

MINUTES OF THE SENATE COMMERCE COMMITTEE

The meeting was called to order by Chairperson Karin Brownlee at 8:30 A.M. on February 21, 2008 in Room 123-S of the Capitol.

All members were present.

Committee staff present:

Jennifer Thierer, Kansas Legislative Research Department  
Kathie Sparks, Kansas Legislative Research Department  
Jason Long, Revisor of Statutes  
Jackie Lunn, Committee Assistant

Conferees appearing before the committee:

Sandy Barnett, Kansas Coalition for Sexual and Domestic Violence

Others attending:

See attached list.

To read testimony submitted by conferees go to:

[http://skyways.lib.ks.us/government/KansasSenateCommerceCommittee.](http://skyways.lib.ks.us/government/KansasSenateCommerceCommittee)

**SB 612--Discrimination in employment; victims of domestic violence and sexual abuse; authorizing enforcement and rules and regulations authority for the secretary of labor.**

**SB 525--Kansas investments in major products and comprehensive training act (IMPACT) amendments**

**SB 501--Establishment of the Kansas Tourism Corporation**

Chairperson Brownlee called the Committee's attention to **SB 525** stating she talked to budget regarding the concerns with the fiscal note and introduced Duane Goossen, Director of Budget, to explain the fiscal note on the bill. Mr. Goossen stated the bill as proposed will have an impact on State General Fund revenues but it does not have an impact on expenditures. He stated it would reduce the amount of revenue that they will have to work with. Currently IMPACT funds are taken out of the State General Fund and used to pay bonds. They are then transferred over to bond payment such as an income tax refund is paid out to any Kansas citizen. It is not counted as an expense and it is deducted from revenue before they even consider how much State General Fund revenue is available. If this bill passes, \$24 Million will be taken out of that revenue pool and will not be available for the budget. It would reduce the amount of revenue they have to work with and it lower the balance in the State General Fund.

A discussion followed with the Committee regarding Mr. Goossen's statements regarding the fiscal note on **SB 525**. It was noted by Mr. Goossen that this bill is not reflected in the budget that the Governor brought forth. The Committee has issues with the fiscal note and how it is written. There was some discussion on changing the bill to treat it as an expense and not a revenue transfer. Mr. Goossen stated they could do that but the ending balance would be the same.

Chairperson Brownlee moved the attention of the Committee to **SB 612** opening the hearing and introducing Sandy Barnett representing the Kansas Coalition for Sexual and Domestic Violence, to give her testimony as a proponent of the bill. Ms. Barnett presented written testimony (Attachment 1) which can be found in its entirety on the link shown above. Ms. Barnett stated this was a clean-up bill for the bill which came out of the Commerce Committee two years ago.

Chairperson Brownlee opened the floor for questions, being none she asked if there was anyone else that wanted to testify on **SB 612**. With no others to testify, she closed the hearing.

**Senator Schodorf made a motion to move the bill out favorable and to put it on the consent calendar. Senator Kelly seconded. Motion carried.**

Chairperson Brownlee turned the Committee's attention to **SB 501**. She called on Jason Long, Revisors

## CONTINUATION SHEET

MINUTES OF THE Senate Commerce Committee at 8:30 A.M. on February 21, 2008 in Room 123-S of the Capitol.

Office, to explain the balloon amendment on **SB 501**. Mr. Long presented written copy (Attachment 2) of the balloon amendment and reviewed that for the Committee. Upon the conclusion of Mr. Long's testimony Chairperson Brownlee turned the Chair over to Senator Jordan.

A discussion followed regarding using gaming funds for the Kansas tourism corporation. Senator Wagle has concerns using money that is tied up in a court ruling and that they might not even get. It was noted by Mr. Long that the money is not credited to the Kansas tourism corporation unless there is money in the revenue fund. Mr. Long stated the balloon is a result of Department of Revenue and the sponsors of the bill. The funding source for the tourism corporation was discussed. Dick Carter, KTIA, stated that they tried to look at funding streams that were initially revenue neutral and that would not have a big impact on the State General Fund. The bill also captures the current funding dollars that flow through the Division of Travel & Tourism which is \$1.8 Million in EDIF. The Committee has concerns with using the gaming money and would like to find another funding source for the tourism corporation because they would like for the tourism corporation to succeed. Senator Emler has concerns with page 11, line 5, of the balloon and would like to strike some of the wording. It was noted by Dick Carter, TIAK and Secretary Wagnon, that nobody will be able to look at the confidential information on the taxation collected from tourism companies doing business in the state except the Department of Revenue and the tourism corporation will have to accept the reconciled information provided by the Department of Revenue. The wording on Page 11, line 5 was discussed in detail.

**Senator Emler made a motion to change the wording on Page 11, line 5, making the last sentence to read "*Such payments shall be reconciled on at least an annual basis.*" striking "by a method agreed to by the department of revenue and the corporation." Senator Barone seconded. Motion carried.**

Chairperson Jordan called for other comments or motions on the bill and recognized Senator Schodorf who inquired if there was an alternative solution for the funding because she feels this is an important bill that is needed for tourism in Kansas. She suggested that maybe the gaming funding should be taken out of the bill until the court make it's ruling. A discussion followed. Some of the Committee members feel that the gaming funding might kill the bill on the Senate floor.

**Senator Brownlee made a motion to remove Section 74-8768 removing all the gaming from the bill, to approve the amended balloon and make the bill a substitute bill.. Barone seconded. Motion carried.**

A discussion followed regarding the staff which would transfer from the Department to the Kansas Tourism Corporation and the staff expenses.

Chairperson Jordan adjourned the meeting at 9:25 a.m. with the next scheduled meeting February 22, 2008 at 8:30 a.m. in room 123 S.