

RE: Senate Bill 415

Support

Oral Testimony

Virginia Crossland-Macha

President Kansas State Fair Board

Distinguished Members of the Kansas Senate Assessment & Taxation Committee

The Kansas State Fair Board comes in support of Senate Bill 415 that would allow the Kansas State Fair to capture the State portion of Sales Tax that is generated on the State Fairgrounds and that portion would be placed in the Kansas State Fair Capital Improvement Fund.

In years passed the Kansas State Fair has seen little consistency in the transfer of the statute required \$300K match from the Kansas State General Fund to the State Fair Capital Improvement Fund. With this match standing in arrears of more than \$1.5 million dollars the Board feels that foregoing the statute requirement in exchange the state portion of all sales tax generated on the Kansas State Fair Grounds would be in the best interest of creating a revenue stream that will secure bonding for facility improvement and replacement.

According to the fiscal note on SB 415, the estimated impact to the State Fair Capital Improvement Fund would be \$350k annually. In the scheme of dealing with Millions and Billions on a daily basis in Budget Items that cross your desk, this amount may seem miniscule, but to the State Fairs 280 acres, 70+ buildings to service, aging infrastructure, it could be the difference of being able to keep the doors open for the more than 500,000 Visitors that come to the Fairgrounds annually. The State Fair Ground Facilities are one of pride for the 330,000 Kansan's that came in 2017; to compete, to continue family traditions, and celebrate our heritage during the 10 days of the State Fair. Applying for Waivers and bandaging buildings in order to keep the doors open is no longer an option and the Kansas State Fair Board has been taking action for the last several years to establish the building blocks required for the permanent fixes that are needed. This legislation would be a huge step in the right direction.

Recouping all the State portion of sales tax generated would accomplish two things: 1). Creates the steady revenue stream that would encourage private partnerships to come on board for new projects, 2). Help Overcome the obstacles a State Agency faces being disallowed for STAR Bonds or the challenges with a TIFF District that competing venues with the Kansas State Fair Grounds enjoy.

The Kansas State Fair Values being an agency of this great state and with that said, we value the Partnership with it's many entities. The passing of SB415 would be a WIN for both the Fair and the State of Kansas when it comes to reinvesting dollars that impact Kansan's lives.

We applaud this committee for valuing what the Kansas State Fair offers to the Agricultural Community, but more so for aiding in a more stable revenue stream that will helping keep the State Fair relevant in Kansas Agriculture for years to come.