MINUTES OF THE SENATE COMMITTEE ON COMMERCE.

The meeting was called to order by Chairperson Senator Karin Brownlee at 8:30 a.m. on January 31, 2002 in Room 123-S of the Capitol.

All members were present except:	Senate Brungardt, Excused
	Senator Jordan, Excused
Committee staff present:	April Holman, Legislative Research Department
	Lea Gerard, Secretary
Conferees appearing before the committee:	Robert Marcusse, President/CEO
	Kansas City Area Development Council
Others attending:	See attached list.

Bob Marcusse, President/CEO for the Kansas City Area Development Council, appeared before the committee to give an overview of regional economic development which serves 16 counties in both Kansas and Missouri that makes up the Kansas City area (<u>Attachment 1</u>).   Mr. Marcusse stated their responsibility is to recruit major companies and retain companies of regional significance. He discussed three proposals that would lead to economic growth, job creation and increased national competitiveness for the State of Kansas.

1.   First proposal involves growth of research at the University of Kansas Medical Center as well as all three research institutions in Kansas. Mr. Marcusse presented to Committee members an Economic Impact Analysis by Andersen Consulting that details what will happen if KUMC receives a proposed $10 million annual investment (<u>Attachment 2</u>).

2.   Second proposal involves support of the Waddell & Reed bill supported by Senator Adkins' which is a modification of HB 2061 regarding income taxation of investment funds service companies.

3.   Third proposal is to approve legislation that would authorize the sell of earned tax credits by a company.

<u>Senator Steineger moved, seconded by Senator Jenkins to introduce a bill concerning state agency procurement procedures; amending KSA 2001 Supp. 75-3739a and repealing the existing section. The motion carried.</u>

The meeting was adjourned at 9:30 a.m.

The next meeting will be held Friday, February 01, 2002 at 8:00 a.m.

Unless specifically noted, the individual remarks recorded herein have not been transcribed verbatim. Individual remarks as reported herein have not been submitted

to the individuals appearing before the committee for editing or corrections.   Page 1