

MINUTES OF THE SENATE COMMERCE COMMITTEE

The meeting was called to order by Chairperson Karin Brownlee at 8:30 A.M. on February 22, 2009 in Room 123-S of the Capitol.

All members were present.

Committee staff present:

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

Conferees appearing before the committee:

Others attending:

See attached list.

To read testimony submitted by conferees go to

<http://skyways.lib.ks.us/government/KansasSenateCommerceCommittee>.

SB 453--Establishing the Kansas commission on rural policy

SB 488--Authorization of mortgage revenue bonds

Chairperson Brownlee stated the Committee would be working **SB 453**. She stated that there was a balloon and called on Jason Long, Revisors office, to explain the balloon. While Mr. Long was making his way to the microphone, Chairperson Brownlee reminded the Committee that they would be meeting Monday and it would be a roundtable discussion on workforce development. Mr. Long presented written copy of the balloon. (Attachment 1) Mr. Long explained the balloon page, by page.

Upon the conclusion of Mr. Long's review, Chairperson Brownlee opened the floor for discussion asking the Committee if the Commission should advise the Deputy Secretary or the Secretary of the Department of Commerce. Senator Schodorf stated she thinks they should advise the Secretary of the Department of Commerce and; in conjunction with the Secretary, the Secretary would appoint the Deputy Secretary with a recommendation from the Commission. Senator Barone asked if there was language in the bill that addressed this issue. Mr. Long stated "no". Senator Reitz stated if you are going to have a Deputy Secretary with any clout, the recommendations should be made to the Deputy Secretary. Senator Schodorf stated the Commission should be at the highest level and she feels they should report directly to the Secretary of Commerce. Chairperson Brownlee called on Terry Holdren representing Farm Bureau to respond and stated she would also be calling on Secretary Kerr, Department of Commerce to respond.

Mr. Holdren stated they wanted the information to get from the Commission to the Department of Commerce in one form or another and they don't have any feelings how.

Chairperson Brownlee recognized Secretary Kerr, Department of Commerce, to respond. Secretary Kerr stated if this is important enough to change state statute he thinks it should be elevated to the highest level possible and that would be the Secretary of Commerce.

Chairperson Brownlee called the Committee's attention to page 1 of the balloon asking if there were any comments or changes with the amendments on this page.

Senator Teichman made a motion to adopt the amendments shown on page 1 of the balloon; adding "concerning rural development; "in the title on line 9 and adding " ; establishing the division of rural development within the Department of Commerce." ; and changing the word "strategies" on line 37 to the word "recommendations". Senator Barone seconded. Motion carried.

CONTINUATION SHEET

MINUTES OF THE Senate Commerce Committee at 8:30 A.M. on February 22, 2009 in Room 123-S of the Capitol.

Next Chairperson Brownlee moved to Page 2 of the balloon. Senator Barone has concerns regarding the members of the board stating that one of the nine board members has to be specific in the areas listed in the amendment on this page and he thinks that is too specific. The Committee discussed changing the wording starting on line 18. The wording on lines 8, 9 and 10, was also discussed and it was decided it would be left in the bill even though they have some concerns and they would do some more research on this section.

Chairperson Jordan made a motion to change the wording on Page 2, line 18, to read “Members shall be recognized for outstanding knowledge and leadership in the member’s fields.”striking “One member shall be appointed from each of the following business sectors or key areas, and such member shall” and add an additional field “(J) tourism” to the list. Senator Teichmen seconded. Motion carried.

Chairperson Brownlee moved to Page 3 of the balloon. The Committee has problems with Section 3 language and decided to add wording “recommendations for” on line 21 making the line to read (a) “The Kansas commission and rural policy shall develop recommendations for community-based programing”. The Committee decided to strike lines 29 through 33 regarding the hiring of an executive director in light of having a Deputy Secretary that would serve as their executive director and to strike all language regarding the executive director. Also the Committee would like for lines 36 through 39 to be stricken and to combine the language in (3) starting at line 35 and (5) starting at line 40 and for the revisor to make the changes necessary to reflect the intent of the Committee.

Senator Schodorf made a motion to add “recommendations for” to line 21 after the word develop; strike the language on line 29 through 33 and add replace it with “(1) Forward recommendations to the Secretary of Commerce for the position of the Deputy Secretary of Commerce;”and delete the wording on line 36 that says “until an executive director is hired.”; strike (4) lines 37,38 and 39 all together; and have the revisor combine (3) line 35 and (5) line 40, 41, 42 and make changes as necessary to reflect the intent of the Committee. Senator Kelly seconded. Motion carried.

Chairperson Brownlee moved to Page 4 of the balloon. The Committee decided to strike (8), lines 6 and 7; change the word “direction” on line 19 to “recommendations”; change the word “strategy” on line 21 to “recommendations” and add (6) “develop and recommend to the secretary of commerce a strategic mission for the office of rural opportunity”; an to renumber the paragraphs accordingly.

Senator Jordan made a motion to accept the amendments on page 4 as discussed. Senator Teichmen seconded. Motion carried.

Chairperson Brownlee moved to Page 5. The Committee decided not to add the amendment on page 5 on line 36, after legislature, “the governor and any affected state agency, organization or entity.” The Committee decided the board should be making recommendations only and reporting to the Secretary of Commerce and it is not necessary to report to the governor and any affected state agency, organization or entity. The discussion continued and there is some concern with the Commission writing grants. The Committee feels that the Commission will be looked at differently if they are grant writing; instead of coming for ideas people will only come wanting grant money. The Commission should be a think tank and the conduit for the other grant writing agencies. It was noted by Terry Holdren that the Commission could figure out a way to work around the grant writing. He also noted the Commission would partner with the Center for Entrepreneurship.

Chairperson Brownlee move to Page 6. The Committee discussed the new section **7 (a) which is the recommendations of the Department of Commerce. This section sets the appointment of the Deputy Secretary of Rural Development by the Secretary of Commerce with the consideration of recommendations made by the Commission on Rural Policy. This section also covers the responsibilities of the office of Deputy Secretary of Rural Development. New section 8 which sunsets as of July 1, 2013** was also discussed.

Senator Kelly made a motion to approve the amendments on page 6, adding Sec 7 (a) and new Section (8) as discussed. Senator Emler seconded. Motion carried.

Chairperson Brownlee stated this should become a substitute bill. She stated the Committee would take the final step on the bill on Tuesday, March 26, 2008, and that the meeting would start at 8:15 a.m. She then

CONTINUATION SHEET

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apologized that the Committee did not have time to work on **SB 488** today.

Chairperson Brownlee adjourned the meeting at 9:30 a.m. with the next scheduled meeting March 25, 20089 at 8:30 a.m. in room 123 S.