Approved: March 25, 2005

MINUTES OF THE SENATE COMMERCE COMMITTEE

The meeting was called to order by Chairperson Karin Brownlee at 8:39 A.M. on March 3, 2005 in Room 123-S of the Capitol.

All members were present.

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:

April Holman, Kansas Action for Children Barbara Hinton, Legislative Post Audit

Others attending:

See attached list.

Chairperson Brownlee opened the meeting by announcing the Senate Commerce Committee would meet at 8:45 a.m. tomorrow instead of 8:30 a.m. She also reminded the Committee about the Joint Committee meeting tomorrow with Senator Sam Brownback and Congressman Jerry Moran speaking.

Chairperson Brownlee announced that she along with Senator Jordan and Senator Kelly would be meeting with some of the people regarding the Topeka Racetrack at 6:00 p.m. at the Country Club.

Chairperson Brownlee announced the Committee would be starting with <u>SB 260</u>, Abolishing Kansas, Inc. She introduced Barbara Hinton, Post Audit to offer an amendment to the <u>SB 260</u>. (Attachment 1) Ms. Hinton explained the amendment that Post Audit was offering. There was some discussion on the amendment. Senator Kelly moved to accept the amendment. Senator Emler seconded. The motion carried.

Next Chairperson Brownlee introduced April Holeman, Kansas Action for Children. Ms. Holman offered her testimony along with an amendment to <u>SB 260</u>. (<u>Attachment 2</u>) Ms. Holeman explained that the Kansas Action for Children was requesting that the Committee amend <u>SB 156</u> into <u>SB 260</u> or a bill that they deemed appropriate. <u>SB 156</u> was heard in the Senate Committee on Assessment and Taxation but failed to pass out of that committee before the turnaround. When the Tax Committee discussed <u>SB 156</u>, it came to light that similar legislation was being considered in the Senate Commerce Committee. It was recommended that they ask the Senate Commerce Committee to combine the requirements of <u>SB 156</u> with the cost-benefit reporting requirements contained in <u>HB 2010</u> and recommended by the Joint Committee on Economic Development during the 2004 Interim. She explained that <u>SB 156</u> would require the Department of Revenue to publish a tax expenditure report annually.

Upon completion of Ms. Holman's testimony a discussion followed. Senator Wagle asked Ms. Holeman why it did not pass out of the Senate Assessments and Taxation Committee. Senator Jordan, being a member of the Senate Assessments and Taxation Committee, explained that because they were dealing with the same subject. Senator Emler had concerns regarding the language. There was some discussion on changing the language. Senator Kelly asked if this would be new data. Ms. Holeman stated that many of these reports are available but have to be pieced together. The Kansas Action for Children would like it in one report on the website. Senator Brownlee ask if the report she was requesting would include the non-profits. Ms. Holeman stated "yes". The Committee requested more information about Kansas Action for Children. Senator Barone would like a list of reports that Kansas, Inc. is responsible for. The discussion moved back to striking some of the language of the amendment presented by the Kansas Action for Children. Ms. Hol man stated they would be open to language changes. Ms. Holman stated Kansas Action for Children was a privately supported agency and did not receive state money. The discussion continued on the language of Ms. Holeman's amendment.

Chairperson Brownlee stated the Committee had adopted one amendment and there was further discussion on <u>SB 260</u> and confidentiality information in regard to compiling reports. The Chair recognized Ms. Pedigo, Revisor of Status, who made suggestions on possible changes to the language . The discussion continued on

CONTINUATION SHEET

MINUTES OF THE Senate Commerce Committee at 8:39 A.M. on March 3, 2005 in Room 123-S of the Capitol.

the language of the bill on what to strike and what to add. There was also discussion regarding changing "shall include but not be limited to". Senator Barone stated the need to be able to track programs and wanted to know, would it be possible with this bill. Chairperson Brownlee stated she believed that some information would still be confidential and this bill would not change that. The consensus of the Committee is there is a need to know if the programs are working and a need to have a way to get information. Senator Barone suggested to table **SB 260** for now and give it more time to discuss. Senator Emler suggested to require anyone who qualified for a tax credit program to have to release this information as a condition of the tax credit. Chairperson Brownlee asked Helen Pedigo, Revisor of Status to work with Senator Emler on some of the language.

Chairperson Brownlee referred the Committee to <u>SB 259</u>. She recognized John Ostrowski who offered an amendment on <u>SB 259</u>. (Attachment 3). Mr. Ostrowski explained the amendment. He stated it is a constitutional way to change the ALJ's to unclassified, giving the ALJ's the option to choose to be unclassified.

Chairperson Brownlee offered an amendment. (<u>Attachment 4</u>) She explained changes and called the Committee to the back page, new Section 27.

The Committee discussed both amendments.

Chairperson Brownlee discussed the status of the subcommittee on <u>SB 33</u>. Senator Emler stated there was another meeting scheduled for today at 12:30 in 123S, but he did not know if they would be ready by Friday, the day the bill appeared on the agenda to be worked. Chairperson Brownlee stated she would remove it from the agenda for tomorrow and would add it to next week.

Chairperson Brownlee adjourned the meeting at 9:30 a.m. with the next meeting scheduled for Friday, March 4th at 8:45 a.m. in room 123S.