

Approved \_\_\_\_\_

Date

3-28-89

MINUTES OF THE SENATE COMMITTEE ON ECONOMIC DEVELOPMENT

The meeting was called to order by Senator Dave Kerr at \_\_\_\_\_  
Chairperson

8:00 a.m./p.m. on March 23, 1989 in room 123-S of the Capitol.

~~All members were present except:~~ Members present: Senators Kerr, Francisco,  
Karr, McClure, Moran, Oleen, Steineger, Vidricksen

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.

The Chairman advised that the Committee was to have heard recommendations from the Sub-Committee on Rural Economic Development, but as they have not had a chance to meet, the Chairman suggested pulling all the information and studies on this topic together and developing an action plan. He suggested Kansas Inc. put this information together and present it to the Committee with recommendations next year. After discussion it was moved by Senator Moran that Kansas Inc. collate research and prepare a report related to rural economic development initiatives in a time frame that would allow it to be presented to the joint economic development committee this fall and that Kansas Inc. present alternatives of what they believe the Legislature needs to be doing to help. This should be done in the form of a Chairman's Letter. Seconded by Senator Karr, motion carried, letter will be sent.

The next item before the Committee was Senate Bill 278. This bill, discussed on Tuesday, is the State Treasurer's proposal for using \$50 million in pooled money investment board money to make available low interest loans to farmers and small businesses.

Senator Oleen stated she has asked the State Treasurer for a list of the types of loans made in the past. Senator Francisco felt that due to considerable discussion and concerns at the last hearing, that the Committee was moving too fast on this bill, and needed to look at this issue when more information is available, preferably next session.

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON ECONOMIC DEVELOPMENT,  
room 123-S Statehouse, at 8:00 a.m./p.m./ on March 23, 1989

The Chairman stated he also had talked with the State Treasurer and she was apparently pleased with the idea of an interim study on this bill. The Treasurer felt the plan did make sense, had a lot of merits, but as written had some problems. The Chairman stated there were lots of questions and that the bill was ill-defined. He agreed with Senator Oleen that the Committee needs more information on previous loans made from freeway funds. The Chairman stated he had drafted a letter to request that the joint interim committee look at this bill. Senator Vidricksen stated that he has talked to the post auditor who is in the process of drawing up a scope statement to find out if this money is used to replace money that banks would have loaned anyway. When Senator Vidricksen receives the statement, he will share it with the Committee and perhaps ask for a report to use during the interim. Senator Vidricksen will have the auditor contact the Committee members for their questions as he prepares the statement.

Senator Karr moved that the Committee send Senate Bill 278 to the interim committee by way of a letter of recommendation to the Chairman of the Joint Committee on Economic Development. Seconded by Senator Oleen, motion approved, letter will be sent.

The Chairman advised the Committee that there is still one bill in the Committee, House Bill 2440, the bill which would make it impossible to use community development block grant monies for race tracks. It originated because of a Greenwood County request for CDBG grant money. The bill has passed the House. The Chairman asked if the Committee would like to take up this bill. It was recommended that the bill be held in Committee.

There being no further business, the meeting was adjourned.

