

# 2025 Legislative Agenda



## Top Community Priorities:

- ✓ Support for New Energy Initiatives and an Advanced Nuclear Energy Development Fund for incentives
  - ✓ Pass legislation to approve the creation of the Murray State University School of Veterinary Medicine
- ✓ Support state funds for the Historic Columbia Theatre Preservation
- ✓ Funding for Transportation Accessibility for Triple Rail Economic Development Site
- ✓ Continue with Tax Reform

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](http://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.**

✓ **PRIORITY**

**Reindustrialization**

As the home of a former U.S. Department of Energy (DOE) gaseous diffusion plant, *the Paducah Chamber strongly supports reindustrialization of the site.* In 2023, the Chamber was awarded a grant by the DOE Office of Environmental Management to lead a reindustrialization analysis and to develop a roadmap for the future of the Site. The Chamber has subcontracted with Bacon Farmer Workman (BFW) Engineering & Testing, Inc. to prepare the roadmap, which is now at the halfway mark.

The first request for land to be transferred back to the community was made to DOE and is on track to be completed in 2025. The state is fully engaged in this process. While transfer of this land is a significant step, our analysis shows significant infrastructure upgrades will be needed for reindustrialization to occur.

For this reason, *the Chamber requests state economic development programs be reviewed and adjusted to support the unique needs of reindustrializing the DOE site.* It is expected DOE will partner with the community on projects that mutually benefit cleanup and reindustrialization; however, DOE's authority only goes so far when it comes to economic development, which is why state investment could be the answer to a missing link to enable new development. The location of the DOE site and its proximity to the community's Triple Rail Economic Development site, as well as the Barkley Regional Airport, makes this industrial corridor one of the last of its kind in Kentucky.

**Nuclear Energy**

*The Chamber also urges the legislature to ensure there is a \$50 million fund, with the Cabinet for Economic Development, for projects that accelerate advanced nuclear in Kentucky.* The Kentucky Nuclear Energy Development Authority should have guidance input as directed by SB198 for funding allocations. Neighboring states such as Tennessee have invested in advanced nuclear technologies incentives, and we need to keep Kentucky competitive.

**Incentives**

*The Chamber supports the construction of new and the modernization of existing energy infrastructure, including the expansion of advanced energy sources that foster energy independence and economic growth.* Initiatives like these will help promote, advance, and secure projects like Global Laser Enrichment, which will use next generation laser enrichment technology to enrich uranium for existing and advanced nuclear power and has recently completed steps to locate operations in McCracken County, Kentucky. The community is appreciative to the state for their work to assist GLE with land acquisition and encourages the state to continue to work with GLE as they continue with their plans to locate and construct operating facilities in McCracken County.

# MSU School of Veterinary Medicine

## ✓ PRIORITY

*The Chamber supports the efforts of Murray State University to establish the state's first School of Veterinary Medicine.* MSU has recently completed a feasibility study on its creation and an additional feasibility study has been commissioned by the Kentucky General Assembly, with findings due to be presented to the Legislature.

This school is greatly needed to address the growing shortage and long-term need for veterinarians in Kentucky as there are no veterinary schools or colleges in the state. Without a new and targeted pipeline of veterinarians, animal care needs and the growing demands of the animal agriculture industry will continue to be greatly challenged.

*We urge the General Assembly to pass legislation allowing Murray State the statutory authority to offer doctorates in veterinary medicine and become Kentucky's first School of Veterinary Medicine.*



# Funding for Restoration of Historic Columbia Theatre



## ✓ PRIORITY

*The Paducah Chamber supports funding to assist with the restoration of the nearly 100-year-old Columbia Theatre in Paducah's historic district which is listed on the National Register of Historic Places.* A \$1 million stabilization of the building is currently underway. The anticipated need for the next phase is \$5 million.

Historic theater consultants believe that the majestic 1927 structure is the only historic theater in the country featuring both of the early architectural styles of Skouras and Adamesque design. The revitalization of this unique venue would bring renewed economic vitality to the city's downtown corridor. It would also provide additional tourism opportunities as well as enhanced cultural offerings in conjunction with the city's UNESCO designation.

# Sprocket Paducah

## ✓ PRIORITY

*The Paducah Chamber supports continued state funding for Sprocket located in Paducah.*

Sprocket is our region's dynamic entrepreneurial hub dedicated to fostering innovation, supporting startups, and driving economic growth in our region. Sprocket achieves this through local coworking spaces, incubator and accelerator programs, local pitch competitions, and the recruitment of tech companies through the NEXT50K program. Sprocket's funding is made possible through a



partnership between the Kentucky Cabinet for Economic Development Office of Entrepreneurship & Innovation and the Kentucky Science & Technology Corporation.

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## Taxes and Economic Growth

### ✓ PRIORITY

#### **Continue Path to Phase Out Individual Income Tax:**

*The Paducah Chamber supports efforts to phase out Kentucky's Individual Income Tax (IIT) over time.* Passage of House Bill 8 in 2022 started this process, and each step has dramatically improved the Commonwealth's economic competitiveness. The Chamber encourages lawmakers to act promptly and consistently to reduce rates when the annual review process shows the trigger conditions have been satisfied. As the bill works to phase out Kentucky's individual income tax over time through economic growth and rising state revenues, we encourage a review and consideration of ways to improve it, including potential changes to the bill's revenue triggers.

**Reform Local Tax Structures:** *Supports* giving local governments the flexibility needed to decrease their reliance on occupational licensing taxes. Local tax reform should be included in the broader dialogue centered around tax reform and competitiveness. Should a constitutional amendment be needed to provide more flexibility, assurances should be included in the amendment to protect Kentucky's tax code competitiveness, including language requiring any local sales tax to be administered and levied in the same manner as state sales and use taxes.

**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.

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## 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.

## Access to Child Care

*Supports* increasing child care capacity through a mixed-delivery model that includes in-home, in-business, licensed child care facilities and other methods that offer families options. Access to child care is a barrier that prevents many qualified individuals from entering or returning to the workforce.

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## Housing

*Supports* policies to increase Kentucky's housing stock and encourages the development of housing of all types. In addition to low energy prices, the affordability of housing gives Kentucky an advantage over high-cost states to attract workers.

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## Economic Development

**Small Businesses and Entrepreneurs:** *Encourages* the state to support small business owners and entrepreneurs by maintaining and fully funding vital resources, such as Small Business Development Centers; incentivize capital investment and strengthen current initiatives such as the Kentucky Investment Fund Act and Angel Investor Tax Credit; and improve access to capital for business startups by funding Small Business Innovation Research and Small Business Technology Transfer match programs.

**Invest in Small Businesses:** *Supports* the state encouraging small business investment in Opportunity Zones (Paducah has two) and in surrounding rural communities through a proven, targeted, and cost-efficient tool being employed in states like GA, UT, and OH via the state Rural Jobs and Opportunity Fund legislation.

**Growing Kentucky's Exports:** *Supports* state economic development initiatives for free trade agreements that open markets to our companies and urges state policies that encourage worldwide exports of Kentucky products. Exporting products will retain and create jobs, grow our businesses and strengthen our state's bottom line. Trade should also be focused on the future to inform and educate future exporters. *Supports* "Building the Trade DNA" program for youth to be exposed to trade as young as middle school through postsecondary education.

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# Education

**Make Higher Education Affordable:** *Supports* making postsecondary education affordable for Kentucky students. Simplification of the state’s financial assistance process and a shared responsibility approach to distribute costs among students, families, postsecondary institutions and the government should be considered.

*Supports* the passage of legislation to require completion of the Free Application for Federal Student Aid (FAFSA) form as a high school graduation requirement to ensure that every student is provided the opportunity for federal and state financial assistance.

**Set Community Colleges and Universities Free to Excel:** *Supports* allowing public colleges and universities greater operational flexibility to compete in an increasingly global marketplace. Allowing this flexibility for entrepreneurial endeavors while requiring overall accountability would improve quality and better serve the institution, Commonwealth, employers and students. Legislators should encourage colleges and universities to provide multiple on-ramps and off-ramps for students, and give credit for prior learning, apprenticeships, and hands-on experience.

*Supports* additional General Fund dollars for deferred maintenance and asset preservation needs for our public colleges and universities.

**Early Childhood and K-12 Education:** *Encourages* the General Assembly to continue to dedicate more state funds to education and fully fund key early childhood education programs. Early childhood education is both a current and future workforce priority. Investing in early childhood education and pursuing policies to increase access to quality childcare must be a key component of Kentucky’s workforce development strategy. Funding for full-day Kindergarten was a welcome addition to the state budget in the 2022 legislative session. Lawmakers are urged to continually prioritize this issue in future budgets.

**Strengthen Adult Education System:** *Supports* initiatives designed to improve the educational attainment of older workers, those between ages 25 and 64, including initiatives by the Kentucky Office of Adult Education to increase the number of people earning a GED and enrolling in postsecondary education.

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# Health and Human Resources

**Improve Medical Liability Climate:** *Supports* the submission to voters an amendment to the Constitution to allow the General Assembly to put reasonable limits on non-compensatory damages in medical liability claims and require alternative dispute resolution to help reduce escalating malpractice insurance premiums and the resulting burden passed to consumers of higher prices, fewer health care providers and fewer choices.

**Increase Number of Health Care Professionals:** *Supports* an innovative approach to increase the number of health care professionals in Kentucky, particularly in underserved regions.

**Wellness Program:** *Supports* legislation to encourage employers to implement wellness-based programs to provide Kentucky with a healthier and more productive workforce and enable their employees to live longer, healthier lives.

**Substance Abuse:** *Supports* continuing with steps to combat Kentucky’s substance abuse epidemic and supports a thoughtful approach that will not back away from efforts to punish the bad actors but will prevent added corrections costs and ensure appropriate access to substance abuse treatment, rehabilitation, training and workforce re-entry for those who suffer from alcohol and drug abuse.

# Infrastructure Investments

The Chamber *urges* the Kentucky General Assembly to continue long-term funding solutions to strengthen critical infrastructure for economic development, public safety and workforce development. To improve the ability of Kentucky companies to compete and grow, we must place a greater emphasis on building and maintaining our state's infrastructure. The Chamber also *supports* efforts to ensure that state funds continue to be available to match federal funds to maintain and improve our current transportation systems. The Chamber also urges the General Assembly to create a multi-modal transportation fund to address the infrastructure needs of the railroad, aviation, riverport, and public transit industries.

**Funding for Roads and Bridges:** *Supports* funding for community priorities for safety, economic development and community growth (see the current list under Local Transportation Projects for Funding on page 7).

**West Kentucky has more than 1,816 bridges across 12 counties, 308 of which need to be repaired or replaced.**

*Source: National Bridge Inventory data set*

**Annual Funding for Riverports:** *Supports* the establishment of a dedicated reoccurring revenue source to provide annual funding for the state Port Authorities. The Riverport Financial Assistance Trust Fund, outlined in KRA 174.210, has been established but not funded. This should be a sustainable fund utilizing a portion of the Commercial Watercraft Tax that would be utilized as funds for infrastructure and asset/equipment improvements. A percentage could also be available for matching Federal grants. This would be in place of the current Riverport Improvement Grant program.

**Annual Funding for Barkley Regional Airport (with Kentucky's other Commercial Airports):** *Supports* annual funding from Jet Fuel Tax receipts that would permit KY airports to leverage the limited state funding to maximize federal grant funding for infrastructure projects.

**Specific Barkley Needs:** *Supports* funding of \$3.54 million for infrastructure needs to keep the airport updated including \$202,750 to match Federal Funds that would allow airport lighting equipment to be replaced on Runway 14/32, taxiways Alpha, Charlie, Foxtrot and Whiskey; an additional \$828,760 for the renovation of the General Aviation Terminal Building; and \$2.5 million to construct small aircraft hangars.

Barkley would benefit financially with more hanger space for privately-owned planes. Also, there's not enough hangar space like these hangars to meet the demand according to Kentucky Department of Aviation.

**Funding for Economic Development Sites:** *Supports* additional state funding for infrastructure needs for site development for economic development purposes through the Kentucky Product Development Initiative.

**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.

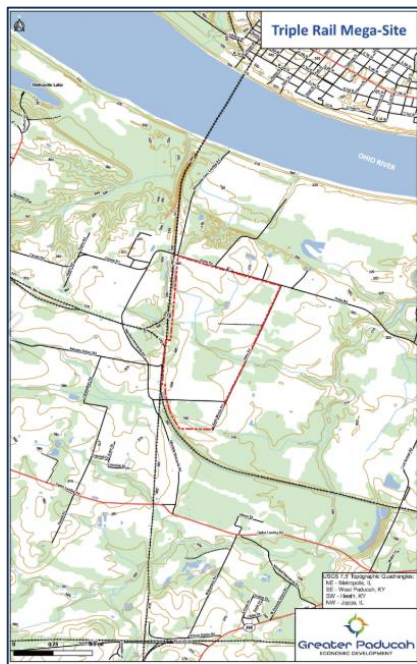
*Urges* the Kentucky Rail Crossing Improvement program be continued to ensure safe and reliable grade crossings for the traveling public.

# Local Transportation Projects for Funding

The Chamber strongly *supports* the following transportation projects with a focus on safety and improving Kentucky's roads and bridges to help advance economic development locally and throughout the region.

## ✓ PRIORITY

**Funding for Transportation Accessibility for Triple Rail Economic Development Site:** *Supports* funding for improved access to the Triple Rail Economic Development Site that features Ohio River frontage, service by three railroad companies and barge dock capability.



**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 approved to start the 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 need for this 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 2028. Approximate total cost \$400 – 450 million.



*Rendering of approach view of new US 51 Bridge*

**KY 1286 (Inner Loop - Friendship Road):** *Supports* KYTC in additional funding for the next construction phases of this project.

**US 60 Improvements:** *Supports* KYTC as they complete work on an extension of four lanes of US Highway 60 to provide easier accessibility between Ballard County and McCracken County from the west. Tentatively set for a mid-summer opening.

**I-24 Improvements:** *Supports* KYTC as they begin to study the I-24 corridor in Kentucky, from Illinois to Tennessee, and thanks the legislature for funding this study in 2024. 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.

# Arts and Tourism

To sustain and grow tourism, the Chamber supports investment in critical infrastructure such as state parks, adoption of policies and programs that allow our attractions and hotels to flourish, and adequate marketing funding for local destinations and the state as a whole to be competitive in attracting visitors.

As a UNESCO Creative City, Paducah recognizes the value of arts and culture as an economic driver and leverages creativity for a sustainable future in the arts, business and education. The Chamber expresses appreciation for millions of dollars in funding allocated through the American Rescue Plan Act (ARPA) to boost the state's tourism industry and economy and to promote and showcase Kentucky as a diverse, welcoming travel destination.

**Arts and Tourism Funding:** *Supports* prioritizing investment in the Kentucky Arts Council, Kentucky Humanities Council and other cultural institutions that play a critical role in sustaining and growing Paducah's international identity as a UNESCO Creative City and improving quality of life through creativity. This creativity drives economic development by attracting and retaining top talent, promoting the vitality of the region, leveraging tourist dollars, inspiring entrepreneurial development and helping sustain a positive quality of life for Kentucky's citizens.

**Kentucky Film and Entertainment Industry Incentive Program:** *Supports* the continuing partnership between the Departments of Economic Development and Tourism for use of film and entertainment incentives to foster a strong film industry and attract nationally touring Broadway productions to produce, tech and launch their tours in Kentucky. This highly successful incentive program increases economic activity and jobs resulting from a growing film and entertainment industry and should include refundability of the program's tax credits and reducing the time frames within which approved companies have to start a production and the time they have to file for their credits.



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