

MINUTES OF THE HOUSE COMMITTEE ON NEW ECONOMY.

The meeting was called to order by Chairperson Representative William Mason at 3:30 p.m. on January 16, 2001 in Room 522-S of the Capitol.

All members were present except: All present

Committee staff present: Bob Nugent, Revisor of Statutes
Renae Jefferies, Revisor of Statutes
Lynne Holt, Legislative Research Department
April Holman, Legislative Research Department
Rose Marie Glatt, Secretary

Conferees appearing before the committee: Charles Ranson, President, Kansas Inc.

Others attending: See Attached List

Chairman Mason welcomed everyone to the committee. He invited members to introduce themselves and tell of their interests in Economic Development in Kansas. He introduced staff members.

The Chairman gave a brief history of Economic Development in Kansas and the funding components. He introduced Charles Ranson, President, Kansas, Inc. Mr. Ranson introduced Debby Fitzhugh, Director of Operations and briefed the committee on the history and mission of the agency (Attachment 1). He stated that in 2001 Kansas faces several challenges in Economic Development: (a) issues of sustainability confronting small towns and rural Kansas, (b) global competitiveness and (c) issues of investments in information/technology infrastructure. He reviewed the Kansas, Inc. 2000 Annual report, on file at Kansas, Inc., explaining the key economic indicators that Kansas, Inc. had used to measure the states performance relative to the region and the nation. He outlined the three issues on their 2001 Legislative Agenda: (1) to support the continuation of and broadening of economic development funding, (2) to support enactment of Legislation that will meet the critical need for risk/venture capital, (3) to support KAN-ED Legislation that will accelerate the profusion of broad ban internet technology to all of Kansas.

Mr. Ranson answered questions regarding the following issues: seed and venture capital legislation that will be introduced this session, timeliness of the current Economic Development programs, number of companies that are affected by the lack of seed/venture capital and updates on the US Government's involvement. He concluded that an update on the status of the strategic plan is expected February 6 or 7 and would be available for the committee.

The Chairman opened the floor for introductions of bills.

Representative Kuether stated that she would like to re-introduce, as a committee bill, the research and development income tax bill. It was allowed to sunset last year. There was no objection therefore the committee will introduce the bill.

Representative Aday stated that he planned to re-introduce the Housing Bill in the next couple of weeks. The bill passed in the House and failed in a Senate Committee last year.

The Chairman advised the committee that some of the reports on which they would be briefed, will have a major interest to the interim committee and it was important for them to consider the overall picture when considering legislation for Economic Development for the state.

Representative Kuether advised the committee that she had written a letter to the Governor, after she attended the 21st Century Vision Report press conference, supporting his position on implementing executive orders to change the make-up of how the Economic Development resources are expended for the three agencies. The Chairman advised that there had been other communications to the Governor asking for the same action.

The next meeting is January 18.

The Chairman adjourned the meeting at 4:35 p.m.

CONTINUATION SHEET