

1 AN ACT relating to tourism and declaring an emergency.

2 *Be it enacted by the General Assembly of the Commonwealth of Kentucky:*

3 ➔Section 1. KRS 142.406 is amended to read as follows:

4 (1) *The Tourism, Arts and Heritage Cabinet shall promulgate administrative*
5 *regulations in accordance with KRS Chapter 13A to establish the criteria to*
6 *administer a regional marketing and matching funds program. The program*
7 *shall provide financial and marketing assistance for projects that directly support*
8 *the promotion and marketing efforts of a tourism attraction, event, or geographic*
9 *area.*

10 (2) *Tourism regions are established in the Commonwealth as follows:*

11 (a) *Tourism Region 1, the Western Lakes and Rivers Region, consisting of*
12 *Ballard, Caldwell, Calloway, Carlisle, Christian, Crittenden, Fulton,*
13 *Graves, Hickman, Livingston, Lyon, Marshall, McCracken, Todd, and*
14 *Trigg Counties;*

15 (b) *Tourism Region 2, the Green River Region, consisting of Daviess, Hancock,*
16 *Henderson, Hopkins, McLean, Muhlenberg, Ohio, Union, and Webster*
17 *Counties;*

18 (c) *Tourism Region 3, the Cave Region, consisting of Allen, Barren, Butler,*
19 *Edmonson, Hart, Logan, Metcalfe, Monroe, Simpson, and Warren*
20 *Counties;*

21 (d) *Tourism Region 4, the Louisville-Lincoln Region, consisting of*
22 *Breckinridge, Bullitt, Grayson, Hardin, Henry, Jefferson, Larue, Marion,*
23 *Meade, Nelson, Oldham, Shelby, Spencer, Trimble, and Washington*
24 *Counties;*

25 (e) *Tourism Region 5, the Southern Kentucky Lakes and Rivers Region,*
26 *consisting of Adair, Casey, Clinton, Cumberland, Green, McCreary,*
27 *Pulaski, Russell, Taylor, and Wayne Counties;*

- 1 (f) Tourism Region 6, the Northern Kentucky Region, consisting of Boone,
2 Bracken, Campbell, Carroll, Fleming, Gallatin, Grant, Kenton, Lewis,
3 Mason, Owen, Pendleton, and Robertson Counties;
- 4 (g) Tourism Region 7, the Bluegrass Region, consisting of Anderson, Bourbon,
5 Boyle, Clark, Fayette, Franklin, Garrard, Harrison, Jessamine, Lincoln,
6 Madison, Mercer, Nicholas, Scott, and Woodford Counties;
- 7 (h) Tourism Region 8, the Eastern Highlands-North Region, consisting of
8 Bath, Boyd, Carter, Elliott, Floyd, Greenup, Johnson, Lawrence, Magoffin,
9 Martin, Menifee, Montgomery, Morgan, Pike, and Rowan Counties; and
- 10 (i) Tourism Region 9, the Eastern Highlands-South Region, consisting of Bell,
11 Breathitt, Clay, Estill, Harlan, Jackson, Knott, Knox, Laurel, Lee, Leslie,
12 Letcher, Owsley, Perry, Powell, Rockcastle, Whitley, and Wolfe Counties.
- 13 (3) (a) To qualify for regional marketing and matching funds, a tourism regional
14 committee shall be established for each tourism region.
- 15 (b) Each tourist and convention commission established under KRS 91A.350
16 within each tourism region shall appoint a person to serve on the tourism
17 regional committee.
- 18 (c) If a tourist and convention commission has not been established by the local
19 governing bodies of a county, or cities within a county, the county
20 judge/executive of each county shall appoint a person to serve on the
21 tourism regional committee.
- 22 (d) Counties with multiple tourist and convention commissions may have a
23 representative from each tourist and convention commission on the tourism
24 region committee.
- 25 (e) The Tourism, Arts and Heritage Cabinet shall promulgate of administrative
26 regulations in accordance with KRS Chapter 13A to establish the terms and
27 operating policies of the tourism region committees.

1 **(4) (a)** There is hereby created and established in the State Treasury a trust and
2 agency account to be known as the tourism, meeting, and convention
3 marketing fund.

4 **(b)** The fund shall be administered by the Tourism, Arts and Heritage Cabinet,
5 with the approval of the Governor's Office for Policy and Management.

6 **(c)**~~**(2)**~~ All tax receipts from the tax imposed under KRS 142.400 shall be
7 deposited into the ~~tourism, meeting, and convention marketing~~ fund~~,~~ and
8 ~~used~~~~[shall be appropriated]~~ for the purposes set forth in **this** subsection~~[(3)]~~ of
9 ~~this section~~. The fund shall also contain any other money contributed,
10 allocated, or appropriated to it from any other source.

11 **(d)** ~~**Moneys**~~~~[Money]~~ in the fund shall be invested by the Finance and
12 Administration Cabinet in instruments authorized under KRS 42.500.
13 Investment proceeds shall be deposited to the credit of the fund.~~[Money in~~
14 ~~the fund shall not lapse but shall be carried forward to the next fiscal year or~~
15 ~~biennium.]~~

16 **(e)**~~**(3)**~~ The tourism, meeting, and convention marketing fund shall be used for
17 the sole purpose of marketing and promoting tourism in the Commonwealth,
18 including expenditures to market and promote events and venues related to
19 meetings, conventions, trade shows, cultural activities, historical sites,
20 recreation, entertainment, natural phenomena, areas of scenic beauty, craft
21 marketing, and any other economic activity that brings tourists and visitors to
22 the Commonwealth. Marketing and promoting tourism shall not include
23 expenditures on capital construction projects.

24 **(f)** **Notwithstanding KRS 45.229, any fund balance at the close of the fiscal**
25 **year shall not lapse but shall be carried forward to the next fiscal year.**

26 **(g)** **1. At least twenty-five percent (25%) of the moneys available in the fund**
27 **shall be equally divided among the nine (9) tourism regions for**

payment of the following eligible expenses related to marketing and promoting tourism within the tourism regions:

a. Tourism publications, digital content, and videos;

b. Media advertisements and press kits;

c. Billboards and signage;

d. Brochure distribution services;

e. Postage and freight expenses;

f. Meeting and convention advertising expenses;

g. Group tour marketplace, meeting and convention, and consumer travel show expenses;

h. Sponsorship or a bid fee of tourism trade shows, conventions, sporting events, and other events;

i. Website design; and

j. Research studies and analysis.

2. Administrative expenses shall not be included in the payment of eligible expenses.

3. The Tourism, Arts and Heritage Cabinet shall work in partnership with the tourism regional committees to determine the best use of the money provided to the tourism regions.

(h) At least ten percent (10%) of the moneys available in the fund shall be dedicated to the regional marketing and matching funds program established under subsection (1) of this section for use by a convention and visitors' bureau, a tourism commission, or designated marketing organization.

(i) [(4)] By September 1 of each year, the secretary of the Tourism, Arts and Heritage Cabinet shall report to the Governor and the Legislative Research Commission concerning the receipts, expenditures, and carryforwards of the

1 fund for the preceding fiscal year.

2 (5) By September 1, 2026, the Tourism, Arts and Heritage Cabinet shall implement
3 initial strategic plans for marketing and promoting tourism in each tourism
4 region. The cabinet's strategic plan may include a request for proposal process
5 for selecting vendors to administer spending, create a strategic plan, or manage
6 day-to-day operations.

7 (6) By September 1 of each year, the secretary of the Tourism, Arts and Heritage
8 Cabinet shall submit a report to the Legislative Research Commission for referral
9 to the Interim Joint Committee on Tourism, Small Business, and Information
10 Technology on the regional tourism strategies and regional strategic plans.

11 ➔SECTION 2. A NEW SECTION OF KRS CHAPTER 148 IS CREATED TO
12 READ AS FOLLOWS:

13 Beginning on September 1, 2026, and every September 1 thereafter, the Commissioner
14 shall submit a report to the Legislative Research Commission for referral to the
15 Interim Joint Committee on Tourism, Small Business, and Information Technology on
16 the occupancy rate for each state park with lodging or a campground from the
17 previous fiscal year.

18 ➔Section 3. Whereas tourism is an important aspect of Kentucky's economy, an
19 emergency is declared to exist, and this Act takes effect upon its passage and approval by
20 the Governor or upon its otherwise becoming a law.