



## 2020 KTIA Legislative Agenda

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**The following are positions that were recommended by the KTIA Legislative Committee and adopted by the Board of Directors as KTIA's 2020 Legislative Agenda.**

### **Tourism Funding**

#### *Restaurant Tax*

The tourism industry supports the expansion to all cities of the eligibility to enact a restaurant tax if that expansion preserves current restaurant tax requirements in those cities that have previously enacted it and if a reasonable portion of the monies from the tax in newly eligible cities are dedicated to the city's tourist commission.

#### *Transient Room Tax*

In order to maintain tourism as a premier driver of Kentucky's economy there cannot be a reduction, re-direction or repurposing of the 1% statewide transient room tax or local transient room tax and we support any efforts for additional investment in tourism marketing and development.

### **Welcoming KY**

#### *A Welcoming Kentucky*

The Commonwealth should remain open and welcoming to all visitors. Kentucky's communities and its people are characterized by warm hospitality and a welcoming attitude. These attributes are a driving force in attracting a large and diverse array of visitors to Kentucky and the economic benefits that result from those visits.

## **Film Incentives**

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We support the use of film incentives to foster a strong Kentucky film industry and the increasing economic activity and jobs that result from a growing film industry. Specifically, the refundability of the program's tax credits should be restored.

## **Sports Gaming**

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We support the legalization of sports gaming in Kentucky due to its positive revenue impact and increased visitation to Kentucky it will generate.

## **Bourbon Visitor Experience**

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With bourbon experiences among Kentucky's most iconic visitor attractions, KTIA joins with the Kentucky Distillers' Association in efforts to enhance those experiences and to strengthen the bourbon industry's ability to provide them:

- Parity in shipping – Should an e-commerce bill pass, it should include parity for all segments of the industry (beer, wine, spirits). Currently, there is disparity in permissible shipping among those segments and the bourbon industry is asking that it be permitted to have the same rights as the others.
- Allow private barrel selection retail sales to go through distillery gift shops – This is a high demand request frequently made by visitors.
- Exclusive distillery bottles – Allowing distilleries to produce exclusive bourbons will meet growing visitor demand for this experience and provide parity with the wine and beer industries.
- Allow package beer sales at distillery gift shops – Encourages new visitor experiences in that when distillers and microbreweries collaborate on barrel aged beers they would like to promote and sell those unique offerings.
- Wholesaler Pass-through Reform – Similar to what craft brewers do, allows distillers to pay their own taxes on gift shop sales rather than the more complicated and sometimes

more expensive requirement that those taxes be paid by wholesalers.

- Local Option Precinct Elections – This is a reauthorization of what was allowed until the law sunset and is especially relevant to the tourism industry by permitting local option elections for particular visitor destinations.
- Ad Valorem Tax Relief - Changes to corporate income tax have made it difficult for bourbon producers to utilize the current credit.

### **Hotel Industry**

Hoteliers have identified two issue areas – workforce and human trafficking – that while being especially relevant to hotels also have important implications for the entire Kentucky tourism industry.

#### *Workforce*

Workforce issues are mounting for the tourism industry, especially for hotels, with many businesses experiencing severe shortages of available and capable workers. If left unaddressed, those issues will impact the quantity and quality of visitor services, ultimately impairing the industry's ability to generate the economic benefits that Kentucky receives from tourism.

- We support legislation that addresses any of the myriad of workforce issues that include training, the opioid crisis and unnecessary and burdensome regulations.

#### *Human Trafficking*

Kentucky is far from immune to the scourge of human trafficking, a form of modern day slavery. Hotels are where this activity sometimes occurs far from the sight and awareness of hoteliers, but the problem also presents itself at restaurants (labor trafficking), rest areas and welcome centers, truck stops and in conjunction with festivals and events. The tourism industry has participated in the development and dissemination of information and training materials for our members, but is committed to doing more.

- We support legislation that more fully and effectively addresses human trafficking.

