MINUTES OF THE __SENATE__ COMMITTEE ON ____ECONOMIC DEVELOPMENT____.

The meeting was called to order by _____Senator Dave Kerr_____ at
                                              Chairperson

__8:00__ a.m./p̶/m̶. on __March 21_____, 19_89_in room __123-S__ of the Capitol.

A̶l̶l̶/m̶e̶m̶b̶e̶r̶s̶/w̶e̶r̶e̶/p̶r̶e̶s̶e̶n̶t̶/e̶x̶c̶e̶p̶t̶: Members present: Senators Kerr, Moran, Salisbury,
                          Winter, Vidricksen, Oleen, Feleciano, Francisco,
                          Karr, McClure, Steineger

Committee staff present:
        Bill Edds, Revisor of Statutes' Office
        Lynne Holt, Kans Leg Research Dept
        Carol de la Torre, Secretary to the Committee

Conferees appearing before the committee:

        The meeting was called to order by Senator Dave Kerr,
        Chairman. Minutes of the March 14, 15 and 16, 1989, meetings
        were reviewed by the Committee. It was moved by Senator
        Winter and seconded by Senator Feleciano that the minutes
        be approved. Motion carried, minutes approved.

        The Chairman advised that the Committee would be discussing
        HB2020 and gave a brief background on the bill. He stated
        there is at least $1 million of EDIF money which could be
        used as the guarantee fund. However, this is not an
        appropriations bill. If the Committee passes this bill,
        it should be possible to come up with EDIF monies for a one-
        time guarantee amount.

        Senator Winter asked how this bill was different from last
        year. Staff explained changes made by the house. Senator
        Winter moved that House Bill 2020 be recommended favorably
        for passage. Seconded by Senator Vidricksen. Senator
        Steineger questioned whether it was good public policy for
        the state to use tax monies for investment in a loan program
        which would provide loans to individuals who could not obtain
        them from conventional sources. Senator Winter felt that
        if that were a problem, we would not have the SBA, Farmers
        Home Program or any government supported loan programs.

        Senator Kerr responded to the question of tax money. He
        felt the proposal would use EDIF funds (money that comes
        in from the lottery) set aside on a one-time basis, and would
        not be general fund money. On SBA standards, Senator Kerr
        responded that their loans had been targeted more towards
        minorities and had other restrictions that have made it much
        less available. After extensive discussion of the bill,
        the motion passed. House Bill 2020 was recommended favorably
        for passage.

CONTINUATION SHEET

MINUTES OF THE _____ SENATE COMMITTEE ON _____ ECONOMIC DEVELOPMENT _____,

room __123=S Statehouse, at __8:00__ a.m./p̸.p̸h. on _____ March 21 _____, 1989

The next bill discussed was <u>Senate Bill 278</u>. The Chairman felt that the State Treasurer deserved credit for the idea, but as written, the bill needs work to make it into a workable plan. He suggested that the Committee look at the bill during the interim. Senator Feleciano stated he felt more time was needed to look at this bill. He has several amendments that would clean up this bill. Senator Francisco stated he would like to have time to look at the amendments and the bill. Senator Kerr advised that the bill would be scheduled for next week.

There being no further business, the meeting was adjourned.

GUEST LIST

COMMITTEE: SENATE ECONOMIC DEVELOPMENT   DATE: 3-21-89

NAME (PLEASE PRINT)	ADDRESS	COMPANY/ORGANIZATION
Susan Seltsom	Topeka	State Treasury
	"	"
Chuck Stones	"	Ks Bankers Assn
Gene R. Miller	Concordia	City Government
Ann Peterson	Topeka	KDOC
	Topeka	KBOA
	"	KDOC
Jane Montgomery	"	KDOC