Approved: April 27, 2001

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS.

The meeting was called to order by Chairperson Steve Morris at 10:35 a.m. on March 8, 2001 in Room 123-S of the Capitol.

All members were present except: All Present

Committee staff present:

Alan Conroy, Chief Fiscal Analyst, Kansas Legislative Research Department

Debra Hollon, Kansas Legislative Research Department

Amory Lovin, Kansas Legislative Research Department

Kathie Sparks, Kansas Legislative Research Department

Rae Anne Davis, Kansas Legislative Research Department

Norman Furse, Revisor of Statutes

Michael Corrigan, Assistant Revisor, Revisor of Statutes Office

Julie Weber, Administrative Assistant to the Chairman

Mary Shaw, Committee Secretary

Conferees appearing before the committee:

Martin Bauer, Chairman, Kansas Arts Commission and Attomey, Wichita

David Wilson, Executive Director, Kansas Arts Commission, Topeka

Marion Cott, Executive Director, Kansas Humanities Council, Topeka

Frank Sabatini, Chairman, Capital City Bank, Topeka

Dave Seaton, Publisher, Winfield Daily Courier, Winfield

Bob Wunsch, Attorney and Former State Representative, Kingman

Tish Rogers, Executive Director, Manhattan Center for the Arts, Manhattan

Jan Peters, Executive Director, Fox Theater, Inc., Hutchinson

Jean Barbee, Travel Industry Association of Kansas

Fred Schwein, Deputy Secretary, Kansas Department of Commerce and Housing

Others attending: See attached guest list

Subcommittee budget report on:

Department on Aging (Attachment 1)

Chairman Morris reported that the subcommittee concurs with the Governor's recommendation for FY 2001 with exceptions and comments as listed in the Subcommittee budget report.

Chairman Morris reported that the subcommittee concurs with the Governor's recommendation for FY 2002 with exceptions and comments as listed in the Subcommittee budget report.

Senator Feleciano moved, with a second by Senator Adkins, to adopt the Subcommittee budget report on the Department on Aging. Motion carried by a voice vote.

Chairman Morris opened the public hearing on:

SB 270-Arts; transfer of moneys from EDIF

Staff briefed the committee on the bill and distributed a Fact Sheet regarding Increased funding for the Kansas Arts Commission (<u>Attachment 2</u>).

Senator Feleciano spoke regarding <u>SB 270</u> as he is one of the sponsors of the bill. He noted that he has an amendment to correct the bill as it is in error as written.

Chairman Morris welcomed Martin Bauer, Kansas Arts Commission and Attorney, Wichita, who spoke in support of <u>SB 270</u>. Mr. Bauer mentioned that he supports <u>SB 270</u> as a major revenue source for Kansas. (No written testimony was provided.)

Chairman Morris welcomed David Wilson, Executive Director, Kansas Arts Commission, who spoke in support of <u>SB 270</u>. Mr. Wilson distributed copies of "Percent for the Arts and Humanities in Kansas" (<u>Attachment 3</u>) and "Kansas Arts Commission, Report and Testimony in Support of <u>SB 270</u> – A Statewide Plan to Fund the Arts and Humanities in Kansas (<u>Attachment 4</u>). Mr. Wilson explained that in Attachment 4, beginning on page 38, there are requested Amendments to Enhance <u>SB 270</u> as suggested by the Kansas Arts Commission and the Kansas Humanities Council. Mr. Wilson noted that this is a new and innovative way to support the arts.

Chairman Morris welcomed Marion Cott, Executive Director, Kansas Humanities Council, who spoke strongly in support of **SB 270** (Attachment 5). Ms. Cott explained two proposals in her testimony, discussed the impact of additional funding for public humanities and how the funds will be spent. She also provided copies of "10 Reasons Why Kansans Need More State Humanities Funding" (Attachment 6).

Chairman Morris welcomed Frank Sabatini, Chairman, Capital City Bank, who spoke in support of <u>SB</u> <u>270</u>. Mr. Sabatini spoke on the effect the proposed increases in funding for the arts has for businesses. He noted that funding for the arts attracts new business to have cultural exhibits in the area to attract and retain business. Mr. Sabatini mentioned the Treasures of the Czars exhibit as an example using volunteers and providing a positive economic impact to the City of Topeka. (No written testimony was provided.)

Chairman Morris welcomed Dave Seaton, Publisher, Winfield Daily Courier, who spoke in support of <u>SB</u> <u>270</u>. Mr. Seaton encourages support of <u>SB 270</u>. He noted that he is concerned about perception of the state in regard to attracting high-tech industry. (No written testimony was provided.)

Chairman Morris welcomed Robert Wunsch, Attorney and Former State Representative, who spoke in support of **SB 270** (Attachment 6).

Chairman Morris welcomed Tish Rogers, Executive Director, Manhattan Center for the Arts, Manhattan, who spoke in support of **SB 270**. Ms. Rogers noted that children going home to empty houses or only one parent between the hours of 3:00 p.m. to 6:00 p.m. and that is the time when kids get into trouble (juvenile crime). Ms. Rogers mentioned that some arts grants were used for after school programs, but many arts grants are one time. She explained that they need money for at-risk programs and feels there is a lot of support for these programs. (No written testimony was provided.)

Chairman Morris welcomed Jan Peters, Executive Director, Fox Theater, Hutchinson, who spoke in support of <u>SB 270</u>. Ms. Peters mentioned that she believes what is good for economic development is good for the arts and that only active business can support arts. She mentioned that the biggest supporters to fund the restoration of the Fox Theater were businesses. (No written testimony was provided.)

The Chairman thanked the conferees for appearing before the committee. There being no further conferees to come before the committee, the Chairman closed the public hearing on **SB 270**.

Chairman Morris opened the public hearing on:

SB 271-Transfer of moneys from SEDIF to state tourism fund

Staff briefed the committee on the bill.

Chairman Morris welcomed Jean Barbee, Executive Director, Travel Industry Association of Kansas, who spoke in support of <u>SB 271</u> (Attachment 7). Ms. Barbee pointed out some information regarding <u>SB 271</u> in her written testimony. Ms. Barbee also provided information with her testimony regarding 1998 Travel Expenditures in the U.S. and 1998 Travel-Generated Tax Revenue in the U.S. Ms. Barbee noted in her closing remarks that in this century, tourism is predicted to the largest U.S. industry and Kansas will benefit from that overall economy, just as in the past. She mentioned that it would be good to grow the state tourism market share by investing now in Kansas attractions. Committee questions and discussion

followed.

Chairman Morris welcomed Fred Schwein, Deputy Secretary, Department of Commerce and Housing, who spoke in opposition to <u>SB 271</u>. Mr. Schwein mentioned that they were exactly opponents because they do have a proposed amendment in discussion with Lt. Governor Sherrer and Senator Feleciano, their main objection had been removed. They are a strong supporter of tourism. (No written testimony was provided.) Committee questions and discussion followed.

The Chairman thanked the conferees for appearing before the committee. There being no further conferees, the Chairman closed the public hearing on **SB 271**.

Bill Introductions

Senator Kerr moved, with a second by Senator Schodorf, to introduce a bill (1rs1054) concerning school districts; relating to payment of bonded debt on schedule; creating the school district bond payment fund. Motion carried by a voice vote.

Senator Schodorf moved, with a second by Senator Downey, to introduce a bill (1rs1156) concerning corrections, relating to placement of facilities. Motion carried by a voice vote.

The meeting was adjourned at 12:05 p.m. The next meeting is scheduled for March 12, 2001.