			Blue Bill # SB 47	
the	KENTUCKY YOUTH ASSEMBLY Legislative Bill	Referred to Committee: Senate 4		
Authors: Christian Bush, Hunter O'Brien, Eric Bush, Nicholas Reaves		Action o	n the Bill	
School: St. Xavier High School		House	Senate	
City: Louisville		Passed Passed Passed Defeated Defeated		

An act to Promote Tourism in Appalachia

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	3	Be it enacted by the Youth Assembly of the Commonwealth of Kentucky
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	5	Section 1: Appalachia is one of the most geographically diverse and historically significant places in the word.
	6	Only in Appalachia can one find the Cumberland Falls, one of two places in the entire world with a regularly
	7	occurring moon-bow. In addition, this region is home to Red River Gorge and the Natural Bridge, as well as
	8	the Cumberland Gap, which was monumental in our nation's westward expansion. Because Appalachia is one
	9	of the most impoverished regions in the nation, it cannot make the necessary investments to capitalize on its
1	0	geographic features. In fact, more than 90% of Kentucky's Appalachian counties are classified as "at risk," or
1	1	"distressed." This means that these counties rank among the nation's worst in economic strength and
1	2	diversity. Tourism would be a great way to expand the Appalachian economy and act as a catalyst to bring
1	3	new industries to the region.
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1	5	Section 2: In order to attract tourists to Appalachia, additional lodging will be needed. To encourage
1	6	companies to build hotels, tax incentives will be offered on building materials. Construction materials used to

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16 companies to build hotels, tax incentives will be offered on building materials. Construction materials used to
 17 build hotels will be exempt from sales tax, as long as the materials are purchased in Kentucky. Assuming that
 18 an average hotel requires roughly \$9.5 million in materials, this tax incentive would mean approximately
 19 \$540,000 in savings for the developer, at no cost to the state. This incentive will last for five years from the
 20 passage of this bill.

Section 3: Grants will be allocated to high schools and community colleges to fund tourism education
programs. These programs will include conservation, communication skills, and organizational skills. An
annual budget of \$500,000 will go towards these grants. Schools will be able to submit proposals to receive
funding. The size of the grants will vary based on the quality of each school's proposal.

Section 4: Advertising is critical to developing a successful tourism industry in Appalachia. A high quality advertising agency will create television commercials showcasing the region's beauty. Also, print adds will be taken out in nature and travel magazines. In the first year, \$4 million dollars will be allocated towards advertising. Over time, word of mouth will become the region's primary source of promotion and less advertising will be needed. Therefore, in the second year, the advertising budget will be \$2 million, and from the third year on it will be \$1 million.

Section 5: The governor will appoint a board of 10 members to distribute grant funds and oversee the
 advertising program. Upon passage of this bill, the governor will have 90 days to appoint members to this
 board.

Section 6: This bill will be payed for with federal funds from the Appalachian Regional Commission and go
 into affect 90 days after passage.