

MINUTES OF THE SENATE COMMERCE COMMITTEE

The meeting was called to order by Chairperson Karin Brownlee at 8:30 A.M. on March 22, 2006 in Room 123-S of the Capitol.

All members were present except:

Jay Emler- excused

David Wysong- unexcused

Committee staff present:

Kathie Sparks, Kansas Legislative Research Department

Helen Pedigo, Revisor of Statutes

Jackie Lunn, Committee Secretary

Conferees appearing before the committee:

Dr. Clay Blair, Bioscience Authority

Others attending:

See attached list.

Chairperson Brownlee called the attention of the Committee to **HB 2928-Leave from employment for victims of domestic violence or sexual assault** and then recognized Senator Kelly to explain her amendment on **HB 2928**. (Attachment 1) Senator Kelly stated the amendment refined and cleaned up the language making the intent of the bill very clear. Senator Wagle entered into discussion regarding the number of days of unscheduled unpaid leave and the length of time the employee has to notify the employer. After further discussion it was determined that the amendment did not change the original intent of the bill.

Senator Jordan made a motion to accept the Kelly Amendment. Senator Kelly seconded. Motion carried.

A discussion followed with the Committee on the length of time to notify the employer for unscheduled leave. There were concerns regarding the 48 hours after the beginning of the unscheduled leave on page 2, line 2 of the bill. Senator Wagle wanted to strike the 48 hours and go back to the original language of the bill. Senator Reitz entered the discussion with his concerns regarding the employee and the reasonable length of time to report. Chairperson Brownlee recognized Sandy Barnett with the Kansas Coalition Against Sexual and Domestic Violence. Ms. Barnett stated the 48 hours is the length of time for the employee to furnish documentation. She stated the intent of the bill is not to set the time to report to the employer requesting unscheduled leave. She feels that the rules of employment will set the length of time to report. Senator Brownlee called on Natalie Haag representing Security Benefit for her comments regarding the amendment. Ms. Haag stated she had the Human Resources department of Security Benefit look at the amendment and they did not see a problem as long as there was a time frame listed to turn in the documentation to the employer. The Committee agreed to leave the Kelly Amendment with the language as it is.

Senator Jordan made a motion to amend the bill conceptually to add HB 2994-Confidentiality in home address for victims of domestic violence, sexual assault, trafficking and stalking. Senator Kelly seconded. Motion carried.

Senator Schodorf made a motion to pass the bill out favorably as amended. Senator Kelly seconded. Motion carried.

Chairperson Brownlee recognized Senator Jordan to introduce Dr. Clay Blair to give his overview and update on the Bioscience Authority. Dr. Blair stated the Bioscience Authority is funded by the growth of the bioscience industry in Kansas. It is governed by a 9 member board with the

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Chancellor of the University of Kansas and the President of Kansas State University as honorary members that do not vote.

He stated the Bioscience Authority was focusing on three initiatives: They are interested in helping existing Kansas companies; they are interested in attracting new companies to Kansas; and lastly they are interested in working with start up companies trying to participate in the bioscience field.

Dr. Blair stated the Bioscience Authority is very interested in partnerships. Especially partnering with universities because they have a tremendous amount of intellectual property. The universities are very forthcoming in trying to work with the Bioscience Authority. The Bioscience Authority is also partnering with the local communities through the Chambers of Commerce and economic development groups. The Bioscience Authority is also partnering with the Department of Commerce and have gotten several leads from this partnership especially on out of state companies. The Bioscience Authority has been working with KTEC which has provided the administrative support for the Bioscience Authority this last year.

The Bioscience Authority is interested in leveraging their money. Dr. Blair went on to explain by giving this example: When a business from out of state is looking at relocating in Kansas, the community they are considering will offer incentives, the Department of Commerce will offer their incentives; the Bioscience Authority has the flexibility and leverage to offer the final push to close the deal.

In addition to partnering and leveraging the Bioscience Authority is very interested in what return Kansas will get and what return the Bioscience Authority will get on their investment.

Dr. Blair envisions the Bioscience Board will operate with 5 or less staff people when they get up and operational.

Lastly they are interested in accountability. They want to demonstrate results or lack of results in the Authority activities.

Dr. Blair stated the Bioscience Authority is not a venture capital fund, it is the catalyst to help get venture capital and they are not a grant agency, per say.

The Bioscience Authority is looking to set up a Kansas Bioscience Enterprise which would be made up of a group of experts, in various bioscience fields. The experts will advise if a business has a chance in the marketplace and if it can be commercialized. They will also help them develop a business plan and help provide small amounts of seed money. They will possibly give them free space to operate; they would help them apply for government grants and other monies. The goal, once proved and operating, is to help them seek venture capital. This enterprise will be modeled after the Cleveland Bio Enterprise in Cleveland, Ohio.

The Bioscience Authority has partnered with various state agencies to attract new business to Kansas and increase jobs in existing businesses in Kansas. Hospira, in McPherson, Kansas, is bringing in 172 new jobs. The flexibility the Bioscience Authority is allowed was the deciding factor in bringing 172 new jobs to McPherson. The Bioscience Authority also helped with bringing Prescription Solutions to the state creating 850 jobs expanding to 1350 jobs. Prescription Solutions services 30,000 prescriptions a day. They are a mail order company.

Quintiles, a contract researcher, have 750 jobs coming into the state as well. Currently, the Bioscience Authority is negotiating with an animal health research company on the west coast looking to come to Kansas. This lead came from the Department of Commerce. The Bioscience Authority has been able to use the universities in Kansas to attract these companies.

Existing Kansas companies in Dodge City and Garden City are working in collaboration with Kansas State University on a manure to methane project. The Bioscience Authority is working to encourage that idea. In Serling, Kansas, Jacam is a company started in 1982 by a graduate of Kansas University. Jacam has two interesting projects they are working on to take sulfur out of oil and sulfur out of coal. This company also has a chemical treated round object to clean out residue in a pipeline without shutting down the pipeline. Jacam just received a \$10 million contract with a company in Saudi Arabia. He is doing a \$4 million expansion on his plant. The Bioscience Authority is going to provide funds for him to hire two additional chemists and to buy equipment to pursue the sulphur idea.

The Bioscience Authority is working to find a consultant to help figure out how to form guidelines for private investment in communities.

This last year the Bioscience Authority has been working with KTEC but now are in the process of hiring a CEO and going out on their own.

Meeting adjourned at 9:30 a.m. with no other meetings scheduled for this session.