

MINUTES OF THE HOUSE COMMERCE AND LABOR COMMITTEE

The meeting was called to order by Chairman Don Dahl at 9:00 a.m. on January 22, 2004 in Room 241-N of the Capitol.

All members were present except:

Representative Kevin Yoder- absent
Representative Rick Rehorn- absent

Committee staff present:

Jerry Ann Donaldson, Legislative Research Department
Norm Furse, Revisor of Statutes
June Evans, Committee Secretary

Conferees appearing before the committee: Jeff Kniep, Coordinator, Grow Kansas

Others attending:

See Attached List.

The Chairman called the meeting to order at 9:00 a.m.

Jeff Kniep, Coordinator, Grow Kansas, Wichita, gave background information on the organization. Grow Kansas was born when Raytheon outsourced their wire harness work to Mexico. Mr. Kniep stated it was not in the best interest of the company, not in the best interest of the community, and certainly not in the best interest of the employees.

The Grow concept was actually started by the Machinists Union in Connecticut in response to outsourcing being done at Pratt and Whitney. The Machinists Union in Wichita picked the program up in May 2003 in response to the continued outsourcing of manufacturing jobs at Boeing and most recently at Raytheon. The organization solicits support from any organization that believes saving and growing jobs in our state is a priority.

Kansas looks bleak in terms of manufacturing. Wichita has lost 14,000 manufacturing jobs and Kansas as a whole has lost almost 30,000 jobs.

Grow Kansas has tried to develop a multi-pronged plan to meet the goal of preserving and growing jobs in the community and state. We believe our strengths are in bargaining, organizing, and in legislative action. We must start at the local and state level but we also understand that this must be part of a national movement. It won't matter if Kansas stops outsourcing work if every other state is still doing it. We must effect a change in the way corporate America views outsourcing.

When a corporation asks for tax abatements on Industrial Revenue Bond money in the name of economic development, we as a community and as a state should know what our development goals already are. We need to ask how giving this incentive would move us toward that goal. Economic development should focus on education, infrastructure and health care to name a few. If incentives given to corporations don't improve the average human beings standard of living, how could it be called economic development?

Grow Kansas would like to ask, if appropriate, that this committee draft a bill for corporate accountability. The Chairman stated that introduction of bills was not on the agenda and the request should come at a later date. (Attachments 1 & 2).

The meeting adjourned at 9:35 a.m. The next meeting will be January 27.