

Approved: February 15, 1995  
Date

MINUTES OF THE SENATE COMMITTEE ON COMMERCE.

The meeting was called to order by Chairperson Alicia Salisbury at 8:00 a.m. on February 13, 1995 in Room 123-S of the Capitol.

Members present: Senators Salisbury, Burke, Downey, Feleciano, Gooch, Harris, Hensley, Kerr, Petty, Ranson, Reynolds, Steffes and Vidricksen.

Committee staff present: Lynne Holt, Legislative Research Department  
Jerry Donaldson, Legislative Research Department  
Bob Nugent, Revisor of Statutes  
Betty Bomar, Committee Secretary

Conferees appearing before the committee:  
Rich Bendis, President, KTEC  
Murray D. Anderson, Sr., Murray D. Anderson Sr. & Associates

Others attending: See attached list

The Chair presented requests by the Department of Administration, (RS 0974) relating to Public Employer, Employee Relations Act and the Self Insurance Fund for proposed changes in the Workers Compensation Act. Senator Burke moved, seconded by Senator Reynolds, both bills be introduced as Committee Bills and referred back to the Committee. Voice vote was unanimous in favor of the motion.

Mary Turkington, Kansas Motor Carriers Association, requested the Committee introduce a bill relating to owner-operator issues. Senator Reynolds moved, seconded by Senator Ranson, a bill be introduced as a Committee Bill and referred back to the Committee. Voice vote was unanimous in favor of the motion.

Upon motion by Senator Steffes, seconded by Senator Gooch, the Minutes of February 10, 1995, meeting were unanimously adopted.

**SB 13-Establishes technology-based venture-capital fund**

Bob Nugent, Revisor of Statutes, reviewed Substitute for Senate Bill No. 13. Section 1 limits appropriations to the fund to non-state sources; provides for evaluation of the fund's investments and an annual audit; and requires at least 75% of the total investment in Kansas businesses. Section 3 adds a section to address potential conflict of interest.

Rich Bendis, President, KTEC, testified that this legislation would provide the additional money and leverage possibility to assist only those ventures involved in technology. In response to discussion about the impact of eliminating SBIC funding at the federal level, Mr. Bendis testified that although the benefit would be at a lesser amount the fund would be beneficial.

Murray D. Anderson, Sr., Murray D. Anderson, Sr. & Associates, requested that the tax credit be increased to 75% in order to be of assistance to a greater number of businesses including minority and women owned business. See attachment 1

Mr. Anderson was advised that his proposal had not had an opportunity for review and should be the subject of a public hearing prior to adoption.

Senator Kerr inquired of the Revisor as to the language on Page 1, Section 1 (a) whether "specifically so designated" means appropriated? Bob Nugent replied that was correct and that "appropriated" could be substituted for "designated" There was no objection to this clarification.

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON COMMERCE, Room 123-S Statehouse, at 8:00 a.m.  
on February 14, 1995.

Senator Burke moved, seconded by Senator Steffes that Substitute for SB 13 be introduced. Motion carried.

Senator Kerr moved, seconded by Burke that Substitute for SB 13 be recommended favorable for passage with the clarifying language. The recorded vote was in favor of the motion.

The Committee adjourned at 9:00 a.m.

The next meeting is scheduled for Tuesday, February 14, 1995.



# Murray D. Anderson, Sr. & Associates

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February 1, 1995

Governor William Graves  
Kansas State Capital  
Topeka, Kansas 66600

Dear Governor Graves,

I am requesting an opportunity to meet with you concerning your office sponsoring an amendment to Article 82 - Kansas Statewide Risk Capital Company Act and Article 83 - Kansas Venture Capital Company Act. We're requesting that your office sponsor the amendment.

We're also requesting that the declaration of the amendment to this particular piece of legislation specify that Special Small Business Investment Corporations formed in the State of Kansas should be used as the prime vehicle to implement the cause and effect of economic development projects that are being developed in the enterprise zone designated under SBA legislation.

The amendment should go on to say and specify that in addition to the tax credit that offers a 25% benefit to corporations doing business in Kansas that invest in SSBIC's will gain a 75% tax benefit per investment.

The amendment should also go on to say that the full faith and credit of the State of Kansas will guarantee the principal value of the stock offering.

Please advise a time when I can meet with you to discuss this further.

Respectfully,

*Murray D. Anderson*  
*MDA*

Murray D. Anderson, Sr.

*February 13, 1995*  
*Commuce*  
*Attachment 1*