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 10, 2001 in Room 123-S of the Capitol.

All members were present except:

Committee staff present: April Holman, Legislative Research Department Robert Nugent, Revisor of Statutes Lea Gerard, Secretary

Conferees appearing before the committee: Lt. Governor Sherrer

Others attending: See attached list.

Chairman Karin Brownlee introduced Lt. Governor Sherrer to give an overview of the Department of Commerce and Housing. The meeting was turned over to Lt. Governor Sherrer who introduced the Commerce and Housing Staff and gave a brief background on each division of the Commerce and Housing Staff. The Kansas Department of Commerce and Housing is comprised of seven divisions and has field offices in Topeka, Kansas City, Olathe, Manhattan, Hays, Goodland, Garden City, Wichita, Belle Plaine and Pittsburg (Attachment 1). The seven divisions are Administration, Ag Projects Development, Business Development, Community Development, Housing Development, Trade Development, and Travel & Tourism (Attachment 2). Sixty-four percent of the money for the KDOC&H are federal funds, twenty-one percent comes from Economic Development Initiatives (EDIF) and fifteen percent from fee funds (Attachment 3).

Lt. Governor Sherrer stated there are three primary issues. First, EDIF funds have been beneficial to the state. The funds are capped and have been used for operational costs resulting in less money for economic development programs. Secondly, we need to help small rural communities with economic development. Jobs are needed in small and large communities alike. The smaller communities have fewer resources and need more attention in their economic development efforts. Third, the structure and coordination of efforts. There have been disagreements in economic development and there will be more as people have different ideas. There are some organizational issues involved but the debate ought to be about any enhancements we can do to be more effective in using the monies we have.

Lt. Governor Sherrer responded to questions from the committee. Senator Barone asked in regards to the charts showing downward budget trends if comparative data could be provided year by year for the last five or six years to see if the absolute dollars are growing or keeping up. Lt. Governor Sherrer will provide this information.

Senator Barone moved that the minutes from the January 09, 2001 meeting be approved. Senator Jordan seconded the motion. The motion carried.

The meeting adjourned at 9:35 a.m. The next meeting will be January 11 at 8:30 a.m.