

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

Minutes of the 3rd Meeting of the 2025 Interim

August 28, 2025

Call to Order and Roll Call

The third meeting of the Interim Joint Committee on Tourism, Small Business, and Information Technology was held on August 28, 2025, at 1:00 PM in Room 149 of the Capitol Annex. Senator Phillip Wheeler, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Senator Phillip Wheeler, Co-Chair; Representative Kim King, Co-Chair; Senators Shelley Funke Frommeyer, Jason Howell, Scott Madon, Matt Nunn, Reginald L. Thomas, Mike Wilson, and David Yates; and Representatives Shane Baker, Beverly Chester-Burton, Daniel Fister, Daniel Grossberg, Vanessa Grossl, John Hodgson, Nima Kulkarni, Chris Lewis, Mary Lou Marzian, Shawn McPherson, Adam Moore, Michael Sarge Pollock, Nancy Tate, Joshua Watkins, Bill Wesley, Mitch Whitaker, Richard White, Nick Wilson, and Susan Witten.

Guests: Erik Hubbard, Backroads of Appalachia; David Cole, Representative, King of the Hammers/Ultra4 Racing; Fred Bramblett, Representative, Rides 4 Fun/Grand National Cross Country; Pete Fingerson, Executive Director, Powell County Tourism Commission; Eddie Barnes, County/Judge Executive, Powell County; and Michael Frasier, Private Citizen.

LRC Staff: Janine Coy, Christian Deeter, Austin Johnson, and Sasche Allen.

Approval of July Minutes

A motion to approve the minutes from the July 31, 2025, meeting was made by Senator Funke Frommeyer, seconded by Representative McPherson, and approved by voice vote.

Economic Tourism: Bolstering Kentucky's Economic Growth Through Motorsports and Tourism

Erik Hubbard, Executive Director, Backroads of Appalachia; David Cole, King of the Hammers; and Fred Bramblett, Rides 4 Fun and Grand National Cross Country, presented on the economic impact of motorsports and adventure tourism, and discussed strategies to grow the sector as a driver of economic development. Mr. Hubbard highlighted that motorsports tourism has generated an estimated \$50.5 million in economic impact for Kentucky. He emphasized the importance of expanding beyond traditional highway-based

tourism into adventure tourism, which includes off-road and trail-based experiences, and noted states like Colorado and Utah have successfully transformed former mining towns into adventure destinations. Backroads of Appalachia is also engaging in substance use recovery programs and creating career pathways for youth through motorsports. Mr. Hubbard noted that 2025 RS SB 63 modernized legal standards for utility terrain and special-purpose vehicles by requiring safety measures such as insurance, turn signals, and seatbelts, which enabled greater access to motorsports on public roads. Mr. Hubbard stressed the potential for educational partnerships to expose young people to motorsports careers.

In response to Senator Yates, Mr. Cole confirmed his organization is interested in forming educational partnerships with school systems in the Commonwealth.

Senator Madon shared his personal experiences with recreational vehicles and described how the adventure tourism industry has positively impacted his district.

Responding to Representative Marzian, Mr. Hubbard described the supporting industries of adventure tourism, including hospitality and retail. He further explained the organization's efforts to provide job opportunities for women in substance abuse recovery through partnerships with addiction recovery and behavioral health professionals.

On behalf of Representative Fugate, Representative Wesley detailed the adventure tourism's positive economic impact on Representative Fugate's district.

In response to Senator Nunn, Mr. Hubbard noted the negative stigma associated with Eastern Kentucky may discourage residents from pursuing entrepreneurial opportunities.

Powell County Tourism Update

Pete Fingerson, Executive Director, Powell County Tourism Commission; Eddie Barnes, County/Judge Executive, Powell County; and Michael Frazier, a private citizen, provided an update on tourism in Powell County. They highlighted the Red River Gorge and Natural Bridge as premier outdoor recreation destinations that continue to attract a large number of visitors. Mr. Barnes noted the need for major infrastructure upgrades to support the county's water and utility systems. Federal funding mechanisms are being explored. The speakers requested legislative support to ensure these improvements can sustain visitor growth, protect natural resources, and expand tourism opportunities in the county.

Representative Wesley noted insufficient infrastructure, including high-speed internet, presents challenges for the region. Mr. Frazier added the lack of essential services, such as high-speed internet, poses significant risks to emergency management and related operations. Mr. Barnes emphasized that any support for infrastructure improvements in the

area would be greatly appreciated.

In response to Representative Marzian, Mr. Barnes stated that infrastructure improvements can be made without harming or disturbing the natural environment. He stated a resort is planned for the Red River Gorge area. However, as County/Judge Executive, Mr. Barnes could not guarantee access to water, sewer, or other essential infrastructure to the resort developers. Mr. Frazier emphasized the need for a regional approach in the matter.

Representative Grossl made comments about a personal connection to Powell County.

In response to Senator Madon, Mr. Barnes outlined cost estimates for infrastructure updates, including \$1.2 million for the Red River Wastewater Project, up to \$10 million for the Beech Fork Water Plant, and \$6 million for the Powell Valley Water District. He noted federal funding mechanisms are being explored.

Adjournment

There being no further business before the committee, the meeting adjourned at 2:34 PM.