



**Travel Industry
Association of Kansas**

THE VOICE OF THE TRAVEL INDUSTRY IN KANSAS

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TIAK TIMES

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HAPPY NEW YEAR!

From Bridgette Jobe, TIAK President



Happy New Year to all! As I begin my year as TIAK President, I have many emotions swirling around in my head. I feel *admiration* for the people in this industry, especially those who have led this organization in the past. I feel *anticipation* for the great work that TIAK will do in 2017. I have *fear* that I will mess something up. Above all, I feel *confidence* that together we will continue building our industry and organization. I look forward to working with each and every one of you as we continue to promote our great state of Kansas.

I am pleased to share the following have accepted to serve as our committee chairs or co-chairs: Advocacy—Jim Zaleski; Conference—Roxanne Morgan; Education—Karen Hibbard & Brett Oetting; Finance—Kelly Peetoom; Governance—Sally Fuller; and Marketing—Andrea Johnson & Holly Lofton. Membership is still to be determined.

I have appointed three people to join the Board of Directors as Presidential Appointments: Jake Huyett—jones huyett Partners; Kurt Mayo—Hotel & Lodging Association of Greater Kansas City; and Julie Saddler—Colby Convention & Visitors Bureau.

And I would be remiss to not point out this year's Executive Committee, on whom I will rely heavily to make sure I don't mess anything up too much: President-Elect Jan Stevens; Vice-President BJ Harris; Secretary Stacy Barnes; Treasurer Kelly Peetoom; and Past President Suzan Barnes.

Please mark your calendars for the February 8th Destination Statehouse in Topeka. This kickoff event provides us the opportunity to remind our legislators how important tourism is to our state and regions. With so many new legislators this session, we need to focus our energies on educating them on the value of the tourism dollar.

So in the words of one of my favorite people, "*Yesterday is gone. Tomorrow has not yet come. We have only today. Let us begin.*" —Mother Teresa

If you have any questions, ideas or thoughts to share, please give me a call. I would love to hear from you. I look forward to advancing our organization this year. ■



**REGISTER
TODAY FOR
DESTINATION
STATEHOUSE:
TIAK.ORG**

2017 DESTINATION STATEHOUSE



Dillon House

Plan to join your legislators for a buffalo lunch in this historical treasure right across the street from the Statehouse.

The 2017 Destination Statehouse (formerly TIAK Day on the Hill) is only a few weeks away! Join us in educating our legislators about the issues that are important to our success in Kansas travel and tourism. Register today at tiak.org/destination-statehouse.

The morning session and lunch will both be held at the Dillon House, just to the west of the Kansas Statehouse.

Parking at the Dillon House is very limited so please make adequate time to arrange for parking, either at one of the parking garages or one of the other options available near the Statehouse. Legislator office visits and distribution of popcorn will take place at the Statehouse following the morning session as well as the lunch co-hosted with State Tourism.

AGENDA PREVIEW

- 9:30 a.m.** Check-in & Networking (Dillon House, 404 SW 9th Street, across from Statehouse)
- 10:00 a.m.** Welcome to Tourism Professionals & Legislative Session Overview
Linda Craghead, Marlee Carpenter, Natalie Bright
- 10:30 a.m.** Airbnb Overview: Mark Beshears, KDOR
- 11:00 a.m.** Observe Kansas House in Session (House Gallery, 4th Floor, West Wing) or Office Visits with Elected Officials
- Noon** Buffalo Lunch with your Kansas Legislators (Dillon House)
- 1:30 p.m.** Continue Office Visits or attend Committee Meeting
- 2:00 p.m.** Popcorn Break at the Statehouse for Kansas Legislators (3rd Floor, South Wing)
- 2:30 p.m.** Observe Senate in Session (Senate Gallery, 4th Floor, East Wing)
- 3:00 p.m.** Statehouse Tour
(Meet at the Kansas Visitor Center at the Statehouse entrance)
- 5:00 p.m.** TIAK Legislative Reception—Set-up at Ramada begins at 3 p.m., contact [Jim Zaleski](#) with questions (Ramada Convention Center, 420 SE 6th St.)

CALLING ALL MASCOTS!

The legislators love to see their districts represented at the evening reception.

Who better to represent Kansas than some of its finest mascots? Tell [Jim Zaleski](#) your lucky charm is ready to cheer on Kansas tourism!

APPOINTMENT WITH LEGISLATORS

To make an appointment with your legislator, be sure to call their office as soon as possible to arrange a visit. Office contact information may be found by clicking on the appropriate roster for [Senate](#) and [House](#).

VOLUNTEERS NEEDED FOR POPCORN DELIVERY

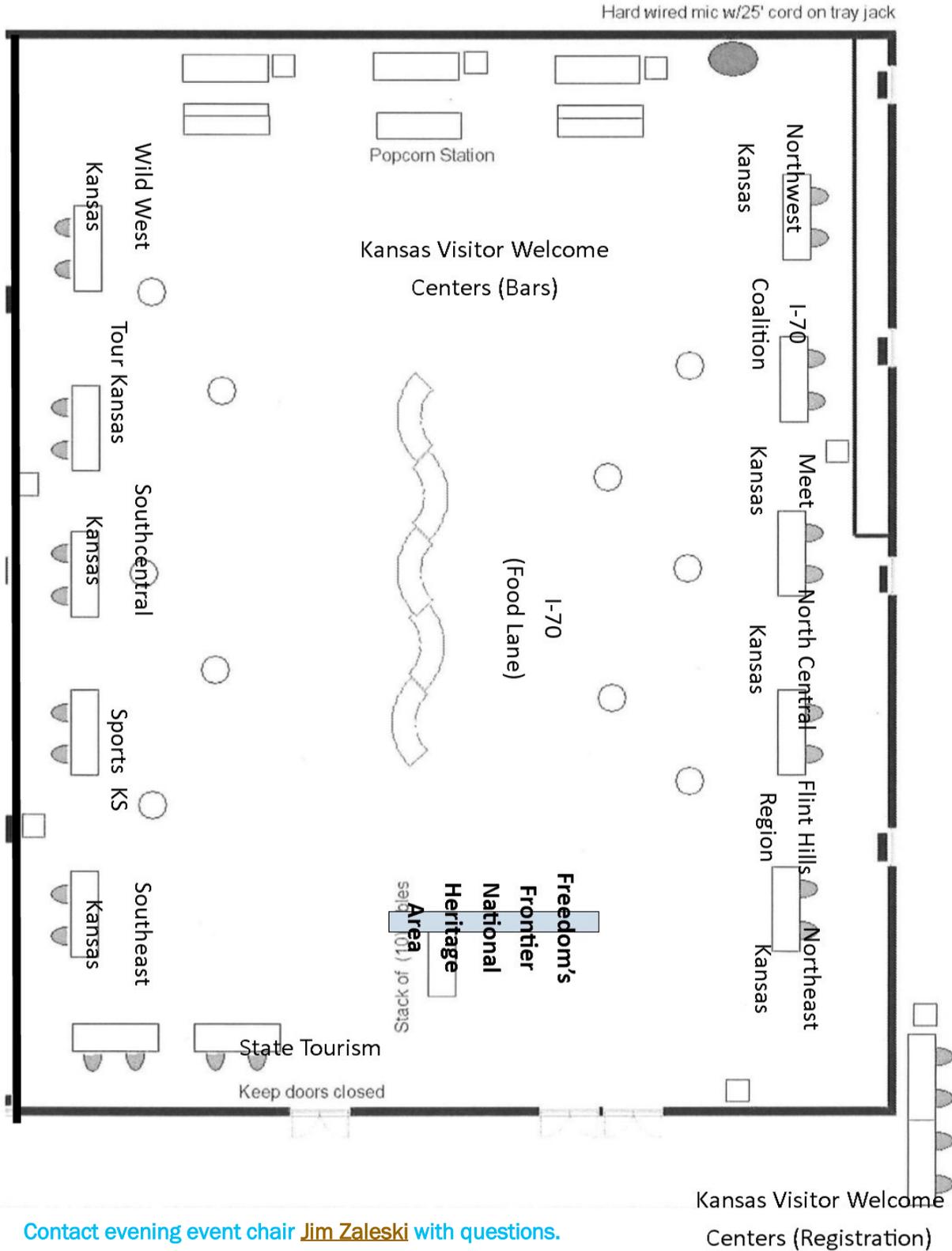
Popcorn delivery is always a hit and we've got 125 boxes to hand out. If interested in helping, contact [Jennifer Laird](#), or feel free to show up on the 3rd floor.

AFTER-PARTY

As the Legislative Reception winds down, Visit Topeka staff is determined to keep the party going. At 8 p.m., Bryton Stoll will be taking over Uncle Bo's in the lower level of the Ramada for a 2-hour show. Hear some of your favorite hits from the 70s and 80s while enjoying drinks and light snacks compliments of Visit Topeka. ■

MAP OF LEGISLATIVE EVENING RECEPTION LAYOUT AT RAMADA

The Legislative evening reception is a chance for TIAK members to showcase their communities to Kansas Legislators. Each booth below represents the various regions of Kansas and is our opportunity to shine.



Contact evening event chair [Jim Zaleski](#) with questions.

LEGISLATIVE UPDATE

The 2017 Kansas Legislative Session commenced on Monday, January 9. Attention quickly turned to the Governor's proposed rescission bill to fill the \$350 million shortfall for fiscal year 2017 as well as his balanced biennial budget for fiscal years 2018 and 2019. The majority of work has been agency briefings and educational sessions for the newly elected legislators. Budget committees continue to receive briefings on the details and impact of his proposed budget. As they churn through, it's clear that many legislators do not support the choices made to balance the state budget. We don't expect to see much action taken on the FY17 rescission bill or the biennial budget for FY18 and FY19 for weeks.

Tax Discussion

Tax Increases—The Governor's total tax plan is expected to raise \$377 million over the two-year budget period. As expected, but not well-received by a growing number of legislators, the proposal leaves the small business tax cuts from 2012 in place. It does, however, restore the tax on "passive income" to include rents and royalties, worth about \$40 million per year. LLC and other for-profit entities' annual filing fees would increase from \$40/year to \$200/year, expected to bring in \$33.6 million per year. The lower income tax bracket for joint income under \$30k/year would be frozen at the current rate of 2.7% (scheduled to drop to 2.6% in 2018), bringing in \$4.8 million in FY18 and \$16.1 million in FY19. The cigarette tax would increase by \$1/pack, raising \$42.1 million in FY18 and \$46.4 million in FY19. The liquor enforcement tax would double from 8% to 16%, bringing in \$52.3 million in FY18 and \$54.7 million in FY19.

Tax committees have continued to meet and receive briefings on Kansas taxes. The House moved quickly to hold a hearing on HB 2023, which is the bill to fully repeal the 2012 small business/LLC tax cuts, reinstate the income tax on non-wage business income. Committee Chairman Steven Johnson (R-Assaria) has not been shy in his attempt to move quickly on the bill in hopes to see revenue increases reflected in this fiscal year. The House also had discussions on what, if any, sales tax exemptions could be repealed or areas the tax base could be broadened. The committee came up with a list of 11 items they would like to discuss further as well as consider adding taxes to personal services.

The Senate is also reviewing Kansas tax policy, but has yet to take any action on specific areas of proposal. Committee Chair, Senator Caryn Tyson (R-Parker) is taking a much slower approach and is working behind the scenes to gauge her committee members' support before she holds hearings.

Tourism Issues

Budget and Rescission—The Governor's proposed budget essentially left

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LEGISLATIVE AUDIO

Take advantage of the live audio feeds from the Kansas Legislature. To listen to Senate proceedings, click [here](#). To listen to House proceedings, click [here](#). In addition, some committees have live audio feeds, as well, this year. To check on the availability of audio, you'll need to first access the particular committee you're interested in. If audio is available, it will be noted on the committee's page. For a list of Senate committees, click [here](#). For a list of House committees, click [here](#).

*The new I-9 form
went into effect
January 22, 2017.
The form can be
accessed on the
**U.S. Citizenship
and Immigration
Services (USCIS)**
website.*

LEGISLATIVE UPDATE (CONT.)

(Continued from page 5)

the KDWPT budget at the same level, which is a positive note in these tough economic times. The Governor's recommended Tourism budget approves the budget as submitted by KDWPT with a minor adjustment to salaries. The Governor's Rescission bill does move \$500,000 EDIF money out of the department and is replaced by funds from the parks fee fund. In addition, the Governor adds \$1.6M for the development of the Flint Hills trail and \$1.4M for dam repairs at the Leavenworth State Fishing Lake. The changes did not impact the FY18 or FY19 budget recommendation. Overall, the Administration remains supportive of KDWPT and its programs.

Airbnb and its effect on you—Meredith Travel Marketing recently reported that “Airbnb now hosts more beds in the U.S. than all major hotel chains combined.” As many may have heard by now, the Kansas Department of Revenue (KDOR) has reached an agreement with Airbnb to collect both sales and transient guest tax beginning February 1st. KDOR collection agents approached Airbnb July 2016 requesting compliance with tax submission. The agreement was reached two weeks ago. Airbnb immediately sent letters to all Kansas providers advising them of the upcoming change in protocol. Airbnb's agreement with the state of Kansas requires that Airbnb collect transient guest tax for any Kansas property that provides two (2) or more rooms available for overnight accommodations. As such, local municipalities will see an increase in receipts soon. During a recent phone call to express our appreciation, Deputy General Counsel for Tax, Mark Beshears, confirmed that he will plan to speak to all attendees at Destination Capitol. I hope you will join us for the interactive discussion! If you have not done so already, there's still time to register.



Transportation—In the Governor's budget, there is sales tax transfer from the State Highway Fund to the SGF, worth \$288.3M in FY18 and \$293.1M in FY19. The 23 out of the 24 T-WORKS projects delayed from last year will continue to be postponed. Maintenance and preservation projects would continue as planned, but only about \$40 million worth. There remains a strong effort by transportation advocates to retain what is left in the program and look for new revenue sources to replenish it. Currently, there are proposals floating around to increase fuel tax ranging from 5 to 11 cents.

STAR Bonds—Set to expire June 30, 2017, legislative action is needed to renew this popular, but what has at times been controversial, economic development tool. Each chamber will have a different approach to addressing renewal of STAR bonds. Rep. Claeys (R-Salina) has introduced a bill in House Commerce which proposes to renew the program with some technical changes. A hearing on the bill is tentatively scheduled for the second week in February. The Senate will take a different route starting with an informational hearing on Monday, January 30th in Senate Commerce. It is likely the Senate will introduce its own bill to that contains additional program oversight. TIAK is working with both Chambers to reach a compromise that renews the program as well as seek a more defined role for the tourism professional in the development of STAR bond projects.

Discrimination, Religious Freedom & LGBT—States such as North Carolina have recently seen a backlash from the educational and business communities regarding legislation perceived as discriminatory, particularly towards the LGBT community. Effective January 1, 2017, Kansas was placed on a travel ban by the state of California due to SB 175, which was passed by the 2016 Legislature. The bill addressed college student

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LEGISLATIVE UPDATE (CONT.)

(Continued from page 6)

organization's memberships and is being interpreted as discriminatory towards the LGBT community. TIAK is working with the administration and legislators to see what, if anything, can be done to address the ban.

In addition, two bills have been introduced this session. HB 2132 proposes to create a protected class for those who feel they have been discriminated based on their sexual orientation. The other bill, which has yet to be drafted, was conceptually introduced by Rep. Whitmore (R-Wichita) and is being called the "bathroom bill." It is expected the bill will prohibit mixed gender use of bathrooms. Tourism officials are concerned such legislation will bring negative reaction from such groups as the NCAA and businesses who oppose these policies.

Entertainment District—A bill establishing an entertainment district is expected to be introduced this session. The district will allow for alcohol to be sold or carried within a defined district. Current law only allows alcohol to be sold or carried within a defined district. Current law only allows alcohol to be sold or carried within an establishment. Current law also allows a one-time permit for events within a district. The bill will allow a district to be defined and allow for the district to operate on a regular basis. These districts will be permissive and allow the establishment of them by local communities. ■

U.S. Rep. Lynn Jenkins, announced she will not be seeking re-election to her Kansas Second District congressional seat in 2018. She also declined to run for any other office in 2018, instead choosing to work in the private sector.

AIRBNB EXPLAINED

By Brett Oetting, Visit Topeka



As you read in the TIAK December newsletter, the power of the sharing economy and Airbnb has finally reached the Midwest. With the growing demand reaching our front door, DMOs, CVBs and hotels should make sure they are aware of the current happenings in the state of Kansas and how this trend can affect them. In 2016, the world saw Airbnb listings from not just the typical homeowner, but also from the Bed & Breakfasts, apartments, and even hotels as a way to circumvent paying applicable taxes including transient guest taxes.

By all accounts on the surface, Airbnb is actually trying to play nice. The company has been proactively reaching out to local governments with a plan to pay its share of Transient Guest Tax (TGT). The program Airbnb created to achieve this is the [Voluntary Collection Agreement \(VCA\)](#). The TGT rate will be listed on the website during the booking process and combined with the rental rate. Airbnb will collectively pay all TGT and sales taxes to the state on a monthly basis. Most will say the reason Airbnb is working with cities is because they do not want legislation against them.

There have been many articles written about this all over the country and most professionals are saying Airbnb is causing more questions than answers and I would agree. This is not an ideal plan, although it is a start.

The Kansas Department of Revenue (KDOR) has recently signed VCA paperwork with Airbnb. With this agree-

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AIRBNB EXPLAINED (CONT.)

(Continued from page 7)

ment, Airbnb will begin collecting sales tax and TGT on February 1, 2017. In my conversations with attorneys at KDOR, they have many concerns regarding actual legislation against Airbnb, as it has created its own class by definition. I would urge everyone to read the state of [Kansas Business Taxes for Hotels, Motels and Restaurants](#) publication. TGT is explained beginning on page 11.

According to KDOR, the original TGT statute for Kansas was to assess 2% TGT for all hotel stays. If and when your city or county wrote a charter ordinance to increase that rate and keep the money local, many municipalities actually wrote their own rather than using the state's. Unsure if your municipality has its own ordinance? If you receive any TGT, they do. The issue here is that the VCA was written according to the state's definition of a hotel, Bed & Breakfast, and accommodation broker. This could mean that your location may not be able to enforce the Airbnb collection. This, of course, depends on if Airbnb wants to provoke anyone by denying a city the ability to collect TGT.

KDOR recommends reading your charter ordinance and specifically ensuring you understand two things: 1) How many rooms define a hotel; and 2) Do you have language for an accommodation broker? To get Airbnb to sign the agreement, KDOR had to write in language agreeing that Airbnb fits the state's definition of an accommodation broker. The state's definition of accommodation broker can be found on page 3 from the link above.

The future is a bit hazy. KDOR agrees that the VCA is not ideal but accepts it as a good first step. Keep in mind that KDOR only signed this agreement so it can collect the sales tax dollars. The state is not as concerned with TGT collection since it receives a minimal percentage. KDOR does not see itself working toward actual legislation at this time. That would have to come from the League of Municipalities, Association of Counties, TIAK, Kansas Restaurant & Hospitality Association (KRHA), or an individual municipality.

In closing, this is an example of winning a small battle but not the war. Airbnb should be considered a good partner and complement to hotels. Multiple studies show that the true home-sharing industry does not take away from hotels and instead can increase visitation to an area as an often cheaper alternative. The issue at hand is keeping a level playing field by ensuring appropriate taxes are being paid. It is also important to maintain the integrity of what constitutes an Airbnb listing.

This VCA is Airbnb's way of extending the proverbial olive branch in hopes of not getting legislated and forced to pay taxes. It does not want legislation, for obvious reasons. At my most recent check, there are 23 states and Washington, D.C. that have actual legislation forcing Airbnb to collect TGT just as hotels do. Get up-to-date with your local charter ordinance and check the available Airbnb properties in your area. Also check out [AirDNA](#), a new website that gives you a detailed breakdown on your city's performance on Airbnb. More information regarding Airbnb and its occupancy tax plan can be found [here](#). ■

DESTINATION CAPITOL HILL



**DESTINATION
CAPITOL HILL**

Destination Capitol Hill is a one-of-a-kind opportunity for you to learn about upcoming legislation that impacts travel, network with industry colleagues and meet with Members of Congress to stress the importance of travel as an economic driver.

Join us—and hundreds of your colleagues from around the country March 28-29, 2017. U.S. Travel will provide you with everything needed to go into your meetings with confidence. We'll host educational webinars prior to the event, coordinate your meetings and provide a personalized schedule. If interested in joining the TIAK contingent planning to attend, please contact [Natalie Bright](#). ■

U.S. TRAVEL'S 2017 PRIORITIES

From [U.S. Travel](#)

With the new year underway, a new Congress sworn in and the inauguration of President Trump, U.S. Travel has set their priorities for 2017. These 10 areas will be a focus of the association's time and effort:

1. **Modernizing U.S. airports:** Must-pass legislation to renew the FAA this year presents an opportunity for us to go on offense and advance our pro-connectivity, pro-growth, pro-traveler agenda.
2. **Announcing our air travel blueprint:** This spring, we'll release an agenda containing policy recommendations to improve the air travel experience, enhance connectivity, open access to new markets and bolster security.
3. **Facilitating efficient, secure travel:** A connected America is a competitive America. We will work to make travel to the U.S. for business and tourism more efficient and more secure, which are not mutually exclusive goals.
4. **Defending the industry against attacks:** As the voice of the travel community, we will promote travel and defend the industry from unwarranted and short-sighted attacks.
5. **Cultivating new travel champions:** Educating a new administration and many new congressional members and staff will be critical to strengthen our industry's voice in Washington.
6. **Connecting the industry:** Our events are prime examples of how in-person meetings build business and deliver impact.
7. **Preparing for emergencies:** All of us know the potential impact that health, security, natural disasters and other crises have on travel. We will convene some of the nation's top subject matter experts and share the best intelligence on emergency readiness and response.
8. **Taking those vacation days:** Our innovative Project: Time Off initiative continues to deliver cutting-edge, media-friendly original research that makes plain the benefits time off delivers for businesses careers, relationships and families.
9. **Proving it's worth meeting about:** We'll continue our leadership in the Meetings Mean Business Coalition, which touts the message that face-to-face meetings, trade shows and incentive travel deliver better results, greater productivity and expanded opportunities for businesses, organizations and individual professionals.
10. **Delivering gold-standard research:** U.S. Travel has become the go-to resource for travel industry research.

As an exciting and busy new year begins in Washington, we look forward to your continued partnership. For more information and extended descriptions of each of these priorities, visit [U.S. Travel's website](#). ■

WHITE PAPERS



There's a new addition to the Resources Section of the TIAK website: White Papers.

Our Education Committee has researched and collected white papers on various topics. Current White Paper listings include:

- The State of the American Traveler
- EppersonDest Product Development: A Review and Analysis of the Role of CVBs in Destination Product Development
- Destination Brand Building
- Five Destination Branding Principles to Boost Economic Recovery
- Toll Advocacy: It's Not Just For a Crisis
- Amadeus: Shaping the Future of Travel—Macro trends driving industry growth over the next decade

All of these white papers can be found on the TIAK website at: www.tiak.org/resources/white-papers-reports. Be sure to check them out!

CVB DIRECTOR'S ACTION ON WALL EARNS HER CITY TITLE

From [Leavenworth Times](#)



Leavenworth Convention and Visitors Bureau director, [Kristi Lee](#), was named city Employee of the Year for 2016 for heading efforts for the visit of the Vietnam Wall. In this Quick 5 interview, she talks about bringing the American Veterans Traveling Tribute wall to Leavenworth and its value to the Leavenworth area.

"This was such an amazing event to start my career out with the City of Leavenworth. Leavenworth is known as a military town and this was a military event to recognize those who have served our nation, we had to do this right. The community would be attending this event and it needed to be a good experience for the community and attendees as a whole.

It was a wonderful experience to work with everyone involved and we all had the same focus—to honor the veterans who have served our country. Everyone was on the same page and we all worked so well together... . There was a ton of behind-the-scenes work before and after the wall arrived in town. I can honestly say it was a team effort on everyone's part and I was honored to be a part of it.

I remember the morning of setup with the fog all around us and the sun trying to shine through the mist but it just wasn't able to, and thinking that it was an amazing sight to see it all coming together and how big it was going to be (80 percent replica of the one in D.C.). The number of names on the wall was overwhelming and really brought home the consequences of war. I felt the presence of the wall when walking in front of it, and heard back from several veterans and family members who were very moved by the experience, as I was.

Actually the jobs (Leavenworth CVB and Franklin County CVB) are basically the same except I was working for the County in Franklin and here I'm working for the City. I've been in this industry since 1996 and love working in the Travel and Tourism Industry. The towns and people are unique and I love getting to know a community inside and out and promoting them to the outside world.

Traveling around the state and getting to know the other communities as well as your own (favorite part of the job). Some of my goals for the coming year are to increase the number of meetings that Leavenworth hosts. We have some really great venues and hotels to house the overnight attendees. With a couple more hotels on the horizon in late 2017 and early 2018, we will be reaching out to the community leaders asking that they remember Leavenworth when their businesses or an organization they belong to are holding a regional or annual meeting and to give us a call and let us help them make Leavenworth their "first choice" for meetings. . . ." ■

CALENDAR OF EVENTS
(CLICK ON EACH LINK FOR
MORE INFORMATION):

February 8, 2017

Destination Statehouse
Topeka, Kan.

February 9, 2017

TIAK Board Meeting
Topeka, Kan.

March 28-29, 2017

Destination: Capitol Hill
Washington, D.C.

April 13, 2017

TIAK Board Meeting
Mulvane, Kan.

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