

Approved 5-1-87
Date

MINUTES OF THE SENATE COMMITTEE ON ECONOMIC DEVELOPMENT

The meeting was called to order by Senator Wint Winter, Jr. at
Chairperson

2:50 ~~a.m.~~/p.m. on April 9, 1987 in room 529-S of the Capitol.

All members were present except: Senator Feleciano - Excused

Committee staff present:

Arden Ensley, Revisor of Statutes
Lynne Holt, Legislative Research Department

Conferees appearing before the committee:

David Barclay, Department of Commerce

The meeting was called to order at 2:50 p.m. by the Chairman, Senator Wint Winter, Jr..

Senate Bill 73 - An Act enacting the Kansas development finance authority act.

Committee members discussed the possibility of working SB 73. The Committee decided not to take any action on the bill at this time but to delay action on it to a future meeting.

House Bill 2582- An Act relating to certain public corporations; concerning certain personnel and financial matters of Kansas, Inc. and Kansas technology enterprise corporation.

Chairman Winter called on David Barclay, Department of Commerce, to explain HB 2582. Mr. Barclay said that HB 2582 is an administrative clean-up bill. He stated that the questions which this bill attempts to resolve arose as the Department of Commerce attempted to help implement Kansas, Inc. and KTEC. He observed that Section 2 and Section 5 of the bill allow these corporations to link back in to the state system for personnel type functions and benefits. The reason for allowing this is that each of these corporations has only about three staff people. Therefore, it makes sense for them to be able to use the existing structures already available to the state for benefit packages etc. so that these corporations would not have to negotiate their own.

Mr. Barclay said that Section 3 and Section 6 of HB 2582 relate to placement of operating funds. The bill states that state funds should be placed in the state treasury and it gives the two corporations the option of placing private funds, which they may raise or may have, either in the state treasury or elsewhere, at their own discretion. He observed that in the case of Kansas, Inc., one-third of its budget in the coming fiscal year is to be privately raised, and in the case of KTEC, three-fifths of the research matching grant money comes from private sources. He said that Section 7 and Section 8 of the bill relate to the selection of the corporations' presidents. HB 2582 makes clear that the corporations' boards can negotiate a hiring contract with the presidents. He stated that HB 2582 contains a provision that Kansas, Inc. is specifically exempt from state purchasing laws. He pointed out that existing law makes this exemption provision for KTEC.

Senator Daniels moved that HB 2582 be recommended favorably for passage. Senator Hayden seconded the motion. The motion carried.

The Chairman announced that minutes which have not already been approved will be distributed to each member of the Committee. If any member has an addition or correction to make, that member should contact the Committee Secretary.

The meeting was adjourned by the Chairman at 3:30 p m.

Prepared by Mary Allen

Unless specifically noted, the individual remarks recorded herein have not been transcribed verbatim. Individual remarks as reported herein have not been submitted to the individuals appearing before the committee for editing or corrections.

GUEST LIST

NAME

REPRESENTING

E. A. Mosha, League of Co. Municipalities
Jack Hanson, Hanson & Company, Wichita
David Barclay, Dept. of Commerce