

**Kansas Department of Commerce  
Testimony on HB 2254  
Rachel Willis, Director of Legislative Affairs  
at the Kansas Department of Commerce  
House Taxation  
February 20, 2023, 3:30 p.m.  
Room 346 S**

Thank you for allowing us to testify as neutral to HB 2254. This bill amends property tax relating to classification of agritourism. Our primary concern with the bill is the utilization of registered agritourism as a classification for property tax.

Agritourism is a designation awarded by Kansas Tourism, a division of the Department of Commerce. Agritourism is defined as any activity that allows members of the general public to view or enjoy rural activities for recreational, entertainment or educational purposes. The purpose of classifying businesses as agritourism is to promote rural tourism activities and rural economic development. Agritourism is the intersection of agriculture and tourism where the public visits a working farm, ranch, winery, agriculture operation or active heritage site for enjoyment, outdoor recreation, activities, education, shopping, dining or lodging. Examples of agritourism activities include corn mazes, hunting or fishing on a farm property, camping, viewing a cider press or feeding a baby goat. Currently, Kansas has 426 agritourism businesses.

Overall, the inclusion of agritourism as a condition or qualification for receiving a different property tax appraisal would drastically change the intent of the agritourism registration program. The registered agritourism process is simply a way to provide a limited liability coverage and promotional benefits to agritourism businesses across the state. While Tourism works to ensure that the business is offering an agritourism activity in order to qualify for the classification, this process is not as rigorous as it would need to be to guarantee businesses were not trying to take advantage of the property tax benefit. This would require a new level of scrutiny that Tourism staff are not qualified to perform. Kansas Tourism should not be involved in policing or verifying businesses regarding agritourism activities and property tax. Rather Kansas Tourism would like to continue to work to build Kansas as a top destination for resident and non-resident travelers, unify and lead industry partners and inspire in-state advocacy and pride.

We request that this designation not be certified by Kansas Tourism. Thank you for the opportunity to testify as neutral to HB 2254.