

FREE CONFERENCE COMMITTEE REPORT

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The Free Conference Committee on **HB 757** has met as provided in the Rules of the House and Senate and hereby reports the following to be adopted:

_____ GA X SCS _____ HCS

For the above-referenced bill, with these amendments (if applicable):

Committee (list by chamber and number): _____;

Floor (list by chamber and number): _____; and

The following Free Conference Committee action:

On page 378, after line 17, insert the following:

"➔SECTION 127. A NEW SECTION OF KRS CHAPTER 11 IS CREATED TO READ AS FOLLOWS:

- (1) Pursuant to KRS 11.026(1), if a statue, monument, or object of art is privately funded and created depicting or representing United States Senator Addison Mitchell McConnell, and that statue, monument, or object of art is offered to the Commonwealth of Kentucky as a donation, the state curator shall accept that statue, monument, or object of art for display in the New State Capitol rotunda.
- (2) Notwithstanding the authority granted to the Historic Properties Advisory Commission in KRS 11.027(3), the commission shall reserve a place in one (1) of the four (4) corners of the first floor of the New State Capitol rotunda for the installation and permanent display of the statue, monument, or object of art referred to in subsection (1) of this section.
- (3) Pursuant to KRS 11.027(3)(a) and (d)1., the General Assembly hereby identifies and authorizes the installation and permanent display of the statue, monument, or object of art referred to in subsection (1) of this section in the place designated in subsection (2) of

1 this section, and the commission and the Department for Facilities and Support Services
2 in the Finance and Administration Cabinet shall take whatever action is required to
3 install and display the statue, monument, or object of art upon the reopening of the New
4 State Capitol after completion of its renovation.

5 ➔SECTION 128. A NEW SECTION OF KRS CHAPTER 139 IS CREATED TO READ
6 AS FOLLOWS:

7 (1) As used in this section:

8 (a) "Facility operator" means a person who owns or operates a venue;

9 (b) "Professional sporting event":

10 1. Means an organized, competitive event, governed by rules and a sporting
11 body, where participants compete for compensation beyond actual expenses;

12 and

13 2. Excludes minor league sporting events;

14 (c) "Qualifying attraction" means a series of professional sporting events which is:

15 1. Held at a venue over a duration of at least three (3) consecutive days;

16 2. Hosted by a sponsoring entity pursuant to an agreement with a facility
17 operator that authorizes the sponsoring entity to conduct one (1) or more
18 series of a professional sporting event; and

19 3. Open to the public upon purchase of tickets, with attendance totaling at least
20 one hundred thousand (100,000) admissions over the duration of each series
21 of professional sporting events; and

22 (d) "Sponsoring entity" means the person hosting a qualifying attraction; and

23 (e) "Venue" means:

24 1. Public property located in a consolidated local government or in an urban-
25 county government that is owned, operated, or controlled by the consolidated
26 local government, urban-county government;

27 2. A park located in a consolidated local government that is:

- 1 amount of the sales tax incentive to the persons from whom the sales tax was
2 collected;
- 3 (e) The sales tax incentive shall be reduced by the vendor compensation allowed under
4 KRS 139.570; and
- 5 (f) Interest shall not be allowed or paid on any sales tax incentive payment made
6 under this section.
- 7 (3) The department shall accept initial applications for sales tax incentives under this
8 section for qualifying attractions held on or after July 1, 2026.
- 9 (4) To be eligible for a sales tax incentive under this section, the sponsoring entity shall file
10 an initial application with the department, which:
- 11 (a) Includes sufficient information regarding the qualifying attraction to demonstrate
12 whether it qualifies for the sales tax incentive; and
- 13 (b) Is filed at least sixty (60) days prior to the date of the first professional sporting
14 event constituting the qualifying attraction.
- 15 (5) Within thirty (30) days of receipt of the initial application, the department shall notify the
16 sponsoring entity of its preliminary approval or denial of the qualifying attraction.
- 17 (6) If the initial application is denied, the department shall provide the reason for the denial.
- 18 (7) After approval of its initial application and the completion of the qualifying attraction, a
19 sponsoring entity shall apply for a sales tax incentive no earlier than thirty (30) days
20 following the end of the month during which sales taxes that were generated from the
21 qualifying attraction are collected. The application may aggregate eligible sales taxes
22 from previous months if the events comprising the qualifying attraction were held in
23 more than one (1) month.
- 24 (8) The department shall review each application for a sales tax incentive and determine if it
25 meets the requirements of this section, pending the verification of required attendance.
- 26 (9) In determining eligibility for a sales tax incentive authorized under this section, the
27 department shall waive the duration and attendance requirements listed in subsection

1 (1)(c)1. and 3. of this section if the person requesting an incentive demonstrates that any
2 delays, cancellations, or postponements were due to inclement weather or other
3 extraordinary events beyond the control of the parties involved and that the weather or
4 other extraordinary events rendered the satisfaction of the requirement impossible.

5 (10) Both the initial application and the sales tax incentive application shall be in the form
6 prescribed by the department through the promulgation of an administrative regulation
7 in accordance with KRS Chapter 13A.

8 (11) The department shall verify the amount of sales tax incentive and pay the allocations
9 determined to be due in accordance with subsection (2)(b) of this section within forty-five
10 (45) days of receipt of the later of:

11 (a) The application submitted under subsection (7) of this section; or

12 (b) All necessary supporting information required by the department to determine that
13 the sponsoring entity is eligible for the incentive.

14 (12) (a) Prior to November 1, 2027, and continuing each November 1 thereafter to
15 November 1, 2037, the department shall provide an annual report detailing
16 information related to each qualifying attraction receiving incentives during the
17 fiscal year concluding on June 30 of the reporting period.

18 (b) The department shall include the following information in the report:

19 1. The name of the qualifying attraction;

20 2. The venue where the qualifying attraction was held;

21 3. The name of the facility operator;

22 4. The name of the sponsoring entity;

23 5. The duration of the qualifying attraction and the number of admissions over
24 that duration;

25 6. The amount of incentive paid to the facility operator; and

26 7. The amount of incentive paid to the sponsoring entity.

27 (c) The information required to be reported under this subsection shall not be

1 considered confidential taxpayer information and shall not be subject to KRS
 2 Chapter 131 or any other provisions of the Kentucky Revised Statutes prohibiting
 3 disclosure or reporting of information.

4 (13) The provisions of this section shall expire on November 30, 2036, and a qualifying
 5 attraction held after November 30, 2036, shall not be eligible for the incentives
 6 authorized in this section.

7 (14) The General Assembly is committed to the research and development of tourism policies,
 8 including the aspiration to hold other professional sporting events across the
 9 Commonwealth and especially in rural Kentucky.

10 ➔SECTION 129. A NEW SECTION OF KRS CHAPTER 171 IS CREATED TO READ
 11 AS FOLLOWS:

12 (1) For taxable years beginning on or after January 1, 2027, but before January 1, 2031, a
 13 taxpayer completing a certified rehabilitation of a certified historic structure containing
 14 a minimum of twenty-five (25) stories shall be allowed a credit against the taxes imposed
 15 by KRS 141.020 or 141.040 and 141.0401, with the ordering of the credit as provided in
 16 KRS 141.0205 for projects in which the total qualified rehabilitation expenses exceed
 17 one hundred fifty million dollars (\$150,000,000).

18 (2) The credit shall be equal to the lesser of:

19 (a) The percentage of qualified rehabilitation expenses as provided in Section 59 of
 20 this Act; or

21 (b) The amount of federal credit allowed under 26 U.S.C. sec. 47 for the same
 22 qualified rehabilitation expenses that generated the tax credit under this section.

23 (3) (a) The credit shall not:

24 1. Exceed forty million dollars (\$40,000,000); or

25 2. Be subject to the maximum credit amounts allowed in Section 59 of this Act.

26 (b) Any project approved for credit under this section shall not be considered in
 27 determining whether the certified rehabilitation credit cap has been met for any

1 taxable year and therefore not subject to the percentage of the credit cap allocated
2 to owner-occupied residential property or other property that is not owner-occupied
3 residential property as provided in Section 57 of this Act.

4 **(4) A taxpayer seeking the credit under this section shall file an application in accordance**
5 **with Section 59 of this Act.**

6 **(5) Unless otherwise stated in this section, the provisions of Section 59 of this Act shall apply**
7 **to this section.**"; and

8 Renumber subsequent sections accordingly; and

9 On page 380, after line 11, insert the following:

10 "➔Section 139. Section 128 shall take effect on July 1, 2026"; and

11 Renumber the subsequent section accordingly; and

12 On page 380, line 14, delete "and 127 to 130" and insert "127, and 130 to 133".

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Senate Members

House Members

Senator Christian McDaniel

Representative Jason Petrie

Senator Amanda Mays Bledsoe

Representative Josh Bray

Senator Matt Nunn

Representative Adam Bowling

Senator Cassie Chambers Armstrong

Representative Steven Rudy

Representative Joshua Watkins

The above-named members, in separate votes by house, all concur in the provisions of this report.

DATE

April 1, 2026

For Clerk's Use:

Adopted: _____

Repassage Vote: _____