

MINUTES OF THE HOUSE COMMITTEE ON ECONOMIC DEVELOPMENT.

The meeting was called to order by Chairman Kenny Wilk at 3:30 p.m. on March 20, 2003, in Room 522-S of the Capitol.

All members were present except: Representative Carl Krehbiel, Excused

Committee staff present: April Holman, Legislative Research
Rena Jefferies, Revisor of Statutes
Fulva Seufert, Secretary

Conferees appearing before the committee: J. Mark Leonard, Research Analyst, Kansas, Inc.

Others attending: See attached list

Chairman Wilk recognized Representative Loganbill who announced that it was Representative Kuether's birthday. Chairman Wilk led the committee and guests in singing Happy Birthday to Representative Annie Kuether.

The Chair next recognized Mr. J. Mark Leonard, Research Analyst, Kansas, Inc., who presented two handouts to better inform the committee about economic development in the state. These specifically concerned the contribution of small business loan guarantees to economic development. (Attachment 1)

Chairman Wilk directed the committee's attention to **SB 235 - Providing for general STAR bond authority throughout the state.**

The Chair said that Representative Burroughs had some balloons to present, and he asked Rep. Burroughs to walk through the issues in **SB 235** that his balloons addressed. (Attachment 2) After reading through all the changes the balloons addressed, Representative Burroughs made a motion that the committee accept SB 235 with the balloons. Representative Kuether seconded.

The Chair advised the committee that in discussing the balloons, they would be divided into 10 parts with each part being decided informally on a voice vote.

The first balloon was identified as Part A which is found on page 2, line 32 and page 5, line 7, which added public building, government building or school.

Representative Kuether made a substitute motion to strike public building on page 2, line 32 and on page 5, line 7. Representative Carlin seconded. Motion carried.

Chairman Wilk called the committee's attention to Part B which was page 3, line 5 which added, "And the effect, if any, the redevelopment or special bond project will have on any outstanding special obligation bonds

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as authorized pursuant to subsection (a)(1)(D) of K.S.A. 12-1774, and amendments thereto.” On a voice vote, this was approved.

The Chair directed the committee’s attention to Part C, page 3, line 17, which allows a major multi sport athletic facility to be included. After discussion and a voice vote, this was approved.

The Chair next announced discussion of Part D, page 5, which has to do with sole discretion if a project may cause a default on a present bond project. The voice vote carried.

The Chair called for discussion of Part E, page 5, line 30, which changed 30 years to 25 years. A voice vote was taken, and Part E carried.

Part F was next discussed which is on page 7, line 10. After discussion, Representative Burroughs withdrew this change.

Part G was next which is on page 7, line 11. Subsection (h) addresses the appeals process and the committee discussed if two years was long enough to start on a project.

Representative Wilk made a substitute motion to strike pursuant to subsection (c) of this section and to then add a definition of commence. Representative Carlin seconded. Motion passed.

Rena Jefferies, Revisor, offered this definition of “commence.” To “commence work” means to physically break ground or evidence of reasonable forward movement on the project. She also added she had made a determination that she agreed with Representative Loganbill on Part A that “casino, government building or school” are not eligible areas,” but rather projects and should not be there. This will need to be addressed later.

Part H, subsection (i) provides for a sunset provision of July 1, 2006. Representative Novascone made a substitute motion on subsection (i) to change the sunset to July 1, 2007. Representative Hill seconded. Motion passed.

Part I, page 7, line 31, concerns a feasibility study. On voice vote, the committee passed this balloon.

Part J, page 8, (single page provided) (Attachment 3) which was originally written as a portion or all, and through the experience with **HB 2208**, should include no less than 90% of the local sales tax collected shall be pledged for such project. On a voice vote, the committee passed this change.

The Chairman announced that due to the length of the meeting, the **ERO 30** would not be discussed today, but would be discussed at the next meeting, Tuesday, March 25, 2003, so if anyone was present specifically for **ERO 30**, he or she could feel free to leave.

The Chairman called the committee’s attention back on the balloon to Part K which adds new section 7 which addresses the multi sports complex. This lowers the threshold from one million to fifty million. (Attachment

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4) The committee on a voice vote passed this balloon.

Representative Huntington made a substitute motion to scratch the language on page 2 of the bill, line 32 plus the amendment and to put a period after the word "secretary." Representative Carlin seconded. Motion carried.

Representative Kuether made a motion to approve the minutes of the March 18, 2003, meeting. Representative Carlin seconded. Motion passed.

Representative O'Malley said that on behalf of the committee, he thanked Representative Burroughs for all his work on **SB 235**.

Chairman Wilk announced that the Committee would continue to work **SB 235** on Tuesday, March 25, 2003, and would also discuss **ERO 30**.

The meeting adjourned at 5:30 p.m.