

MINUTES

JOINT COMMITTEE ON ARTS AND CULTURAL RESOURCES

November 15, 2002
Room 519-S—Statehouse

Tour of “Czars—400 Years of Imperial Grandeur” Exhibit 1831 S.W. Wanamaker Road, Westridge Mall

Members Present

Senator Jean Schodorf, Chairperson
Senator Les Donovan
Senator Paul Feleciano, Jr.
Representative Ruby Gilbert
Representative Lana Gordon
Representative Deena Horst
Representative Candy Ruff

Staff Present

Hank Avila, Legislative Research Department
Becky Krahl, Legislative Research Department
Bruce Kinzie, Kansas Revisor of Statutes Office

Members Absent

Senator Sandy Praeger
Senator Chris Steineger
Representative Jo Ann Pottorff

The meeting was called to order by Chairperson Jean Schodorf. She welcomed Committee members and informed them that the afternoon session would be devoted to a tour of the Czars exhibition at Westridge Mall. The Committee then approved the minutes of August 8, 2002.

Chairperson Schodorf called on Chris Courtwright, Legislative Research Department, to summarize three proposals to enhance revenue sources for arts and cultural programs (Attachment 1). The three programs described included an income tax checkoff, a tax on DVD and VHS materials, and an excise tax on cultural and entertainment events. With regard to the income tax checkoff method, it was noted that in tax year 2001 the two checkoff programs, the chickadee and the Kansas World War II Memorial Fund, produced \$118,101 and \$81,702, respectively. Staff further reported that revenue estimates from an arts and cultural checkoff was not available. He added that the Department of Revenue indicated that a new checkoff would likely compete with existing checkoff

programs. Finally, staff explained that the Department of Revenue raised the issue of administrative cost to produce another page that would be added to the income tax forms. With regard to the DVD and VHS rental tax issue, staff reported that the Department of Revenue estimates that a 1 percent excise tax of DVD and VHS tape rentals would generate about \$690,000 in FY 2004. The assumption made was that the tax would not apply to video game rentals. Finally, staff reported the Department has assumed that a tax on cultural and entertainment events would not apply to sporting events or fees paid for amusement, gambling, and recreational activities. There was also the question as to whether the tax would apply to movie admissions. The Department indicated that a 1 percent cultural and entertainment event excise tax that does not include movie admissions would raise about \$670,000 in FY 2004. Such a tax that does include movie admissions would raise \$1.55 million.

The next conferee was Lindsay Howgill, Film Services Assistant Manager, Kansas Film Commission. Ms. Howgill discussed a number of issues, especially the economics of the film industry ([Attachment 2](#)). She noted, among other things, that:

- The Film Commission's annual budget is about \$300,000, all of which comes from the Economic Development Initiatives Fund.
- Over the last 17 years, more than \$219 million has been spent by film production companies in Kansas.
- The lucrative nature of the industry had led many producers to search for states or countries where they can get more for their money.
- Huge film project subsidies offered by Canadian and Australian governments have led the Kansas Film Commission to switch its emphasis to independent and television markets.

The next conferee was Dave Wilson, Kansas Arts Commission. Mr. Wilson's testimony focused primarily on budget and funding issues. He passed out a document entitled "Kansas Arts Commission Budget Request For FY 2004" which outlined the funding issues of the KAC ([Attachment 3](#)). He also distributed the following items: a copy entitled "Alternative Arts Funding Strategies, Special Tax Programs", ([Attachment 4](#)); a copy of 1989 House Bill 2519, that would have imposed a tax on rental of video cassette recordings ([Attachment 5](#)); a letter from the Kansas Citizens for the Arts ([Attachment 6](#)); and a sheet entitled "National study defines economic impact of Lawrence's nonprofit arts industry on local and state economy" ([Attachment 7](#)). He recommended a bill be drafted to provide funding from a tax on videos, DVDs, movie rentals, and video games. He also recommended that the Committee meet during the session to discuss funding issues.

The Chair called on Marion Cott, Kansas Humanities Council. Ms. Cott passed out a document entitled "History Alive!(On file with the Legislative Research Department). She indicated that KHC requested a state appropriation of \$85,000 in FY 2004 to support public humanities programs ([Attachment 8](#)). She also said that KHC anticipated that state funds will be matched by its annual grant from the National Endowment for the Humanities. Ms. Cott noted that through its many cultural programs the KHC makes a significant contribution to the state's quality of life. She also provided the Committee with a document entitled, "KHC's grants and programs-2003, \$610,953" ([Attachment 9](#)). The document provided pie charts and graphs on citizens support for the Humanities, the History of State Funding to the Kansas Humanities Council, and State Funding to the Kansas Humanities Council. She also passed out a copy of "Produce for Victory-Posters on the American Home Front, 1941-1945" ([Attachment 10](#)).

The final conferee of the morning was Mary Allman, Executive Director, Kansas State Historical Society. Ms. Allman distributed a pamphlet entitled "The Many Faces of KSHS" (Attachment 11). The document described the awards and works of the KSHS. It also sets out the goals for 2003 including:

- two traveling exhibits, *Lets Play*, a collection childhood toys from the 19th and early 20th century;
- *Arts of the American West*, a collection of colored lithographs and woodcuts depicting the West;
- plans to develop a Kansas history textbook;
- the continuation of the Phase II construction of the Shawnee Indian Mission;
- using the internet to make available Territorial Kansas and Western Trails programs;
- plans to evaluate a Kansas historic marking program;
- plans to complete the construction on the exterior on the main house at the William Allen White House State Historic site; and
- a redesign of the KSHS's website.

Following Ms. Allman's testimony, the Committee adjourned for lunch. After lunch the Committee toured the exhibit at Westridge Mall, "Czars—400 Years of Imperial Grandeur". The exhibit featured many valuable works of art and items from the period of the Czars of Russia. Following the tour, the Committee completed its work.

Prepared by Hank Avila

Approved by Committee on:

December 15, 2003

(date)