

MINUTES OF THE HOUSE COMMERCE AND LABOR COMMITTEE

The meeting was called to order by Chairman Steve Brunk at 9:20 A.M. on February 20, 2008 in Room 784 of the DSOB.

All members were present except:

Brenda Landwehr- excused

Candy Ruff- excused

Lana Gordon- excused

Committee staff present:

Jerry Ann Donaldson, Kansas Legislative Research Department

Jill Wolters, Office of Revisor of Statutes

Renaë Jefferies, Office of Revisor of Statutes

Stephen Bainum, Committee Assistant

Conferees appearing before the committee:

Mike Good and Paul H Wooley, PH.D. of Via Christi Orthopaedic Research Institute

Wendell Bailey, Small Business Administration

Derrick Sontag, National Federation of Independent Business

Jeff Glendening, Kansas Chamber of Commerce

Pete Schrepferman, Owner, Johnstone Supply

Others attending: See attached list.

**Mike Good and Paul Wooley gave a PowerPoint presentation o the use of BioComposites in the replacement of knee and hip joints.**

Representative Huntington asked who the competitor was for Stryker in the manufacture of implants. Paul said that there are about five majors, Smith & Nephew, Depew, Biomet and others. "Is the thought to bring Stryker to Wichita?" Yes, they are now centered in Warsaw, Indiana which is a tiny little town in Indiana.

Representative Garcia asked if there were any other locations they were seeking for the industry. Paul said that Wichita was the best place to center the industry because of the composite industry that is concentrated there.

The Chairman thanked Mike and Paul for the interesting presentation.

**The Chairman opened the hearing on HB 2827 Rules and regulations; consideration of effect on small employers.**

**Renaë Jefferies explained the bill to the committee (Attachment 1).** Two statutes are amended to include a definition for small employer. Section 2 requires that when an economic impact statement is prepared the agency include a statement regarding its impact on small employers.

**Wendell Bailey testified as a proponent of HB 2827 (Attachment 2).** He said that 92 percent of businesses in every state are small businesses. They bear a disproportionate share of regulatory costs and burdens. The intent of this legislation is to foster a climate for entrepreneurial success in the state so that small businesses will continue to create jobs, produce innovative new products, and bring more Kansans into the economic mainstream, and broaden the tax base.

**Pete Schrepferman presented his case in support of HB 2827 (Attachment 3).** As the owner of Johnstone Supply he has seen how a compliance issue that is barely noticed by large business can greatly impact the productivity of a small business. He believes that the legislation is a step in the right direction for small businesses.

**Jeff Glendening presented his testimony in support of HB 2827 (Attachment 4).** He stressed the higher cost of regulation on small business. Kansas lags behind other states when considering the effects of rules and regulations. Kansas is among the only eight states that have not enacted partial or full regulatory fairness legislation. The other forty-two states have partial or full regulatory fairness legislation.

## CONTINUATION SHEET

MINUTES OF THE House Commerce and Labor Committee at 9:20 A.M. on February 20, 2008 in Room 784 of the DSOB.

**Derrick Sontag presented his testimony in support of HB 2827 (Attachment 5).** The National Federation of Independent Business in Kansas strongly supports this legislation. In a survey of their membership of more than 4,500 members 77% said that the Act should be enacted in Kansas. There were 3.3% who said no and 19.7% were undecided. As a result of this legislation, small businesses will be better able to comply with agency rules and to survive in a competitive marketplace.

There were no neutral or opponents of the legislation.

Representative Brunk asked if the legislation was open to language inclusive of not for profit business. Derrick said that was the way the bill was originally written and that he would be open to language that would limit it to for profit businesses.

Representative Huntington asked if there was a Fiscal Note. Representative Brunk said yes and that it indicated that the bill would have no Fiscal affect on agency operation.

The Chairman closed the hearing on HB 2827. The next meeting is planned for Thursday, February 21<sup>st</sup>. The meeting was adjourned at 10:25 A.M.