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Testimony Re: HB 2282
House Agriculture and Natural Resources Committee
Presented by Ron Hein
on behalf of
Kansas Restaurant and Hospitality Association
February 15, 2011

Mister Chairman, Members of the Committee:

My name is Ron Hein, and I represent the Kansas Restaurant and Hospitality Association (KRHA). The Kansas Restaurant and Hospitality Association, founded in 1929, is the leading business association for restaurants, hotels, motels, country clubs, private clubs and allied business in Kansas. Along with the Kansas Restaurant and Hospitality Association Education Foundation, the association works to represent, educate and promote the rapidly growing industry of hospitality in Kansas.

KRHA is neutral on HB 2282 as it currently reads and as we anticipate that it will eventually be proposed for amendments by the Kansas Department of Agriculture. As written, the bill has some problems, but we understand that KDA will be submitting proposed amendments which, we believe, will solve the deficiencies we see in this current draft of the bill.

Our industry is cognizant of the budget issues facing the state, and is also cognizant of the poor economy facing our industry. Our industry supports the regulation of lodging facilities by the Department of Agriculture, and understands that the fees to provide such regulation will inherently need to come from our industry.

This bill would provide for an increase in licensure fees for lodging facilities, but would also avoid what might have been n even larger increase in such fees, at a time when the lodging industry can least afford additional costs, governmental or otherwise. The fees generated by this bill will permit the KDA to conduct initial licensure inspections for new lodging facilities, and would also permit the KDA to inspect lodging facilities on a complaint driven basis. The KRHA supports this level of inspection by the KDA.

The previous administration threatened withholding all lodging regulation due to budget challenges, and our industry opposed such an approach by the agency because Missouri, and other surrounding states, were unfairly benefitting from that situation by suggesting that Kansas lodging facilities were not to be inspected, thus giving themselves a competitive advantage with regards to consumer for lodging facilities. This regulatory approach that KDA is proposing will insure that Kansas lodging facilities are not put to such a competitive disadvantage.

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Traditionally, the KRHA has not supported fee increases on our industry, yet we wish to express that we have no objections to this proposed legislation, and the included fee adjustments.

We appreciate the willingness of the KDA and their representatives to work with the lodging industry, and the KRHA, at arriving at this particular approach to this important issue.

Therefore, we indicate that we have no objections to HB 2282, but express that we are formally neutral on this bill.

Thank you very much for permitting me to testify, and I will be happy to yield to questions.