

Approved 2-18-87  
Date

MINUTES OF THE Senate COMMITTEE ON Economic Development

The meeting was called to order by Senator Wint Winter, Jr. at  
Chairperson

12:30 ~~xxx~~ p.m. on Monday, February 9, 1987 in room 123-S of the Capitol.

All members were present except:

Committee staff present: Lynne Holt - Legislative Research Dept.  
Arden Ensley - Revisor of Statutes  
Grace Cooper - Secretary to the Committee

Conferees appearing before the committee:

George Barbee - Kansas Lodging Association  
Jeanne Mogenson - Hutchinson/Reno County Visitors' Bureau  
George M. Boyd - Director of Aviation, State of Kansas  
Harland Priddle - Secretary of Commerce  
Dr. Patricia Altwegg - Cloud County Community College  
Charles Nicolay - KOMA & Convenience Store Association  
Lynn Burris, Jr., Director, State Parks & Resources

The meeting was called to order at 12:40 p.m. by the Chairman, Senator Wint Winter, Jr.

Senator Burke Moved that the minutes of the February 5, 1987, meeting of the Committee be approved. The motion was seconded by Senator Feleciano. The motion carried.

Senator Winter stated that Senator Feleciano has raised a question regarding the minutes of the meeting of February 5. Senator Winter said they do not need to be changed -- that they are technically correct. Clarification needs to be added in that the staff is working on an amendment to SB 70 dealing with tax exemption for private venture capital companies. There will be separate Hearings after that amendment has been drafted.

Senator Feleciano asked whether the Staff has produced anything relative to trade and business secrets and Senator Winter responded that at that Hearing the staff will be asked to brief the Committee on the status of trade secrets issues.

Senator Vidricksen briefed the Committee on SB 100, stating that the creation of the Tourism Commission is a positive step in the direction of strengthening efforts of the public sector and the private sector. Private industry has moved ahead very diligently, as has the public sector (Dept. of Commerce), witnessed by the fact that in 1985 Kansas had a 9.7% increase in travel tourism related dollars in the State, up from 7.6% in 1984, whereby in the nation it was only about a 7% increase. Tourism and travel industry can now be ranked as No. 2 in the State. The Redwood Report also recommended that an overall travel and tourism strategy be established for the State, and that is what SB 100 sets forth to do. The Ways and Means Committee in Proposal 39 this summer concluded that tourism is an important fiscal impact on the State economy and the State parks, and that we need to develop this further. This Bill is the tool needed to bring these two sectors together to promote travel and tourism, and is patterned after Bills in about 28 of the most successful states in the nation.

George Barbee, representing the Kansas Lodging Association addressed the Committee as a proponent (ATTACHMENT I). In addition, a written statement by Nick Jordan (ATTACHMENT II), Legislative Chairman for the Travel Industry Association of Kansas was submitted. The Travel Industry Association of

CONTINUATION SHEET

MINUTES OF THE Senate COMMITTEE ON Economic Development,  
room 123-S, Statehouse, at 12:30 ~~xxxx~~ p.m. on Monday, February 9, 1987

Kansas (TIAK) and the Kansas Lodging Association support SB 100. They would like to advise in the development of the marketing plan and budget and hope the Act will become effective by May 17, the Annual Governor's Conference on Tourism, and that the Commission will be established and appointed prior to that date.

Secretary of Commerce, Harland Priddle, testified as a proponent. He sees SB 100 as a good example of a partnership between the private sector and Associations within Kansas and the industries we propose to advance in. It puts the Department of Commerce in a structured role with the activities involved in promoting Kansas. The formalization highlights it because this industry employs 42,000 people, collects \$86 million in State and local taxes, and creates \$1.9 billion. The Commission should be organized on a regional basis to ensure good representation across the State.

Cathy L. Kruzic, Director of the Travel and Tourism Development Division of the Kansas Department of Commerce explained the cooperative program with the Coleman Company. Tourists have the opportunity to pick up a coupon book at Chambers of Commerce or Convention Visitor's Bureaus, enabling them to stay in a hotel/motel/campground, visit an attraction, and eat at a participating restaurant. The coupon book is then returned to the Kansas Travel and Tourism Development Division, which forwards it to the Coleman Company. Coleman then sends the tourist a two-gallon jug. The participating attractions, restaurants, hotels, motels help pay the cost of the jug. (ATTACHMENT III)

Senator Hayden asked who set up the list of people and how they were appointed. He suggested the State Park and Resources Authority Director appoint someone to the Commission because fish and game is a big aspect of tourism.

Senator Vidricksen said they went over the list of people who were involved in the industry and decided to have Agency people as ex-officio members of the Commission.

Dr. Patricia Altwegg described the Travel/Tourism and Management Program at Cloud County Community College, Concordia, Kansas (ATTACHMENT IV), speaking in favor of SB 100. She said the travel and tourism industry must grow in order to keep Kansans trained in this field in Kansas. These young people are now leaving the State for job opportunities in other states. Dr. Altwegg suggested that a tourism educator should be appointed to the Commission.

Charles H. Nicolay, Executive Director of KOMA and CSAK testified in support of SB 100 (ATTACHMENT V). Senator Winter questioned whether there is a separate Convenience Store Association. Mr. Nicolay responded that the Petroleum Marketers and Convenience Store people are under the same umbrella, and are one and the same in many cases. The three people whose names will be submitted as potential members of the Commission will represent both the Petroleum Marketers and Convenience Store members.

Senator Salisbury questioned whether the appointments to the Commission would be staggered.

Senator Vidricksen said that was something that was not taken into account, and that it should be amended in some way.

George M. Boyd, Director of Aviation, Kansas Department of Transportation, offered testimony in favor of SB 100, stating that aviation tourism should be addressed in specific terms in the proposed legislation as follows:

- a. Line 0056, SB 0100, be changed to read, "Of the five members appointed to represent the general public, one shall represent the aviation industry and ..."
- b. Line 0067, SB 0100, be changed to read "... commission and shall receive all minutes, reports and other information published by the commission."

(Attachment VI)

CONTINUATION SHEET

MINUTES OF THE Senate COMMITTEE ON Economic Development,  
room 123-D, Statehouse, at 12:30 ~~xxx~~ p.m. on Monday, February 9, 19 87

Jeanne Mogenson, Director of the Hutchinson and Reno County Convention/Visitors Bureau testified in support of SB 100 (ATTACHMENT VII). Their recommendations are included in the attached statement.

Lynn Burris, Jr., Director of the State Parks & Resources testified in favor of SB 100.

Senator Winter said he was asked if the Committee has a fiscal note on this. Senator Vidricksen responded that there is one, but that it is not accurate because the Bill gives the Secretary discretion as to whether or not to reimburse people who serve on the Commission. Without that discretion, it would cost about \$8,000 a year, but with that discretion, we don't know exactly what it could be.

Senator Feleciano asked how many meetings that would include. Senator Vidricksen responded that it would entail four meetings per year.

Senator Langworthy asked what precedent there is for paying people serving on the Commission. Senator Vidricksen responded that most of these Task Force and Commission people are paid per diem and expenses.

Senator Winter said he did not know if precedence has been set for paying someone representing a specific industry.

These questions and others will be addressed at a later date when Committee action will be scheduled.

Chairman Winter adjourned the meeting at 1:25 p.m.

GUEST LIST

NAME

REPRESENTING

Pete Anderson

Marypintson - Lawrence, Mo.

Nancy Longhurst

Eldridge Hotel - Lawrence, KS.

Dr. Patricia Giltwegg

Cloud County Community College  
Concordia, KS

B. A. Bearn

TIAR STATE PRES.

Brenda M. Manste

Southeast Kansas Tourism Region

DAVE BANGERT

LAWRENCE JOURNAL - WORLD

GEORGE BYRD

KDOT AVIATION

George Barber

KLA & TIAR

Charles Nicolay

KOMA & C-Store Assn of KS

Harold C. Pitts

KDOC

Ron Pitts

Intern San Videsickse

Lu Ann Smith

Hiram Phillips

Retiree

Mary Van Petten

Topella CVB



STATEMENT

DATE: February 9, 1987  
TO: Senate Committee on Economic Development  
FROM: George Barbee, Executive Director  
KANSAS LODGING ASSOCIATION  
RE: SB-100

Mr. Chairman and members of the committee, my name is George Barbee. I am the Executive Director of the Kansas Lodging Association as well as the Executive Director of the Travel Industry Association of Kansas. Usually Mr. Nick Jordan, Chairman of the TIAK Legislative Committee, presents statements on behalf of TIAK. However, Mr. Jordan had to attend a meeting out of state and was not able to be here today. I have distributed copies of Mr. Jordan's statement and I will present those merged into the Kansas Lodging Association statement.

Both organizations are supporting SB-100.

A few years ago at one of the early Governor's Conference on Tourism, the tourism industry suggested a few programs, including some sort of tourism council to some legislators that were attending the conference. We were advised by those legislators that we should get ourselves organized, determine needs, and then approach the Legislature with our suggestion. That was good advice and I can tell you that Kansas tourism now has its act together and here we are.

The Kansas Lodging Association, made up of approximately 200 hotels and motels merged two parallel associations together about three years ago and now it is a strong organization growing stronger, with a commitment to staying in the forefront of the new wave of economic development.

The Travel Industry Association of Kansas is also now a strong and active group with Chambers of Commerce, Convention & Visitors Bureaus, Hotels, Motels, Attractions, and many others that are eager to accept their position as Kansas tourism, the second largest employer in the state.

ATTACHMENT I  
Senate Eco Devo 2/9/87

You all received a copy of this brochure, The TIAK Legislative Agenda, and I would like to refer you to the second page under "Look at the Facts". These figures are according to the U. S. Travel Data Center Study, "The Economic Impact of Travel on Kansas Counties, 1985". This is the most recent study. You will note that U.S. travelers spent \$1.9 billion in Kansas during 1985, 9.7% more than 1984. These expenditures directly generated 41,900 jobs with a payroll of \$374 million within the state. There are other interesting facts, but a startling one is that in 1985, travel expenditures in Kansas outpaced the nation. The increase in 1985 of 9.7% in Kansas compares with an estimated national growth rate of 7%.

How can that be? Because there is an industry that is working together with excitement and enthusiasm. This spirit to promote Kansas resides in the Kansas Lodging Association, the Travel Industry Association of Kansas, the Kansas Restaurant Association and the Division of Tourism within the Department of Commerce. However, while the Division of Tourism is doing a creditable job with limited funds, we are lacking a formal link that is needed between the private and public sector. This link would be provided by Senate Bill 100.

As pointed out by Mr. Jordan in his statement, "We feel the establishment of a Travel & Tourism Commission will solidify the cooperation and efforts of the public and private sector in Kansas allowing for a much stronger effort in promoting the continued growth of this industry."

We have reviewed this legislation and are in agreement with the makeup of the commission in the legislation and hope as many travel related members as possible will be appointed to the commission.

Concerning the purpose of the commission, we feel strongly that all the purposes listed in Section 3, lines 97 through 114, are extremely important.

Of utmost importance to us are purposes "a" and "b" relating to the marketing plan and budget of the State Tourism's marketing efforts. Obviously, these two items go hand-in-hand. A good marketing plan can be developed, however, if the proper funds are not recommended, the marketing plan will be worthless. WE WANT TO EMPHASIZE THE WORD "ADVISE" IN THE BILL. We are not asking for authority to develop the marketing plan and budget, but feel it is necessary that the commission be empowered to advise in their development. Not only will this help us to develop a strong effort statewide, but it certainly offers the opportunity for a stronger coordination of efforts between the private and public sector.

You will note that the legislation calls for the act to become effective when published in the Kansas Register. There is certainly no emergency, but you should be aware that the Tenth Annual Governor's Conference on Tourism will be held May 17 through 19 in Hays, Kansas. We would like for the Department of Commerce, Division of Travel & Tourism Development and the Travel Industry Association of Kansas to be able to introduce the members of the commission to those attending the Governor's Conference on Tourism. In order to do this, it would be necessary for the bill to be adopted in time for the commission to be appointed prior to that date.

Thank you for the opportunity to appear today in support of this bill as we urge you to vote favorably for the passage of Senate Bill 100.



**Travel Industry Association of Kansas**

**1987**

**Legislative Agenda**



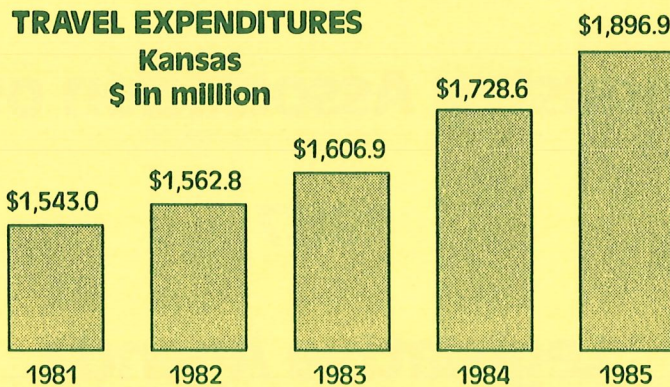
Throughout the 1986 Legislative Session and the political campaigns we heard time and time again the need for economic development. Many parts of the State of Kansas are experiencing economic set-backs. The economy is an issue we all need to address and work together to improve.

At a time when the top industries in Kansas are faltering, the number three industry, **Tourism**, experienced growth.

### LOOK AT THE \*FACTS:

- U.S. Travelers spent nearly **\$1.9 billion** in Kansas during 1985, **9.7 percent more than 1984**.
- These expenditures directly generated **41.9 thousand jobs** within the state, **4.3 percent of total state non-agricultural employment**. **Tourism now ranks as the second largest employer in the state**.
- Kansas' travel generated employment rose **4.1 percent** in 1985, compared to a **3.9 percent** increase in total state non-agricultural employment.
- Employees in these jobs earned **\$374 million** in wage and salary income.
- Traveler spending also generated **\$60.3 million** in state tax revenue, **approximately 3.1 percent of all state tax collection in 1985**.
- Travel expenditures in Kansas generated close to **\$23 million** in local tax revenue in 1985.

\*Figures according to U.S. Travel Data Center study, "The Economic Impact of Travel on Kansas Counties — 1985".



In 1985, travel expenditures in Kansas outpaced the nation. The increase in 1985 of 9.7 percent compares with an estimated national growth rate of 7.0 percent (preliminary).

With this growth there is still room for more. Kansas ranks 34th in the nation in travel expenditures and in the amount of funds to promote travel. The travel industry is highly competitive. We must develop strategies and funding to continue to compete for a good share of the travel spending.

### A TOURISM COMMISSION

The creation of a tourism commission in the State of Kansas, to work with the Kansas Travel and Tourism Division, would represent a positive step forward to strengthen our efforts.

Two tremendous benefits would be better communication and coordination of efforts between the private and public sector.

Enclosed is a draft of legislation that could be used to create the commission.

Many states have tourism commissions. The state of Louisiana thought it important enough to appoint the Lieutenant Governor chairperson.

## Tourism Commission Survey

Respondents: 28 States

STATE	TRAVEL COMMISSION		COMMISSION ADVISORY	COMMISSION POLICY-MAKING	LEGISLATION ESTABLISHING A TOURISM COMMISSION
	YES	NO			
ALABAMA	✓		✓		✓
ARKANSAS	✓			✓	✓
ARIZONA	✓		✓		✓
CALIFORNIA	✓		—	—	✓
COLORADO	✓			✓	✓
DELAWARE	✓		✓		✓

## Tourism Commission Survey Continued

STATE	TRAVEL COMMISSION		COMMISSION ADVISORY	COMMISSION POLICY-MAKING	LEGISLATION ESTABLISHING A TOURISM COMMISSION
	YES	NO			
FLORIDA	✓		✓		✓
IOWA		✓			
KENTUCKY	✓		✓		GOVERNOR EXECUTIVE ORDER
MAINE	✓			✓	✓
MASSACHUSETTS	✓		✓		✓
MINNESOTA	✓		✓		NO
MISSISSIPPI	✓	BOARD OF ECON. DEVE.		✓	—
MISSOURI	✓			✓	✓
NEVADA	✓			✓	✓
NORTH DAKOTA		✓			—
NEW YORK	✓		✓		✓
OHIO	✓		✓		GOVERNOR EXECUTIVE ORDER
OKLAHOMA	✓			✓	✓
OREGON	✓			✓	✓
TENNESSEE	DEPARTMENT OF TOURIST DEVELOPMENT IS CABINET-LEVEL. VOLUNTARY GROUP CREATED CALLED DIALOGUE COMMITTEE.				
TEXAS	✓			✓	✓
UTAH	✓			✓	✓
VERMONT	✓		✓		NO
VIRGINIA	✓		✓		✓
WASHINGTON		✓			—
WEST VIRGINIA		✓			—
WISCONSIN		✓			—

## The Kansas Travel and Tourism Division Budget

Careful consideration should be given to increasing the department's budget with special emphasis on marketing and sales efforts.

Included in the department's budget should be funding to undertake a comprehensive research program designed to establish the office as the central repository and clearinghouse for all data which relates to tourism. Research should include information necessary to determine a long-range tourism development plan for the state of Kansas.

Marketing and marketing research in tourism and adequate funding for these activities were recommendations in the Redwood-Krider report.

At current levels of funding the department generally provides services to travelers, but lacks funds to adequately promote the state outside of Kansas.

The solicitation of visitors to the state must involve a well-designed, aggressive marketing program with proper funding to carry out the program while maintaining a good service program for visitors.

Following is a chart on State Tourism Budget Comparison.

## State Tourism Office Budget Comparison Chart

	Kansas	Illinois	Missouri	Colorado	Arkansas	Iowa	Nebraska	Oklahoma
<b>OVERALL BUDGET</b>	\$1.2 Million	\$15.5 Million	\$4.2 Million	\$3.9 Million	\$3.2 Million	\$1.48 Million	\$1.2 Million	\$3.7 Million
<b>ADVERTISING BUDGET</b>	\$196,000	\$10 Million	\$3 Million	\$1.8 Million	\$850,000	\$560,000	\$500,000	\$550,000

**AN ACT**  
**RELATING TO TOURISM IN KANSAS**  
**(DRAFT)**

- SECTION 1.** The Legislature finds and declares that: (1) Tourism is a major source of jobs, income, and tax revenues in Kansas, and the expansion of this industry is vital to the overall growth of the economy of Kansas. (2) The tourism, travel, and recreational industries are important to the state, not only because of the numbers of people they serve but because of the benefits which tourism, recreation, and related activities confer on individuals and on society as a whole. (3) There is a need to invest state resources to provide a more effective means of promoting and marketing to, and within, the state, and to optimize the considerable investment of time, energy, capital, and resources being made by the tourism industry. (4) Existing state government involvement in tourism and related activities needs to be better coordinated at the state level, as well as with local government and the private sector if the economic and employment benefits of the industry are to be maximized.
- SECTION 2.** There is hereby created in state government a Kansas Tourism Commission composed of nine members, including two members of the senate of different political parties appointed by the president of the senate, two members of the house of representatives of different political parties appointed by the speaker of the house and five other persons appointed by the governor. The five members appointed by the governor shall include nominees from the Travel Industry Association of Kansas, the Kansas Lodging Association and the Kansas Restaurant Association. The governor shall also appoint from other travel related industries ex-officio members to advise and inform the committee, not to exceed three. The initial appointments shall be made as soon as possible after the effective date of this act and four of the members initially appointed shall serve until the first day of January 1988. Thereafter, all appointees shall be appointed for two-year terms. Vacancies in the membership of the commission shall be filled by appointment of the governor for a two-year period. The commission shall elect a member of its own group as a chairman at the first meeting, which shall be called by the governor. The chairman shall serve for a one-year term and could be re-elected as chairman for 2 consecutive years. The commission shall meet at least four times in a calendar year at the call of the chairman. Members of the commission shall serve without compensation but shall be reimbursed for necessary expenses incurred in the performance of their duties.
- SECTION 3.** The tourism commission shall have the following responsibilities: (1) The commission shall assist and advise the director of the state travel and tourism division in preparation of the annual budget; (2) To advise the department in the development and implementation of the state's tourism marketing and business development program including long-range strategies for attracting visitors to the state; (3) To identify and review tourism related issues and current state policies and programs which directly or indirectly affect tourism and travel in the state and, as appropriate, recommend the adoption of new, or the modification of existing policies and programs. (4) The commission shall report to each regular session of the Kansas Legislature its recommendations for legislation in the field of promoting tourism and related subjects in Kansas. (5) To do such other acts as shall, in the judgement of the commission, be necessary and proper in carrying out the purposes of this act.

For more information call or write:

**Travel Industry Association of Kansas**  
1100 Merchants National Bank  
8th & Jackson  
Topeka, KS 66612  
(913) 233-9465

LEGISLATIVE TESTIMONY

SENATE BILL NO. 100

SENATE ECONOMIC DEVELOPMENT COMMITTEE

MONDAY, FEBRUARY 9, 1987

BY

NICK JORDAN

LEGISLATIVE CHAIRMAN - TRAVEL INDUSTRY ASSOCIATION OF KANSAS

ATTACHMENT II  
Senate Eco Devo 2/9/87

Thank you for this opportunity to testify and support Senate Bill 100 creating a commission on travel and tourism in Kansas.

The travel industry is the one industry on the grow in the State of Kansas. According to a U.S. Travel Data Center study travel expenditures in the State grew to \$1.9 billion in 1985. This represented a 9.7 percent increase over 1984. The industry is now the second largest employer in the state employing 41,900 people with a \$374 million payroll. State tax revenues generated were \$63.5 million.

We highlight these figures because they prove the economic benefits of the industry and show the economic growth of the industry. This report also relates two important facts related to economic development. THE TRAVEL INDUSTRY IS CREATING JOBS AND IMPORTING DOLLARS.

When discussing economic development one necessary ingredient to its success is the cooperation between the public and private sector. We feel the establishment of a travel and tourism commission will solidify the cooperation and efforts of the public and private sector in Kansas allowing for a much stronger effort in promoting the continued growth of this industry.

Page Two

Nick Jordan Testimony

In bringing this effort together the ingredients of Senate Bill 100 become very important, especially the members and purposes of the commission.

We are in agreement with the make-up of members as outlined in the Legislation. We certainly hope as many travel industry and industry related members as possible will be appointed.

Concerning the purpose of the commission, we feel strongly that all the purposes listed in Section 3, lines 97 thru 114 are extremely important.

Of utmost importance to us are purposes "a" and "b" relating to the marketing plan and budget of the State's tourism marketing efforts. Obviously, these two items go hand-in-hand. A good marketing plan can be developed, however if the proper funds are not recommended, the marketing plan will be worthless. WE WANT TO EMPHASIZE THE WORD ADVISE IN THE BILL. We are not asking for authority to develop the marketing plan and budget, but feel it is necessary that the commission be empowered to advise in their development. Not only will this help us to develop a strong effort statewide, but it certainly offers the opportunity for a stronger coordination of efforts between the private and public sector.

Page Three

Nick Jordan Testimony

As one last point, we would certainly like to see this act take effect and be in force upon publication in the Kansas register. May 17-19 the Department of Commerce Division of Travel and Tourism Development and the Travel Industry Association of Kansas will join forces to host the 1987 Governor's Conference on Tourism in Hays, Kansas. At this time we would like to introduce the members of the Commission on Travel and Tourism.

Thank you once again for this opportunity to speak in support of Senate Bill No. 100. We look forward to your favorable vote on this Bill.

STATE OF KANSAS



DEPARTMENT OF COMMERCE  
400 S.W. 8th, 5th Floor  
Topeka, Kansas 66603-3957  
Phone (913) 296-3481  
Telex No.—4931494KS

Mike Hayden, *Governor*

Harland E. Priddle, *Secretary*

Mr. Chairman and Members of the Committee:

My name is Cathy L. Kruzic, Director of the Travel and Tourism Development Division of the Kansas Department of Commerce.

I appear before you today to encourage your support for SB 100, establishing a Tourism Commission to advise the Department of Commerce.

The travel and tourism industry in Kansas has long struggled for both recognition as a valid industry, and necessary funding to design and implement statewide programs. Certainly, growth within the agency has been steady in the past five years, however, not at a level high enough to compete with other states' activities.

Our division has long sought the active involvement of the private sector. Our industry is very much a grass roots level industry and we encourage statewide involvement through activities of the five tourism regions, Tourist Information Centers, Convention and Visitors Bureaus and Chambers of Commerce, as well as individuals. This provides us opportunities to better understand the needs and requests of industry members.

The formation of such a commission would even further our efforts to feel the "pulse" of the industry through its statewide appointments. The commission would also be better able to gather more detailed input from the various industry members and then share that information with us as we prepare our budgets and program plans.

In addition, the commission will provide a real leadership mechanism for the industry as it begins to realize its potential. The advice of such a commission would be most helpful to the Department of Commerce.

ATTACHMENT III  
Senate Eco Devo 2/9/87



The value of the travel and tourism industry in Kansas is a well kept secret. No one seems to get very excited, for example, when a new hotel is constructed employing 100 + people, and then trading daily with other local and state businesses. In fact, very often such "grand openings" happen and are really never realized as economic development since they are not "industry" as it is commonly perceived. A Travel and Tourism Commission could certainly help garner attention for this important industry, thereby encouraging additional growth.

The Kansas travel and tourism industry employs nearly 42,000 Kansans, contributes more than \$86 million in state and local taxes, and is a \$1.9 billion industry. Such an industry would be well served by establishing a Travel and Tourism Commission.

I urge your support of SB 100.

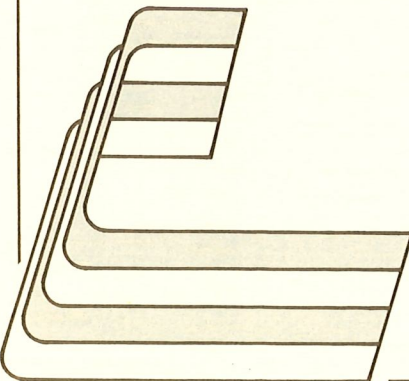
TOURISM EDUCATION AND INDUSTRY - A SUCCESSFUL PARTNERSHIP

Background:

The Travel/Tourism and Management Program at Cloud County Community College Concordia, Kansas, began in 1980 as a pilot program with TWA's Trans World Travel College, Kansas City, Missouri. Seventeen students enrolled in the first year of the program with the expectations of receiving training to become travel agents or TWA ticket and reservation agents. The program turned out successful graduates due to academic excellence, cooperative education internships and permanent placement assistance.

Education and industry working together provides one of the finest experiences a student will encounter in postsecondary education. The director of the program, Dr. Patricia Altwegg, designed and implemented the two-year Associate of Applied Science program after an internship through the College of Education, Kansas State University and Trans World Airlines, Kansas City, Missouri in 1979.

In 1981, the director became involved in the promotion of tourism in the State of Kansas through the efforts of Harriet Lange. As the Division of Travel Tourism and Film Services began to attend travel shows in Kansas and in other states, develop brochures to promote Kansas, and the state appropriated money to build and staff tourist information centers, the support for tourism gained more recognition as a product to market through the state. The formation of the Travel Industry Association of Kansas became a reality in 1982 at the



**Cooperative Education Center  
Career Planning and Job Placement**  
CLOUD COUNTY COMMUNITY COLLEGE

2221 Campus Drive • Concordia, Kansas 66901

913-243-1435, extension 252

Senate Committee on Economic Development

2-9-87

Attachment IV

Governor's Conference. The members of the organization were representatives of the many areas of the tourism industry; lodging, restaurants, tour operators, travel agencies, attractions, chambers of commerce, etc.

As the tourism industry developed, so did the need for trained employees and the Travel/Tourism Program at CCCC continued to grow (Fall 1986 - 70 students) and train students in twelve different areas of the industry.

Students in this program have received excellent training through Cooperative Education Work Experiences in state and out of state such as Colorado, (Ski resorts, Fairfield Pagosa Resort, hotels, agencies, parks); Montana; (Glacier National Park); Wyoming; (Yellowstone); Nebraska, Iowa, New York, Texas, Oklahoma, Missouri, Florida, Arizona, California and Illinois. Successful permanent placement with airlines, travel agencies, car rentals, hotel/motels, chambers of commerce, convention and visitors bureaus, resorts and tourist attractions, have been the results of this educational strategy.

#### Educational Concerns:

The training and placement for our students is very exciting and rewarding from an educator's viewpoint. However, one disadvantage of the program is the fact that our finest natural Kansas resource--our young people--are leaving the state for jobs in the tourism industry because Kansas has been very slow to recognize the impact of the benefits of the tourism industry.

We need leadership and organization to move ahead in the tourism industry. The industry needs to be recognized not only by Kansans, but by our state government in order to market our product to the rest of the world. Our products are many, of which a few are cited: wide open spaces, the hospitality and vitality of our people, fresh air, beautiful sunrises, an abundance of heritage and history and the mighty power and electrical energy of a Kansas thunderstorm brewing during a summer sunset. We have many of the same attractions as other states; lakes, streams, fishing, hiking, hunting, hills, museums, etc.

As the industry expands and Kansas becomes America's "Central Park", students in tourism education and Kansans in the tourism industry, demand strong, aggressive leadership through the development of a Tourism Commission.

DEPARTMENT OF TRAVEL/TOURISM AND MANAGEMENT

CLOUD COUNTY COMMUNITY COLLEGE

Concordia, Kansas

- Commerce Option:
- 1) Tourist Information Centers
  - 2) Convention & Visitors Bureau
  - 3) Chambers of Commerce
  - 4) Historical Societies
  - 5) Parks
    - State
    - National
  - 6) Tourist Attractions
  - 7) Economic Development
    - Lottery
    - Pari-Mutuel Racing

Management Core:

- 1) Accounting
- 2) Economics
- 3) Human Relations
- 4) Management Principles
- 5) Marketing
- 6) Personnel & Wage Administration
- 7) Salesmanship
- 8) Small Business Management

General Core:

- 1) English I & II
- 2) Psychology
- 3) Speech
- 4) Spelling
- 5) Geography
- 6) Kansas Tourism
- 7) Job Search
- 8) Cooperative Education Internships

- Travel Tourism Option:
- 1) Agencies
    - Customer Service Agents
    - Passenger Relations Agents
  - 2) Airlines
    - Reservations
    - Flight Attendants
  - 3) Tour Operators

- Aviation Option:
- 1) Two-Year Transfer

- Hotel Option:
- 1) Front Desk Reservations
  - 2) Food & Beverage
  - 3) Housekeeping
  - 4) Sales & Marketing
  - 5) Resorts
  - 6) Hotel Representative Companies

Two Year Transfer Management Program

A STATEMENT PREPARED FOR SENATE BILL No. 100  
THE SENATE COMMITTEE ON ECONOMIC DEVELOPMENT  
BY CHARLES H. NICOLAY, EXECUTIVE DIRECTOR, KOMA AND CSAK

FEBRUARY 9, 1987

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Mr. Chairman and Members of the Committee:

My name is Charles Nicolay and I am here today in support of Senate Bill 100. I speak on behalf of two statewide associations whose members are pleased to be able to provide input into the promotion of travel and tourism in Kansas. Together, the members of the Kansas Oil Marketers Association and the Convenience Store Association of Kansas represent the business interests of thousands of retail gasoline outlets and convenience stores from border to border.

As frontline ambassadors to the tourists visiting Kansas, the employees of our members have the prime opportunity to project the friendly image of Kansas as they serve visitors with the two most vital commodities of the road: gasoline and food. And with a minimal amount of education, these same employees can become proficient "tour guides," engaged in pointing out the scenic attractions of the vicinity. Our members and their employees would be pleased to be able to showcase the good things evident in our state.

The members of this committee and the Kansas Legislature are to be commended for seeking to establish the commission on travel and tourism. We would be delighted to play a part in

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Statement - S.B.#100

the commission since it is our belief that looking for the positive is always a worthwhile activity that will grow and flourish in direct proportion to the enthusiasm of the people involved.

Since we are on the tourism frontline, we appreciate being represented on the commission.

Thank you for the opportunity to voice our support of this bill.

(The attached sheet contains editorial material appearing in the Kansas Oil Marketer magazine. It is submitted as evidence of our express desire to promote Kansas.)



Charles Nicolay  
Executive Director

## ATTACHMENT

Senate Economic Development Committee

February 9, 1987

From Kansas Oil Marketer - June, 1985

## Notes from Nick

As a native Kansan who has been fortunate enough to have spent my entire life here, I can only conclude that there are a lot of things within the borders of this state for Kansans to be proud of. During the past 25 years, I have travelled Kansas extensively, and yet I never cease to marvel at what Kansas has to offer her citizens and her visitors.

Unfortunately, the glories of our state are one of our best kept secrets. Maybe we can attribute our reluctance to "sound off" about our state's virtues to a basic low-key approach to our surroundings. Put another way, Kansans simply aren't prone to brag a great deal. They really believe the old saying that actions speak louder than words. An underlying belief that we can draw our own conclusions without a lot of arm twisting or outside influence abounds in the Sunflower State.

So what we are left with is 80,000 square miles of beautiful, clean landscape, terrific people and interesting sites. And we keep all of these things to ourselves.

Now because of our central location, thousands of tourists crisscross our state every year.....and we just sit back and let them zip by without much effort to detain them for a while to see what we really have to offer.

Of course, if we could stop them and get them looking around, they might just wish to toss a few dollars about. That's OK, too.

Let's face it, tourism is big bucks and an important industry in every state. Kansas is no exception. Tourist dollars trickle throughout the state, making their presence felt in every phase of the economy.

Coaches are always encouraging their players to "talk it up," and that's exactly what this team of 2 million plus Kansas citizens needs to do. Talk it up.....Kansas. Tell those tourists who stop in your stations, truck stops and C-stores about the local attractions. There's a lot more to Kansas than gasoline pumps, restrooms, tornadoes and wheat fields.

According to the Kansas Department of Economic Development, during the past year, 160,000 visitors stopped at our state's Tourist Information Centers. That number represents approximately 20% of the visitors who passed through Kansas during that same period. Together these tourists spent nearly \$303,000,000 in payment to the 40,000 Kansans who served them in various capacities - food servers, filling station attendants, etc. - in the travel and tourism industry (which, by the way, is the state's fourth largest industry).

Speaking of the KDED and promoting Kansas, if you don't subscribe to their wonderful magazine **Kansas!**, you should. The photos alone depict the scenic beauty of our state and the character of the citizens better than any amount of verbal description.

But back to tourism. Let's each make a more determined effort to first appreciate what Kansas has to offer. Then as business people, you have a prime opportunity to promote your state. You and your employees are on the front line of tourism. With the possible exception of the restaurant industry, our industry has the most contact with the people passing through Kansas.

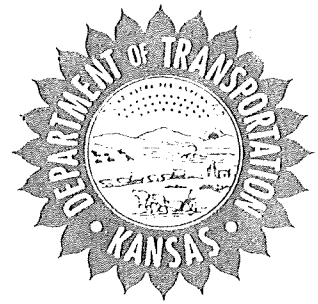
The courtesy and friendliness of the people of an area are remembered and appreciated by visitors even more than the natural beauty or manmade attractions that the region has to offer. Since we've got both the scenic beauty and the easy-going friendliness common to the people of the Midwest, we've got all the ingredients we need to sell our state's fine qualities to our out-of-state guests.

I think each of you would make a good ambassador for the Sunflower State, and your actions might just go a long way in encouraging visitors to return next summer.



# KANSAS DEPARTMENT OF TRANSPORTATION

DOCKING STATE OFFICE BUILDING—TOPEKA, KANSAS 66612—1568



KANSAS AVIATION CONFERENCE 10, 11, 12 APRIL 1987

February 9, 1987

Memorandum to: The Honorable Wint Winter, Jr., Chairman  
Senate Committee on Economic Development

From: George M. Boyd, Director  
KDOT Division of Aviation

Regarding: Senate Bill No. 0100

Mr. Chairman, members of the Committee, thank you for the opportunity to appear before you today to comment on Senate Bill Number 0100.

As the Director of Aviation, Kansas Department of Transportation, I would like to present the following remarks and recommendations concerning the referenced bill. The Kansas Legislature has determined that aviation should be promoted as an economical entity in our Great State. Your attention is invited to K.S.A. 75-5010 and K.S.A. 75-5011 (copies attached). The Aviation Advisory Committee of the Kansas Department of Transportation has been supportive of the efforts which we have directed toward economic development of our aviation industry. The Aviation Division has worked closely with the Department of Commerce (KDOC) with what we consider excellent results. KDOC has provided us with guidance and other assistance such as publications, and they recommended that KDOT join the Travel Industry Association of Kansas (TIAK). KDOT is now a member of TIAK, and we enjoy that association, finding it helpful in keeping in touch with tourism in Kansas and the nation.

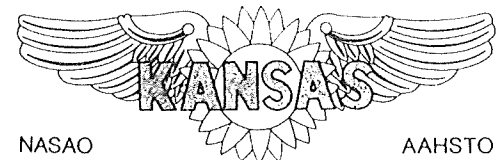
Problem: We believe that there is an administrative problem based on the fact that our efforts concerning aviation tourism have been mainly due to the initiatives of the KDOC, Division of Tourism, and KDOT Division of Aviation on an informal basis. It is our concern that should there be a change of personnel administering these programs that aviation tourism will be neglected because it will not be a mandated requirement in any agency.

Recommendation: We believe that aviation tourism, which could be considered a promotion function of aviation, should be addressed in specific terms in the proposed legislation in the following manner:

EXHIBIT VI - Senate Eco Devo 2/9/87



ONE EXPOCENTRE DRIVE TOPEKA, KS 66604



NASAO

AAHSTO

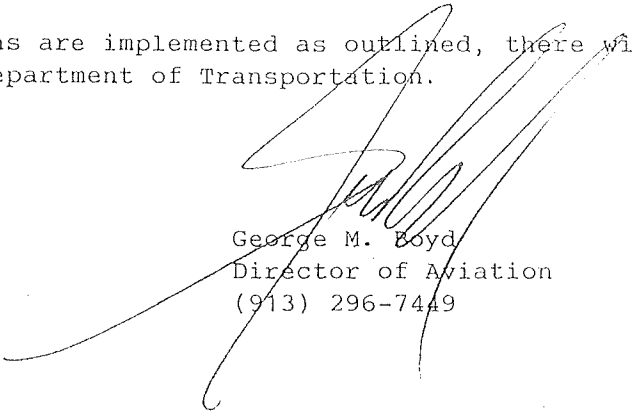
Memorandum to Honorable Wint Winter, Jr.

February 9, 1987

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- a. Line 0056, SB 0100, be changed to read "Of the five members appointed to represent the general public, one shall represent the aviation industry and . . ."
- b. Line 0067, SP 0100, be changed to read ". . . commission and shall receive all minutes/reports and other information published by the commission."

If the recommendations are implemented as outlined, there will be no fiscal impact on the Department of Transportation.



George M. Boyd  
Director of Aviation  
(913) 296-7449

GMB:jkr

Attachments

cc: Horace B. Edwards  
Secretary of Transportation

**75-5010.** Division of aviation; director of aviation, appointment and salary. There is hereby established within and as a part of the department of transportation a division of aviation, which shall be administered, under the supervision of the secretary of transportation, by the director of aviation, who shall be the chief administrative officer of said division. The director of aviation shall be appointed by the secretary of transportation and shall serve at the pleasure of the secretary. The director of aviation shall be in the unclassified service under the Kansas civil service act and shall receive an annual salary fixed by the secretary of transportation, with the approval of the state finance council.

History: L. 1975, ch. 426, § 10; July 1.

**75-5011.** Transfer of powers, duties and functions relating to aviation of secretary of economic development to secretary of transportation. Except as otherwise provided in this act, on August 15, 1975, all of the powers, duties and functions of the secretary of economic development relating to aviation are hereby transferred to and conferred and imposed upon the secretary of transportation, and except as otherwise provided in this act, the secretary of transportation shall be the successor in every way to such powers, duties and functions of the secretary of economic development in which the same were vested prior to August 15, 1975. Every act performed in the exercise of such powers, duties and functions under the authority of the secretary of transportation shall be deemed to have the same force and effect as if performed by the secretary of economic development prior to August 15, 1975.

History: L. 1975, ch. 426, § 11; L. 1975, ch. 427, § 251; Aug. 15.

## SENATE BILL No. 100

By Committee on Economic Development

1-29

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0016 AN ACT establishing the commission on travel and tourism;  
0017 providing for the powers, duties and functions thereof.

0018 *Be it enacted by the Legislature of the State of Kansas:*

0019 Section 1. The legislature finds and declares that: (a)  
0020 Tourism is a major source of jobs, income and tax revenues in  
0021 Kansas, and the expansion of this industry is vital to the overall  
0022 growth of the economy of Kansas; (b) the tourism, travel and  
0023 recreational industries are important to the state, not only be-  
0024 cause of the numbers of people they serve but because of the  
0025 benefits which tourism, recreation and related activities confer  
0026 on individuals and on society as a whole; (c) there is a need to  
0027 invest state resources to provide a more effective means of  
0028 promoting and marketing to, and within, the state and to op-  
0029 timize the considerable investment of time, energy, capital and  
0030 resources being made by the tourism industry; and (d) existing  
0031 state government involvement in tourism and related activities  
0032 needs to be better coordinated at the state level, as well as with  
0033 local government and the private sector, if the economic and  
0034 employment benefits of the industry are to be maximized.

0035 Sec. 2. (a) There is hereby established the commission on  
0036 travel and tourism. The commission shall consist of 13 voting  
0037 members as follows: (1) One member of the senate appointed by  
0038 the president of the senate; (2) one member of the senate ap-  
0039 pointed by the minority leader of the senate; (3) one member of  
0040 the house of representatives appointed by the speaker of the  
0041 house of representatives; (4) one member of the house of repre-  
0042 sentatives appointed by the minority leader of the house of  
0043 representatives; and (5) nine members appointed by the gover-  
0044 nor. Of the nine members appointed by the governor, one shall

0045 be appointed from a list of three nominations made by the travel  
0046 industry association of Kansas, one shall be appointed from a list  
0047 of three nominations made by the Kansas lodging association,  
0048 one shall be appointed from a list of three nominations made by  
0049 the Kansas restaurant association, one shall be appointed from a  
0050 list of three nominations made by the Kansas oil marketers and  
0051 convenience store association and five shall be appointed to  
0052 represent the general public. The governor shall appoint mem-  
0053 bers to the commission so that each tourism region of the state, as  
0054 designated by the department of commerce, shall be represented  
0055 by at least one member of the commission who resides in such  
0056 tourism region. Of the five members appointed to represent the  
0057 general public, two shall be involved in travel-related business  
0058 or industry. In addition to the voting members of the commis-  
0059 sion, three members of the commission shall serve ex officio:  
0060 The secretary of commerce, the secretary of transportation and  
0061 the director of the state park and resources authority. Each ex  
0062 officio member of the commission may designate an officer or  
0063 employee of the state agency of the ex officio member to serve on  
0064 the commission in place of the ex officio member. The ex officio  
0065 members of the commission, or their designees, shall be non-  
0066 voting members of the commission and shall provide information  
0067 and advice to the commission.

0068 (b) Voting members of the commission shall be appointed for  
0069 three-year terms. Upon the vacancy of a position of a voting  
0070 member on the commission, the vacancy shall be filled for the  
0071 unexpired term by appointment in the same manner that the  
0072 original appointment was made.

0073 (c) The first voting member of the commission appointed by  
0074 the governor shall call the first meeting of the commission and  
0075 shall serve as temporary chairperson of the commission until a  
0076 chairperson is elected under this subsection (c). The commission  
0077 shall elect annually a chairperson and vice-chairperson from  
0078 among its members. The commission shall meet at least four  
0079 times each year at the call of the chairperson of the commission.  
0080 Seven voting members of the commission shall constitute a  
0081 quorum.

0082 (d) Members of the commission attending meetings of such  
0083 commission, or attending a subcommittee meeting thereof au-  
0084 thorized by such commission, shall be paid amounts provided in  
0085 subsection (e) of K.S.A. 75-3223 and amendments thereto, or a  
0086 lesser amount as determined by the secretary of commerce.  
0087 Amounts paid under this subsection (d) to ex officio members of  
0088 the commission, or their designees, shall be from appropriations  
0089 to the state agencies of which such members are officers or  
0090 employees upon warrants of the director of accounts and reports  
0091 issued pursuant to vouchers approved by the chief administra-  
0092 tive officers of such agencies. Amounts paid under this subsec-  
0093 tion (d) to voting members of the commission shall be from  
0094 moneys available for the payment of such amounts upon war-  
0095 rants of the director of accounts and reports issued pursuant to  
0096 vouchers approved by the chairperson of the commission.

0097 Sec. 3. The commission on travel and tourism shall: (a) Ad-  
0098 vise the department of commerce in the development and im-  
0099 plementation of the state's tourism marketing and business de-  
0100 velopment program including, but not limited to, long-range  
0101 strategies for attracting visitors to the state; (b) report to the  
0102 department of commerce information for preparation of the an-  
0103 nual budget for the division of travel and tourism development;  
0104 (c) identify and review tourism related issues and current state  
0105 policies and programs which directly or indirectly affect travel  
0106 and tourism in the state and, as appropriate, recommend the  
0107 adoption of new, or the modification of existing, policies and  
0108 programs; (d) prepare and submit to the governor and the legis-  
0109 lature on or before December 31 each year a report of findings  
0110 and recommendations of the commission concerning the pro-  
0111 moting of travel and tourism in Kansas and such related matters  
0112 as the commission deems appropriate; and (e) perform such  
0113 other acts as may be necessary in carrying out the duties of the  
0114 commission.

0115 Sec. 4. This act shall take effect and be in force from and  
0116 after its publication in the Kansas register.

KANSAS HOSTED AN ESTIMATED 3.1 MILLION AIR TRAVELERS IN 1986. AN ESTIMATED 1.8 MILLION OR 58% OF THESE TRAVELERS WERE TOURISTS, AND 1.0 MILLION OR 31% WERE BUSINESS OR CONVENTION RELATED.

AIR TRAVELERS SPENT AN ESTIMATED \$314.3 MILLION IN KANSAS DURING 1986. TOURISTS VISITING KANSAS BY AIR IN 1986 SPENT AN ESTIMATED \$182.3 MILLION AND AN ESTIMATED \$96.8 MILLION WAS SPENT BY CONVENTION RELATED AIR TRAVELERS.

THESE EXPENDITURES BY AIR TRAVELERS DIRECTLY GENERATED AN ESTIMATED 8.9 THOUSAND JOBS OR 4.5% OF THE TOTAL EMPLOYMENT IN KANSAS. TOURISTS TRAVELING BY AIR ACCOUNTED FOR 5.2 THOUSAND OF THESE JOBS.

EMPLOYEES IN THESE JOBS, GENERATED BY AIR TRAVEL IN KANSAS, EARNED \$62.0 MILLION IN WAGE AND SALARY INCOME.

AIR TRAVELER SPENDING GENERATED OVER \$12.7 MILLION IN STATE TAX REVENUE, APPROXIMATELY 3.5% OF ALL STATE TAX COLLECTIONS IN 1986.

AIR TRAVEL EXPENDITURES AVERAGED AN ESTIMATED \$2.9 MILLION PER KANSAS COUNTY IN 1986, AND EVERY SINGLE COUNTY BENEFITED FROM THIS SPENDING.

SEDGWICK COUNTY, INCLUDING THE CITY OF WICHITA, RECEIVED OVER \$105.6 MILLION IN AIR TRAVEL SPENDING DURING 1986, TO LEAD ALL KANSAS COUNTIES.

REFERENCE MATERIAL:

1. THE ECONOMIC IMPACT OF TRAVEL ON KANSAS COUNTIES--1981.
2. PROFILE OF THE KANSAS TRAVEL MARKET - 1981-82, U.S.T.D.C.

TESTIMONY BEFORE

SENATE COMMITTEE ON ECONOMIC DEVELOPMENT

FEBRUARY 9, 1987

Room 123-S Statehouse

TO: Chairman Winter and Members of the Committee

I am Jeanne Mogenson, Director of the Hutchinson and Reno County Convention/Visitors Bureau. I'm here today representing the Advisory Board of our Bureau to speak in support of SB 100, which would create a tourism commission in the State of Kansas.

Tourism is a major source of jobs, income and tax revenues in Kansas. Our Bureau believes that expansion of this industry is vital to the overall growth of the economy in Kansas. We also believe that formation of a tourism commission will be a positive step in insuring this growth.

Major benefits will include better communication and even more importantly it would allow coordination between the private and public sector.

Many states have tourism commissions, of 28 respondents to a tourism commission survey conducted by the Travel Industry Association of Kansas, 23 of them have travel commissions and report they are one of the best things to happen to the travel industries in their respective states.

EXHIBIT VII

Senate Eco Devo 2/9/87



We encourage you to allow the tourism commission to have as their primary responsibilities:

1. Assist and advise the director of the state travel and tourism division in preparation of the annual budget.
2. Advise in the development and implementation of the states tourism marketing plan, including long range strategies for attracting visitors to the state.
3. To identify and review tourism related issues and current state policies and programs and to recommend the adoption of new or modifications of exsisting policies and programs.
4. Make recommendations for legislation in the field of promotiong tourism and related subjects in Kansas.

We contend that development of a tourism commission will allow greater involvement in tourism and related activities with state and local governments and the private sector which should maximize the economic and employment benefits of the industry.

We urge your consideration in recommending the development of the Kansas Tourism Commission.