

SESSION OF 2012

**CONFERENCE COMMITTEE REPORT BRIEF
SENATE SUBSTITUTE FOR HOUSE BILL NO. 2454**

As Agreed to March 30, 2012

Brief*

Senate Sub. for HB 2454 would create the Creative Arts Industries Commission (CAIC) within the Department of Commerce. The bill would merge the existing powers, functions, and duties of the Kansas Arts Commission and the Kansas Film Commission. Under the bill, CAIC would be the official state program for the arts and would be charged with promoting, supporting, coordinating, fostering, developing, and measuring the outcomes of the arts. The Kansas Arts Commission and the Kansas Film Services Commission would be abolished.

The bill also would create a new individual income tax checkoff program to provide an additional funding source for the Creative Arts Industries Commission. Beginning in tax year 2013, individual income taxpayers would have the option of donating to the Kansas Creative Arts Industries Commission Checkoff Fund (KCAICCF), which would be created by the bill.

The Commission would have 11 members, who would serve for terms of three years and could be reappointed to a term of three years. Under the provisions of the bill, members could not serve more than two terms. Additionally, there would always be at least one member from each congressional district. The members of the Commission would include the following:

*Conference committee report briefs are prepared by the Legislative Research Department and do not express legislative intent. No summary is prepared when the report is an agreement to disagree. Conference committee report briefs may be accessed on the Internet at <http://www.kslegislature.org/kldr>

- Two members appointed by the President of the Senate;
- One member appointed by the Minority Leader of the Senate;
- Two members appointed by the Speaker of the House;
- One member appointed by the Minority Leader of the House; and
- Five members appointed by the Governor.

All members appointed by the Governor would be appointed for terms of three years; however, in the initial appointment, three of the members would be appointed for two-year terms and two members would be appointed for three-year terms.

The bill would direct that members of the Commission should broadly represent the major fields of the arts and related creative industries. The Department of Commerce would provide a director and other assistance as required.

Conference Committee Action

The Conference Committee agreed to the House amendments to the bill which lowered the number of members serving on the commission from 13 to 11. The House amendments also increased the number of members appointed by the Governor from four to five. Additionally, the House amendment eliminated the appointments made by the Kansas Small Business Development Center, the Kansas Citizens for Arts, and the Kansas Humanities Council. The Conference Committee did not concur with the House amendment to provide an executive director for the commission. The Conference Committee agreed to provide that a director shall be chosen by the Secretary of Commerce. Additionally, the Conference Committee agreed to remove all references to "executive director" in the bill and replace them with "director."

Background

The Senate Committee on Ways and Means adopted a substitute bill containing provisions of SB 440 and all of HB 2454. The contents of both bills were included in the substitute.

HB 2454

The KCAICCF would join four other checkoff programs currently available on the Kansas income tax form: the Kansas Non-game Wildlife Improvement Program, Meals on Wheels Contribution Program, Breast Cancer Research Fund, and Military Emergency Relief Fund. The total amount provided for all four existing checkoffs in 2011 was \$415,511.

Proponents of the bill included Representative Mike O'Neal (written only) and Linda Browning Weis, Chairman, Kansas Arts Commission. There were no opponents to the bill.

SB440

SB 440 was introduced by the Senate Committee on Ways and Means. Proponents of the bill included Linda Browning Weis, Chairman, Kansas Arts Commission; Sarah Fizell, Kansas Citizens for the Arts; Peter Jasso, Kansas Film Commission; Vicki Buening, Kansas Citizens for the Arts; Gail Parsons, Executive Director, Junction City Arts Council; Henry Schwaller, Kansas Arts Commission; Robert Lynch, President, Americans for the Arts; Jonathan Katz, Chief Executive Officer, National Assembly of State Arts Agencies; Emily Hunter, Executive Director, Symphony in the Flint Hills; Jeannie McKenna, President, Emporia Area Chamber of Commerce; and Mary Kennedy McCabe, Executive Director, Mid-America Arts Alliance.

There were no opponents to the bill.

The Senate Committee amended the bill by increasing the number of Commission members by two, from 11 to 13, changing the make-up of the Commission to reduce the number of members appointed by the Governor from seven to four and include one member appointed by each of the Kansas Small Business Development Center, the Kansas Citizens for the Arts, and the Kansas Humanities Council. The Senate Committee also changed the authority to appoint the executive director to the Commission with the approval of the Secretary of Commerce. It also removed references to humanities except for the references to the Kansas Humanities Council.

The fiscal note for HB 2454, as introduced, did not indicate the anticipated amount of revenue that would be received by the Kansas Creative Arts Industries Commission Checkoff KCAICCF. The Department of Revenue did indicate that the new checkoff program would necessitate \$88,000 of additional administrative costs in FY 2014.

The revised fiscal note for SB 440 indicated that passage of the bill would have no fiscal impact. Under the FY 2013 Governor's budget recommendation, CAIC would be funded through a \$200,000 appropriation from the Economic Development Initiatives Fund. The Department of Revenue would manage costs associated with the changes to the CAIC logo and funds spent on purchasing one roll of sheeting for the vehicle tags within existing resources.

Kansas Arts Commission; Film Commission; Creative Industries Commission; arts

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