

2026 Legislative Agenda



Top Community Priorities

- ✓ Paducah Department of Energy Reindustrialization and Nuclear Energy Incentives Funding
 - ✓ Riverport West Development
 - ✓ Local Funding Requests
 - ✓ Infrastructure Priorities
 - ✓ Arts and Tourism
 - ✓ Business Development
 - ✓ Housing Availability and Affordability
 - ✓ Taxes and Economic Growth
 - ✓ Workforce
 - ✓ Access to Child Care

Our philosophy is: *"We never want it to be said in our state or national capital that we are only noticed by our absence. We will be noted for our presence."*

Uniting the business community through one voice

www.paducahchamber.org

The Paducah Department of Energy Site has been a valuable part of our community's past, present and now for our future.

✓ PRIORITIES

Reindustrialization

With strong collaboration and shared commitment by all partners, the Paducah Department of Energy site is on track to become a hub for advanced energy and technology innovation. The Paducah site has been an important economic driver in the Paducah area and multi-state region since the 1950's as the former gaseous diffusion plant. After ceasing production in 2013, the plant is now in the clean-up phase and will continue to be for many years to come. The future includes a parallel path of continued progress with cleanup for the site while focusing on reindustrialization as a top priority for the community and the Department of Energy.

In 2023, the Paducah Chamber was awarded a grant by the DOE Office of Environmental Management to lead a reindustrialization analysis and develop a roadmap for the future of the Site. The Chamber study has focused on reindustrialization of the site for the long-term future. Working with Bacon Farmer Workman Engineering & Testing, Inc. (BFW) and Geosyntec Consultants, the study has reached several key milestones and will wrap up in early 2026.

We support the companies who are interested in locating at the site and encourage the state to continue to assist our community with these efforts. Greater Paducah Economic Development is working closely with DOE and these companies to ensure their success. We support Global Laser Enrichment and General Matter who have publicly stated they will locate at our site. DOE also recently released a Request for Offers, which strives for "enhancing American leadership in Artificial Intelligence (AI) and energy generation to promote economic competitiveness, national security, and scientific advancement" at Paducah. We are optimistic that these announcements will generate local revenue and economic development for our region.

For these reasons, *the Chamber requests state programs and regulations be reviewed and adjusted if necessary to support the unique needs of reindustrializing the DOE site.* State investment or removal of barriers could be an essential link to enable new economic activity. The location of the DOE site, along with its proximity to the community's Triple Rail Economic Development site and Barkley Regional Airport, makes this industrial corridor one of the last of its kind in Kentucky.

Nuclear Energy Incentives Funding

The Chamber supports the request by the Kentucky Nuclear Energy Development Authority (KNEDA) for \$150 million minimum investment to strengthen the Commonwealth's leadership in the nuclear resurgence, alongside potential tax incentives for nuclear opportunity development.

This initiative will be used to prepare sites, foster an in-state supply chain, and advance both front-end and nuclear generation deployment. By advancing safe and environmentally responsible nuclear solutions, Kentucky can drive long-term growth and sustainability while competing effectively with other states already using state funds to leverage federal funding and opportunities.

Note: The Kentucky Nuclear Energy Development Authority was established by the 2024 Kentucky General Assembly and was attached to the University of Kentucky Center for Applied Energy Research for administrative purposes.

Local Priorities

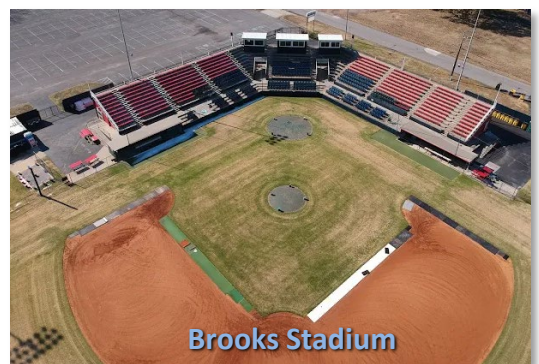
Riverport West Development

The Chamber supports the construction of Riverport West in McCracken County as an expansion of the current Paducah Riverport and requests state funds that will be used as matching funds for federal grant opportunities. As the Riverport's current facility is at full capacity, Riverport West meets a long-standing need for the combination of river and railroad access and has drawn significant interest from companies, particularly in the energy sector. The proposed site is adjacent to the community's economic development site, known as the Triple Rail Site, and located less than two miles from the U.S. Department of Energy Paducah Site. The project is completing the planning and engineering phase. It includes construction of a publicly operated dock facility with direct rail access via Paducah & Louisville Railway (P&L). Positioned strategically, it is expected to serve as a major economic catalyst for the region. To obtain the needed federal funding, state funds will be needed.



Brooks Stadium

The Chamber supports state funding of \$450,000 for the turfing of the infield of the historic Brooks Stadium, constructed in the late 1940's. The turfing of the infield at Brooks Stadium is needed to reduce rainouts, protect local baseball revenues, expand tournament and event opportunities, and position Paducah to attract regional competitions like the Missouri Valley Conference, boosting tourism and the local economy. Brooks Stadium serves as the home field for the Paducah Chiefs, part of the Ohio Valley League, a collegiate wooden bat association, as well as Paducah Tilghman High School baseball.



Columbia Theatre Restoration

The Chamber supports state funding of \$6 million for a combined historic preservation and economic incentive in Paducah's vital downtown historic district to complete the interior restoration of the Columbia Theatre.



The revitalization of this nearly 100-year-old theater has been the mission of an all-volunteer board whose members have raised nearly \$1.75 million towards its restoration. The city of Paducah awarded the non-profit a \$500,000 grant towards stabilizing the exterior structure demonstrating their support of the project. This year a local contractor has worked to not only stabilize the exterior but to enhance its architectural integrity by restoring the one-of-a-kind façade. The work prior included the repair and restoration of the 1927 original fire curtain and historic paint study by the International Fine Art Conservation Studios in Atlanta, roof stabilization, environmental remediation, marketing study, and design / construction drawings. With this funding, the theater's interior will be restored in order for the Columbia to become operational and open its historic doors to the community once again.

Local Priorities

Barkley Regional Airport

Supports the request by Barkley Regional Airport as they seek \$1 million in matching funds to support eligible FAA infrastructure projects over the next two-year biennium. Additionally, the Chamber supports Barkley Regional Airport's request for \$2.5 million for the construction of revenue-generating aircraft hangars, which are essential for sustaining and advancing Barkley's operations.

Investing in critical infrastructure improvements ensures the airport meets stringent FAA standards, maintains operational safety, and remains fully functional for all users. The development of modern aircraft hangars is a strategic initiative to generate new revenue streams, attract aviation-related businesses, and encourage private investment. These new hangars are vital not only for supporting current operations but also for positioning Barkley as the preferred airport for business and general aviation in the region.

These targeted enhancements will strengthen Barkley Regional Airport's role as a key regional resource, promote economic development, and create new opportunities for local businesses and the wider community. By supporting both infrastructure upgrades and expanded hangar facilities, stakeholders are helping to build a more resilient and dynamic aviation environment, ensuring the airport remains competitive and adaptable to evolving industry needs. Moreover, this funding will help address the airport's financial deficit, providing the fiscal stability necessary for ongoing service and future growth.

National Quilt Museum

Supports The National Quilt Museum's request of \$2.5 million for a façade improvement project that will enhance the museum's visibility in the cityscape and create additional opportunities to generate more destination traffic. The project will improve exterior design elements and increase the museum's ability to attract visitors to Paducah, further strengthening the city's reputation as a premier cultural tourism destination.

New Judicial Center

The Chamber recognizes the immediate need for enhanced security solutions at the McCracken County Judicial Center and further supports the funding for the construction of a new judicial center. The McCracken County Judicial Center / Courthouse is the busiest government building in West Kentucky. It houses all of the county constitutional offices and also provides the facilities for two circuit judges, a family judge and two district judges. There are obvious security deficits which need the immediate attention of the General Assembly. Our local economy is geared to incur significant growth and the current facilities are already lacking in sufficient space, accommodations for judges and security for inmates. The McCracken County Judicial Center is a primary source of justice and security for our region. It is anticipated that the construction cost of a 65,000 sq. ft. judicial center, similar to the types of judicial centers which have been built in several western Kentucky communities, will cost approximately \$50 million.

Paducah Cooperative Ministry

Supports a funding request of \$150,000. This will help close the \$3.25 million capital campaign to build a 50-bed emergency shelter to serve men, women and children in need. This funding support will help secure the long-term sustainability of emergency shelter and food services for individuals and families experiencing homelessness in our region. This year alone, the state has seen a 10% rise in homelessness, and our community has no dedicated emergency shelter to provide immediate refuge and support.

Lincoln Station Project

Supports additional state funding for the Lincoln Station Project. Thanks to the state legislature for its initial \$1 million investment, the project has made great strides to establish leadership, launch planning efforts, and begin phased development. This next round of funding, with a \$2 million request, would move Lincoln Station from concept to construction by supporting architectural design, site preparation, fundraising readiness, and pilot youth programming. Once complete, Lincoln Station will serve as a community hub offering workforce training, youth programming, small business space, medical access, and civic services in Paducah's Southside.

Local Infrastructure Priorities

Local Transportation Priorities

Funding for Transportation Accessibility for Triple Rail Economic Development Site: *Supports* funding for improved connectivity to the Triple Rail Economic Development Site that features Ohio River frontage, service by three railroad companies and barge dock capability. The community appreciates funding that was received for the initial access road to the Triple Rail Site while we continue to advocate for infrastructure to further enhance the Site's overall accessibility.

Midtown Realignment: *Supports* KYTC as they work to address a very congested intersection in the community – Buckner Avenue/Broadway Street and Lone Oak Road/Labelle Avenue. A proposed realignment project, currently in the initial design phase, will provide a safer intersection, enhance pedestrian safety with sidewalk improvements and public parking availability. Additionally, *supports* the City of Paducah and KYTC in pursuing any additional funding mechanisms for this project.

US 51 Bridge Replacement: *Supports* the bridge replacement from Cairo to Wickliffe as a shared project between IL and KY. This project is currently in the design phase, with construction to tentatively begin in 2029. *Supports* the request for an advance work package of \$50 million. Approximate total cost \$500-550 million.

KY 1286 (Inner Loop - Friendship Road): With Phase 2 scheduled to begin in 2026, we *support* continued funding for the next construction phases (3 and 4) of this project.

US 60 and US 62/KY 286 Improvements: *Supports* KYTC as they pursue corridor improvements along both US 60 and US 62/KY 286 through McCracken and Ballard counties to strengthen regional connectivity and enhance the flow of commerce between IL, MO, and western KY.

I-24 Improvements: *Supports* the study of the I-24 corridor in Kentucky, from Illinois to Tennessee, and thanks the legislature for funding this study. This study will help assess the traffic volume need, safety enhancement and costs associated with upgrades along this corridor, as well as identify target areas for possible implementation.

US 62 (Alben Barkley Drive) Improvements: *Supports* KYTC as they initiate design efforts to explore widening the corridor between I-24 and US 45 near Hannan Plaza. This project aims to enhance safety and reduce crashes, as well as improve connectivity for pedestrians along this key route that links educational institutions and businesses.

**KYTC – Kentucky Transportation Cabinet*

Paducah McCracken Co. Joint Sewer Agency

Wastewater Treatment Plant (WWTP) Sludge Dewatering Project: *Supports* federal investment in critical wastewater infrastructure upgrades for the Paducah-McCracken County Joint Sewer Agency (JSA) – Sludge Dewatering Project. Upgrading to more modern, efficient equipment will provide for a reduction in overall operational costs which will directly benefit JSA ratepayers.

Rail Improvements

Supports maintaining existing tax credits and exemptions that encourage investment and help the state's railroads maintain a strong, reliable infrastructure. Requests support for the railroads to permanently close underutilized and dangerous grade crossings.

Urges the Kentucky Rail Crossing Improvement program be continued to ensure safe and reliable grade crossings for the traveling public.

Other Priorities

Arts and Tourism

The Paducah Chamber *supports* continued state investment in arts and cultural development as a proven economic driver for Western Kentucky. In Paducah alone, the nonprofit arts and culture industry generated \$36.2 million in annual economic activity, supported 770 jobs, and produced \$5 million in local, state, and federal revenue in a study completed based on data from 2022. More than half of event attendees (52.5%) traveled from outside McCracken County, spending an average of \$71.81 per person, and 74% cited arts and culture as the primary reason for their visit. These visitors directly support local restaurants, shops, and hotels, sustaining small businesses and strengthening community vitality.

Beyond economic return, arts programming fosters creativity, problem-solving, and collaboration—skills essential to workforce readiness and leadership development. Studies consistently show that students engaged in the arts achieve higher GPAs, graduate at higher rates, and are more likely to pursue college and civic involvement. State investment in the arts helps Kentucky build not only stronger communities and visitor economies but also the next generation of innovators, educators, and community leaders. The Chamber encourages the General Assembly to prioritize arts funding through the Kentucky Arts Council and tourism investment programs that enhance Kentucky’s cultural infrastructure, attract visitors, and grow the Commonwealth’s creative economy.

Sustain Statewide Tourism Marketing Funds

Supports preserving Kentucky’s dedicated tourism marketing funds that promote the Commonwealth as a premier travel destination. In Paducah and McCracken County, visitor spending reached \$321.6 million in 2024, supporting 2,456 local jobs and generating critical revenue for small businesses, hotels, restaurants, and attractions. As a Creative City and regional hub for arts, culture, and river heritage, Paducah’s success depends on statewide marketing that connects travelers to authentic Kentucky experiences and drives overnight visitation. Statewide, tourism contributes \$13.8 billion annually to the economy and supports more than 95,000 jobs. Maintaining consistent, dedicated investment in tourism promotion ensures that Kentucky communities of every size—including creative and cultural destinations like Paducah—continue to benefit from shared visibility, visitor spending, and long-term economic growth.

Business Development

Sprocket

Supports continued state funding for Sprocket, Western Kentucky’s designated Innovation Hub located in Paducah. Since its founding, Sprocket has helped power the creation of 80 new businesses, 99 jobs, and more than \$4 million in investment—demonstrating its essential role as infrastructure for regional economic growth.

Sprocket connects talent, capital, and industry to drive innovation and small business development across 22 counties. Through its coworking space, startup programs, mentorship, and pitch competitions, Sprocket helps entrepreneurs move from idea to launch and scale, strengthening Paducah’s position as a regional center for innovation and opportunity.

Building on this foundation, Sprocket is preparing to expand its impact through future federal initiatives such as the U.S. Economic Development Administration’s Build to Scale program, aligning regional entrepreneurship with national innovation and competitiveness goals.

Sprocket is supported by the Kentucky Cabinet for Economic Development’s Office of Entrepreneurship and Innovation, the City of Paducah, and the McCracken County Fiscal Court.

Other Priorities

Housing Availability and Affordability

A key factor in Kentucky's economic competitiveness is its relative affordability in comparison to other states. In addition to affordable energy prices, the affordability of housing in Kentucky has long given it a competitive advantage over high-cost states with tight housing markets.

The Paducah Chamber *supports* the Kentucky Chamber's study on housing challenges and urges state action to grow Kentucky's housing stock and keep our communities competitive for workforce and population growth.

The Chamber *encourages*:

- Modernizing outdated land-use and zoning laws to promote housing development and affordability.
- Reviewing and reforming regulations that unnecessarily increase housing costs or delay development.
- Investing in infrastructure to open new housing sites and reduce development costs.
- Supporting financing tools, tax incentives, and public-private partnerships to close gaps for workforce and middle-income housing.
- Exploring innovative programs such as residential infrastructure assistance and revolving loan funds.

These steps will help attract workers, grow our population, and keep Western Kentucky affordable and competitive.

Read more about these policy recommendations at www.kychamber.com/housing.

Additionally, the Chamber *supports* the Kentucky League of Cities' position for reform that reduces regulatory barriers while preserving and respecting local governments' authority over zoning, planning, and development decisions.

Read more about KLC's position at www.klc.org/CityNews/news/local-preemption-discussed-as-cure-to-housing-crisis.

Taxes and Economic Growth

Follow Through on Phasing Out Individual Income Tax:

Supports efforts to continue to phase out Kentucky's Individual Income Tax (IIT) over time. Building on House Bill 8 (2022), we encourage lawmakers to continue to follow through and consistently reduce rates when the Department of Revenue confirms revenue triggers are met and to review opportunities to improve the process, including refining trigger calculations to ensure stability and growth. Any changes should maintain transparency and keep Kentucky competitive with peer states. We also encourage the General Assembly to explore balanced adjustments to other revenue sources, such as measured changes to sales or property taxes, if needed to accelerate the income tax phase-out while preserving economic competitiveness and fairness. Ensuring the state maintains adequate investments in education, workforce development, and infrastructure throughout this transition is critical to long-term growth and fiscal stability.

Reform Local Tax Structures:

Supports giving local governments the flexibility needed to generate necessary revenues and decrease their reliance on occupational license taxes. Local tax reform should be included in the broader state tax reform dialogue and considered in a holistic manner with all state-level tax policies and structures so that tax policy across the state is in alignment to support economic growth.

Tax Exemption for Military Retirement Pay:

Supports a tax exemption for 100% of military retirement pay as a way to build our workforce by enticing retiring service members and their families to live and work in Kentucky. Thirty-three states now fully exempt military retirement pay. When military retirees transition back into civilian workforce, they bring with them leadership and problem-solving skills that will help Kentucky businesses succeed.

Other Priorities

Workforce

The Chamber *supports* a broad-based approach to fill our current jobs, prepare for the future, ensure our workers are trained for the positions in our region, and to help grow our population.

Ensure a Diverse Economy and Workforce:

Supports efforts to diversify Kentucky's economy by encouraging innovation, entrepreneurship, and resilient supply chains that attract new investment and jobs. Strengthen talent development through expanded access to child care, education, and workforce training to meet employer needs and remove barriers to work. Foster strong partnerships between business, education, and training providers to align skills with high-demand careers and prepare workers for emerging industries. Promote policies that attract and retain talent to sustain long-term economic growth.

Preventing Workplace Violence:

Supports strengthening Kentucky's workplace safety laws to give employers more options to protect their employees, customers, and property. This includes clarifying criminal trespassing statutes so they clearly apply to workplaces and exploring the creation of a workplace violence protective order, as other states like Utah, Indiana, and Tennessee have done. With instances of workplace violence on the rise, these measures would provide important tools to help prevent harm and keep Kentucky workplaces safe.

Access to Child Care

The Paducah Chamber *supports* the Kentucky Chamber's ongoing work to address Kentucky's child care crisis and strengthen access to affordable, high-quality options. Affordable child care is essential to keeping parents in the workforce and ensuring employers can recruit and retain talent. Without reliable options, thousands of Kentuckians remain on the sidelines of the labor market, limiting family income and economic growth.

The Chamber *supports* strengthening and expanding employer partnership programs such as the Employee Child Care Assistance Partnership (ECCAP), reducing unnecessary regulatory barriers for providers, and promoting innovative service models to increase supply and lower costs. These steps will help families find and keep dependable care while making it easier for providers to operate and expand.

According to the Kentucky Chamber Center for Policy and Research, improving child care access could enable 16,000 to 28,000 Kentuckians to return to work, expand the state's talent pipeline, and support long-term growth in communities like Paducah and across Western Kentucky.

The full report from the Kentucky Chamber and all 37 recommendations can be viewed at kychamber.com/childcare.



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