

Approved

April 26, 1991  
Date

MINUTES OF THE HOUSE COMMITTEE ON ECONOMIC DEVELOPMENT

The meeting was called to order by Representative Diane Gjerstad at  
Chairperson

3:40 ~~xxx~~ p.m. on Wednesday, March 6, 1991 in room 423-S of the Capitol.

All members were present except:

Representatives Edlund, Love and Wisdom. Excused.

Committee staff present:

Lynne Holt, Research  
Jim Wilson, Revisor  
Betty Manning, Secretary

Conferees appearing before the committee:

None

Chairperson Gjerstad called the meeting to order at 3:40 p.m.

The first bill considered for final action was H.B. 2493 which was requested by the Department of Health and Environment making technical amendment to an established statute. Attention was called to Page 2 of the existing statute with amendment starting on line 14 through 20. The original bill was passed but was later repealed through the tax lid bill during the 1990 Legislature. Representative Mead made a motion to strike the language on Page 2, lines 14 through 20. Seconded by Representative Bishop. Motion carried. A motion was made by Representative Mead to pass the bill as amended. Seconded by Representative Bishop. Motion carried. Representative Dean went on record as voting "no".

The next bill discussed for possible final action was H.B. 2179 dealing with technology/education which would allow a school to levy property taxes up to two mills for the purpose of financing technology education programs. Representative Weimer offered an amendment to the bill and gave an overview of the proposed changes. The amendment proposed would finance technology education with issuance of bonds up to two percent of the budget rather than a two mill property tax increase. It was felt not fair to school districts with low assessed valuation, whereas, if based on an increase in the budget, if a school district elected to increase its budget to engage in this program, the amount increased would be reflected in the FDEA support for that school district.

The Chair asked for questions from committee members. One question raised was for a definition or explanation of the term technology. The term technology/education will be researched and reported back at the next committee meeting. Representative Weimer made a motion that we adopt the bill as amended. Seconded by Representative Chronister. Motion carried. Representative Wempe voted "no".

Chairperson Gjerstad stated the committee would leave this bill and come back to it at next meeting with clarification of the term technology/education and rework the entire bill.

H.B. 2492 previously discussed, concerning the apportionment of business income by a telecommunications company was considered for final action. Representative Chronister made a motion the bill be passed favorably out of committee. Seconded by Representative Sader. Motion carried.

Final bill discussed was H.B. 2536 relating to a learning SKILL program. This bill was dicussed at length on March 5, 1991. Jim Wilson, Revisor, went over the amendments for the committee members. First amendment was on Page 4, line 17, after the period, inserting the following:

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.

CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON ECONOMIC DEVELOPMENT

room 423-SStatehouse, at 3:40 ~~xxx~~ p.m. on March 6, 1991

"No agreement shall be approved which provides for program costs of a project under the agreement of more than the amount equal to 2.5% of the estimated amount of gross wages of the new jobs under the project over a ten-year period." Attachment 1.

Representative Chronister made a motion to adopt the amendment. Seconded by Representative Wempe. Motion carried.

The next amendment is on Page 6, following line 1, inserting the following sub-section in section 5: (c) Prior to obtaining financing from the Kansas development finance authority for any project or a group of projects for one or more employers, the secretary of commerce shall present each such project to the governor's council on workforce training for review and approval. No agreement shall be approved by the secretary of commerce unless each project under the agreement has been reviewed and finally approved by the governor's council on workforce training." Attachment 2.

Chairperson Gjerstad explained the governor's council workforce training was created last year by executive order and consists of president of Kansas, Inc., Secretary Social and Rehabilitation Services, Secretary of Commerce, Secretary Department of Human Resources, Commissioner of Education and Chief of Staff from Governor's office. This council was set up to assess the strength and weaknesses of our workforce and to help identify policy options and assure coordination between all those entities. The council looks over and signs off on the bond issues.

Representative Mead made a motion to adopt the amendment. Seconded by Representative Chronister. Motion carried.

Another amendment is on Page 8, in line 14, after the period by inserting the following: "Each report shall contain information regarding the number and characteristics of the new jobs created in Kansas for which SKILL projects have been financed under this act, including a report on any such new jobs which do not continue to exist and the circumstances and effect of any such discontinuances,". Attachment 3.

Representative Bishop moved the committee adopt this amendment, Seconded by Representative Weimer. Motion carried.

Representative Sader made a motion to amend Page 2, line 17(E) "it is a national or regional enterprise which is primarily engaged in interstate commerce;" after commerce and before the semi colon, insert "or which is an affiliated management company of that enterprise; or";. Representative Brown seconded the motion. Motion carried.

Chairperson Gjerstad asked if further questions on H.B. 2536. Representative Mead made a motion that S.B. 33 coming to this committee would be an appropriate vehicle to statutorily establish the governor's council. Seconded by Representative Chronister. Motion carried.

Representative Chronister moved the bill be passed favorably as amended and reported out of committee as a substitute bill. Seconded by Representative Bishop.

The meeting was adjourned at 5:00 p.m.

March 6, 1991

GUEST REGISTER

HOUSE

Committee on Economic Development

NAME

ORGANIZATION

ADDRESS

HENRY SCHWALBE

IPPR

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JEFF RUSSELL

UNITED TEL.

TOPEKA

J. Bowser

" "

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TOPEKA

Danica Schwarz

United Telecom

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PROPOSED AMENDMENT TO Sub for HB 2536

On page 4, in line 17, after the period, by inserting the following: "No agreement shall be approved which provides for program costs of a project under the agreement of more than the amount equal to 2.5% of the estimated amount of gross wages of the new jobs under the project over a ten-year period."



PROPOSED AMENDMENT TO Sub for HB 2536

On page 6, following line 1, by inserting the following subsection in section 5:

(c) Prior to obtaining financing from the Kansas development finance authority for any project or a group of projects for one or more employers, the secretary of commerce shall present each such project to the governor's council on work force training for review and approval. No agreement shall be approved by the secretary of commerce unless each project under the agreement has been reviewed and finally approved by the governor's council on work force training.

*Eco-Devo  
Attachment #2*

*03-06-91*

PROPOSED AMENDMENT TO Sub for HB 2536

On page 8, in line 14, after the period, by inserting the following: "Each report shall contain information regarding the number and characteristics of the new jobs created in Kansas for which SKILL projects have been financed under this act, including a report on any such new jobs which do not continue to exist and the circumstances and effect of any such discontinuances."

*Eco-Devo  
Attachment #3*

*03-06-91*