remain transparent by communicating and connecting with the public through email blasts, surveys, and social media. It is the Commissioner's goal to move the Department forward and avoid past mistakes of the agency.

Answering a question from Representative Ashley Tackett Laferty, the Commissioner said local governments could reach out to the Department to express interest in developing conservation day camp programs.

Senator Wil Schroder made comments about pension contribution rates and pointed out that HB 8 from the 2021 Regular Session decreased the employer pension contribution rate for non-hazardous employees from 88 percent to 83.97 percent.

Kentucky Historic Site Markers

In 1935, a group of Lexington businessmen and historians formed an organization called the Historical Markers Society whose goal was to develop commercial advantages by marketing the Commonwealth by placing historical markers throughout the state. Ultimately, only 21 markers were placed and the organization's supplier later lost the master mold in bankruptcy. However, the Historical Markers Society helped to locate, mark, and memorialize historic sites and was the first effort of its kind organized in the state. Only 10 of the original markers remain, with most being in need of repair or replacement. In 1949 the Kentucky Historical Highway Markers Committee was organized, and the Committee worked with the Department of Transportation to set roughly 150 markers across the state. The Committee disbanded in 1962 and the Kentucky Historical Society took over the Historical Marker Program. Presently, the program is community driven and program costs are the responsibility of the marker sponsor or applicant. There is an average of 40 marker applications each year. As of 2019, refurbishment needs for makers totaled \$11,000; refurbishments with the addition of a new post totaled \$57,000; and the cost for complete replacements needed totaled \$242,360. During the last 12 months, 82 markers were serviced; 58 were replaced; and 24 were refurbished. Scott Alvey, the Executive Director of the Kentucky Historical Society, explained that a maintenance fund for repair or replacement of damaged markers is needed for sustainability of the Historical Marker Program.

Representative Cherlynn Stevenson made comments about the importance of the Historical Marker Program to the tourism industry.

Representative Kim King announced the next meeting of the Interim Joint Committee on Tourism, Small Business, and Information Technology will be a joint meeting with the Interim Joint Committee on Economic Development and Workforce Investment on August 26, 2021 at the Kentucky State Fair.

There being no further business before the committee, the meeting adjourned at 2:32 p.m.