

MINUTES OF THE SENATE COMMERCE COMMITTEE.

The meeting was called to order by Chairperson Karin Brownlee at 8:30 a.m. on January 16, 2003 in Room 123-S of the Capitol.

All members were present except: Senator Dave Kerr, Excused

Committee staff present: April Holman, Legislative Research Department
Debra Hollon, Legislative Research Department
Norman Furse, Revisor of Statutes
Mitch Rice, Revisor of Statutes
Jodie Anspaugh, Secretary

Conferees appearing before the committee: Lt. Governor John Moore, Secretary of Commerce and Housing

Others attending: See attached list.

Chairperson Brownlee welcomed Lieutenant Governor John Moore, Secretary of Commerce and Housing. Lt. Governor Moore briefed the committee on the Department of Commerce and Housing, and shared his vision for the Department ([Attachment 1](#)).

Moore gave his background in commerce. He has partnered with the Department in the past on three projects that created 2,500 jobs. Today, he will speak primarily about the Business Development Division.

It is his job to grow the Kansas economy, and to make certain that an environment exists in which businesses, large and small, can succeed and the jobs they provide can be saved. He wants companies to be able to do business in Kansas easily and successfully.

The state has been involved in keeping Burlington Northern Santa Fe in Kansas and saving jobs with Goodyear. The legislature also decided to invest in research and development at Wichita State University, the University of Kansas, Kansas State University, and Pittsburg State University.

The second priority is to grow existing businesses. Last year, Abbott Labs decided to expand by 150 jobs, and did so in McPherson because of efforts by the city, county, and the Department of Commerce and Housing. The Department also intends to continue to recruit out-of-state businesses. Economic development efforts must be all-inclusive.

Governor's budget has recommended that Kansas, Inc. be collapsed into the Commerce Department. The research component of Kansas, Inc. will be included in the Department.

CONTINUATION SHEET

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The Lt. Governor proposes no change with KTECH, but would like to see the existing friction between agencies resolved. The Departments of Commerce and Revenue must work together in talking to businesses about locating in Kansas in order to be successful. Moore believes that all training programs should be consolidated. The state of Georgia consolidated training programs and was chosen by Daimler Chrysler for a new plant. Georgia is investing \$750 million in the new Daimler Chrysler plant. AFL/CIO, policy makers, and Kansas Chamber of Commerce and Industry all support consolidated training.

Existing entities must become part of a focused network. Chambers of Commerce, Economic Development Executives, Small Business Development Centers, and the Regents Institutions must interface formally.

Kansas must assist the Boeing Company. They have to compete against a company that is subsidized by a consortium of European countries. We should talk to our representatives in the federal government to find a policy that will assist Boeing in the development of its next generation of products.

Jetmore, Kansas is losing its multi-generation farm families. The city wants to create a lake that would attract 180,000 visitors per year for water recreation, camping, and fishing, for a state investment of \$3 million. The Sternberg Museum and the Kansas Speedway are excellent examples of projects that attract visitors.

Lieutenant Governor Moore had a question and answer period. Business recruiting, matrix systems, affordable housing, and Kansas, Inc. were discussed.

Chairperson Brownlee thanked Lieutenant Governor Moore for coming.

The meeting was adjourned at 9:30 a.m.

The next meeting is scheduled for January 21, 2003 at 8:30 a.m.