

MINUTES OF THE SENATE COMMERCE COMMITTEE

The meeting was called to order by Chairperson Karin Brownlee at 8:30 A.M. on January 17, 2008 in Room 123-S of the Capitol.

All members were present except:

Jay Emler- excused  
Laura Kelley- excused

Committee staff present:

Kathie Sparks, Kansas Legislative Research Department  
Jason Long, Revisor of Statutes

Conferees appearing before the committee:

Others attending:

See attached list.

Chairperson Brownlee welcomed the members of the committee back for the new session 2008. After discussion the Committee agreed that rural economic development and workforce development were the two major issues the Committee should address this session.

Chairperson Brownlee reviewed the Senate Commerce Committee agenda for next week and then introduced Kathie Sparks from Legislative Research to review the reports of the Joint Committee on Economic Development and also to give the Math and Science recommendations. Ms. Sparks presented draft copies of the **Joint Committee on Economic Development interim report** ([Attachment 1](#)), ([Attachment 2](#)), and ([Attachment 3](#)) and they are incorporated into these minutes as a matter of record. Ms. Sparks began her review starting with the Joint Committee on Economic Development regarding Kansas Inc.; Kansas Bioscience Authority; Kansas Arts Commission; Kansas Center for Entrepreneurship; Star Bonds; Unemployment Benefit Payments; Kansas Travel and Tourism; Attracting Retirees To Kansas; And Film Making in Kansas. Ms. Sparks highlighted on the conclusions and recommendations of the Committee as follows:

The Committee recommends that legislation be introduced which will establish a public/private semi-independent authority to address and attract tourism to Kansas and provide for a funding stream for the authority as proposed by the Kansas Tourism Initiative.

The Committee recommends the Kansas Department of Labor establish a date, through the rules and regulations process, by which unemployment workers must register as required by current law.

The Committee recommends that legislation be introduced which will establish a joint legislative oversight committee for the Kansas Bioscience Authority.

The Committee wishes to acknowledge Westar for its work in promoting the arts in Kansas and to thank the company for the use of its facilities for the Committee meeting in October.

The Committee wishes to acknowledge the fine work and success the Manhattan Chamber of Commerce has accomplished with the "Retire to the Flint Hills" campaign.

Ms. Sparks stated that the "Retire to the Flint Hills" campaign is promoting former K-State graduates to come back and retire in Manhattan and about 100 have done so. This campaign was featured in the New York Times. A short discussion followed with Senator Reitz asking Ms. Sparks for a copy of the article in the New York Times.

Next, Ms. Sparks moved to the review of the Joint Committee on Economic Development Refundable Tax Credits which appear in attachment 2. Ms. Sparks reviewed the conclusions and recommendations as follows:

The Committee recommends legislation be introduced that will allow a corporation in a unitary group to qualify for the Job Expansion and Investment Credit Act and the Kansas Enterprise Zone Act when the appropriate capital expenditures or the creation of jobs is made in Kansas

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The Committee recommends legislation be introduced that will provide for a new option in which businesses could use expensing instead of depreciation for calculation of state income tax.

The Committee recommends that a standing Joint Committee on Economic Development be created to review the uniformity and enforcement of the Transient Guest and Use Tax.

Senator Jordan stated that three of the members of the Joint Committee did not remember this recommendation. Ms. Sparks stated it was in the minutes that were approved by the Joint Committee Members.

The Committee recommends legislation that would amend the Rural Business Development Tax Credit legislation to clarify that the funding received by the regional foundations is to be used for start up companies or expansion of existing companies in rural and depressed areas of the state.

Next, Ms. Sparks moved to the Joint Committee on Economic Development Housing Incentives which appear in attachment 3.. She reviewed the conclusions and recommendations as follows:

The Committee recommends legislation be introduced that will establish a statewide housing authority which will cover all of Kansas for financing and low-interest home loans. The legislation is to be based upon 2004 Senate Bill No. 222 which allowed the Kansas Development Finance Authority to issue mortgage revenue bonds.

The Committee recommends that if the Kansas Department of Corrections pursues legislation to allow the correctional facilities to build modular homes, that the facilities continue to build cabins for the state parks at the same rate as currently. Cabin construction should not be discontinued.

Next Ms. Sparks moved to the Joint Committee on Economic Development Workforce Development which appears in attachment 4. She reviewed the conclusions and recommendations as follows:

Request from the Legislative Coordinating Council approval to request that the Kansas Department of Commerce contact the Kansas congressional delegation and request that when the Workforce Investment Act is reauthorized that a fourth category be added to approved groups of services. The Fourth category would be the adult 55 and older. Currently the three categories are adults, dislocated workers, and youth.

Requests that the Kansas Department of Commerce, during the 2008 Session, report on the number of days in use and the number of days in storage of the mobile centers. One of the mobile centers is owned by the Department and the other one is owned by the Kansas City region. The report is to be given to the House Committee on Economic Development and Tourism; the House Committee on Commerce and Labor; and the Senate Committee on Commerce.

Senator Brownlee stated she went to the State Board Workforce Advisory Committee meeting last week and they currently have about \$7 million of set aside funds which have accumulated over the past few years and they are committing half million dollars to the older adult programs. She feels that is a step in the right direction.

Upon the conclusion of the review of the reports from the interim Joint Committee on Economic Development Ms. Sparks moved her review the **Math and Science Education Advisory Committee Conclusions and Recommendations**. Ms. Sparks presented written copy (Attachment 5) and it is incorporated into these minutes as a matter of record. She stated that Kansas must produce a deeper pool of technically skilled workers, while at the same time build capacity in frontier research and product development in selected fields to maintain a competitive advantage. Improving Kansas' capacity in mathematics, engineering, technology, and science (METS) is vital if Kansas is to remain nationally as well as internationally competitive.

She stated in acknowledgment of this, the Math and Science Education Advisory Committee are offering the following recommendations:

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### **Public Awareness Strategies**

Encourage the governor and legislators to speak publicly and frequently about the critical shortage of math and science majors and the impact on Kansas

Develop public awareness initiatives that consider students of all ages beginning with elementary school, including the following:

Expand after school and summer program opportunities for elementary through high school students to nurture skills, interests and appreciation for science and mathematics.

Support the development of the Kansas Academy for Math and Sciences at Fort Hays State University

### **Teacher Preparation Strategies**

Support new innovative pathways to math and science teacher licensure.

Encourage better partnerships between higher education METS departments and the schools of education in the preparation of teachers.

Establish a joint masters program for teachers offered collaboratively by Regents' Universities through on-line delivery methods for preparation and professional development.

Support new, innovative and cooperative programs to produce METS teachers between universities and community colleges.

### **Teacher Recruitment and Retention Strategies**

Provide METS teachers special incentives, partnerships, and competitive compensation through vehicles, such as UpLink program which connects educators with businesses; teacher housing as provided in some rural western Kansas school districts; and the tax credit program which provides tax credits to businesses hiring teachers during the summer.

Support a set of coordinated regional centers for METS at institutions of higher education that would provide on-going professional development.

Support the development of a master teacher program to provide mentoring support and professional development opportunities for METS teachers.

Develop strategies that allow "retired teachers" in METS disciplines to return to the classroom with no reduction of retirement payments.

Support summer institutes that provide opportunities to update the skills of mathematics and science teachers.

### **Alignment Strategies**

Strengthen and align P through 20 recommended curricula in METS areas, including career emphasis activities

Expand the academic competition and award opportunities that promote research in the classroom at the secondary level. Advance the METS learning timeline while exposing students to the real world METS applications. Encourage algebra in the 8<sup>th</sup> grade and calculus in 12<sup>th</sup> grade.

### **Coordination Activities**

Create statewide METS Education Innovation Council made up of appointments from the Kansas Board of Regents, State Board of Education and the business community. The Secretary of the Kansas Department of Commerce would be the Council's convener.

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A discussion followed regarding the shortage in Kansas of math and science teachers. The Committee was in full support of the recommendations of the Kansas Math and Science Education Advisory Committee.

Chairperson Brownlee adjourned the meeting at 9:30 a.m. with the next meeting being scheduled for January 22, 2008 at 8:30 a.m. in room 123 S.