

David C. Toland, Secretary

Laura Kelly, Governor

**Kansas Department of Commerce
Testimony on HB 2037
Rachel Willis, Director of Legislative Affairs
at the Kansas Department of Commerce
Senate Commerce
February 26, 2025, 1:30 P.M.
Room 159 S**

Thank you for allowing us to testify in support of HB 2037. This bill removes the reference to Wildlife and Parks, expands the membership of the Governor’s Council on Travel and Tourism and modifies the Attraction Development Grant program.

On July 1, 2021, Kansas Tourism became its own independent division within Commerce. This reorganization was the result of input from businesses, destination marketing organizations and other key industry partners, which all agreed that it was best to consolidate Kansas’ tourism efforts and economic development initiatives.

As a result, there are a few minor changes to the statute that governs Kansas Tourism that need to be made. This bill removes the references to Wildlife, Parks and Tourism and changes it to Commerce. Additionally, it updates the references to specific legislative committees to reflect the current committee names of the legislature.

HB 2037 includes two other changes that are a bit more substantial. Three additional members will be added to the Governor’s Council on Travel and Tourism bringing the total number of voting members to twenty. The new representatives include a Kansas resident of the National Independent Venue Association, the Kansas Museums Association and the Kansas Sampler Foundation. These new members represent different stakeholders who have an interest in the travel and tourism industry in the state. They will bring great value to the Council as it guides Kansas Tourism and continues the effort to bring more visitors to our state.

Lastly, the bill aligns the grant allocation percentages for the Attraction Development Grant Program with the needs of our state. The ADG program is a small funding opportunity provided by Kansas Tourism annually. It is designed to assist in the growth of sustainable development for new or enhanced attractions within the state, increase visitation to Kansas and generate economic impact resulting from the creation of jobs, capital investment and tax revenue. In 2024, 30 non-profits (42.86%) and 40 for-profits/Government entities (57.14%) applied for the Attraction Development Grant. Kansas Tourism was able to provide a total of \$901,066.81 in grant funding for 27 of these projects across the state. HB 2037 changes the amount that can be granted under

this program to public entities from 75% to 50% making it an even divide between public and private. This better aligns with the type of organizations that apply today and will allow Kansas Tourism to continue to award funding to the most feasible projects described in the application process. It will result in the continuation of these dollars truly showcasing the great places we have to live, work, and play across Kansas.

While these changes are minor, they will better support the work of Kansas Tourism. The division looks forward to welcoming new members to the Governor's Council of Travel and Tourism and distributing the grant funding in a manner that aligns with the demands and projects submitted.

I urge the committee to favorably pass HB 2037.