

MINUTES OF THE SENATE COMMERCE COMMITTEE

The meeting was called to order by Chairperson Karin Brownlee at 8:30 A.M. on January 27, 2005 in Room 123-S of the Capitol.

All members were present except:

Jim Barone- excused

Committee staff present:

Susan Kannarr, Kansas Legislative Research Department

Kathie Sparks, Kansas Legislative Research Department

Helen Pedigo, Revisor of Statutes

Jackie Lunn, Committee Secretary

Conferees appearing before the committee:

Secretary Joan Wagon, Department of Revenue

Others attending:

See attached list.

Chairperson Brownlee opened the meeting by recognizing Senator Jordan. Senator Jordan introduced two bills to the Committee. One was a science and math bill and the other was to start an academy of math and science in the state of Kansas. Senator Emler moved to introduce the bills. Senator Reitz seconded. Motion carried.

Chairperson Brownlee opened a discussion with the Committee on the new mission statement for the Senate Commerce Committee 2005 session. (Attachment 1) Chairperson Brownlee read the mission statement. "Create a vision and environment to grow all aspects of the Kansas Economy through: job creation, support of existing business and support of new business and entrepreneurship, with effective policy, and with oversight and evaluation of implementation. The Committee also discussed the goals.

Chairperson Brownlee introduced Secretary Joan Wagon of the Department of Revenue. Secretary Wagon introduced some of her staff that was attending the meeting. Secretary Wagon stated there was a need to develop better tools to track tax incentives. Secretary Wagon offered a report entitled "Kansas Department of Revenue, Analysis of Corporate Income Tax 2-000-02 Executive Summary". (Attachment 2) and a letter from the Kansas Department dated October 13, 2004. (Attachment 3) She also offered the "Tax Expenditure Report Calendar Year 2003" (Attachment 4) and "Tax Year 2002 Kansas Department of Revenue Tax Credits". (Attachment 5) Secretary Wagon reviewed the "Analysis of Corporate Income Tax 2000-2002 Executive Summary with the Committee". There was discussion on the "Tax Year 2002 Kansas Department of Revenue Tax Credits" this report is process years. Discussion continued with the comparison of the charts in the Analysis of Corporate Income Tax 2000-2002 versus the information on the Tax Year 2002 Kansas Department of Revenue Tax "Credits". Secretary Wagon stated **SB 13** would allow the exchange of information for more accurate reports. The discussion continued on tax credits and corporate income tax. Secretary Wagon continued her review of the reports with the Committee. There was more discussion on the tax credits. Secretary Wagon stated with the Department of Revenue and Department of Commerce working together will be to everyone's benefit. More discussion continued on the information needed by the Legislature to get a clear and factual picture of the Kansas economy. Secretary Wagon stated if they could get a clear picture of what reports the Legislature needed the Department of Commerce and Department of Revenue will strive to work together to produce the reports.

Chairperson Brownlee adjourned the meeting at 9:32 a.m. with the next meeting scheduled for Friday, January 28, 2005 at 8:30 a.m. in room 123S.