Approved: February 6, 2009

Date

MINUTES OF THE SENATE COMMERCE COMMITTEE

The meeting was called to order by Chairman David Wysong at 8:30 a.m. on January 29, 2009, in Room 545-N of the Capitol.

All members were present.

Committee staff present:

- Ms. Margaret Cianciarulo, Committee Assistant
- Ms. Ken Wilke, Office of the Revisor of Statutes
- Mr. Reed Holwegner, Kansas Legislative Research Department
- Mr. Julian Efird, Kansas Legislative Research Department

Conferees appearing before the Committee:

Dr. Art Hall, Executive Director, Center for Applied Economics, KU School of Business

Others attending:

Please see attached list.

Presentation on the Kansas economy

Upon calling the meeting to order, Chairman Wysong introduced Dr. Art Hall, Executive Director, Center for Applied Economics, KU School of Business who would be giving a presentation on the Kansas economy. Dr. Hall offered:

- A forecast of Kansas economic growth for 2009, offering charts and tables comparing the Kansas GDP forecast to the US GDP forecast including the gain and growth rate

- Patterns of County-to-County Taxpayer Migration including monthly co-movement of US and Kansas jobs during and 12 months after past recessions (Total Non farm employment); a chart indicating the percent change job count from December 07 to December 08; and maps of both the US and Kansas regarding growth of manufacturing payrolls. Regarding migration and graduates in Kansas, most want to stay where they earned their degree especially if it is in the state they live in.

- Manufacturing as a Kansas economic strength offering graphs showing Kansas ranking among the states from payroll, productivity, employment, etc.

In conclusion, he offered maps of the NAFTA highway and the railroad in the Newton/Dodge City area regarding a strategy for economic growth for these methods of transportation and also wind energy.

A copy of his testimony is (<u>Attachment 1</u>) attached and incorporated into the Minutes as referenced.

Chairman Wysong thanked Dr. Hall and asked for questions and or comments from the Committee which came from Senators Holland, Wysong, Kelsey, Lunn, and Schodorf including:

- his thought on North and South Dakota (small state but percentage is big on growth, no income tax)

- Do you believe that the property tax in Kansas is a negative growth?

- his thoughts on Prop K and stabilizing property taxes.

- What kind of impact would Prop K have on Johnson County and then locally and who ends up paying for this?

CONTINUATION SHEET

Minutes of the Senate Commerce Committee at 8:30 a.m. on February 1, 2009, in Room 545-N of the Capitol.

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Adjournment

As there was no further business, Chairman Wysong adjourned the meeting. The time was 9:26 a.m.

The next meeting will be a joint meeting with the House Eco Devo-Tourism Committee and is scheduled for Monday, February 2, 2009 at 3:30 p.m..