

Approved

Thomas F. Walker

Date 3-20-90

MINUTES OF THE HOUSE COMMITTEE ON GOVERNMENTAL ORGANIZATION

The meeting was called to order by Representative Thomas F. Walker at
Chairperson

9:00 a.m./p.m. on Monday, March 19, 1990 in room 522-S of the Capitol.

All members were present except:

Representative Gjerstad

Committee staff present:

Julian Efird - Legislative Research
Avis Swartzman - Revisor
Jackie Breymeyer - Committee Secretary

Conferees appearing before the committee:

Senator Vidricksen
Vicky Henley, Assistant Coordinator, Kansas Film Commission, Dept. of Commerce
Judy Billings, President of the Travel Industry Association of Kansas (TIAK)
and also Executive Director of the Lawrence Convention & Visitors Bureau

Chairman Walker called the meeting to order and stated the minutes of the previous meeting would stand approved at the end of the meeting if there were no corrections or additions.

SB 623 - establishing the Kansas Film Services Commission

Senator Ben Vidricksen, bill sponsor, addressed the committee. He distributed an amendment to the bill. (Attachment 1) He went through the bill citing commission makeup, membership, and commission function. He distributed pictures of a film exposition he attended and how it was set up to disseminate information about the film industry.

Vicky Henley, Assistant Coordinator, Kansas Film Commission, Department of Commerce, spoke next. (Attachment 2) She showed two tapes, one a commercial and an interview with Michael Landon. Testimony reflected that the Kansas Film Commission began in 1982, when The Day After, was filmed. Ms. Henley went on to explain why the Kansas Film Commission exists, how it operates, resulting benefits and the important role the advisory council plays. She stated economic development is the primary reason for its existence. Southern California used to have a virtual lock on the motion picture industry; today all fifty states have film commissions. The resulting benefits are millions of dollars and immeasurable publicity. Requests for information get an initial response of a 250-page directory. Locations are scouted extensively. Many persons are contacted. Many volunteers assist in all areas. Once the film crew is here there is someone from the commission on the set from beginning to end.

The Revisor asked Ms. Henley if the amendment should read something to the effect of assisting the film services section of the Department of Commerce. Ms. Henley replied this would be helpful.

Judy Billings, Travel Industry Association of Kansas (TIAK), addressed the bill. TIAK supports SB 623 and the recommended amendments. (Attachment 3) She stated the film industry has brought over \$23 million dollars to the Kansas economy in the past three years. Every region in the state has seen activity and derived economic benefit from this market. There is need for the Kansas Film Commission to be established statutorily.

Senator Vidricksen closed by asking for three additional members on bureau. He asked for quick final action on the bill. Also he would like to amend it to the Kansas Register, not the Statute book.

Chairman Walker closed the hearing on SB 623, reminded the Committee of the Peterson dinner and adjourned the meeting.

Unless specifically noted, the individual remarks recorded herein have not been transcribed verbatim. Individual remarks as reported herein have not been submitted to the individuals appearing before the committee for editing or corrections.

Proposed Amendment to Senate Bill No. 623
(As Amended by Senate Committee)

On page 2, in line 3, by striking "first"; also in line 3, after the comma, by inserting "one shall be representative of the northeast Kansas tourism region and shall be appointed after consideration of a list of three names submitted by the northeast Kansas tourism council, one shall be representative of the northwest Kansas tourism region and shall be appointed after consideration of a list of three names submitted by the northwest Kansas tourism council, one shall be representative of the southeast Kansas tourism region and shall be appointed after consideration of a list of three names submitted by the southeast Kansas tourism council, one shall be representative of the southwest Kansas tourism region and shall be appointed after consideration of a list of three names submitted by the southwest Kansas tourism council, and one shall be representative of the south central Kansas tourism region and shall be appointed after consideration of a list of three names submitted by the south central Kansas tourism council. All members appointed by the governor shall be appointed for terms of three years, except that of the members first appointed,"; by striking all of line 6; in line 7, by striking all before "In" and inserting "The governor shall designate the term for which each of the members first appointed shall serve."; in line 8, by striking "five" and inserting "six"; in line 10, after the comma, by inserting "the secretary of health and environment,"

Attachment 1
H.O.
3/19/90

Senate Bill # 623

Governmental Organization Committee

Testimony

March 19, 1990

Attachment 2
H.O.
3/19/90

The present Kansas Film Services Advisory Council -- commonly called the Kansas Film Commission -- began in 1982, when ABC-Circle Films came to Kansas to make the television movie The Day After. The tourism division of the Department of Economic Development assisted the production, and a staff position evolved, devoted to nurturing film productions in Kansas.

In 1985, the advisory council was expanded to include ex-Kansans who were pursuing successful careers in the industry. As you consider legislation to mandate a Kansas Film Commission, let me give you a brief background on the film commission: why we exist, how we operate, what benefits result, and the important role that the advisory council plays.

Economic development is the primary reason for our existence. The motion picture industry last year ranked second in the United States, behind the aerospace industry, in amount of trade surplus. Producers spend billions of dollars each year to create theatrical films and television programming.

Southern California at one time had a virtual lock on the motion picture industry, but as costs began to escalate and community cooperation dissipated, producers began to go elsewhere. In fact, from 1980 to 1985, production revenues in California fell by a full fifty percent: filmmakers were finding more cooperative locales to make their motion pictures. As producers took their projects out-of-state, alarmed California officials dubbed them "runaway" productions. Since 1980, these "runaway" productions have infused billions of dollars into state and provincial economies throughout North America.

Twenty years ago, Colorado recognized the potential of revenues generated by film productions and created the first state film commission. Today, all fifty states have film commissions, as do over a hundred U.S. cities. We belong to the Association of Film Commissions International, with over 270 members worldwide. Five other members are also

from Kansas: the cities of Lawrence, Manhattan, Salina and Topeka; and the twelve-county region of southeast Kansas.

The benefits are: millions of dollars added to our economy each year, usually from out-of-state sources, and publicity that is immeasurable in value. In the past three years, producers have come to our state and spent about \$21 million. These dollars are spread throughout the communities to a variety of businesses and individuals.

We get from five to six hundred requests for information each year. Our initial response is to send a copy of our directory -- a 250 page guide of equipment, personnel, services and other resources pertinent to a filmmaker -- and a copy of our full color photo location guide.

Out of nearly 600 requests last year, about a hundred and twenty-five required specific information and photographs of potential locations. Typically, a producer will send us a copy of the script. We'll read it and highlight each of the locations; usually, a feature length script may have anywhere from fifty to eighty different locations. Then we'll determine which two or three of these are the key locations. If our key locations, in the producer's eyes, are better than those submitted by other states, then we most likely have another production coming to Kansas.

To find those locations, we network extensively. We contact convention and visitors' bureaus and chambers of commerce throughout the state. We'll call on legislators, mayors, county officials, sheriffs, county extension agents, geologists, livestock associations, real estate agents: just about anyone we can think of who might have ideas about potential locations. We rely heavily on the media and on public response. And, of course, this is one area where we get a lot of help from our in-state advisory members. They may do their own networking, or they may go out and scout for locations themselves.

As we gather ideas for possible locations, we'll photograph these possibilities, put them in a panoramic format and send them to the producer as quickly as possible. Until a producer tells us otherwise, we continue to search for locations and send photographs.

If the producer likes our photographs, he'll usually send the location manager, and perhaps the production designer, to view the locations in person. If the sites are reviewed favorably, the producer then wants to know about the local availability of freelance crew, acting talent, equipment, lodging, cooperation of officials, and other similar details. If we've landed the project, then we can usually expect a production team to come into the state four to eight weeks before the first scene is filmed.

We're extremely busy during this period, helping with preparations that may include setting up temporary offices, getting phone systems installed on short notice, arranging for streets or highways to be temporarily closed, looking for the other fifty or more sub-locations, assisting with auditions, locating props, and literally hundreds of other details. Once again, we're dependent upon our network, contacting countless Kansans -- including our advisory members -- for assistance.

Once filming begins, we are on the set as much as possible in case any problems arise. When filming ends, the production manager and production accountant usually remain for a week or more to wrap up and settle accounts.

Each production is unique, but that's a general idea of the process. Basically, we work with a very large industry and represent a very large state. To be effective, we rely heavily on the help of others, particularly those who are on the advisory council.

I've mentioned the help we get from our in-state advisory members when we're working with a production. Let me mention also the help we get from out-of-state members in marketing Kansas to the film industry. For example:

Buddy Rogers -- from Olathe, who starred in the very first film ever to win an Academy Award, Wings, and who would later wed actress Mary Pickford -- has, at his own expense, twice hosted receptions for us at his Pickfair home in Beverly Hills, inviting producers and studio executives who were considering Kansas for locations;

Mike Robe, from Arkansas City, and Steve Mills, from Russell, were instrumental in bringing the 1986 mini-series production Murder Ordained to Kansas: Mike as the writer-director and Steve as the CBS vice-president in charge of the production;

Producer Doug Curtis, from Dodge City, brought a feature film production to Lawrence in 1986;

Actress Marj Dusay, from Russell, has served as chairman of the commission for the past four years, and both Marj and Doug have traveled to Kansas from California at their own expense to help with film commission activities.

Very honestly, our commission is the envy of a number of other states, whose members are serving, in reality, in name only. Across the board, we have members who want to contribute and work hard on behalf of the film commission.

One of the most impressive things about this advisory board is that the members participate at their own cost: they are not reimbursed for travel, meals or lodging when they attend meetings, and several of them each year assist us at our trade show in Los Angeles, paying their own way.

We are just back from that trade show, and were accompanied by twenty other Kansans who helped represent us to the film industry, all at no additional cost to the state. There was a Kansas reception on ~~Saturday night~~, where we invited prospective producers, and that reception was paid for with donations from Kansas and California members of the advisory council. The proposed legislation, incidentally, specifically continues this policy of non-reimbursement.

We have been fortunate to have a diligent, interested and hard-working group of people helping us bring the motion picture industry to Kansas these past eight years. The millions of dollars spent by producers in Kansas attest to their effectiveness. It's important to keep these people, and others like them, deeply involved with the commission.

The expense is extremely small, the benefits are enormous.

Thank you.

STATEMENT



Travel
Industry
Association of
Kansas

DATE: March 19, 1990
TO: HOUSE GOVERNMENTAL
ORGANIZATION COMMITTEE
FROM: Judy Billings, President
RE: Establishing the Kansas Film Services Commission
(SB-623)

810 Merchants National Bank
8th & Jackson
Topeka, Kansas 66612
913/233-9465 FAX 913/357-6629

Mr. Chairman and members of the committee, my name is Judy Billings. I am the President of the Travel Industry Association of Kansas (TIAK). I am also the Executive Director of the Lawrence Convention & Visitors Bureau.

The Travel Industry Association of Kansas is made of members which represent both the private and public sectors of tourism promotion in the state. That includes, for example, hotels and motels, restaurants, attractions, chambers of commerce, convention and visitors bureaus, advertising agencies and sign companies.

TIAK is in favor of SB-623 and the recommended amendments.

There are several markets targeted for development by both the State Travel Office and local convention and visitors bureaus. There is the group travel market; the pleasure or family travel market; and business travel which includes meetings and conventions, traveling sales people and, yes, even truck drivers. The film industry may have began as a segment of the business travel market. Over the past few years, however, it has evolved into such a large market for Kansas, it has earned a market niche of its own within most marketing strategies.

The state has truly been the leader in developing this market for Kansas. There are several cities in the state, now, including Lawrence, which have established their own film commissions. That would likely never have happened, never have been necessary, if the State, through the Division of Travel & Tourism, and under the leadership of Jerry Jones, had not lead the way.

The film industry has brought over \$23 million new dollars to the Kansas economy in the past three years. Lawrence has been one of the prime beneficiaries of this economic impact. But every region in the state has seen activity and derived economic benefit from this market.

The existing state film commission was established by Executive Order in 1984. It works. To maintain the continuity and momentum established by this purely volunteer group, we need for the Kansas Film Commission to be established statutorily.

We also believe it would be beneficial if Senator Vidricksen's amendment were approved which would cause nominations from each of the five tourism regions to be presented to the Governor for his appointment. This would assist the Governor in geographically balancing the commission with persons with some expertise and interest in the film industry market.

We respectfully request that you so amend SB-623 and recommend SB-623, as amended, favorable for passage.

I will be happy to attempt to answer any of your questions.

Attachment 3
H.O.
3/19/90