MINUTES

JOINT COMMITTEE ON ARTS AND CULTURAL RESOURCES

October 5, 2011 Education Classroom—Kansas Museum of History

Members Present

Representative Lana Gordon, Chairperson Senator Jean Schodorf, Vice-chairperson Senator Oletha Faust-Goudeau Senator Marci Francisco Senator Julia Lynn Senator Dwayne Umbarger Representative Sydney Carlin Representative John Rubin Representative Vern Swanson

Member Absent

Representative Sheryl Spalding

Staff Present

Melissa Calderwood, Kansas Legislative Research Department Shirley D. Morrow, Kansas Legislative Research Department Abigail Boudewyns, Kansas Legislative Research Department Mike Heim, Office of the Revisor of Statutes Matt Sterling, Office of the Revisor of Statutes Dorothy Gerhardt, Committee Assistant

Conferees

Sarah Fizell, Kansas Citizens for the Arts Julie Mulvihill, Kansas Humanities Council Linda Browning Weis, Kansas Arts Foundation Kathy Herzog, Kansas Arts Commission Joann Budler, State Library Jennie Chinn, Kansas State Historical Society Becky Blake, Kansas Department of Wildlife, Parks and Tourism Peter Jasso, Kansas Film Commission Joyce Huser, Kansas Department of Education Mary Kennedy McCabe, Mid-America Arts Alliance

Others Attending

Derek Hein Leigh Keck Tom Averill, Washburn University Robert Walzel, University of Kansas

The meeting was called to order by Chairperson Gordon. The meeting was opened with a welcome from the Chairperson and an introduction of the members, including a short statement of the their involvement with the Committee.

State of Kansas Tourism – FY 2011 and Agency Reorganization Report

Becky Blake, Director of Tourism Division, Kansas Department of Wildlife, Parks and Tourism, presented a report on the impact of tourism in the State of Kansas (<u>Attachment 1</u>). Ms. Blake stated there are over 30 million visitors to the state annually producing a \$5.46 billion impact on the state; over 75 percent is retained in the State of Kansas, supporting approximately 125,000 jobs directly, and contributes \$900 million in tax receipts to the state and local governments. Over 50 percent of visitors to tourism sites are from outside the state.

In terms of marketing, television is the largest investment; however, it also is the most expensive, Ms. Blake noted. A partnership has been developed with communities and, for 2011, eight communities each contributed \$20,000. Another program developed this past spring was a partnership with Blue Cross-Blue Shield (BCBS) of Kansas. These are the "healthy Kansas" ads which were paid for entirely by BCBS; the ads ran last spring and were so successful, they are being run again this fall. These television ads are run mostly in markets outside the state. Print advertising, Ms. Blake stated, includes ads in 16 publications with a combined circulation of 12.6 million.

The on-line (digital) advertising budget was doubled for 2011. This was accomplished by reducing the budget for traditional media and resulted in a 70 percent increase in the number of contacts as people continue to plan trips and vacations on-line. Investments include pay-perclick, Search Engine Opitimization (SEO), TripAdvisor, targeted displays, and social sites including Twitter, You Tube, and Facebook. Targeted e-blasts also are being used, delivering over 1.1 million e-blasts weekly and averaging a 15 percent open rate.

Ms. Blake stated the majority of the Division efforts are directed toward keeping the website up and current. There are currently over 7,000 pages of information, which includes community information maintained by the communities. All listings are approved by the Division before being posted. Currently, a re-design of the website is being worked on and will be online soon. Another effort in the advertising campaign was the development of a blog. There are monthly themes and they have had over 5,800 visitors. Visitor packets continue to be requested with over 70,000 sent out in 2010 and slightly less in 2011.

A Faces and Places Tour also was developed in 2011 with the donation of a Suburban vehicle by Ed Bozarth Chevrolet to promote social media interaction. Staff and others traveled over 15,000 miles to over 56 locations and events over the summer. Other advertising efforts included hosting seminars directed at journalists and working with travel agents to promote international travel and other tour groups. A new travel guide also was developed. A website promoting the Kansas Statehood Sesquicentennial was developed in cooperation with other entities. *Kansas! Magazine* currently is available on newsstands. Advertising has been added to generate needed revenue; feedback, to date, includes only one negative response. This magazine is self-sufficient.

Ms. Blake stated other efforts during the past year include the continuing partnership with the Kansas Department of Transportation (KDOT) in the signage program with 18 applicants approved. A new coffee table book, My Kansas, is available. Attraction development grants also were awarded to four communities for a total of \$100,000, leveraging \$267,675.

A short Committee guestion and answer session followed.

Review of Arts and Cultural Activities Statewide: Agency Budget Reports

Peter Jasso, Manager, Kansas Film Commission (Attachment 2), appeared before the Committee with a brief report of the Commission's activities. The purpose of the Film Commission is to serve as a liaison between prospective filmmakers and the State of Kansas, as well as encourage and support the local film industry.

Over the past year, Mr. Jasso stated, the Commission provided assistance to over 100 productions, including independent features, cable television shows, commercials, documentaries, and shorts. During FY 2011, film production dollars spent in the state totaled an estimated \$20 million, an increase of \$5 million over FY 2010.

In 2011, Mr. Jasso continued, the Kansas Film Production Tax Credit was reinstated. The credit allows eligible production companies to claim a non-refundable, non-transferable tax credit equal to 30 percent of their total in-state expenditures for a particular project, capped at a total annual amount of \$2 million dollars. In response to Committee discussion, Mr. Jasso stated, the non-refundable, non-transferable aspect of the incentive limits the effectiveness of the program as Kansas continues to lose several large productions each year over this issue, some of which have been specifically set in Kansas.

Joyce Huser, Fine Arts Consultant, Kansas Department of Education (Attachment 3), appeared before the Committee with a report on fine arts education in the schools. Currently, Ms. Huser is serving on a Committee entitled National Coalition for Core Arts Standards (Attachment 4), which is working to revise national standards in the fine arts. The Coalition is studving how existing standards compare with 21st Century skills, looking at extending skills through grade 14, and looking at ways in which fine arts can address workforce skills. She also shared the "21st Century Skills Map" (Attachment 5). Beginning in 2012, the State of Kansas will begin revising fine arts standards. Ms. Huser addressed the current curricular standards for the visual arts and also discussed the job outlook for artists and related workers. Committee discussion followed and Ms. Huser responded to questions about the expansion to K-14 and requirements on visual arts teachers.

2011 Session Brief; Statutory Duties, Kansas Arts Commission

Melissa Calderwood, Kansas Legislative Research Department (Attachment 6), presented a brief overview summarizing the 2011 Legislative Session relating to the arts, including the Governor's action relating to the Kansas Arts Commission. Also included was a review of the statutory requirements of the Kansas Arts Commission, the Joint Committee on Arts and Cultural Resources, and other requirements outlined by statute.

Legislation reviewed included SB 156, which would transfer the charge, care, management, and control of the Hiram Price Dillon House from the Secretary of Administration to the Kansas Arts Commission. Upon the completion of "necessary restoration and renovation," the Commission would be authorized to maintain a public office in the building, utilizing the space for "arts and cultural exhibitions, public programming, and educational programming." The Joint Committee on Arts and Cultural Resources recommended a joint introduction of this legislation, previously endorsed by the Joint Committee on State Building Construction. The bill was referred to the Senate Ways and Means Committee. No action was taken on this legislation.

Executive Reorganization Order (ERO) No. 39 also was reviewed. ERO No. 39 would have abolished the Kansas Arts Commission and the office of the Executive Director of the Commission. The State Historical Society, as a state agency, would have been designated as the successor agency. SR 1819 disapproved the Governor's ERO No. 39 and, with this action, the Kansas Arts Commission remained a state agency. This was adopted in the Senate with a vote of 24-13; however, the Governor subsequently line-item vetoed the appropriation for the Commission and full-time equivalent positions for the Arts Commission.

Statutory requirements reviewed by Ms. Calderwood included the following: Support Kansas Arts License Places [KSA 8-1, 161], the Kansas and Missouri Metropolitan Culture District (Bi-State) Compact [KSA 12-2536, *et seq.*], the Kansas Commemorative Coin Commission [KSA 73-2503, *et seq.*], Kansas Wildlife Arts Council [KSA 74-7901], Kansas Film Services Commission [KSA 74-9201], Sculpture, Atop State Capitol [75-2249], and the Capitol Preservation Committee [KSA 75-2269].

Kathy Herzog, Vice-chairperson, Kansas Arts Commission (KAC), appeared before the Committee to speak about the future and to present an assessment of the state of the current Arts Commission (<u>Attachment 7</u>). Ms. Herzog stated the Commission has adopted a Code of Expectations, which represents tangible evidence of the Commission's devotion to Kansas arts and the Commission's commitment to working together. Commissioners have assisted in the relocation of the Arts Commission office to space in an adjoining building paid for by the Kansas Arts Foundation. Offices are now located at 720 SW Jackson, Suite 202, Topeka. Ms. Herzog noted work began on the Commission's budget in September, including a realistic assessment of how the Commission will optimize all funding sources while transitioning to the integration of private funding.

Ms. Herzog stated the KAC continues to work with the National Endowment for the Arts (NEA), but has nothing new to report at this time. In the past, Ms. Herzog's testimony continued, the KAC operated primarily as a pass-through organization for NEA funds. Kansas appropriated funds were used primarily for staff salaries and the expenses required to meet the extensive NEA grant submission requests. The KAC intends to "think outside the box" to develop new and innovative ways to promote the arts in Kansas.

During Committee discussion, Ms. Herzog stated the Commission currently has \$5,000 in funds; however, they have no permanent staff at this time. The funding arrangement for the Poet Laureate also was explained; the KAC representative indicated the position would be funded through 2012, with the funding coming from the limited Commission funds (approximately \$5,000, as noted above). Other discussion centered on their proposed budget, support for local arts organizations and programming, and whether these funds could realistically be raised from private donations. She stated the Commission is prioritizing its goals still, which would affect funding, as well as community grants in the future. She also stated the Kansas Arts Foundation had been designated recently as a non-profit 501(c)(3) organization

and fund raising for the Commission could begin. The Committee discussed the structure of the KAC and whether the Commission would continue its function as a state agency.

Following Committee members' questions regarding NEA funding, Ms. Herzog stated the Commission is working on fulfilling requirements for this grant money and expects to receive it in the future. She stated the Commission currently has two funds, the Gifts and Grants Fund and the Special Gifts Fund, whose money flows through the state. The Commission currently is working on getting permanent staff and meeting other requirements for this money.

Linda Browning Weis, President, Kansas Arts Foundation, Inc., presented a report summarizing goals and intent of the Foundation (<u>Attachment 8</u>). A board of eight members was established February 7, 2011, to support fund raising for the Kansas State Historical Society, a state agency eligible to receive federal matching funds for the purpose of advancing the arts in Kansas. With the overturn of ERO No. 39, the mission of the Kansas Arts Foundation changed. It changed again with the elimination of funding for the KAC. In time, eight more members were added to the Board of Directors and application was made for status as a non-profit 501 (c)(3) organization, which could accept tax-exempt donations. Also, they have been working on development of a gift policy available to potential donors. In-kind professional services have been solicited for development of a new website, as well as print vendors, and have placed an emphasis on volunteerism. Ms. Browning Weis provided a copy of the vision statement.

In response to questions, she stated 'strings' could be attached to a donation; however, if strings are attached, these funds will not count towards the federal match funds for an NEA grant. Funds could be donated now to the Commission through the Special Gift Funds account. Senator Francisco requested a list of the Special Gift Funds donations for the last ten years. (Ms. Browning Weis also served as the Chairwoman of the Kansas Arts Commission.)

Committee members commented on the timeliness of the Foundation's 501(c)(3) status and inquired about the Foundation's gift policy and whether or not the policy would allow donor restrictions. Ms. Weis noted the gift policy is nearly completed. Committee members also discussed application for federal funds and the Foundation's mission and vision statement. A request was made for Committee staff to get an accounting of the Special Gifts Funds for the past ten year (KAC).

Mary Kennedy McCabe, Executive Director, Mid-America Arts Alliance, appeared before the Committee with testimony regarding the promotion of the arts in Kansas (<u>Attachment 9</u>). Mid-America is one of five regional arts organizations in the United States which receives federal funds, state arts agency partnership fees, grants, and donations to ensure access to the arts for constituents of six central states. The money it receives is put to work in the region by providing visual arts, humanities, and performing arts programming, and capacity-building training to arts and culture organizations in communities throughout the region. An annual partnership fee is paid by each member state which receives funded programs and services. In FY 2009, the KAC paid a partnership fee of \$28,300. The Mid-America Arts Alliance delivered \$437,767 in programs and services to Kansas Arts organizations and artists, or a return on investment of \$15 for each dollar.

In FY 2012, following the decision to restructure the Kansas Arts Commission, the NEA declined to recognize the KAC for federal matching funds, based on the fact the Commission did not have a cultural plan, staff, budget, or grant-making strategies fully articulated and in place, Ms. Kennedy McCabe stated. Because of NEA's actions and Mid-America's own criteria, the Kansas Arts organizations and artists are no longer qualified for Mid-America subsidies.

NEA has extended its deadline to October 31 for the KAC to submit a partnership proposal to receive federal funding in FY 2013. She stated, with only 26 days remaining to submit a proposal, she felt this could not be completed by all volunteers without outside help and recommended the Committee assist the Commission in quickly finding this support system.

A Committee member inquired about the deadlines (FY 2013 Partnership); Ms. Kennedy McCabe indicated this would not be a challenge grant and, without a budget or plan, it would be difficult to meet the requirements. A member followed up and asked whether Mid-America had a recommendation, given the short time frame (26 days). Ms. Kennedy McCabe responded the Commission needs to pair with an existing staff agency or budget entity. The Committee and Ms. Kennedy McCabe discussed requirements for Mid-America Arts Alliance funding.

Sarah Fizell, Kansas Citizens for the Arts, appeared before the Committee with a summary of her organization's activities (<u>Attachment 10</u>). With the exception of one full-time and one part-time staff member, the Kansas Citizens for the Arts consists entirely of citizen volunteers working on behalf of the arts in Kansas, Ms. Fizell noted. These citizens are dedicated to working to reinstate public funding for the arts, because they believe it is in the best interest of Kansans. A two-year study, *Arts and Economic Prosperity*, indicated expenditures by arts and culture organizations and audiences in the State of Kansas totaled more than \$153.5 million which, in turn, was responsible for 4,612 full-time equivalent jobs and \$9 million in state tax revenues. Ms. Fizell's testimony indicated that beyond job loss concerns, the organization also has concerns about "the disproportionate affect the elimination of funding will have on arts opportunities for rural residents."

National Assembly of State Arts Agencies presented written testimony only addressing art activities and policy in Kansas and other states and access to resource material (<u>Attachment 11</u>).

Kansans Tell Their Stories: *Florence, Kansas* Documentary Film and Panel Discussion

During lunch, a documentary film on Florence, Kansas was shown, followed by a panel discussion. Panel discussion participants included Julie Mulvihill, Kansas Humanities Council; Tom Averill, Washburn University; and two residents of Florence involved in the production. The film and panel discussion with the Committee highlighted the town's heritage, its history, survival of floods, and the current struggles the community faces.

Robert Walzel, Dean of Music, University of Kansas

A brief overview of the Kansas Partnership for the Arts program sponsored by the University of Kansas was presented by Dean Walzel and two students involved in the program, including a student from Germany. All events of the Partnership for the Arts Series are open to the public and free of charge; and all were encouraged to attend a performance. Student Dominic Johnson led the Committee and audience in singing "Home on the Range."

Committee Review of Arts and Cultural Activities Statewide: Agency Budget Reports

Jo Budler, State Librarian, State Library of Kansas (<u>Attachment 12</u>), presented a report regarding the services provided by the State Library. Highlights of her report included the

provision of non-partisan research and reference to the legislative and executive branches of government, management of the Legislative Hotline for citizen input to legislators year-round, an interlibrary loan program, and subscriptions to electronic content which includes databases and eBook content. The State Library maintains the Talking Book Program, which provides machines and materials to the blind and physically handicapped individuals. In 2009, the service moved from cassettes to digital players and content. A special project, with Playaways, has been well-received.

The Library also is actively involved in promotion of the Kansas sesquicentennial. Various activities include a 150 Kansas Books for Kansas Sesquicentennial project, a KS 150 Blog, a Kansas 150 website page as part of the State Library website, and resources on Kansas history among others.

Committee discussion included the eBooks vendor issues and the State Library's budget enhancement requests (electronic content/replacement of Kan-ed funding [\$876,028] and restoration of the Interlibrary Loan Development Program [\$231,939]).

Jennie Chinn, Executive Director, Kansas State Historical Society, presented an overview of FY 2011 agency programs and services; nearly six million people were involved in agency activities (<u>Attachment 13</u>). Collections and services are accessed in-person and virtually through a variety of web-based resources. The agency plays a critical role in state government by being the repository and caretaker of state records. It also administers both state and federal historic preservation programs bringing economic development to communities across the state. The agency plays a significant part in the state and local economies through its museums and historic sites.

Ms. Chinn highlighted the agency's response to the Governor's *Roadmap for Kansas* goals, including the goal to increase the percentage of fourth graders reading at grade level; agency activities, including *Read Kansas!*, a program promoting reading and language art skills using historical Kansas content. Other agency goals include the recognition of notable Kansans and major events in Kansas history. Ms. Chinn also addressed the agency's strategic plan and budget submission, noting both the 2013 base budget request (\$8.34 million All Funds) and 2013 reduced services budget (\$8.08 million All Funds).

To address reduced resources, Ms. Chinn continued, the agency has met with other organizations to make sure there is no duplication of services. It also strives for partnerships with other agencies within the state. When cost-effective, outsourcing is used. The agency also uses its state budget to leverage private funds. Over the past few years, the agency has reduced its staff and eliminated programs not directly tied to statutory obligations. Ms. Chinn concluded her testimony by noting the agency's priority is to increase fee funds and grants. Her testimony further stated if the agency is required to maintain the reduced resources budget, the agency will reduce some facilities to seasonal hours.

Following her presentation, Ms. Chinn responded to a Committee member's question about decreased federal funds (historic preservation).

Julie Mulvihill, Executive Director, Kansas Humanities Council (KHC), (<u>Attachment 14</u>), appeared before the Committee. The KHC is requesting funding in the amount of \$64,091, the same amount as received last year. She stated 83 percent of their funding is received from the National Endowment for the Humanities. Funding received is used in various ways including Heritage Grants and outreach support. Heritage grants are in amounts up to \$3,500 for any non-profit organization in Kansas.

Looking ahead to 2012 brings a focus on The Way We Worked, a traveling Smithsonian exhibition to Kansas to spark conversation about jobs and working. This program explores the stories of America's workers, the culture of work, and the changes in our workplace and workforce over time and across generations. This is a partnership designed by the Smithsonian to reach rural communities. Six communities with populations below 20,000 have been selected: the Coronado-Quivira Museum in Lyons, Stevens County Library in Hugoton, High Plains Museum in Goodland, National Orphan Train Complex in Concordia, Lumbervard Art Center in Baldwin City, and the Miners Hall Museum in Franklin. Ms. Mulvihill noted the interest in this programming-there were 36 qualified applicants. The KHC will be creating up to 30 partner sites that also will explore the theme of work in their communities.

Ms. Mulvihill addressed reductions in funding translating into additional private dollars needed to sustain the level of outreach requested by cultural organizations in the state. Cuts in state and federal funds will mean a reduction in the number of outreach opportunities provided by KHC.

Committee members then asked about the eligibility requirements for KHC board members, as well as KHC's private fund raising and established goals.

Sesquicentennial Update and Exhibit Tour: 150 Things I Love About Kansas

A report on Sesquicentennial activities was presented by Jennie Chinn (Attachment 15). The goal of the Kansas 150 Advisory Committee was to encourage grassroots support for the Sesquicentennial of Statehood. Included among the many events throughout the year was the creation of new highway signs by the Kansas Department of Transportation acknowledging the Sesquicentennial. Other highlights cited by Ms. Chinn: U.S. Senators Moran and Roberts introduced and signed a resolution in the Senate honoring Kansas; a joint resolution of the Kansas Senate and House of Representatives honoring Kansas Statehood was introduced and signed on January 27, a First-Day-of-Issue Ceremony for the Kansas statehood commemorative stamp; and Kansas Day Activities at the Capitol and museum. On September 30, Senator Bob Dole was honored with the first Kansas Walk of Fame plaque on the Capitol grounds. The Kansas State Historical Society published Kid's Kansas, a full-color activity book available to all fourth grade teachers in the state. The Kansas Museum of History created a special exhibit which opened on Kansas Day and will run through December 31, 2011. 150 Things I Love About Kansas celebrates the state's eventful history. Other events and programming cited by Ms. Chinn included the KHC's "Statehood Events" that enabled hundreds of communities to host a Kansas 150 program and the Kansas Lottery's Sesquicentennial scratch-off tickets.

Ms. Chinn's presentation was followed by a guided tour of the 150 Things I Love About Kansas exhibit in the museum.

Kansas Enterprise Electronic Preservation (KEEP) System Project Update

Jennie Chinn was recognized by the Chairperson to present a report on KEEP (Attachment 16). This project was started in FY 2009 with the full cooperation of the executive, legislative, and judicial branches of state government. Ms. Chinn's testimony indicated the state archives of the future depend on the preservation of electronic records. The most cost-effective solution is for the State of Kansas to create an enterprise-wide Trusted Digital Repository.

KEEP represents an inter-branch collaboration that has the potential for local government participation. The goal of KEEP is to preserve digital records for as long as they are needed and eventually provide for the public access of those records. A critical part of KEEP is being able to guarantee the authenticity of state records. KEEP will save the state money in many ways. The cost is \$40 for paper records as opposed to \$1 for digital records. In FY 2009, the Legislature approved \$149,500 to begin the process of finding a solution. That money was matched by a \$175,000 grant from the Information Network of Kansas. It also was matched by \$225,000 in money originated from the Library of Congress. By January 2012, the hope is to have a "dark archive" hosted by the Department of Administration and preserved and authenticated by the State Archives. Once additional funding is obtained, public access to KEEP will be made functional. Committee members and agency representatives discussed the project's scope, standards, and testing.

Receipt of Report, Capitol Preservation Committee

Receipt of the report submitted by the Capitol Preservation Committee was acknowledged (Attachment 17). The report and the selection of a mural location within the Capitol, as well as the selection process for an artist, were discussed. A member of the Committee noted two locations in the Capitol being considered; however, a final recommendation would not be made until the artist had been selected.

Recommendations for Report to 2012 Legislature and Possible Introduction of Legislation

Items discussed for inclusion in the Committee Report and requests directed to Committee staff include the following:

- A letter from the Committee thanking Ed Bozarth Chevrolet for the use of a Suburban as part of the tours promoting the Sesquicentennial;
- Copies to the Committee of a September 20 letter from the National Endowment for the Arts;
- A copy of the gift policy being prepared by the Kansas Arts Foundation to the Committee when completed;
- An account of the Kansas Arts Commission Special Gifts Funds provided by Kansas Legislative Research Department staff:
- A partnership proposal for 2013 funding between the Kansas Arts Commission and Mid-America Arts Alliance - request a report on the proposal's status during the Interim and plan for an update during the 2012 Legislative Session; and
- Information presented regarding the Kansas Film Producers Tax Credit, including the loss of several film projects.

It was moved by Representative Rubin, seconded by Representative Swanson, the non-transferability, non-refundability of the Kansas Film Producers Tax Credit be addressed. <u>Motion</u> <u>carried</u>.

- Note the receipt of the introduced Capitol Preservation Committee Report and encourage the Committee to move forward with the *Brown v. Board* mural in the Capitol;
- Request the Kansas Arts Commission to respond to the Capitol Preservation Committee's recommendation on the KAC's assistance with artist's submissions and the present agency's capacity to fulfill that role;
- Request the Kansas Arts Commission and Kansas Arts Foundation to look again at local arts organizations as funding becomes available to put them at the top of the list for funding of events with special attention to organizers and events that are no longer funded;
- Request a progress report in January from the Kansas Arts Commission on funding decisions, including the priorities for arts organizations;
- Request information from the Arts Commission on the status of the Dillon House legislative proposal;
- Request a quarterly report from the Arts Commission on its activities and programming support;
- Accept the recommendations in the report on KEEP;
- Accept the 150th presentation; and
- Acknowledge and accept the Florence, Kansas presentation.

The meeting was adjourned at 4:00 p.m.

Prepared by Dorothy Gerhardt Edited by Melissa Calderwood

Approved by Committee on:

December 27, 2011 (Date)