

MINUTES OF THE SENATE COMMERCE COMMITTEE

The meeting was called to order by Chairperson Karin Brownlee at 8:30 A.M. on February 19, 2008 in Room 123-S of the Capitol.

All members were present except:

Nick Jordan- excused
Jay Emler- excused

Committee staff present:

Jennifer Thierer, Kansas Legislative Research Department
Kathie Sparks, Kansas Legislative Research Department
Norm Furse, Revisor of Statutes
Jason Long, Revisor of Statutes
Jackie Lunn, Committee Assistant

Conferees appearing before the committee:

Mike Michaels, Vice President, Kansas Economic Development Alliance (KEDA)
Senator Roger Reitz
Bob Newsome, Riley County Board of Commissioners
Bishop Scott Jones, Kansas Catholic Conference
Sister Terese Bangert, Kansas Catholic Conference
Heidi Zeller, Kansas Action Network
Jake Lowen, Wichita/Hutchinson Labor Federation of Central Kansas
Shannon Jones, SILCK
Terry Forsyth, KNEA
Ron Hein, Kansas Restaurant and Hospitality Industry
Alan Cobb, Americans for Prosperity

Others attending:

See attached list.

To read testimony submitted by conferees go to

<http://skyways.lib.ks.us/government/KansasSenateCommerceCommittee>.

SB 525--Kansas investments in major products and comprehensive training act (IMPACT)

SB 466--Graduated increase in Kansas minimum wage

Chairperson Brownlee introduced Mike Michaels, Vice President, KEDA to give a short presentation. Mr. Michaels stated he had other board members in the audience today and introduced them to the Committee. Mr. Michaels presented written testimony ([Attachment 1](#)) which can be found in its entirety on the link listed above. Chairperson Brownlee called for questions, being none, she thanked Mr. Michaels for coming and letting the Committee know about his organization.

Chairperson Brownlee called the Committee's attention to **SB 525** and stated they would work that bill and asked if anyone had questions on the bill or amendments. Chairperson Brownlee called on Jennifer Thierer, Legislative Research, to explain her memo ([Attachment 2](#)) regarding the interest generated by the fund. Ms. Thierer stated that the interest generated goes back to the State General Fund and any unused moneys also goes back to the State General Fund.

A discussion followed regarding the fiscal note. The Committee has concerns with the fiscal note. Chairperson Brownlee called on Secretary Kerr, Department of Commerce, for his explanation of the fiscal note. He stated it was his understanding that technically there is no fiscal note because the 2% is allocated or is designated. He went on to say there will be a cash flow impact of \$24 Million. The Committee decided they needed a new updated fiscal note on the bill. The interest on the money was also discussed regarding who gets that. Chairperson Brownlee stated they can move forward but will need more clarity on the fiscal note. Jennifer Thierer, Legislative Research, stated she would try to get a new fiscal note on the bill.

Senator Schodorf made a motion to move the bill out favorably. Senator Kelly seconded. Motion

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carried.

Chairperson Brownlee called the Committee's attention to **SB 466** and called on Jason Long, Revisors Office, to explain the bill. Mr. Long stated the bill repeals the existing state minimum wage limits. The bill would keep the state minimum wage in line with the federal minimum wage.

Chairperson Brownlee opened the hearing on **SB 466** and introduced Senator Roger Reitz to give his testimony as a proponent of the bill. Senator Reitz presented written testimony ([Attachment 3](#)) which can be found in its entirety on the link listed on page 1 of these minutes.

Chairperson Brownlee stated that Secretary Garner was to testify next but was ill and referred the Committee to his written testimony ([Attachment 4](#)) as a proponent of **SB 466**, which can be found in its entirety on the link listed on page 1 of these minutes. Secretary Garner also included in his testimony, an *Overview of Federal and State Minimum Wage Laws*. ([Attachment 4a](#))

There was a short discussion with the Committee regarding information found in Secretary Garner's testimony. Meg Neimier, Director of Communications, Department of Labor, joined the discussion answering the questions of the Committee regarding the number of people in Kansas making less than the federal minimum wage. It was noted that the information came from a 2006 survey and is the latest data that the Department of Labor has on minimum wage. At the time it was taken the federal minimum wage was \$5.15. The Committee asked if it would be possible to get factual based data instead of survey based data. Ms. Nemier stated she would check into that.

Upon the completion of the discussion, Chairperson Brownlee stated she would hold the rest of the questions until all the proponents finish with their testimonies.

Chairperson Brownlee introduced Bob Newsome, Riley County Board of Commissioners, to give his testimony as a proponent of **SB 466**. Mr. Newsome presented written testimony ([Attachment 5](#)) which can be found in its entirety on the link listed on page 1 of these minutes.

Chairperson Brownlee introduced Bishop Scott Jones, Kansas United Methodist Church, to give his testimony as a proponent of the bill. Bishop Jones presented written testimony ([Attachment 6](#)) which can be found in its entirety on the link listed on page 1 of these minutes.

Chairperson Brownlee introduced Sister Therese Bangert, Kansas Catholic Conference, to give her testimony as a proponent of **SB 466**. Sister Therese presented written testimony ([Attachment 7](#)) which can be found in its entirety on the link listed on page 1 of these minutes.

Chairperson Brownlee introduced Heidi Zeller, Kansas Action Network, to give her testimony as a proponent of the bill. Ms. Zeller presented written testimony ([Attachment 8](#)) which can be found in its entirety on the link shown on page 1 of these minutes.

Chairperson Brownlee introduced Jake Lowen, Wichita/Hutchinson Labor Federation of Central Kansas to give his testimony as a proponent of **SB 466**. Mr. Lowen presented written testimony ([Attachment 9](#)) which can be found in its entirety on the link shown on Page 1 of these minutes.

Chairperson Brownlee introduced Shannon Jones representing SILCK to give her testimony as a proponent of the bill. Ms. Jones presented written testimony ([Attachment 10](#)) which can be found in its entirety on the link shown on page 1 of these minutes.

Chairperson Brownlee introduced Terry Forsyth representing KNEA to give his testimony as a proponent of **SB 466**. Mr. Forsyth presented written testimony ([Attachment 11](#)) which can be found in its entirety on the link shown on page 1 of these minutes.

Chairperson Brownlee called the Committee's attention to the written only proponent testimony of Gregg Jones, Southeast Kansas Independent Living ([Attachment 12](#)) which can be found in its entirety on the link listed on the Page 1 of these minutes.

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Upon the conclusion of the proponent testimony, Chairperson Brownlee opened the floor for questions of the proponents. With no questions, Chairperson Brownlee introduced Ron Hein representing the Kansas Restaurant and Hospitality Industry, to give his testimony as an opponent of **SB 466**. Mr. Hein presented written testimony ([Attachment 13](#)) which can be found in its entirety on the link shown on page 1 of these minutes.

Chairperson Brownlee introduced Alan Cobb, Americans for Prosperity, to give his testimony as an opponent of the bill. Mr. Cobb presented written testimony ([Attachment 14](#)) which can be found in its entirety on the link shown on page 1 of these minutes.

Upon the conclusion of the testimony of the opponents, Chairperson Brownlee called the Committee's attention to the written only opponent testimony of Dr. Art Hall, Kansas University ([Attachment 15](#)) which can be found in its entirety on the link listed on page 1 of these minutes.

A short discussion followed regarding the minimum wage in other states and if the numbers are high enough to make an impact on the state.

Chairperson Brownlee closed the hearing on **SB 466** and adjourned the meeting at 9:30 a.m. with the next meeting scheduled for February 20, 2008 at 8:30 a.m. in room 123 S.