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Commerce, Labor, and Economic Development

E-6 Kansas Creative Arts Industries Commission

The Kansas Creative Arts Industries Commission (KCAIC) is charged with growing the creative industries sector of the Kansas economy. The KCAIC is housed within the Kansas Department of Commerce. Arts and cultural program funding in Kansas also is provided by the Kansas State Historical Society, the Kansas Humanities Council, and the Kansas Department of Education.

History and Structure

The Legislature passed and the Governor signed into law Senate Sub. for HB 2454, which created the KCAIC within the Kansas Department of Commerce in May 2012. The bill merged the powers, functions, and duties of the Kansas Arts Commission and the Kansas Film Commission, and made the KCAIC responsible for measuring, promoting, supporting, and expanding the creative industries in Kansas. Both the Kansas Arts Commission and the Kansas Film Commission were abolished.

The KCAIC is governed by an 11-member commission with members who serve for terms of three years. Members may be reappointed to a term of three years; however, members may not serve more than two terms and are not eligible for reappointment following the end of the member's second term of office. The members of the commission include: Two members appointed by the President of the Senate; one member appointed by the Minority Leader of the Senate; two members appointed by the Speaker of the House of Representatives; one member appointed by the Minority Leader of the House of Representatives; and five members appointed by the Governor. Additionally, all members appointed by the Governor have terms of three years, except that in the initial appointment three of the appointments were for two-year terms and two of the appointments were for three-year terms. The Governor designated the term for which each of the members first appointed would serve. The commission is required to convene annually by the 20th day of the legislative session and elect a chairperson and vice-chairperson from among its members. Under the provisions of the statute governing the KCAIC, the Commission is required to meet not fewer than four times during each calendar year and the Commission must meet on the call of the chair, with the meetings taking place in various locations across Kansas.

The statutes governing the KCAIC indicate the Commission should be "broadly representative" of the major fields of the arts and related creative industries. Members shall be appointed from among private citizens

who are widely known for having competence and experience in connection with the arts and related creative industries, or business leaders with an interest in promoting the arts. Additionally, the members should have knowledge of community and state interests.

Programs

The KCAIC offers two programs which are designed to support the creative arts industries in Kansas. The programs include the Creative Economy Project Support and the Creative Arts Industry Incentives.

The Creative Economy Project Support Program provides funding to help communities and organizations complete initiatives addressing a wide variety of goals and objectives and project planning may be funded at the planning or implementation state. This program supports initiatives that encourages partnerships between public, private, and cultural sectors that create jobs, generate income, promote economic development, revitalize communities, and attract cultural tourists. According to the KCAIC, successful applications must include at least one primary partner from each sector. The Creative Economy Project initiatives must leverage the assets of the creative sector that are intrinsic in Kansas communities, generate real income, and enhance the quality of life.

The Creative Arts Industry Incentives offers three financial incentives for creative professionals and businesses that are looking to expand in Kansas. The three programs include:

- **Workforce Expansion** – The program requires a qualified company or organization to commit to creating at least one new FTE (full-time equivalent) positions over a one-year period and either the organization or position must be in the creative sector. Applicants may request up to 10.0 percent of the employee's wages, up to a maximum of \$5,000 per eligible job.
- **Capital Investment Assistance** – This program awards investments to companies or organizations willing to

expand or alter a new or existing facility or purchase equipment or materials to expand or improve an applicant's business or organization. Applicants may request up to 50.0 percent of the cost of the facility enhancements with a maximum award of \$10,000 and applicants may request a maximum of \$5,000 for equipment purchases or technology upgrades and all requests require a one-to-one match.

- **Workforce Training Assistance** – This program is used to assist companies and organizations involved in pre-employment and on-the-job training of new employees, the training of existing employees, the training of existing employees on new technologies that will result in increased revenue and an expanded client base, the training and education of future employees using creative arts integrated programs to address emerging technologies, areas of skills shortages, and science, technology, engineering, and mathematics curriculum. The maximum amount of funding per trainee is \$500 with a maximum award of \$5,000 per applicant.

Funding

State Funds. When the KCAIC was created in FY 2013, the Governor recommended \$200,000, all from the Economic Development Initiatives Fund (EDIF). The 2012 Legislature added an additional \$500,000, all from the EDIF, and 3.0 FTE positions, for the operation of the KCAIC.

Federal Funds. The National Endowment for the Arts determined in August 2011 that the Kansas Arts Commission would not comply with the National Endowment for the Art's eligibility requirements and therefore would not receive a National Endowment for the Arts FY 2011 Partnership Agreement. The partnership agreement would have provided the Kansas Arts Commission with approximately \$709,000 in grant funds. Kansas subsequently met the partnership criteria for a later period and obtained a \$560,800 award for FY 2014. Grants will be awarded by the end of the fiscal year from the funding.

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