

MINUTES OF THE HOUSE TOURISM COMMITTEE.

The meeting was called to order by Chairperson Barbara P. Allen at 1:30 p.m. on February 19, 1997 in Room 522-S of the Capitol.

All members were present except:

Committee staff present: Carolyn Rampey, Legislative Research Department  
Tom Severn, Legislative Research Department  
Renaë Jefferies, Revisor of Statutes  
Nancy Kirkwood, Committee Secretary

Conferees appearing before the committee:

Others attending: See attached list

**HB2324** - concerning the prairie spirit rail trail was brought to the Committee's attention today by Chairperson Allen. She requested Carolyn Rampey, Legislative Research Department, give a brief review of the bill to the committee. Carolyn said the bill did two things; one would be to prohibit designation of any part of the Prairie Spirit Rail Trail in Allen, Anderson, and Franklin Counties as part of the state park system until on or after July 1, 2000. The second would be to halt Phase II of the development of the Trail from Richmond to Ottawa until April, 1998.

**Committee discussion followed. Rep. Larkin made a motion to report the bill adversely. Rep. Alldritt seconded the motion. The motion carried.**

**HB2188** - concerning the department of wildlife and parks; relating to improvement and development of certain parks; long-term leases; taxation. Chairperson Allen brought the Committee's attention to **HB2188**, requested by Rep. Wempe. Chairperson Allen requested Carolyn Rampey give a brief review of the bill. Carolyn said **HB2188** directs the Secretary of Wildlife and Parks to identify and select sites at state parks that are suitable for the development of commercial, family-oriented lodging.

Committee discussion followed. Rep. Wempe had a balloon amendment that was passed out to the committee. The new language stated that any action by the secretary would be contingent upon a favorable response from the federal agencies regarding development of shared resources. Rep. Wempe also added the word then to the language in line 22 after the word is. This would ensure the preliminary work would be done before any action could be taken before negotiation (**Attachment 1**).

**Chairperson Allen moved that the committee adopt the balloon amendment, with the addition of the word then to the language in line 22 after the word is. Rep. Presta seconded the motion. The motion carried.**

**Rep Wempe made a motion to move the bill out of committee as amended favorably. Rep. Shriver seconded the motion. The motion carried.**

**HB2301** - annual camping permit. Chairperson Allen brought the Committee's attention to **HB2301** requested by Rep. McClure. Chairperson Allen requested Carolyn Rampey give a brief review of the bill. This bill would impose a statutory fee of \$100 for annual camping permits. The Legislature would be setting the fee for annual camping permits and the Commission would have no authority under rules and regulations to alter the statutory amount.

**Rep. Donovan made a motion to report this bill adversely. Rep. Benlon seconded the motion. Rep. E. Peterson made a substitute motion to remove all of line 18. Rep. Phelps seconded the motion. The motion failed. Rep. Alldritt made a substitute motion to table the bill. Rep. Adkins seconded the motion. The motion carried.**

Chairperson Allen brought the Committee's attention to **HB2348** - tourism study. Chairperson Allen asked

CONTINUATION SHEET

MINUTES OF THE HOUSE TOURISM COMMITTEE, Room 522-S of the Capitol, at 1:30 p.m. on February 19, 1997

Carolyn Rampey to brief the committee. **HB2348** and **HB2374** are similar in that they have two things in common, which is the creation of the tourism council. **HB2348** bill would be a planning mechanism for tourism that would involve state and local units of government, also public and private. The two bills are companions in that **HB2348** sets up a study to be done and **HB2374** sets up a revenue source to fund projects that enhance tourism. **HB2348** provides that the council would be responsible for selecting and overseeing a consultant who would do a study of public and private tourism efforts in Kansas. The scope of the study would include an analysis of strengths and weaknesses in Kansas tourism, the relationship between public and private tourism efforts, and the relationship between state and local tourism interests.

Chairperson Allen brought the Committee's attention to the fact there was nothing specified in **HB2348** stating funding was to come out of the Commerce and Housing Department's budget. She passed out a balloon that specified the expenses for council meetings, and the consultant, would come out of the EDIF funds or general funds which are appropriated to Commerce and Housing. Chairperson Allen recognized Renae Jefferies, Revisor, to explain the changes to the balloon (**Attachment 2**).

Chairperson Allen moved to adopt the balloon with the addition that we provide that the contract is approved by the Legislative Coordinating Council. Rep. Wempe second the motion. The motion carried

Rep. Donovan made a motion to report **HB2348** favorably out of committee as amended. Rep. Phelps seconded the motion. Rep. Shriver went on record as opposed to taking the funding for the study out of the Department of Commerce and Housing's budget. The motion passed.

The next bill was **HB2350** - lake resort study. Chairperson Allen asked Carolyn to brief the Committee on this bill. Carolyn reported **HB2350** directs the Secretaries of the Department of Commerce and Housing and Wildlife and Parks, jointly, to direct and implement a feasibility study on the potential of developing lake resorts in Kansas.

Rep. Alldritt made a motion to pass **HB2350** favorably. Rep. Wempe seconded the motion. The motion carried.

Chairperson Allen brought the Committee's attention to **HB2374**- establishing a state tourism fund. Carolyn briefed the committee. This establishes the state tourism fund, and establishes the council on tourism. It gives the council, in addition to dealing with the consultant study, authority over the fund. Grants would be made out of this fund for public and private entities for developing and expanding tourism attractions in Kansas. The council would decide which projects would be funded, and would send its recommendations to KDOCH for inclusion in its budget. The legislature would approve or disapprove the proposed expenditures from the fund.

Chairperson Allen asked for the balloon to be passed out to the Committee, and for Renae to explain the balloon (**Attachment 3**)

Rep. Donovan made a motion to adopt the balloon. Rep Huff seconded the motion. The motion carried. Rep Donovan moved to pass the bill out favorably as amended. Rep. Beggs seconded the motion. The motion carried.

Chairperson Allen adjourned the meeting at 2:30 p.m.

The next meeting is scheduled for February 20, 1997.



# HOUSE BILL No. 2188

By Representative Wempe

2-3

9 AN ACT concerning the department of wildlife and parks; relating to  
10 improvement and development of certain state parks; long-term leases;  
11 taxation.  
12

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

14 Section 1. (a) [The] secretary of the department of wildlife and parks  
15 shall identify and select sites suitable for the development of commercial,  
16 family oriented lodging areas at the following state parks: Clinton, Hills-  
17 dale, Kanopolis, El Dorado, Cheney, Wilson, Milford, Tuttle Creek, Po-  
18 mona and such other state parks as the secretary deems appropriate.

19 (b) Such identification and selection of the sites shall take into con-  
20 sideration the mission of the facility, the environmental considerations  
21 and the availability of needed utilities.

22 Sec. 2. The secretary of the department of wildlife and parks is <sup>them</sup> au-  
23 thorized to negotiate for a long-term lease with a private sector developer  
24 for improvement and development of any selected state park site. All such  
25 leases shall be on such terms as the secretary prescribes and adhere to  
26 the purposes and considerations of section 1 and amendments thereto.

27 Sec. 3. The department of wildlife and parks shall advertise for pro-  
28 posal plans with bids for development of sites selected under section 1  
29 and amendments thereto. Advertisements for proposals with bids shall be  
30 published once each week for two consecutive weeks in a newspaper  
31 having general circulation in the community at least 60 days before the  
32 time for receiving the proposals with bids. The advertisement shall also  
33 be posted on readily accessible bulletin boards in all offices of the de-  
34 partment. The advertisement shall identify the area to be developed, the  
35 purpose of the development and shall state that such further information  
36 as is available may be obtained from the department's office in Topeka.

37 The secretary shall consider all proposals with bids submitted, the fi-  
38 nancial and legal ability of the private sector developers making such  
39 proposals with bids to carry them out and may negotiate with any private  
40 sector developer for a proposal with bid. The secretary may accept such  
41 proposal with bid as it deems to be in the public interest and in further-  
42 ance of the purposes of this act.

43 Sec. 4. All improvements of the selected state park site shall be ex-

Contingent upon a favorable response from federal agencies regarding development of shared resources, the

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1   empt from ad valorem property tax but the owner or owners of the im-  
2   provements shall be required to make a contract or contracts for payment  
3   of service charges in lieu of the ad valorem property tax in an amount  
4   equal to the value of the improvements as assessed by the county ap-  
5   praiser under the then existing tax process times 100 mills. All in lieu of  
6   moneys received will be divided equally between the county of location  
7   and the park improvement fund.

8   Sec. 5. This act shall take effect and be in force from and after its  
9   publication in the statute book.

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## HOUSE BILL No. 2348

By Committee on Tourism

2-13

9 AN ACT relating to travel and tourism; concerning requests for proposals;  
10 establishing a council on tourism.

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

12 Section 1. (a) The division of travel and tourism of the Kansas de-  
13 partment of commerce and housing shall prepare, with review and input  
14 from the travel industry association of Kansas, a request for proposals for  
15 a consultant to do a large scale study of public and private tourism efforts  
16 in Kansas.

17 (b) A notice of the request for proposals shall be published once each  
18 week for two consecutive weeks in a newspaper having general circulation  
19 in the community at least 30 days before any action thereon. The request  
20 for proposals shall also be posted on readily accessible bulletin boards in  
21 all offices of the department of commerce and housing and sent else-  
22 where as the director of travel and tourism development deems best.

23 (c) The request for proposals shall provide performance specifica-  
24 tions, terms, conditions and other information as deemed advisable to  
25 facilitate the submission of a comprehensive proposal, including, but not  
26 limited to, the fact that the study will:

27 (1) Analyze the strengths, weaknesses, opportunities and threats that  
28 face development of Kansas tourism;

29 (2) address the interrelationship between public and private sector  
30 efforts in developing Kansas tourism;

31 (3) address the interrelationship between state and local interests in  
32 developing Kansas tourism;

33 (4) make specific recommendations for the attraction, development  
34 and improvement of tourism in Kansas; and

35 (5) be completed by January, 1, 1998, with a report on the study's  
36 results and recommendations derived therefrom to be presented to the  
37 legislature, house committee on tourism, senate committee on transpor-  
38 tation and tourism and to the governor during the 1998 legislative session.

39 (d) Once the requested proposals are submitted, a council on tourism  
40 will review the proposals and will participate in the interviewing process  
41 and final selection of a consultant.

42 Following negotiations and development of the proposed agree-  
43

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1 ment, the legislature will approve the contract unless it is not in session.  
2 If the legislature is not in session, the legislative coordinating council will  
3 approve the final contract.

4 Sec. 2. (a) There is hereby established a council on tourism to over-  
5 see the study described in section 1. The council shall consist of the  
6 following nine members:

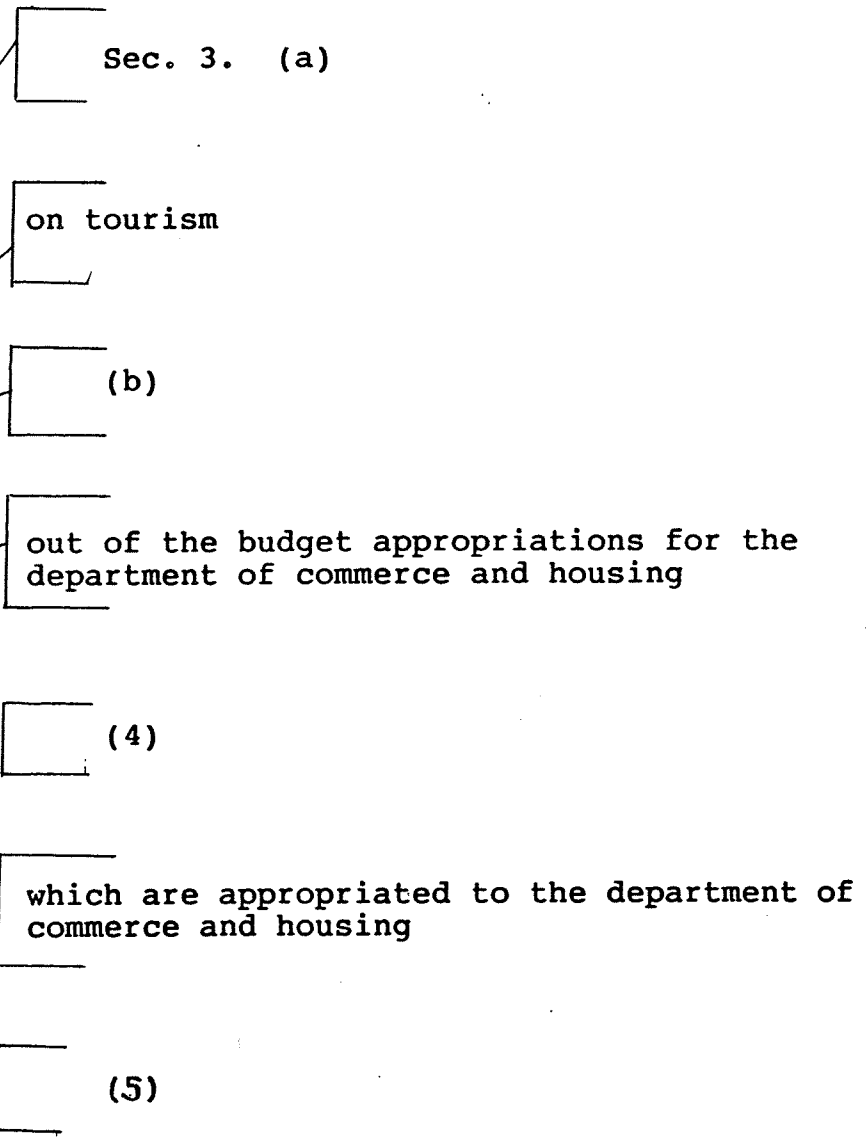
- 7 (1) The secretary of commerce and housing or the secretary's des-  
8 ignee;
  - 9 (2) the secretary of wildlife and parks or the secretary's designee;
  - 10 (3) the executive director of the travel industry association of Kansas  
11 or the executive director's designee;
  - 12 (4) the chairperson and ranking minority member of the house tour-  
13 ism committee;
  - 14 (5) the chairperson and ranking minority member of the senate trans-  
15 portation and tourism committee;
  - 16 (6) the chairperson of the governor's travel and tourism commission;  
17 and
  - 18 (7) one member at large from the state appointed by the governor.
- 19 (b) The council shall elect a chairperson, vice-chairperson and sec-  
20 retary from among its members and shall meet at the call of the chair-  
21 person.

22 [(c)] Once the consultant is selected and the contract approved under  
23 section 1, the selected plan's implementation will be subject to oversight,  
24 review and approval by the council.

25 [(d)] The members of the council attending meetings of the council  
26 authorized by the chairperson shall receive no compensation for their  
27 services but shall be paid subsistence allowances, mileage and other ex-  
28 penses as provided in subsections (b), (c) and (d) of K.S.A. 75-3223 and  
29 amendments thereto.

30 Sec. [3] For the purposes of this act, the funds required to pay for  
31 the study shall come from state funds taken from the economic devel-  
32 opment initiatives fund under K.S.A. 79-4804 and amendments thereto.

33 Sec. [4] This act shall take effect and be in force from and after its  
34 publication in the statute book.



3-1 [Handwritten initials]

# HOUSE BILL No. 2374

By Committee on Tourism

2-14

9 AN ACT relating to travel and tourism, establishing a state tourism fund  
10 and a council on tourism; amending K.S.A. 1996 Supp. 79-4801 and  
11 repealing the existing section.

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

13 New Section 1. (a) There is hereby established in the state treasury  
14 the state tourism fund. All moneys credited to the state tourism fund shall  
15 only be used for expenditures for the purposes of developing new tourism  
16 attractions in Kansas and to significantly expand existing tourism attrac-  
17 tions in Kansas. Both public and private entities shall be eligible to apply  
18 for funds under the provisions of this act.

19 (b) The secretary of commerce and housing shall administer the pro-  
20 visions of this act. The secretary may adopt rules and regulations estab-  
21 lishing criteria for obtaining grants and other expenditures from such fund  
22 and other matters deemed necessary for the administration of this act.

23 (c) All expenditures from such fund shall be made in accordance with  
24 appropriation acts upon warrants of the accounts and reports issued pur-  
25 suant to vouchers approved by the secretary of commerce and housing  
26 or the secretary's designee.

27 (d) The secretary of commerce and housing shall prepare and submit  
28 budget estimates for all proposed expenditures from the state tourism  
29 fund in accordance with the provisions of K.S.A. 75-3717 and 75-3717b  
30 and amendments thereto. Such budget estimates shall include detailed  
31 information regarding all proposed expenditures for programs, projects,  
32 activities and other matters and shall set forth separately each program,  
33 project, activity or other expenditure for which the proposed expenditures  
34 from the state tourism fund for a fiscal year are for an amount that is  
35 equal to \$50,000 or more. Appropriations for the department of com-  
36 merce and housing of moneys in the state tourism fund for each program,  
37 project, activity or other expenditure for a fiscal year for an amount that  
38 is equal to \$50,000 or more shall be made as a separate item of appro-  
39 priation.

40 (e) The legislature ~~may~~ approve or disapprove of any itemized ex-  
penditure from the state tourism fund ~~but may not add additional pro-~~

shall

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1 (f) On or before the 10th of each month, the director of accounts and  
2 reports shall transfer from the state general fund to the state tourism fund  
3 established in subsection (a) interest earnings based on:

(1) The average daily balance of moneys in the state tourism fund for  
the preceding month; and

6 (2) the net earnings rate of the pooled money investment portfolio  
7 for the preceding month.

8 New Sec. 2. (a) There is hereby established a council on tourism.  
9 The council shall consist of the following nine members:

10 (1) The secretary of commerce and housing or the secretary's des-  
11 ignee;

12 (2) The secretary of wildlife and parks or the secretary's designee;

13 (3) the executive director of the travel industry association of Kansas  
14 or the executive director's designee;

15 (4) the chairperson and ranking minority member of the house tour-  
16 ism committee;

17 (5) the chairperson and ranking minority member of the senate trans-  
18 portation and tourism committee;

19 (6) the chairperson of the governor's travel and tourism commission;  
20 and

21 (7) one member at large from the state appointed by the governor.

22 (b) [The council on tourism shall oversee all matters concerning the  
23 state tourism fund and expenditures therefrom.

24 (c) The council shall, by a majority vote, recommend for inclusion in  
25 the department of commerce and housing budget expenditures from the  
26 state tourism fund.

27 (d) The council shall elect a chairperson, vice-chairperson and sec-  
28 retary from among its members and shall meet at the call of the chair-  
29 person.

30 [(e)] The members of the council attending meetings of the council  
31 authorized by the chairperson shall receive no compensation for their  
32 services but shall be paid subsistence allowances, mileage and other ex-  
33 penses as provided in subsections (b), (c) and (d) of K.S.A. 75-3223 and  
34 amendments thereto.

35 Sec. [3] K.S.A. 1996 Supp. 79-4801 is hereby amended to read as  
36 follows: 79-4801. There is hereby created the state gaming revenues fund  
37 in the state treasury. All moneys credited to such fund shall be expended  
38 or transferred only for the purposes and in the manner provided by this  
39 act and all expenditures from the state gaming revenues fund shall be  
40 made in accordance with appropriation acts. All moneys credited to such  
41 fund shall be allocated and credited monthly to the funds and in the  
42 amounts specified by this act except that the total of the amounts credited  
to such funds in any one fiscal year pursuant to this act shall not exceed

New Sec. 3. (a) The council on tourism shall oversee all matters concerning the state tourism fund and expenditures therefrom.  
(b) The council shall, by a majority vote, determine for inclusion in the department of commerce and housing budget expenditures from the state tourism fund.

(c)

out of the budget appropriations for the department of commerce and housing

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1 \$50,000,000. All amounts credited to such fund in any one fiscal year  
 2 which are in excess of \$50,000,000 shall be transferred and credited to  
 3 the state general fund on July 15, 1996, and June 25, 1997, and of each  
 4 year thereafter on June 25 except that of the amounts credited to the  
 5 gaming revenues fund which are in excess of \$50,000,000 as of June 25,  
 6 1997, June 25, 1998, June 25, 1999, and June 25, 2000, the first \$5,000,000  
 7 of such amount in excess of \$50,000,000 shall be credited to the state  
 8 tourism fund on each such date.

9 Sec. 4. K.S.A. 1996 Supp. 79-4801 is hereby repealed.

10 Sec. 5. This act shall take effect and be in force from and after its  
 11 publication in the Kansas register.