

As Amended by House Committee

Session of 2025

Substitute for HOUSE BILL No. 2346

By Committee on Commerce, Labor and Economic Development

Requested by John Monroe on behalf of Top Gun Events and Visit OP

3-19

1 AN ACT concerning economic development; establishing the Kansas
2 sports tourism grant program to be administered by the secretary of
3 commerce to provide matching grants to assist communities in
4 developing and continuing sporting events; providing for the funding of
5 such grants from the state economic development initiatives fund or
6 from the state general fund if funds are not available therefrom;
7 establishing the Kansas sports tourism program grant fund.
8

9 *Be it enacted by the Legislature of the State of Kansas:*

10 Section 1. There is hereby established the Kansas sports tourism grant
11 program, which shall be administered by the secretary of commerce. The
12 purpose of the Kansas sports tourism grant program shall be to provide
13 matching grants to tourism or sports-related organizations to support and
14 enhance sports tourism events held in Kansas, thereby assisting
15 communities to attract high quality sports tourism events that generate
16 significant economic impact through out-of-state guest and participant
17 spending. Such grants shall be awarded as a pledge conditioned on and
18 determined by analysis of post-event data and shall be matched on a \$1-
19 for-\$1 basis with funds from one or more sponsors, as provided by section
20 2, and amendments thereto. Such grants shall be awarded with the intent to
21 ease the financial burden that sports destinations experience when bidding
22 on and hosting sports tourism events and incentivize event owners to bring
23 events that are beneficial to the Kansas economy.

24 Sec. 2. (a) Applicants for a Kansas sports tourism grant shall submit
25 applications to the secretary of commerce in the form and manner as
26 determined by the secretary. **Applications shall be submitted at least 90**
27 **days before the sports tourism event.** The secretary may charge a fee of
28 **up to \$100** for the purpose of compensating the secretary for costs of
29 administering the program that shall be submitted with the application.
30 Applicants shall include information as required by the secretary,
31 including, but not limited to, the estimated economic impact and the
32 number of hotel beds consumed using the destinations international event
33 impact calculator. The secretary may assist a grant applicant in obtaining
34 such information and using such calculator. Applications shall include a
35 written explanation of the applicant's purpose in applying for the grant and

1 how grant funding would grow sports tourism in the applicant's
2 community, region or the state.

3 (b) The secretary shall require that applicants who are event owners,
4 as determined by the secretary, to obtain grant sponsorship. ~~The sports~~
5 ~~commission, city commission, recreation commission, destination~~
6 ~~marketing organization or municipality may be required by the secretary to~~
7 ~~serve as a grant sponsor~~ **from the community's official destination**
8 **marketing organization. If the community does not have an official**
9 **destination marketing organization, the city's sports commission shall**
10 **serve as sponsor. If the city does not have an official destination**
11 **marketing organization or a sports commission, the city department**
12 **that serves in the lead tourism advocacy role for the community shall**
13 **serve as the sponsor.** Sports tourism events shall be held in Kansas to be
14 eligible for a grant. The event may be an existing recurring event or a new
15 planned event. The secretary shall reserve at least \$250,000 of the
16 available funds for grants for sports tourism events in counties other than
17 Sedgwick, Wyandotte and Johnson.

18 (c) (1) If the secretary determines that awarding a matching grant to
19 an applicant would further the purposes of the program and the applicant
20 meets the requirements as provided by this section, the secretary may
21 award a grant to the applicant on a matching \$1-to-\$1 basis to the funds
22 from the sponsor or sponsors. Grant awards shall be made as a pledge
23 conditioned on a post-event analysis and the grant funds provided after the
24 event. **The secretary shall make such determination and respond to the**
25 **applicant with any proposed grant award within 45 days of the date of**
26 **the application's submission.**

27 (2) The final amount of the grant award shall be determined by the
28 secretary as provided by section 3, and amendments thereto. The
29 maximum grant amount shall be limited to not more than 12.5% of the
30 state sales tax generated from the local jurisdiction during the time period
31 of the event. The secretary of revenue shall provide aggregate sales tax
32 revenue information to the secretary of commerce upon request for the
33 purpose of determining the maximum grant amount. The final grant
34 amount, as determined by the secretary of commerce, shall be awarded
35 within 90 days after the event or at the time that the maximum grant
36 amount may be determined, whichever occurs later.

37 (d) (1) **Except as provided in paragraph (2),** the secretary shall not
38 award grants for sports tourism events directly involving the **national**
39 **association for stock car auto racing,** national basketball association, the
40 national football league, major league baseball, the national hockey
41 league, major league soccer, professional women's soccer, international
42 sporting events, including, but not limited to, men's professional soccer,
43 established resident Kansas professional sports entities, the Kansas state

1 high school activities association, private or public secondary schools or
 2 private or public postsecondary colleges or universities.

3 **(2) The secretary may award grants for exhibition games by**
 4 **teams from major professional sports leagues.**

5 **(3) No grant funds shall be awarded for any sports tourism event for**
 6 **reimbursement or payment for services or goods that are not competitively**
 7 **bid.**

8 Sec. 3. (a) The final amount of the grant shall be determined after the
 9 sports tourism event by the secretary of commerce upon review of the
 10 post-event report required by section 4, and amendments thereto, the
 11 actual expenses of the event as provided by subsection (c), verified
 12 economic impact and hotel night bookings generated by the event and the
 13 application of the following table. The final amount shall be limited by the
 14 maximum grant award determined pursuant to section 2, and amendments
 15 thereto. The secretary shall use the destinations international event impact
 16 calculator to determine the actual economic impact and hotel night
 17 bookings generated by the sports tourism event. The secretary may award
 18 a sports tourism event that meets an economic impact and consumed hotel
 19 nights level threshold, as provided by the table in subsection (b), a grant
 20 amount of up to the amount allowed for the next higher economic impact
 21 and consumed hotel nights requirements threshold as set forth in such
 22 table.

23 (b) The secretary shall allocate sports tourism grant program funds
 24 for grants in each fiscal year to the sports tourism events within the state
 25 that generate verified economic impacts as provided by the following
 26 table:

27 Total Grant	State	Sponsor	Economic	Hotel Night
28 Allocation	Allocation	Allocation	Impact	Minimum
29 \$2,031	\$1,015.50	\$1,015.50	\$125,000	250
30 \$4,063	\$2,031.50	\$2,031.50	\$250,000	500
31 \$8,123	\$4,061.50	\$4,061.50	\$500,000	750
32 \$12,188	\$6,094.00	\$6,094.00	\$750,000	1,000
33 \$16,250	\$8,125.00	\$8,125.00	\$1,000,000	1,250
34 \$24,375	\$12,187.50	\$12,187.50	\$1,500,000	1,500
35 \$32,500	\$16,250.00	\$16,250.00	\$2,000,000	1,750
36 \$40,625	\$20,312.50	\$20,312.50	\$2,500,000	2,000
37 \$48,750	\$24,375.00	\$24,375.00	\$3,000,000	2,250
38 \$56,875	\$28,437.50	\$28,437.50	\$3,500,000	2,500
39 \$65,000	\$32,500.00	\$32,500.00	\$4,000,000	3,000
40 \$73,125	\$36,562.50	\$36,562.50	\$4,500,000	3,500
41 \$81,250	\$40,625.00	\$40,625.00	\$5,000,000	4,000
42 \$89,375	\$44,687.50	\$44,687.50	\$5,500,000	4,500
43 \$97,500	\$48,750.00	\$48,750.00	\$6,000,000	5,000

1	\$105,625	\$52,812.50	\$52,812.50	\$6,500,000	5,500
2	\$113,750	\$56,875.00	\$56,875.00	\$7,000,000	6,000
3	\$121,875	\$60,937.50	\$60,937.50	\$7,500,000	6,500
4	\$130,000	\$65,000.00	\$65,000.00	\$8,000,000	7,000
5	\$138,125	\$69,062.50	\$69,062.50	\$8,500,000	7,500

6 (c) Grant funds shall be used for expenses identified in the
7 application and approved by the secretary.

8 (1) Expenses allowed by the secretary may include:

- 9 (A) Official's travel and housing;
- 10 (B) promotions and marketing;
- 11 (C) site fees, fees for use of rights or sanction fees;
- 12 (D) renting equipment or flooring that is required to produce the
13 event; or
- 14 (E) funds for supporting a bid effort, if the applicant is the bid winner.

15 (2) The secretary shall not allow the use of grant funds for the
16 following expenses:

- 17 (A) Building, renovating or remodeling of a facility or purchasing
18 permanent equipment;
- 19 (B) debts incurred by the applicant prior to the pledge of the grant;
- 20 (C) printed programs that solicit advertising;
- 21 (D) hospitality or social functions for events outside the sporting
22 events venue that include alcohol; or
- 23 (E) expenses for travel outside of the county hosting the sports
24 tourism event.

25 Sec. 4. As a condition of receiving a grant, an applicant shall agree to
26 provide a post-event report to the secretary of commerce. Such report shall
27 include:

28 (a) An economic impact report, including the:

- 29 (1) Sports tourism event name;
- 30 (2) location of the event;
- 31 (3) start and end dates of the event;
- 32 (4) the total number of hotel nights consumed in the local or regional
33 Kansas market; and
- 34 (5) such other information or data as may be required by the secretary
35 for the purposes of:

36 (A) Determining the economic impact of the event; and

37 (B) preparing the secretary's report to the legislature pursuant to
38 section 6, and amendments thereto; and

39 (b) an expense report, including proof of payment of eligible
40 expenses equal to at least the amount of the grant. Accepted forms of proof
41 of payment may include itemized credit care receipts, invoices with
42 canceled checks or credit care statements.

43 Sec. 5. (a) There is hereby established in the state treasury the Kansas

1 sports tourism program grant fund, which shall be administered by the
2 secretary of commerce. All moneys credited to the Kansas sports tourism
3 program grant fund shall be used by the Kansas department of commerce
4 for Kansas sports tourism program grants to applicants approved by the
5 secretary pursuant to the provisions of sections 1 through 4, and
6 amendments thereto. All expenditures from the Kansas sports tourism
7 program grant fund shall be made in accordance with appropriation acts
8 upon warrants of the director of accounts and reports issued pursuant to
9 vouchers approved by the secretary of commerce or the secretary's
10 designee.

11 (b) (1) Subject to appropriations therefor, on July 1, 2025, or as soon
12 thereafter as moneys are available, the director of accounts and reports
13 shall transfer \$1,500,000 from the state economic development initiatives
14 fund, established by K.S.A. 79-4804, and amendments thereto, to the
15 Kansas sports tourism program grant fund. If sufficient funds are not
16 available to cover such transfer, the secretary of commerce and the director
17 of the budget shall jointly certify the amount of such insufficient funds to
18 the director of accounts and reports and transmit a copy of such
19 certification to the director of legislative research. Upon receipt of such
20 certification, the director of accounts and reports shall transfer such
21 certified amount from the state general fund to the Kansas sports tourism
22 program grant fund. Such transfers shall be subject to appropriation acts.

23 (2) Subject to appropriations therefor, on July 1, 2026, and each July
24 1 thereafter, the secretary of commerce shall certify the amount of
25 unencumbered funds in the Kansas sports tourism program grant fund to
26 the director of accounts and reports. Upon receipt of such certification, or
27 as soon thereafter as moneys are available, if the amount certified by the
28 secretary of commerce is less than \$1,500,000, the director of accounts
29 and reports shall transfer the amount that results in the amount of
30 unencumbered funds in the Kansas sports tourism program grant fund
31 being equal to \$1,500,000 immediately subsequent to such transfer from
32 the state economic development initiatives fund, established by K.S.A. 79-
33 4804, and amendments thereto, to the Kansas sports tourism program grant
34 fund. If sufficient funds are not available to cover such transfer, the
35 secretary of commerce and the director of the budget shall jointly certify
36 the amount of such insufficient funds to the director of accounts and
37 reports and transmit a copy of such certification to the director of
38 legislative research. Upon receipt of such certification, the director of
39 accounts and reports shall transfer such certified amount from the state
40 general fund to the Kansas sports tourism program grant fund. Such
41 transfers shall be subject to appropriation acts.

42 (c) Subject to appropriations, the aggregate total of grants awarded by
43 the secretary each fiscal year shall be limited to \$1,500,000.

1 Sec. 6. The secretary of commerce shall submit an annual report to
2 the house of representatives committee on commerce, labor and economic
3 development, the senate committee on commerce and the legislative
4 coordinating council on or before December 31, 2026, and December 31
5 of each year thereafter through December 31, 2030, that shall include the
6 following information for the fiscal year ending on the previous June 30
7 and all information available up to the date of the report:

- 8 (a) The number of grants awarded;
9 (b) the economic impact generated in the aggregate and by each
10 sports tourism event;
11 (c) the number of hotel nights booked in Kansas in the aggregate and
12 by locality and region for each sports tourism event;
13 (d) the total grant funds distributed and the grant recipients and
14 sponsors for each event;
15 (e) the distribution of grant funds by county;
16 (f) for each event, the amount of state sales tax generated from the
17 local jurisdiction during the event and the amount of state sales tax
18 generated from such jurisdiction during the same time period in the
19 previous year;
20 (g) the amount of local sales tax generated during the event;
21 (h) the amount of transient guest tax generated during the event; and
22 (i) qualified applicants and events not approved by the secretary.

23 Sec. 7. (a) The provisions of sections 1 through 6, and amendments
24 thereto, shall expire on June 30, ~~2030~~ **2031**.

- 25 (b) On July 1, ~~2030~~ **2031**:
26 (1) The director of accounts and reports shall transfer all moneys in
27 the Kansas sports tourism program grant fund to the state general fund;
28 (2) all liabilities of the Kansas sports tourism program grant fund
29 shall be transferred to and imposed on the state general fund; and
30 (3) the Kansas sports tourism program grant fund shall be abolished.

31 Sec. 8. This act shall take effect and be in force from and after its
32 publication in the statute book.