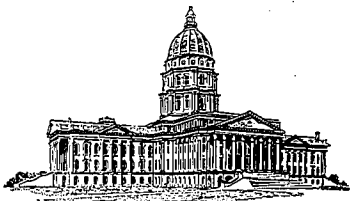


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TerriLois Gregory  
Representative, 10th District  
Douglas and Franklin Counties

**Proponent testimony in Support of HB 2689 for House Federal & State Affairs on March 5, 2012**

Chairman Brunk and members of the committee:

From our Secretary of Commerce to the City Mayor, there is enthusiastic support to welcome an existing out of state railway dining company to Kansas this summer. The perfect home would be the well maintained tracks of Midland Railway in Baldwin City. Their business model would require the ability to add liquor sales to their fine dining menu to have a profitable venture. No such possibility exists in current law.

We have a wonderful opportunity to increase tourism and economic development in Kansas with a small change provided in HB 2689. It would put a rolling restaurant on a level playing field with other stationary restaurants and allow a glass of wine with dinner. Of the liquor tax collected, 70% would be equally divided with the counties the train travels through and the balance would go to the state.

Last year during a down economy, there were 6,000 riders traveling as far as 150 miles to experience the dinner train of Elkhorn Valley Railcar Corporation. Only 2% were from the county where the business is located. Translate that ridership to the population within 150 miles of Baldwin City, and conservatively, we could have 9,300 people visit Douglas and Franklin counties for a new destination attraction. With our variety of historic sites to visit on the Freedom's Frontier Heritage Area and the distance traveled, guests would have strong incentive for an overnight stay and extended visit, increasing our local economy with their tourism dollars.

There is currently one other railroad dining car active in Kansas. With over 4,000 miles of abandoned tracks and 325 abandoned stations in Kansas, there is potential for further business development with this bill. The passenger rail from Kansas City to Dallas being discussed could also hold future possibilities for business development positively impacted by HB 2689.

I respectfully ask for your support of HB 2689.

A handwritten signature in black ink that reads "TerriLois Gregory". The signature is written in a cursive, flowing style.

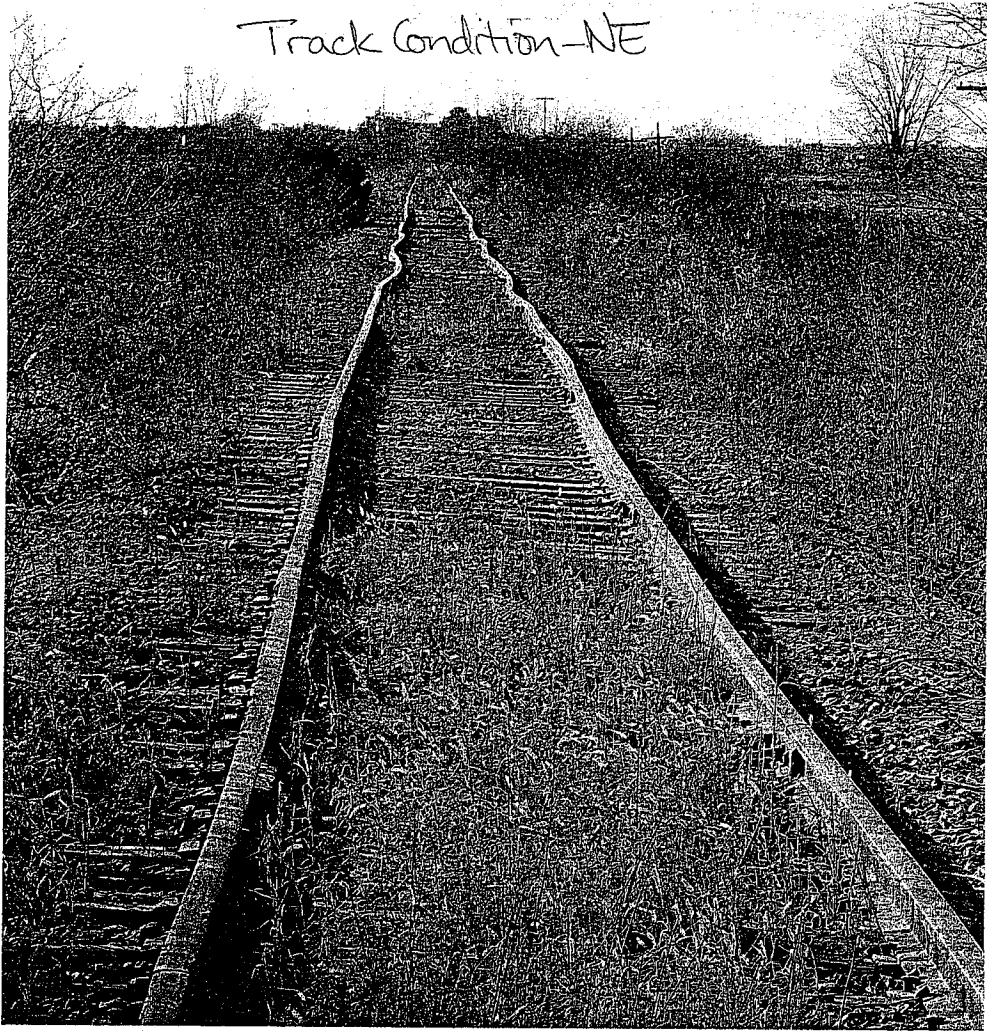
House Federal & State Affairs

Date: 3-05-12

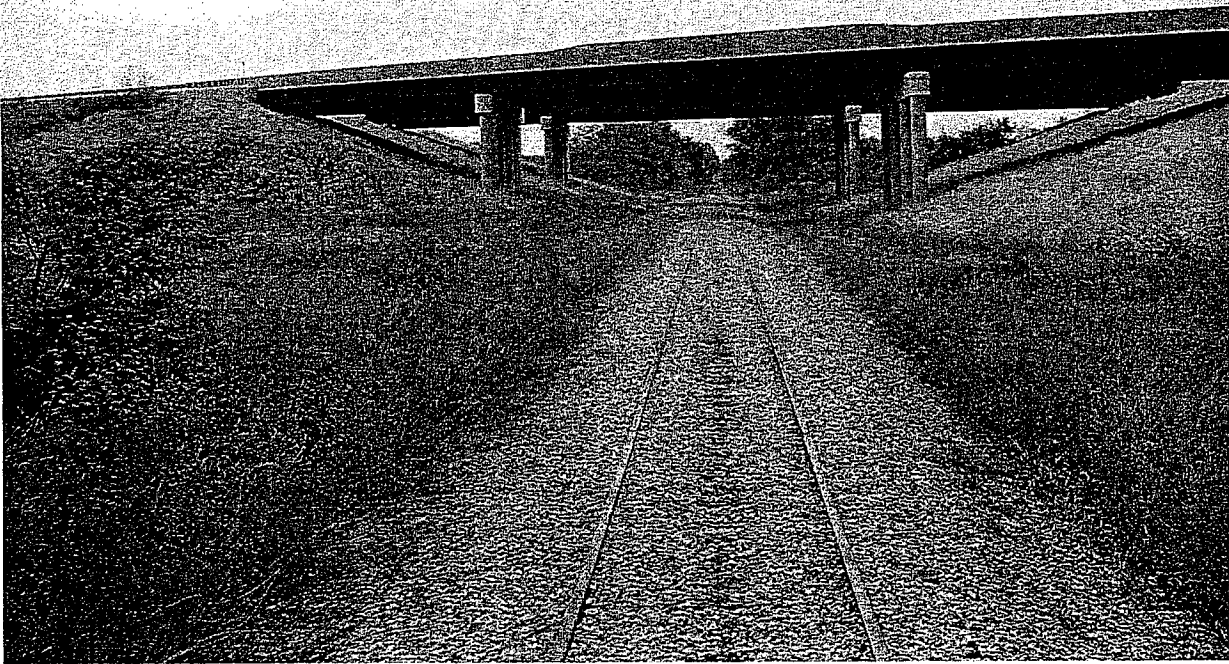
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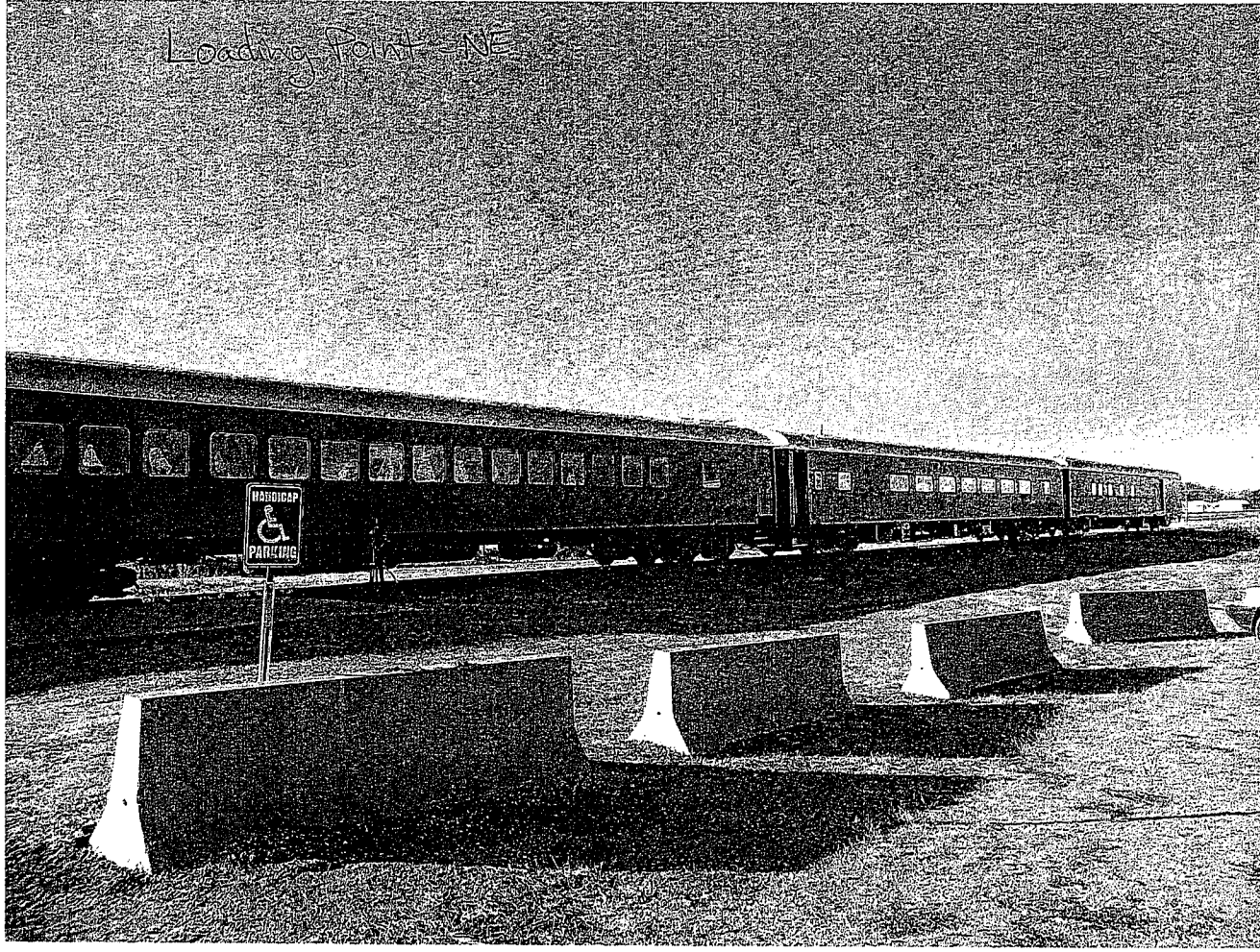
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