

Approved February 21, 1992
Date

MINUTES OF THE Senate COMMITTEE ON Economic Development

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

8:00 a.m./~~xx~~ on February 20, 1992 in room 123-S of the Capitol.

All members were present except:

Senator Wint Winter

Committee staff present:

Lynne Holt, Legislative Research Department
Bill Edds, Revisor of Statutes' Office
LaVonne Mumert, Committee Secretary

Conferees appearing before the committee:

James Beckley, Department of Commerce
Laura Nicholl, Secretary, Department of Commerce

SB 613 - Powers of division of trade development of commerce department

Jim Beckley spoke in support of SB 613 (Attachment 1). The bill would give the Trade Development Division responsibility for all international development activities. Chairman Kerr asked if the bill is simply to give recognition to what is already occurring. Mr. Beckley agreed.

SB 611 - Establishing the office of work force training in department of commerce

Laura Nicholl testified in support of the bill (Attachment 2). Chairman Kerr noted that a similar bill was vetoed last session and asked whether there is any assurance that SB 611 will not receive the same treatment by the Governor. Secretary Nicholl said the 1991 bill was vetoed because it added a new position but SB 611 has no fiscal impact. Chairman Kerr stated that he does not intend to take action on the bill until some communication is received giving assurance of the Governor's support for the bill. Senator Brady asked about the transfer of an existing position to fulfill the responsibilities in SB 611. Ms. Nicholl said there was a vacant position in the Division of Industrial Development which was downgraded and transferred to create this position.

Senator Francisco moved that SB 613 be recommended favorably. Senator Vidricksen seconded the motion, and the motion carried.

Senator Francisco explained a bill request which would give legislative authorization for the sale of the Wichita State Office Building (Attachment 3). Senator Vidricksen moved that the Committee request introduction of the bill. Senator Feleciano seconded the motion, and the motion carried.

Chairman Kerr advised that subsequent to the Committee's action yesterday to introduce a resolution concerning ERO 23, he has been advised that such resolutions cannot be referred to a committee but are referred to the Senate for special action. As a result, the resolution discussed yesterday has not been introduced. Senator Brady made a motion that the Committee reconsider its action of February 19, 1992 to introduce a resolution approving ERO 23. Senator Feleciano seconded the motion, and the motion carried. The Committee gave consideration to a draft of a resolution approving ERO 23 (Attachment 4). After discussion, Senator Brady moved that the language concerning the name of the agency (next-to-last paragraph on the draft) be deleted. Senator Francisco seconded the motion, and the motion carried. After further discussion, Senator Petty moved that the word "issues" be substituted for the word "problems" in the 5th line and that the phrase "in individual communities as the first step in" be

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 Senate COMMITTEE ON Economic Development,
room 123-S, Statehouse, at 8:00 a.m./~~pm~~ on February 20, 1992

substituted for the phrase "prior to the" in lines 3 and 4 of the third paragraph. Senator Salisbury seconded the motion, and the motion carried.

Senator Feleciano moved that the Committee introduce the resolution approving ERO 23. Senator McClure seconded the motion, and the motion carried.

Senator McClure moved that the minutes of the February 19, 1992 meeting be approved with the addition of showing her absence as excused. Senator Feleciano seconded the motion, and the motion carried.

The meeting adjourned at 8:45. The next meeting of the Committee will be Friday, February 21, 1992.

Date 2/20/92

SENATE ECONOMIC DEVELOPMENT
VISITOR SHEET

(Please sign)

Name/Company	Name/Company
Bob Grant KCC	
Kevin Robertson / K ADTSE	
Laura Michon KDOC	
Jim Beckey KDOC	
Dave (unreadable) KDOC	
David P. Fox KCODE	
Steve [unreadable] KDOC	
Frank [unreadable] SLS	
Kode Francho	
Janet Stubbs UBAK	

Testimony before the
Senate Economic Development Committee
on Senate Bill 613
February 20, 1992

by

Kansas Department of Commerce

James E. Beckley, Director

Trade Development Division

Attachment 1
2/20/92
Sen. Eco. Dev.

The Department of Commerce requested the introduction of Senate Bill 613 which would amend the powers and duties of the Trade Development Division as outlined in K.S.A. 74-5048. It is proposed that a section be added as follows:

"to engage in the recruitment of international businesses and industries by identifying, contacting, and informing them of the benefits of expanding, locating or relocating to Kansas."

This added section is proposed to formally consolidate all of the Department's international development activities within a single division. There is no fiscal impact associated with the amendment of this statute and no known impact on any other state agency.

Consolidating the international industrial recruitment activities with the existing Trade Development Division's international activities will allow the two to work closely in the sharing of information, leads and international contacts. This will allow a better use of state resources and eliminate duplication of manpower, time and money.

Thank you for your time and the opportunity to present this to you today.

2/20/82
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TESTIMONY ON SENATE BILL NO. 611

presented by

Laura E. Nicholl
Secretary
Kansas Department of Commerce

February 20, 1992

The Kansas Department of Commerce supports Senate Bill No. 611 which would create an Office of Work Force Training. Our agency currently administers the Kansas Industrial Training (KIT) program, Kansas Industrial Retraining (KIR) program and the State of Kansas Investments in Lifelong Learning (SKILL) program and coordinates with several other state agencies to ensure the effective and efficient use of state resources aimed at the creation and maintenance of a well-trained work force. An Office of Work Force Training would give our agency's coordinating function increased visibility and further establish workforce training as a long-term commitment by our state.

It is clear to me as Secretary of Commerce that human capital is crucial to the economic well-being of the state. The availability of a skilled labor force is often the number one priority for companies searching for new locations. Workforce excellence is one of the top priorities at the Department of Commerce, and the creation of an office in which to place our agency's workforce training efforts is an acknowledgement of this priority.

Attachment 2
2/20/92
Sen. Eco. Dev.

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Last year, a similar bill was passed which would have established an Office of Work Force Training. The bill was vetoed by the Governor due to the fiscal impact of an additional staff position. No fiscal impact is anticipated this year, however, due to the transfer of an existing position to assist in the administration of job training programs. By utilizing existing staff, we will be able to meet the responsibilities outlined in the bill.

One minor suggestion that we have is the spelling of "workforce" as one word in the title of the office. Our promotional material uses the single word when it modifies "training." This spelling is consistent with usage in today's training literature.

The Department of Commerce has requested and supports SB611. We believe that this legislation will provide long-term continuity in coordination of Department of Commerce training programs and will increase awareness of the state's commitment to workforce training.

PROPOSED BILL NO. _____

By

AN ACT authorizing the secretary of administration to sell certain property in the city of Wichita.

Be it enacted by the Legislature of the State of Kansas:

Section 1. (a) The secretary of administration is hereby authorized to sell the Wichita State Office Building property located in the area of Douglas and Rutan Streets in the city of Wichita, Kansas.

(b) The provisions of K.S.A. 75-3043a, and amendments thereto, requiring state agencies to obtain appraisals of real estate shall not be applicable to the sale authorized by subsection (a) so long as the purchaser of such property totally pays off, or provides funds for the defeasance of, the outstanding bonds that were issued for the state's purchase of the property.

Sec. 2. This act shall take effect and be in force from and after its publication in the Kansas register.

Attachment 3
2/20/92
Sen. Eco. Dev.

SENATE RESOLUTION NO. _____

By Senator Committee on Economic Development

A RESOLUTION approving Executive Reorganization Order No. 23, relating to the establishment of a department of commerce and housing.

Be it resolved by the Senate of the State of Kansas: That Executive Reorganization Order No. 23 is hereby approved.

Be it further resolved: That the Senate agrees with the Governor that Kansas should give more attention and effort to housing problems than it has in the past.

Be it further resolved: That the Senate has concerns that few communities have conducted comprehensive needs assessments, that a detailed assessment needs to be conducted statewide prior to the development of major housing initiatives, and that the staffing of eight new full time employee positions within the division of housing established within the department prior to the accomplishment of such statewide needs assessment similar to those done in Colorado and the city of Topeka would appear to be premature.

Be it further resolved: That the Senate recognizes that other states have been successful in acquiring federal grants and in creating sophisticated financing mechanisms to fund housing projects, and it is recommended that the newly established department make a concentrated effort of recruiting employees who have gained expertise and experience in these complicated processes.

Be it further resolved: That the Senate has reservations concerning the name of the reorganized and newly established department and suggests the Governor reconsider the change.

Be it further resolved: That the Secretary of the Senate be directed to send enrolled copies of this resolution to the Governor, the Secretary of State and the Secretary of the Department of Commerce.

Attachment 4
2/20/92
Sen. Eco. Dev.