

MINUTES OF THE HOUSE ECONOMIC DEVELOPMENT COMMITTEE

The meeting was called to order by Chairman Kenny Wilk at 3:30 p.m. on February 19, 2004, in Room 526-S of the Capitol.

All members were present.

Committee staff present:

Kathie Sparks, Legislative Research Department  
Susan Kannarr, Legislative Research Department  
Renaë Jefferies, Office of Revisor of Statutes  
Helen Pedigo, Office of Revisor of Statutes  
Fulva Seufert, Secretary

Conferees appearing before the committee: Joan Wagon, Secretary of Revenue  
Steve Weatherford, President, Kansas Development Finance Authority (K DFA)  
Julie Edge, Ph. D., Inside Edge Solutions LLC

Others attending:

See Attached List.

Chairman Wilk opened the meeting of the Economic Development Committee on Thursday, February 19, 2004, at 3:30 p.m.

The Chair announced that discussion would continue on:

**HB 2647 - Bioscience Authority and Development Acts**

The Chair recognized Secretary Joan Wagon who addressed the NOL in New Sec. 1 (a) which changed the wording of shall to may. This makes it permissive and not required. (Attachment 1)

Representative Hill made a motion to adopt the language as presented by Secretary Wagon. Representative Brunk seconded. Motion passed.

Secretary Wagon called the committee's attention to amend **HB 2647** to put the provision of the original bill into the TIF bill. This involved amending the bill by deleting current language and putting in the TIF statute. No TIF district can be approved for bioscience without the approval of the bioscience authority.

Representative O'Malley made a motion for the above-mentioned amendment, and Representative Kuether seconded. Motion passed.

Before closing, Secretary Wagon thanked Mr. Steve Stotts by saying he runs all the numbers and is really appreciated in Revenue.

The Chairman recognized Mr. Steve Weatherford, President, Kansas Development Finance Authority (K DFA) who presented the following amendments:

- Page 23, line 7, striking definition of "bond" and inserting the definition of bonds.
- Page 4, line 15 - adding (w) and striking state
- Page 22, lines 17, 18, 20, 22, 34, 39, 43 to Line 1, page 23 - correcting the name of the fund to "bioscience development and investment fund."
- Page 22, line 26 - Striking Sec. 24
- Page 25 - Strike
- Page 26 - Strike
- Page 27 to line 37 - Strike
- Page 28 - strike NAICS codes
- Page 31, line 6 - adding the word "and" after mail
- Page 33, after line 17 - Add new Sec. 27, Sec. 28, and Sec. 29.

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- Page 34, line 28 - striking “such”
- Page 34, line 34 - resolution

Representative Burroughs made a motion to approve these amendments to HB 2647, and Representative Gordon seconded. Motion passed.

Mr. Weatherford continued with the following amendments:

- Page 37, strike ex officio
- Page 4, non voting member of the board does not have to be confirmed by the Senate.
- Page 23, after line 10, add (h) At the direction of the authority, the fund may be held in the custody of and invested by the state treasurer, provided that the bioscience development and investment fund shall at all times be accounted for in a separate report from all other funds of the authority and the state.
- Page 35, after district in line 1, add “including principal and interest on special obligation bonds or other obligations issued by the Kansas development finance authority to finance, in whole or in part, a bioscience development.
- Page 35, after line 7, insert (d) At the direction of the authority, the fund may be held in the custody of and invested by the department of administration or the state treasurer provided that the biosciences development bond fund shall at all times be accounted for separate and apart from all other funds of the authority and the state.
- Page 41, line 41, strike comma after voucher
- Page 44, line 43 - strike “through the promulgation of administrative rules”
- Page 45, line 1 - strike “and regulations”

Mr. Weatherford said this completed the K DFA amendments. (Attachment 2)

Representative Boyer moved the committee adopt all the balloons as amended, and Representative Hill seconded. Motion passed.

The Chairman next opened the discussion on the stem cell controversy. The Chair recognized Dr. Julie Edge who had a written handout explaining the Missouri statutes regarding use of state funds for research involving cloning as follows: “No state funds shall be used for research with respect to the cloning of a human person. For purposes of this section, the term “cloning” means the replication of a human person by taking a cell with genetic material and cultivating such cell through the egg, embryo, fetal and newborn states of development into a new human person.” (Attachment 3)

Chairman Wilk shared some background information and offered the following proposal:

Notwithstanding any other provision of this Act, the terms “bioscience,” “biotechnology” and “life sciences” shall not be construed to include:

(A) induced abortion in humans, performed after the date of enactment of this Act, or the use of cells or tissues derived therefrom.

(B) any research the federal funding of which would be contrary to federal laws that are in effect on the date of enactment of this Act.

Chairman Wilk made a motion to accept this balloon and to adopt the above mentioned language. Representative Hill seconded. Motion passed.

During discussion, Representative Kuether had concerns about this language being the “kiss of death.” Representative Huntington expressed concern about what would happen if the federal laws change.

The Chair recognized Representative Boyer who said he had an amendment. Rep. Boyer’s amendment was to add the following: “The authority may direct a nonprofit entity created in subsection (d) (1) to issue grants to high schools that create biotechnology academies. The authority shall set application procedures, eligibility criteria, requirements for curricula and teaching credentials and any other items and procedures incidental to establishing the grant program.” (Attachment 4)

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Representative Boyer made a motion to approve his amendment, and Representative Novascone seconded. Motion failed.

Representative Burroughs made a motion to put all members of the board on the same level, and Representative Kuether seconded. Motion failed

Chairman Wilk announced that the committee was back on the bill.

Representative Burroughs made a motion to amend page 11, line 17 to insert the word “add,” and lines 23-26 to strike “and do any and all things necessary or convenient to carry out the authority’s purposes and exercise the powers given in this act. Representative Kuether seconded. Motion failed.

Representative Burroughs made a motion to amend line 4, page 9 to include and all officers of the authority. Representative Carlin seconded. Motion passed.

Representative Burroughs made a motion to add the following in line 36, page 11 after business: “, but the authority may not create any political action committee or contribute to any political action committee.” Representative Brunk seconded. Motion passed.

Representative Burroughs moved to strike “The” and add “Prior to making any investments, the on page 12, line 8. Representative Novascone seconded. Motion passed.

Representative Burroughs made a motion to add the following on page 17, line 41 after the word bonds: “Nothing in this subsection shall be construed to limit the constitutional powers of the legislature.” Representative Carlin seconded. Motion passed.

Representative Burroughs moved that on page 34, line 37 and 38 to remove The bioscience development bond fund shall not be a part of the state treasury and the funds and insert “in the state treasury. Moneys. Representative Kuether seconded. Motion failed.

Representative Burroughs moved that the revisors be authorized to make the necessary technical amendments. Representative Gordon seconded. Motion passed. (Attachment 5)

Representative Burroughs made a motion that **HB 2647** be passed out as House Substitute bill for **HB 2647** as amended. Representative Gordon seconded. Motion passed.

Chairman Wilk told the Committee that the following bill would now be worked:

**HB 2713 - Establishing a boxing commissioner, athletic commission, athletic fee fund, licensing, procedures for complaints**

The Chair recognized Representative Burroughs who explained in detail the balloon on page 2 of **HB 2713**. (Attachment 6)

Representative Burroughs made a motion to accept his amendments in the balloon for **HB 2713** and Representative Novascone seconded. Motion passed.

Representative Novascone made a motion that the commissioner has to be subject to a background check and that the revisors be instructed to use standard language. Representative Burroughs seconded. Motion passed.

Chairman Wilk said the committee was back on the bill.

Representative Burroughs made a motion to pass out a substitute bill for **HB 2713** as amended. Representative Gordon seconded. Motion passed.

The Chairman announced that Tuesday, February 24, 2004 the committee would work **SB 222**.

The meeting adjourned at 5:50 p.m.

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