

MINUTES OF THE SENATE COMMITTEE ON TRANSPORTATION AND TOURISM

The meeting was called to order by Chairman Ben Vidricksen at 9:05 a.m. on March 10, 1997 in Room 254-E of the Capitol.

All members were present except: Senator Jordan
Senator Huelskamp
Senator Tyson
Senator Gilstrap

Committee staff present: Hank Avila, Legislative Research Department
Bruce Kinzie, Revisor of Statutes
Marian Holeman, Committee Secretary

Conferees appearing before the committee: Senator Don Steffes
Wes Santee
Max Falkenstein
Ted Hayes
Gary Musselman
Stephen Jordan
Chris Hansen

Others attending: See attached list

SB 370 KANSAS SPORTS HALL OF FAME

Senator Don Steffes made a few brief introductory remarks describing the Abilene facility and its purpose. He placed special emphasis on the continuing growth and tourism potential. He then introduced Wes Santee, Chairman, Board of Trustees, Sports Hall of Fame who in turn introduced Max Falkenstein "The Voice of the Jayhawks," who served as Board Chairman for eight years. Mr. Falkenstein provided information on additional history and present status of the Sports Hall of Fame (Attachment 1). He stated the reasons for **SB 370** focused on the need to give statutory status to a format for financing operation of the Sports Hall of Fame. Mr. Santee then introduced Ted Hayes, Director of Operations and publisher of the "Kansas Sports Magazine", who addressed the addition of High Schools to the funding process set out in the bill. Mr. Santee returned to talk about their work on this project and described additional areas of exhibition. He also discussed including high schools in the financing formula. Stan Martin from the Board of Directors and Jim Maag from the Board of Trustees were also present to answer questions.

Gary Musselman, Executive Director Kansas State High School Activities Association, appeared in opposition to **SB 370**, in so far as, inclusion of member schools of KSHSAA in Sections 5 and 6 of the bill. He pointed out they have an existing "Hall of Fame" and that their mission is significantly different from the Sports Hall of Fame (Attachment 2). They are very supportive of the Hall of Fame, believe it is a marvelous project, and trust that other means of financing the operation can be found.

Stephen Jordan, Executive Director, Kansas Board of Regents stated that in no way should his comments be construed as a reflection on the significance of value of the Sports Hall of Fame to the State of Kansas. However, he appeared in opposition to the proposed financing of the Hall of Fame as set forth in **SB 370** (Attachment 3).

Chris Hansen, Kansas State University Student Body President, also spoke in opposition to the bill primarily due to the negative impact of the cost of this bill to students. They do not oppose the purpose of the Sports Hall of Fame and they can appreciate what an exciting venture it is for the state as a whole and feel it should be supported by the state as a whole. (No written testimony).

Discussion elicited the opinion that the KSHAA might well provide some "in kind" services to the Hall, but no financial support. The Sport Hall of Fame Board has already pursued and participated in grants. Without the financial support they currently receive from State Universities, they would go under, but they still need another source of funding in order to operate. The Board of Trustees initiated the bill. Everyone thinks it is a great idea, but no one wants to pay for it. They need a reliable, permanent source of funding for the Sports Hall of Fame.

The Chair advised that it is not the Committee's function to referee disputes and recommended all parties concerned meet to work out a consensus and return with it to the Committee as soon as possible. Another meeting will be scheduled to reconsider this bill.

APPROVAL OF MINUTES

Senator Harrington moved to approved the January 30, 1997, 9:05 a.m. and 3:15 p.m. meeting minutes. Senator Goodwin seconded the motion. Motion carried.

SENATE TRANSPORTATION AND TOURISM
COMMITTEE GUEST LIST

DATE: MARCH 10, 1997

NAME	REPRESENTING
R. Lipsley	AP
Jed Hayes	Ks. Sports Hall of Fame
Jan Martin	KANSAS SPORTS HALL OF FAME, INC
Jim Miller	KBA
Bob Braden	KSHSAA
Gary Messelman	Ks. State High School Activities Assoc.
Martha Jean Smith	KMHA
Mark Stiff	Senate
Gene Santo	Chairman State of KS Sports Hall of Fame
Lisa Meyer	KS Gov. Consulting
May Ferguson	KS Sports Hall of Fame
Susan Duffy	KS Historical Society
Roy Kasper	-
W. E. H.	Promotive Service Association
SUE PETERSON	K-STATE
Cara Odepa	K-State
Chris Hansen	Kansas State Students
Steve Jordan	Bd of Regents
Marvin Burris	Bd of Regents

SENATE TRANSPORTATION AND TOURISM
COMMITTEE GUEST LIST

DATE: MARCH 10, 1997

NAME	REPRESENTING
Bill Belknap	WSU - ICAAT
ERIC Sexton	WSU



Facts about the Kansas Sports Hall of Fame

Mission Statement - The Kansas Sports Hall of Fame is dedicated to preserving the history of sports for the state to serve as a source of education and inspiration to all generations. The mission is achieved through providing exhibits, archives, facilities, services and activities to honor those individuals and teams whose achievements in sports, have brought distinction to themselves, to their communities and to the entire state of Kansas.

- The Hall of Fame was founded in 1961 as a part of the Kansas Centennial Celebration.
- All operating and capital funding for the Hall of Fame are from private donations. The Hall of Fame receives no funding from tax dollars from the State of Kansas.
- In 1994, the First National Bank in Abilene donated its building in downtown Abilene to be the permanent site for the Hall of Fame.
- The Hall of Fame is governed by a Board of Trustees appointed to four-year terms by the Governor. Current Trustees are: Ernie Barrett, Nelson Hartman, Clair Hutchinson, Mike Lindsey, Dan Lykins, Jim Maag, and Chairman Wes Santee.
- The Hall is operated by Kansas Sports Hall of Fame, Inc., a not-for-profit Kansas corporation located in Abilene. Stan Martin is President and Rick Williamson, Treasurer. Other Directors include: Chuck Lower of Topeka, Bill Quayle of Emporia and Doug Thompson of Abilene. Ted Hayes is Director of Operations.
- Funding for operating expenses is provided in part by a series of annual "Hall of Fame Games" hosted by the Kansas Board of Regents Institutions and Washburn University.
- Presently, 64 of Kansas' most celebrated sports heroes have been inducted into the Hall of Fame.
- The criteria for induction into the Hall of Fame is that the individuals have brought pride to the state of Kansas through their involvement in sports.
- Any Kansan can nominate individuals for consideration for induction. A committee of over 50 Kansans also provide nominations and vote in the screening process. Final selection for induction is made by the vote of the Board of Trustees from the finalists presented from the Nominating Committee.
- Future Inductions will be held at the Hall of Fame in Abilene every summer.
- The Hall of Fame will be open to the public at no charge.
- Grand Opening for the Kansas Sports Hall of Fame is tentatively planned for the summer of 1997.



HALL OF FAME GAMES - DEPOSIT RECORD (2-27-97)

1993 (First Year of Contract) 71,850.50
 KU 39,381.00
 KSU 11,464.00
 WSU 10,882.50
 ESU 3,402.00
 Washburn 3,147.00
 PSU 2,723.00
 FHSU 851.00

1994 84,163.00
 KSU 52,062.00
 KU 15,478.00
 WSU 9,175.00
 Washburn 4,085.00
 ESU 1,435.00
 FHSU 1,306.00
 PSU 622.00

1995 82,107.40
 KU 54,785.00
 WSU 12,468.00
 KSU 7,849.00
 PSU 2,665.67
 Washburn 2,063.68
 ESU 1,229.00
 FHSU 1,047.05

1996 82,136.05
 KSU 47,456.00
 KU 16,385.00
 WSU 7,641.00
 PSU 3,130.00
 Washburn 2,805.00
 ESU 2,688.00
 FHSU 2,031.05

1997
 KU (FB'96) 38,941.07
 KU (BB'97)
 KSU (BB'97)
 WSU (BB'97)
 WSU (Baseball'97)
 PSU (FB'96) 4,788.00
 PSU (BB'97) 293.17
 Washburn (BB'97) 1,981.00
 ESU (BB'97) 933.00

TOTALS RECEIVED (1993-1996)	
KU	126,029.00
KSU	118,831.00
WSU	40,166.50
Washburn	10,732.68
PSU	9,140.67
ESU	6,903.00
FHSU	3,336.73

KANSAS SPORTS HALL OF FAME, INC.

1995 FINANCIAL STATEMENT

BEGINNING BALANCE (1-1-95)	25,607.53
Plus Deposits	488,459.32
Less Expenses	413,161.93
ENDING BALANCE (12-31-95)	100,904.92

DEPOSITS

Hall of Fame Games	82,107.40
Interest	3,584.83
Rent Income (Bramlage land)	5,050.00
Donations/Memberships	194,693.80
Magazine	102,304.35
Reimburse for City Parking	100,718.94
Total Deposits	488,459.32

EXPENSES

Salaries/payroll tax	54,572.05
Office Rent (Jan-May)	1,750.00
Property Tax (Land)	3,151.81
Insurance	3,428.00
Accounting Fees	420.00
Consultants	25,470.40
Dues/Subscriptions	1,088.76
Supplies	6,400.31
Telephone	5,836.52
Bank Charges	539.97
Postage/Shipping	6,486.60
Repairs/Maintenance	765.58
Travel/Meetings Expense	11,090.35
Promotion/Advertising	4,738.78
Office Equipment	821.17
Printing	91,626.88
Equipment Rental	1,269.84
Utilities (Jun-Dec)	2,982.29
Principal/Interest (Bramlage land)	9,181.95
Land Purchase (parking)	100,883.57
Building Remodeling/Exhibits	71,769.76
Special Events (Induction, etc)	8,217.60
Miscellaneous	669.74
Total Expenses	413,161.93

KANSAS SPORTS HALL OF FAME, INC.

1994 FINANCIAL STATEMENT

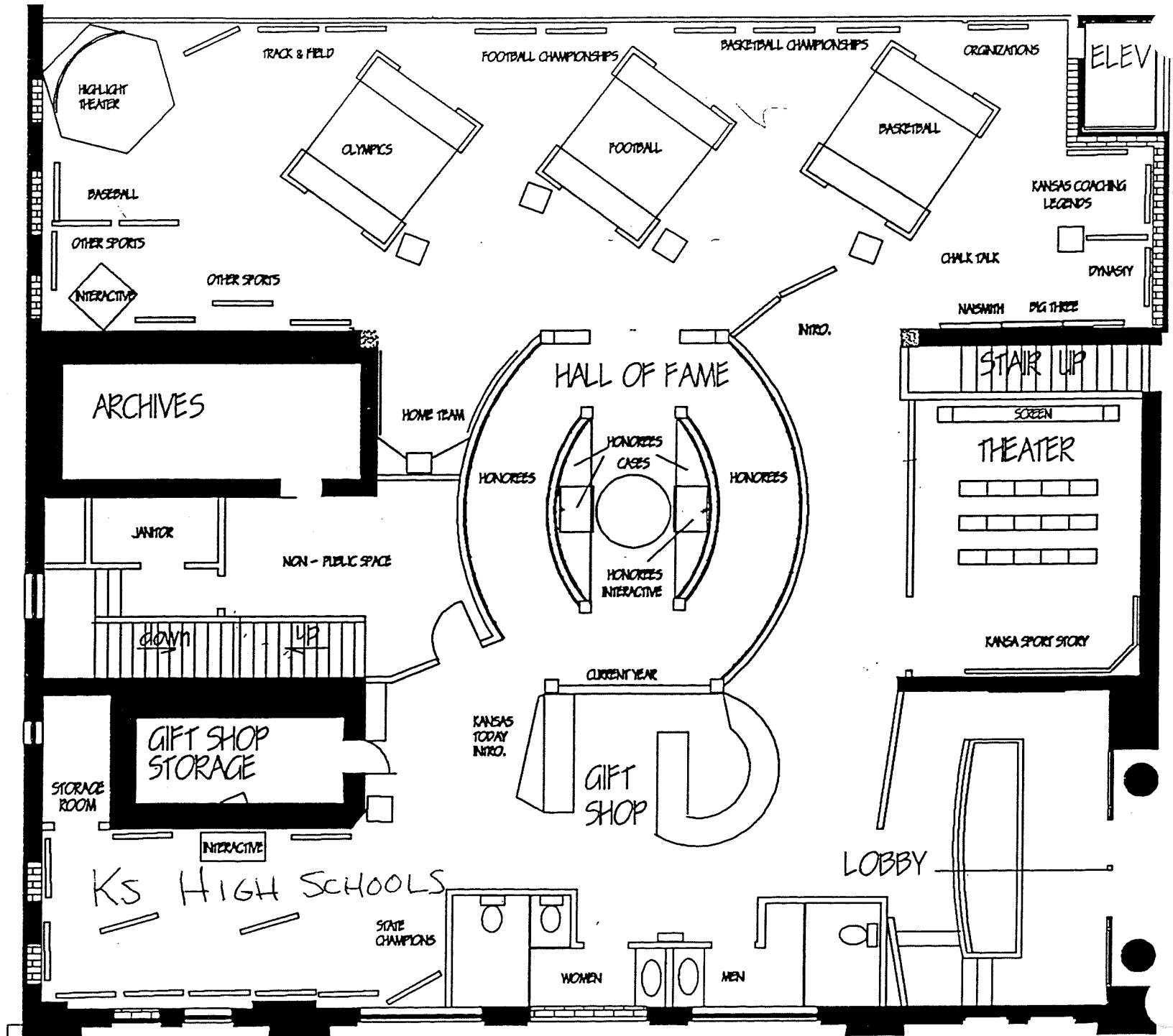
BEGINNING BALANCE (1-1-94)	22,990.22
Plus Deposits	184,759.43
Less Expenses	182,142.12
ENDING BALANCE (12-31-94)	25,607.53

DEPOSITS

Hall of Fame Games (1993 football and 1994 basketball)	84,163.00
Interest	642.15
Rent Income (land)	5,400.00
Memberships	2,031.88
Magazine	92,522.40
Total Deposits	184,759.43

EXPENSES

Salaries/payroll tax	47,188.52
Office Rent	4,200.00
Property Tax (Land)	1,248.79
Accounting Fees	270.00
Appraisals (FNB Building)	4,400.00
Seminar	406.95
Dues/Subscriptions	878.80
Supplies	4,228.59
Telephone	3,638.44
Bank Charges	262.26
Postage/Shipping	3,308.47
Repairs/Maintenance	414.66
Travel	11,554.04
Promotion/Advertising	8,873.76
Magazine Expense	82,266.94
Computer	2,139.25
Equipment Rental	370.60
Principal/Interest (land)	5,669.06
Miscellaneous	822.99
Total Expenses	182,142.12



SCHOOLS

Name	Town	Successor	Mascot	Colors	Highlights
Abbyville	Abbyville				
Abilene	Abilene		Cowboys/Cowgirls	Orange and Brown	State Champions Football 78 & 87, Boys Basketball 1992,
Ada	Ada				
Adams	Adams				
Admire	Admire				
Agenda	Agenda				
Agra	Agra	Eastern Heights			
Alden	Alden				
Alexander	Alexander				
Allen	Allen	Northern Heights			
Alma	Alma	Wabaunsee			
Almena	Almena	Northern Valley			
Alta Vista	Alta Vista				
Altamont	Altamont	Labette County			
Alton	Alton		Wildcats		
Altoona	Altoona	Altoona-Midway			
Altoona-Midway	Buffalo		Jets	Blue and Gold	
Americus	Americus	Northern Heights			State Champions Boys Basketball 1961
Andale	Andale		Indians	Black and Gold	State Champions Girls Basketball 1984, Girls Track 1983,
Anderson County	Garnett		Bulldogs	Red and White	State Champions Girls Cross Country 1977
Andover	Andover		Trojans	Blue and White	State Champions Girls Cross Country 1991, Football 1984,
Anthony	Anthony	Chaparral			State Champions Boys Basketball 1945, Boys Cross Count
Antrim	Antrim	St. John			
Appanoose	Appanoose	Pomona			
Arcadia	Arcadia				
Argentine	Kansas City				State Champions Boys Golf 2-Man 1930
Argonia	Argonia		Red Raiders	Red and White	State Champions Boys Basketball 1969
Arkansas City	Arkansas City		Bulldogs	Purple and Gold	State Champions Boys Basketball 1918, Boys Cross Count
Arlington	Arlington	Fairfield			
Arma	Arma	Northeast			State Champions Boys Track 1952
Arnold	Arnold				
Asherville	Asherville				
Ashland	Ashland		Blue Jays	Blue and White	State Champions Boys Track 1941, 42 Tie, 43 & 61, Footb
Assaria	Assaria	Southeast Saline			State Champions Baseball 1959 & 60

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Senate Bill #370
Hearing - Senate Transportation and Tourism Committee
Senator Ben Vidricksen - Chair

Monday, March 10, 1997
9:00 a.m.

Room 254 - E

Testimony of: Mr. Gary Musselman
Executive Director, Kansas State High School Activities Association

Position: On behalf of the 768 member schools of the KSHSAA, we oppose the bill and respectfully submit that the member schools of KSHSAA be amended out of Sections 5 and 6 of the bill.

I wish to thank the committee for the opportunity to testify.

The member schools and governing board of the KSHSAA are concerned that legislation of this significance has been introduced without previous contact from the Kansas Sports Hall of Fame Board of Trustees or its' staff.

Structure:

In May of 1996, the Kansas Supreme Court unanimously found the Kansas State High School Activities Association to be a voluntary association of member schools. As a 501-C-3 organization, we are an educational non profit organization.

Mission:

Our mission is to conduct and facilitate a comprehensive program of educational activities, athletic and non-athletic, to enhance the educational experience of Kansas school children in grades 7-12. In that regard, our mission and purpose significantly differ from the Kansas Sports Hall of Fame.

Duplication of Effort:

The schools of the KSHSAA have an existing Hall of Fame in the Association's office in Topeka. Students and adults inducted, are nominated by the middle, junior and senior high schools of Kansas. Honorees are recognized exclusively for their contributions to Kansas secondary schools. The membership of that group reflects not only athletic accomplishment, but also individuals honored for their career involvements with music, debate and speech activities, scholars' bowl competition, Kansas Association for Youth and Student Council leadership programs and health/wellness promotion. Records indicate that numerous inductees to the Kansas Sports Hall of Fame are not native Kansans, nor are they being recognized for contributions at the high school level.

Financial Implications:

The member schools of the KSHSAA do not levy any financial assessment for operation of their Hall of Fame. They are committed to maintaining it through the regular general fund monies in their annual budget. Fifty percent of the operating revenues of the KSHSAA come from ticket sales at Association sponsored events. Monies from major athletic activities like post-season basketball, football, wrestling and the state track and field meet fund the operation of numerous other Association events which do not generate revenue. Scholars' bowl, speech, debate, piano, vocal and instrumental music are examples of programs serving tens of thousands of Kansas students whose funding is dependent on these revenues. **The state basketball tournament series is the single largest source of operating revenue for the Association. Ticket price increases have the potential to negatively effect attendance and subsequently Association operating revenues.**

The KSHSAA Executive Board annually reviews the price structure of Association events, including the number and identification of individuals admitted on pass lists. **We have been extremely conservative in setting ticket prices. Educators are acutely aware that it is the parents and families of school children who pay to watch them participate.**

Conclusions:

Given the difference in mission, the schools of the KSHSAA are not the appropriate funding mechanism.

The emphasis on men's athletic activities and recognition is not appropriate under the provisions of gender equity.

The high schools of Kansas see no evidence of, or little potential for, the Kansas Sports Hall of Fame to, "*Promote interest in and attendance at athletic events of . . . high schools,*" as stated in Section 5 (c).

To create a statutory link between these two dissimilar organizations fundamentally changes the nature of the Kansas State High School Activities Association. What would be the financial accountability and tracking of the monies to be transferred to the Kansas Sports Hall of Fame?

Why should parents and school patrons attending their children's high school activities, pay for an organization whose focus is on promotion and recognition of professional and collegiate athletics?

Thank you for your consideration of our views and concerns.

SENATE COMMITTEE ON TRANSPORTATION AND TOURISM

TESTIMONY ON SENATE BILL 370

March 10, 1997

Presented by
Stephen M. Jordan, Executive Director
Kansas Board of Regents

Good morning, Mr. Chairman and Members of the Committee. I am Steve Jordan, Executive Director of the Kansas Board of Regents. On behalf of the Regents universities, I am here to testify in opposition to Senate Bill 370. It is our understanding that this bill attempts to codify arrangements for financing the Kansas Sports Hall of Fame, arrangements which are currently in place via contracts between the universities and the Board of Trustees of the Hall of Fame. These contractual arrangements have been in place since 1993, and from 1993 through 1996, the Regents universities have made payments to the Board of Trustees in excess of \$300,000. As significant voluntary funding contributors to the Hall of Fame, we are disappointed that the Board of Trustees did not discuss this proposed legislation with us prior to requesting its introduction. Nevertheless, we would view Senate Bill 370 as providing a forum in which we feel compelled to raise several issues and concerns regarding the financing of the Hall of Fame and its activities:

- First - With respect to postsecondary institutions, the bill taxes only attendees of sporting events at the state universities and Washburn University. If this legislation is necessary, shouldn't it apply to all postsecondary institutions, including the state's 19 community colleges and 16 private colleges?

- Second - The universities' athletic budgets are already subject to the pressures of Title IX compliance and pressing needs to upgrade facilities. For example, last January the Board of Regents approved KU's request to increase the surcharge on men's football and basketball tickets to \$6, effective Fall 1997, to provide a portion of financing for major improvements to the fieldhouse and stadium. These price increases will result in direct improvements to the event experience for the fans.

- Third - We are concerned about the elasticity of ticket prices and the amount of surcharges ticket prices can bear before ticket sales will begin to decline. Obviously, it is counterproductive if the ticket price increases are more than offset by lower attendance. Maintaining attendance levels may depend in part upon whether ticket purchasers perceive they are really getting something for their money.

These are our major concerns about Senate Bill 370 and the act of legislating the arrangements under which the Kansas Sports Hall of Fame would continue to be financed. We believe the provisions of Senate Bill 370 unfairly statutorily mandate that the fans of the Regents universities and Washburn University, in some cases including students of those institutions, support the activities of a sports hall of fame with a statewide mission. We believe it is time to re-evaluate the mission and financing structure of the Kansas Sports Hall of Fame, to answer a basic question, "Who should be financing the Kansas Sports Hall of Fame?"

Thank you for the opportunity to appear before the Committee. I would be pleased to respond to questions.