

MINUTES OF THE HOUSE BUSINESS, COMMERCE AND LABOR COMMITTEE.

The meeting was called to order by Chairperson Al Lane at 9:06 a.m. on February 13, 2002 in Room 521-S of the Capitol.

All members were present except: Broderick Henderson - excused
Gwen Welshimer - excused

Committee staff present: Jerry Donaldson, Legislative Research
Bob Nugent, Revisor of Statutes
Rena Jeffries, Revisor of Statutes
Carol Doel, Acting Secretary

Conferees appearing before the committee: Bill Jarell, Boeing Company
Ken Bell, Boeing Company
Doug Kinsinger, President, Topeka Chamber of Commerce

Others attending:

Action on HB 2676 - Electronically printed credit card receipts, restrictions

Representative Ruff made a motion that the bill be passed out favorably. Representative Levinson seconded and the motion passed.

Briefings by Kansas Businesses and others on the Business/Economic Climate in Kansas

Bill Jarell, Director of Government Relations for Boeing's Central Region of States, provided the committee with an update on the business environment at The Boeing Company, specifically at Boeing Wichita. Boeing continues to deal with the aftermath of the terrorist atrocities of September 11. Their airline customers are struggling to stay in business and significantly reduced their number of flights. New security procedures continue to evolve and many people are still nervous to fly. All of this in an already slowing global economy. He explained how these happenings and the economic downturn have affected their company, especially in Wichita. (Attachment 1)

Ken Bell, The Boeing Company, appeared before the committee to represent The Boeing Company and talk as Chair of the Workforce Network of Kansas Board (formerly known as KWIP). He was unable to attend the committee meeting of January 23 when we had the Workforce Board Presentation and Chairman Lane had asked him to attend later to answer questions. He provided the committee with a history of the Board, talked about the Quick Start Program of Georgia, and the accomplishments of the program and the strategic economic and workforce development goals for Kansas for the next five years. (Attachment 2) He answered questions from the committee.

Doug Kinsinger, President, Topeka Chamber of Commerce, appeared before the committee to talk about Topeka and its economy. Topeka is now competing for \$250 million in projects. It is very important for Topeka and Kansas that they be successful in winning those competitions. The community has been experiencing a number of layoffs recently. Topeka and its workforce are suffering in this economic downturn. There are, however, some positive indicators, such as the city's sales tax collections remaining relatively strong. He shared with us some ideas on how the Legislature could help businesses across the state, through tax decreases for businesses and more training for workers. He also shared his ideas about the Topeka State Hospital grounds, to create a "Redevelopment Zone" on the grounds, by giving special economic treatment to businesses moving onto the grounds such as a 10 year exemption from property taxes, sales tax on their purchases and an income tax credit. (Attachment 3) He answered many questions from the committee.

Chairman Lane introduced a letter to the committee from Jim Gregory, Raytheon, who testified on January 29, 2002 which he will send to each committee member and staff. (Attached to minutes of January 29, 2002)

Chairman Lane adjourned the meeting at 10:20 a.m.

The next meeting is scheduled for February 14, 2002.