

Approved: March 13, 2008
Date

MINUTES OF THE JOINT HOUSE ECONOMIC DEVELOPMENT AND TOURISM/SENATE
COMMERCE COMMITTEE

The meeting was called to order by Chairman Karin Brownlee at 8:30 A.M. on March 6, 2008 in Room 123-S of the Capitol.

All members were present except:

Valdenia Winn- excused
Broderick Henderson- excused
Judy Morrison- excused
Robert Olson- excused
Gene Rardin- excused
Annie Tietze- excused
Mark Treaster- excused
Ron Worley- excused

Committee staff present:

Ryan Hoffman, Kansas Legislative Research Department
Jason Long, Office of the Revisor of Statutes
Matt Todd, Office of the Revisor of Statutes
Ann Deitcher, Committee Assistant

Conferees appearing before the committee:

Erik Pedersen, Operations Mgr. NetWork Kansas
Ashley Cooper, Director, Greenwood County Economic Development
Carrie Taylor, Entrepreneur, Fall River Grocery
Steve Radley, Director, Network Kansas
Patricia Prasted, Pres./CEO, Wichita Technology Corp. & Founder of Midwest Venture Alliance

Chairperson Lana Gordon introduced Eric Pedersen who provided a brief update regarding NetWork Kansas resource partners, the activity at their intake center and how they are collaborating with Wichita State University to track and identifying the characteristics of rural entrepreneurs. (Attachment 1).

Mr. Pedersen spoke of the collaborative initiative with Information Network of Kansas and over ten other state agencies and resources to redesign the Kansas Business Center website.

Ashley Cooper testified next saying that NetWork Kansas was one of our most valued economic resources and they're not just a place for information but they truly care about the success of rural entrepreneurs.
(Attachment 2).

She spoke of the great strides taken by the State of Kansas to promote rural development. She felt that having partners like Network Kansas was crucial to any economic development efforts.

Carrie Taylor spoke to the committee next. (No written testimony was provided.)

Addressing the Committee next, Steve Radley spoke of the variety of seminars and workshops offered by NetWork Kansas partners, including: how to start a business; tax workshops; business planning and more. (Attachment 3).

Mr. Radley said that StartUp Kansas was launched in August 2006 to provide funding to small businesses in rural and distressed Kansas communities in the form of matching grants or unsecured loans. During the first 18 months of operation, StartUp Kansas awarded more than \$550,000 in grants and loans to 22 small businesses throughout rural Kansas.

CONTINUATION SHEET

MINUTES OF THE Joint House Economic Development and Tourism/Senate Commerce Committee at 8:30 A.M. on March 6, 2008 in Room 123-S of the Capitol.

He referred to information shown on His StartUp Kansas Client List. (Attachments 3-6 and 3-7) as well as the minutes of the Entrepreneurial Educational Team Meeting - Community College/Public Sector of May 22, 2007, K-12 Sector of May 30, 2007, and Kansas Universities of October 30, 2007 (Attachments 3-8 - 3-34). Also included was Resolution No. 2008-2 (Rural Development Structure) of February 11, 2008. (Attachment 3-35).

Trish Brasted presented testimony explaining that Wichita Technology Corporation (WTC) was a private commercialization corporation that was created in 1994 through a partnership between Kansas Technology Enterprise Corp. (KTEC), the Wichita State University and Wichita Area Development. (Attachment 4).

She told how Wichita Technology Ventures was founded as a seed and early-stage direct investment fund managed by WTC and funded by KTEC and Wichita Area Development.

“Angel” investing originated in the early 1900's but it wasn't until the 1990's that Angel Groups became prevalent. According to the Kauffman foundation, angel groups have grown from about 10 in 1995 to over 250 today. A copy of Kansas Rural Angel Initiative was provided. (Attachment 4-4).

Copies of press releases from NetWork Kansas were distributed. (Attachment 5).

Questions and answers followed.

The meeting was adjourned at 9:45 a.m. The next meeting is scheduled for Thursday, March 7, 2008.