

MINUTES OF THE HOUSE ECONOMIC DEVELOPMENT COMMITTEE

The meeting was called to order by Chairperson Lana Gordon at 3:30 P.M. on January 24, 2006 in Room 526-S of the Capitol.

All members were present.

Committee staff present:

Audrey Dunkel, Kansas Legislative Research Department
Kathie Sparks, Kansas Legislative Research Department
Rena Jefferies, Revisor of Statutes
Helen Pedigo, Revisor of Statutes
Carlene Maag, Committee Secretary

Conferees appearing before the committee:

Stan Ahlerich, President, Kansas, Inc.
Tracy Taylor, President and CEO, Kansas Technology Enterprise Corporation

Others attending:

See attached list

A Motion was made by Representative Kuether and seconded by Representative Carlson to approve the minutes from the meeting of January 17, 2006. A vote was taken, motion passed.

Representative Winn introduced conceptually, a committee bill to increase the state minimum wage to the federal level, which was seconded by Representative Kuether. A vote was taken, motion passed.

Chairperson Gordon introduced Stan Ahlerich, President of Kansas, Inc. who gave an overview of Kansas, Inc. which was created in 1986. Since its creation, Kansas, Inc. has maintained a role within state government to provide independent, non-partisan, and non-political economic development research and analysis, which is used to develop policies and recommendations to help Kansas remain competitive within a global market.

The mission of Kansas, Inc. strategic planning, evaluation and fundamental research.

Kansas Inc staff produced reports during FY 2005 on :

- Economic Development Legislation in Kansas: A Chronological History from Fiscal Year 1986-2004
- Industry Report: Kansas in the New Cotton Frontier
- Indicators of the Kansas Economy (IKE); two versions

In 2005, Kansas, Inc. outsourced eight initiatives with researchers throughout Kansas including the Kansas Consumer Sentiment 2005 which was prepared by the Docking Institute of Public Affairs, Fort Hays State University. (Attachment 1)

Prospectus 2006 Research reports include, Study on the Aviation Industry and its Impact on the State and Regions and Baseline Study for the Strategic Plan of the Kansas Economy.

Kansas, Inc. is required by statute to periodically assess the effectiveness of the various economic initiatives throughout Kansas. The leading economic developers include the Kansas Department of Commerce (KDOC) and the Kansas Technology Enterprise Corporation (KTEC).

The enactment of the 2004 Kansas Economic Growth Act (KEGA) assigned Kansas, Inc. to evaluate the effectiveness of the Kansas Bioscience Authority and the Center for Entrepreneurship.

In terms of strategic planning, it is the mission of Kansas, Inc. to be the arm of the state's economic development initiatives. The Kansas, Inc. Annual Report 2005 can be found at www.kanasinc.org

Mr. Ahlerich, provided the Committee with the research report "County Economic Vitality and Distress

CONTINUATION SHEET

MINUTES OF THE House Economic Development Committee at 3:30 P.M. on January 24, 2006 in Room 526-S of the Capitol.

Report - 2004 Report Update. This report can be found at www.kansasinc.org

Mr. Ahlerich also gave a presentation on the Indicators of the Kansas Economy (IKE) report. This report can be found at www.kansasinc.org.

Chairperson Gordon and Representative O'Malley thanked Mr. Ahlerich for the report and recognized that it could be a tool that can be utilized in making various economic development decisions.

Information given to the Committee also list the IKE Advisory Committee List (Attachment 2)

Tracy Taylor, President and CEO of Kansas Technology Enterprise Corporation (KTEC) gave an overview of KTEC and the Bio Science Authority.

KTEC was created by the Legislature in 1986. KTEC areas of focus are research, investments and business assistance. KTEC has partnered with the University of Kansas in the field of bioscience. Business incubators are very important. Through incubators, businesses can learn how to channel distribution and locate capital.

KTEC helped fund the Mid-America Manufacturing Technology Center (MAMTC). This fund provides engineering consultant services to small and medium size manufacturing firms.

KTEC strategy consist of four pillars:

- Flow talent
- Process Improvements
- Critical Mass and Shared Services
- Technology Commercialization Value Chain

KTEC tries to focus on providing a stimulus for economic development by bringing together the university and the private sector to leverage the investments and assets that are available in Kansas.

Mr. Taylor also spoke about the Bioscience Authority in Kansas. The mission of this authority is: "to make Kansas the most desirable state in which to conduct, facilitate, support, fund and perform bioscience research, development and commercialization".

Trade organizations representing the bioscience industry continuum in Kansas include human, plant and animal. (Attachment 3)

Staff provided Committee with testimony from the Kansas Board of Regents "Kansas Community Colleges, Enrollment and Financial Statistics" 2005 Edition. (Attachment 4)

Discussion followed this presentation. The meeting was adjourned at 5:10 pm. The next meeting is scheduled for Thursday, January 26, 2006.