

Approved: 3/26/93
Date

MINUTES OF THE HOUSE COMMITTEE ON ECONOMIC DEVELOPMENT.

The meeting was called to order by Vice-Chairman Bob Mead at 3:30 p.m. on March 17, 1993 in Room 423-S of the Capitol.

All members were present except:

Representative Tom Bishop
Representative George Dean
Representative Greg Packer

Committee staff present: Lynne Holt, Legislative Research Department
Bob Nugent, Revisor of Statutes
Ellie Luthye, Committee Secretary

Conferees appearing before the committee:

Steve Kelly, Department of Commerce and Housing
Sam Campbell, Ad Astra Fund
Tony Augusto, Department of Commerce and Housing
James Beckley, Department of Commerce and Housing

Others attending: See attached list

Vice-Chairman Mead opened hearings on SB 76, extending the Kansas venture capital company investment act, and called on Bob Nugent, Revisor, to give an overview of the bill. He distributed a balloon to the bill which would clarify that the extension of the sunset date to January 1, 1998 also applies to investments in the Kansas Venture Capital, Inc. and seed capital pools. (Attachment 1)

The Chair called on Steve Kelly, Venture Capital Specialist, Department of Commerce and Housing, who presented testimony in support of SB 76. He stated the bill would amend existing statutes to extend the sunset for investors in Kansas certified venture capital companies and local seed capital pools through the end of 1997 and would encourage continued private investment in certified venture capital companies and therefore provide a greater pool of 'risk capital' for Kansas entrepreneurs and businesses. (Attachment 2)

Sam Campbell, Ad Astra Fund, also spoke in support of SB 76. He anticipated private investments would expand significantly in the next few years and the tax dollars would more than make up for the investment.

Following questions from the committee, the Chair closed hearings on SB 76.

Representative Haulmark made a motion to incorporate the balloon into SB 76 and pass the bill favorably, as amended, seconded by Representative Swall and the motion carried.

The Chair then opened hearings on SB 77, change of name for office of minority business.

Bob Nugent, Revisor, gave an overview of the bill and distributed a balloon which would continue in statute the Trade Show Promotion Act which had sunset on June 30, 1991 but had been funded through appropriations by the 1992 legislature for FY '93. The provisions of this amendment are identical to the provisions of the enabling legislation. The program would sunset on July 1, 1998. (Attachment 3)

Tony Augusto from the Department of Commerce and Housing presented testimony in support of SB 77. He stated the Department was asking for the name change to more clearly reflect the current duties and services of the office. (Attachment 4)

CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON ECONOMIC DEVELOPMENT, Room 423-S
Statehouse, at 3:30 p.m. on March 17, 1993.

The next proponent to speak was James Beckley, Director, Trade Development Division of the Department of Commerce and Housing. He stated the Kansas Trade Show Assistance Program has been a very rewarding and successful program for Kansas companies and for the State of Kansas and asked the committee to pass favorably SB 77 which would reinstate the program for a period of five years. (Attachment 5)

Following discussion by the committee Representative Swall made a motion to incorporate the balloon into SB 77 and to pass the bill favorably, as amended; seconded by Representative Brown and the motion carried.

The minutes of the meetings for March 10, March 11 and March 16 were presented for approval or corrections. Representative Mason made a motion to accept the minutes, seconded by Representative Rutledge and the motion carried.

The meeting adjourned at 4:25 p.m.

The next meeting is scheduled for March 18, 1993.

GUEST LIST

COMMITTEE: Economic Development DATE: 3-17-93

[illegible]

SENATE BILL No. 76

By Committee on Commerce

1-22

8 AN ACT ~~concerning the Kansas venture capital company act; ex-~~
9 ~~tending its duration;~~ amending K.S.A. 74-8304 and repealing the
10 existing section.

venture and seed capital tax credits

the duration thereof

, 74-8206 and 74-8205

11
12 *Be it enacted by the Legislature of the State of Kansas:*

13 Section 1. K.S.A. 74-8304 is hereby amended to read as follows:

14 74-8304. (a) There shall be allowed as a credit against the tax imposed
15 by the Kansas income tax act on the Kansas taxable income of a
16 taxpayer and against the tax imposed by K.S.A. 40-252 or 40-2801,
17 and amendments thereto, on insurance companies for a cash in-
18 vestment in a certified Kansas venture capital company in an amount
19 equal to 25% of such taxpayer's cash investment in any such company
20 in the taxable year in which such investment is made and the taxable
21 years following such taxable year until the total amount of the credit
22 is used. The amount by which that portion of the credit allowed by
23 this section exceeds the taxpayer's liability in any one taxable year
24 may be carried forward until the total amount of the credit is used.
25 If the taxpayer is a corporation having an election in effect under
26 subchapter S of the federal internal revenue code or a partnership,
27 the credit provided by this section shall be claimed by the share-
28 holders of such corporation or the partners of such partnership in
29 the same manner as such shareholders or partners account for their
30 proportionate shares of the income or loss of the corporation or
31 partnership.

32 (b) The secretary of revenue shall allow credits that are attrib-
33 utable to not more than \$50,000,000 of cash investments in certified
34 Kansas venture capital companies and certified local seed capital
35 pools allowable pursuant to K.S.A. 74-8401 and amendments thereto,
36 which shall include not more than \$10,000,000 for Kansas Venture
37 Capital, Inc. The credits shall be allocated by the secretary for cash
38 investments in certified Kansas venture capital companies in the
39 order that completed applications for designation as Kansas venture
40 capital companies are received by the secretary. Any certified Kansas
41 venture capital company may apply to the secretary at any time for
42 additional allocation of such credit based upon then committed cash
43 investments, but priority as to such additional allocation shall be

1 determined at the time of such subsequent application. Notwith-
 2 standing the provisions of subsection (c), investors in Kansas venture
 3 capital companies established after July 1, 1984, which otherwise
 4 meet the requirements specified in this act, shall be, upon certifi-
 5 cation of the Kansas venture capital company, entitled to the tax
 6 credit provided in subsection (a) in the calendar year in which the
 7 investment was made.

8 (c) No taxpayer shall claim a credit under this section for cash
 9 investment in Kansas Venture Capital, Inc. No Kansas venture capital
 10 company shall qualify for the tax credit allowed by Chapter 332 of
 11 the 1986 Session Laws of Kansas for investment in stock of Kansas
 12 Venture Capital, Inc.

13 (d) The provisions of this section, and amendments thereto, shall
 14 be applicable to cash investments made in any taxable year com-
 15 mencing after December 31, 1985, and prior to January 1, 1993
 16 1998.

Insert Sec. 2 and 3

17 ~~Sec. 2.~~ K.S.A. 74-8304 is hereby repealed.

18 ~~Sec. 3.~~ This act shall take effect and be in force from and after
 19 its publication in the statute book.

4

5

Sec. 2. K.S.A. 74-8205 is hereby amended to read as follows: 74-8205. (a) Except as otherwise provided in K.S.A. 74-8207, and amendments thereto, every national banking association, state bank, savings and loan association or insurance company investing in stock issued by Kansas Venture Capital, Inc. shall be entitled to a credit in an amount equal to 25% of the total amount of cash investment in such stock against the tax liability imposed against such taxpayer pursuant to K.S.A. 79-1106 to 79-1116, inclusive, and amendments thereto or K.S.A. 40-252 or 40-2801, and amendments thereto, as the case requires. The amount by which that portion of the credit allowed by this section exceeds the taxpayer's tax liability in any one taxable year may be carried forward until the total amount of the credit is used.

(b) The provisions of this section shall be applicable to investments made in all taxable years commencing after December 31, 1985, and prior to January 1, 1993 1998.

Sec. 3. K.S.A. 74-8206 is hereby amended to read as follows: 74-8206. (a) Except as otherwise provided in K.S.A. 74-8207, and amendments thereto, every taxpayer investing in stock issued by Kansas Venture Capital, Inc. shall be entitled to a credit in an amount equal to 25% of the total amount of cash investment in such stock against the income tax liability imposed against such taxpayer pursuant to article 32 of chapter 79 of the Kansas Statutes Annotated. The amount by which that portion of the credit allowed by this section exceeds the taxpayer's tax liability in any one taxable year may be carried forward until the total amount of the credit is used. If the taxpayer is a corporation having an election in effect under subchapter S of the federal internal revenue code or a partnership, the credit provided by this section shall be claimed by the shareholders of such corporation or the partners of such partnership in the same manner as such shareholders or partners account for their proportionate shares of the income or loss of the corporation or partnership.

(b) No taxpayer claiming a credit under this section for cash investment in stock issued by Kansas Venture Capital, Inc. shall be eligible to claim a credit for the same investment under the provisions of K.S.A. 74-8301 to 74-8311, inclusive, and amendments thereto.

(c) The provisions of this section, and amendments thereto, shall be applicable to all taxable years commencing after December 31, 1985, and prior to January 1, 1993 1998.

TESTIMONY ON

SENATE BILL 76

TO HOUSE ECONOMIC DEVELOPMENT COMMITTEE

BY STEVE KELLY

KANSAS DEPARTMENT OF COMMERCE & HOUSING

MARCH 17, 1993

March 17, 1993
Economic Development
Attachment 2

The Kansas Legislature, in an effort to increase the availability of "risk capital" for Kansas entrepreneurs and businesses, authorized the formation of Kansas certified venture capital companies and local seed capital pools. The legislation authorizing the formation of this "risk capital" system, K.S.A. Chapter 74, Articles 82, 83, and 84, provided for a 25% Kansas income tax credit for private monies invested in the certified funds. This Kansas income tax credit could be accessed for qualified investments under a total cap of \$50 million in private investment in such funds. A portion of that cap, \$12.7 million, was lost due to sunset provisions within the original bill, leaving an effective cap of approximately \$37.3 million for the program. Tax credit authority was provided for cash investment made in any taxable year commencing after December 31, 1985, and prior to January 1, 1993.

Senate Bill No. 76 would amend existing statutes to extend the sunset for investors in Kansas certified venture capital companies and local seed capital pools, including KVCII and the KTEC Ad Astra Fund, to obtain credits against their Kansas income tax liability through the end of calendar year 1997. This proposal would provide tax credit authority for the approximately \$7 million of investment capacity still remaining under the original cap. As of January 1, 1993, the sunset date, \$30 million of private investment had been placed in the certified funds. Through calendar year 1991, fund investment in the 60 Kansas companies receiving financing from certified venture and risk capital funds was in excess of \$19 million.

The availability of "risk capital" remains a vital component of a healthy Kansas economy. A recognition of that fundamental premise resulted in the legislation we currently seek to amend. The need identified in that earlier session continues. Increased regulatory pressure on banks has further restricted the ability and willingness of banks to finance the types of opportunities addressed through this program.

Passage of Senate Bill No. 76 would encourage continued private investment in certified venture capital companies and local seed capital pools, providing a greater pool of "risk capital" for Kansas entrepreneurs and businesses. The Kansas Department of Commerce & Housing supports increased capital availability for small business and therefore seeks favorable action on Senate Bill No. 76.

SENATE BILL No. 77

By Committee on Commerce

1-22

8 AN ACT concerning the ~~office of minority business, providing for a~~
9 ~~name change~~; amending K.S.A. 74-5010a and repealing the ex-
10 isting section.

department of commerce and housing; providing
for changes in programs administered thereby

11
12 *Be it enacted by the Legislature of the State of Kansas:*

13 Section 1. K.S.A. 74-5010a is hereby amended to read as follows:
14 74-5010a. There is hereby established within and as a part of the
15 division of existing industry development the office of minority ~~busi-~~
16 ~~ness and women business development~~, the head of which shall be
17 the assistant director for minority ~~business affairs and women busi-~~
18 ~~ness development~~. Under the supervision of the director of existing
19 industry development, the assistant director for minority ~~business~~
20 ~~affairs and women business development~~ shall administer the office
21 of minority ~~business and women business development~~.

22 Sec. ~~2~~. K.S.A. 74-5010a is hereby repealed.

Insert new sections 2 through 8

23 Sec. ~~3~~. This act shall take effect and be in force from and after
24 its publication in the statute book.

9

10

Sec. 2. (a) This act shall be known and may be cited as the trade show promotion act.

(b) The provisions of this act shall expire on July 1, 1998.

Sec. 3. As used in this act:

(a) "Secretary" means the secretary of commerce of the department of commerce of Kansas.

(b) "Kansas small business concern" means a concern which has its principal office located in Kansas and which is determined by the secretary to be particularly appropriate to receive financial assistance under this act with regard to maximizing the promotion of export opportunities for services originating or products produced in Kansas.

(c) "Trade show" means an exhibition, exposition or fair:

(1) Located outside the boundaries of the United States of America; and

(2) recommended by (A) the foreign commercial service of the United States department of commerce, (B) the foreign agriculture service of the United States department of agriculture, or (C) the department of commerce of Kansas.

Sec. 4. (a) The secretary shall administer the provisions of this act and shall promote the participation of Kansas small business concerns in trade shows.

(b) Before promoting the participation of Kansas small business concerns in trade shows, the secretary shall:

(1) Conduct market research to determine the presence and extent of overseas markets for the services and products of Kansas small business concerns; and

(2) determine the market areas offering Kansas small business concerns the best export opportunities.

(c) In promoting the participation of Kansas small business concerns in trade shows, the secretary shall emphasize trade shows considered to offer Kansas small business concerns the best export opportunities for services originating in Kansas or products produced in Kansas or which receive value added processing in Kansas.

(d) The secretary may adopt rules and regulations for the administration of this act.

Sec. 5. (a) Subject to the provisions of appropriations acts and in accordance with the provisions of this act, the secretary may provide financial assistance to a Kansas small business concern to reimburse the Kansas small business concern for expenses solely related to the participation in a trade show. Expenses which may be reimbursed under this act shall include only expenses attributable to promoting services originating in Kansas or products which were manufactured or processed in Kansas or which received value added processing in Kansas and shall not include:

(1) Any compensation, wages or salary of an employee of the Kansas small business concern; or

(2) any travel expenses, including any lodging or meal expenses.

(b) Subject to the provisions of appropriations acts and this act, the amount of financial assistance to a Kansas small business concern shall be the amount determined as follows:

(1) First, determine the total amount of expenses incurred by the Kansas small business concern which may be reimbursed under this act and multiply such amount by 1/2,

(2) then, subtract from the result obtained in paragraph (1) of this subsection any amounts received by the Kansas small business concern from a trade show promotion program, other than the program established by this act, for participation in the trade show, and

(3) the amount of such financial assistance shall be the lesser of (A) the result obtained under paragraph (2) of this subsection, except that if the result so obtained is less than zero, it shall be considered to be zero and (B) the amount of \$3,500.

(c) The secretary shall not provide more than \$7,000 of financial assistance under this act to any Kansas small business concern during any state fiscal year.

Sec. 6. In order to be eligible to receive financial assistance under this act, a Kansas small business concern shall:

(a) Have in attendance at the trade show at least one full-time employee or sales agent of the Kansas small business concern;

(b) apply to the secretary for approval to participate in the trade show in the form and at the time prescribed by the secretary;

(c) establish to the secretary's satisfaction that participation in the trade show by the Kansas small business concern should enhance the export opportunities of services originating in Kansas or products which are produced in Kansas or which receive value added processing in Kansas by the Kansas small business concern;

(d) maintain adequate records of the expenses incurred by the Kansas small business concern to participate in the trade show;

(e) certify to the secretary the amount of financial assistance, if any, received for participation in the trade show by the Kansas small business concern from a trade show promotion program, other than the program established by this act; and

(f) provide the secretary upon request with:

(1) The records of expenses related to the Kansas small business concern's participation in the trade show; and

(2) information regarding the effectiveness of the participation in the trade show in enhancing the export opportunities of the Kansas small business concern.

Sec. 7. The secretary shall prepare and submit a report of activities under the trade show promotion act to the standing committees on economic development of the senate and house of

representatives at the beginning of the regular session of the legislature in 1990 and each regular session thereafter. The report shall contain information concerning the types of Kansas small business concerns receiving financial assistance for participation in trade shows and the results obtained from such participation.

Sec. 8. (a) There is hereby established the trade show promotion fund in the state treasury. The trade show promotion fund shall be administered by the secretary. All moneys credited to the trade show promotion fund shall be expended for payments of financial assistance to Kansas small business concerns in accordance with this act.

(b) All expenditures from the trade show promotion fund shall be made in accordance with the provisions of this act and the provisions of appropriations acts upon warrants of the director of accounts and reports issued pursuant to vouchers approved by the secretary or by the secretary's designee.

TESTIMONY TO

HOUSE ECONOMIC DEVELOPMENT COMMITTEE

BY: ANTONIO AUGUSTO

MARCH 17, 1993

March 17, 1993
Economic Development
Attachment 4

I would like to thank the Committee for the opportunity to discuss SB 77. We, at the Kansas Department of Commerce & Housing, seek to change the name of the Office of Minority Business to the Office of Minority and Women Business Development to more clearly reflect the current duties and services of the office.

In 1988, the Department of Commerce & Housing initiated programs to assist women in business development. It was at this time that the Women Business Ownership Act (HR 5050) was passed by the U.S. Senate and House of Representatives. This act amended the U.S. Small Business Act "to establish programs and initiate efforts to assist the development of small business concerns owned and controlled by women". The task was given to the Office of Minority Business, which is within the Existing Industry Development Division of Department of Commerce & Housing.

In Kansas today one of every three small businesses is woman-owned. Kansas ranks fifth in the nation in women-owned businesses per capita. I have attached a graph and a census study about women-owned businesses in Kansas. The office now devotes about 40% of its time to the development of women-owned businesses.

Fiscal impact of this change will be of no consequence. Our budget and scope of operation now reflects the duties concerned with women business development. The name change on our printed materials will be done with routine orders. There are no additional costs or revenues affected by this legislation.

Thank you for your time. I will entertain any questions the committee might have.

STATE OF KANSAS

MINORITY BUSINESS GROWTH
 1982—1987

Ethnic Group	Number of Firms			Sales & Receipts (millions)		
	1987	1982	% of Change	1987	1982	% of Change
All Minorities	5230	4349	20	\$299	\$192	5
Blacks	2323	1903	22	154	60	153
Hispanics	1541	1038	48	62	61	1
Asians	1120	804	39	74.	42	74
Native Americans	246	251	-1	8.	13	-39
Women-Owned	53,505	36,770	45	\$2,145	\$1,234	73
Total Small Businesses	169,593	99,838	69	\$17,086	\$6,181	176

NATIONALLY
 1982—1987

Ethnic Group	Number of Firms			Sales & Receipts (millions)		
	1987	1982	% of Change	1987	1982	% of Change
All Minorities	1,213,750	741,640	63.7	\$77,840	\$34,454	125.9
Blacks	424,165	308,260	37.6	19,763	9,619	105.5
Hispanics	422,373	233,975	80.5	24,732	11,759	110.9
Asians	21,380	13,573	57.5	911	495	84.4
Native Americans	355,331	187,691	89.3	33,124.	12,654	161.8
Women-Owned	4,114,787	2,612,621	57	\$278,138	\$98,291	197
Total Small Businesses	13,695,480	6,856,665	99	\$1,994,808	\$599,841	252

Wichita
Business Journal
FOCUS
on Women in Business

Cl Sheets
ca janitorial
supply business
"recession proof"
See Page 14

Women-owned businesses in Kansas increase by 48% in five years

Payroll exceeds \$352 million; revenues reach \$2.6 billion

By JUDITH WEBER

Whether it's out of economic necessity or a desire to build their own corporate ladders, more Kansas women are becoming their own bosses.

According to recently released figures from the U.S. Commerce Department's Census Bureau, the number of women-owned businesses in the nation increased 57 percent from 1982 to 1987. In Kansas, they increased 48 percent.

On the national scale, the growth rate was more than four times the rate for all businesses, which increased by 14 percent during the five-year period. In 1987, 30

corporation owners are not listed on that information, Hadary said.

In Kansas, census figures show the 53,505 women-owned firms in 1987 made up 32 percent of the nearly 170,000 firms in the state. In the Wichita metropolitan area, 10,463 women-owned firms were reported.

Women-owned businesses in Kansas reported receipts of \$2.6 billion, nearly 16 percent of the state's \$17 billion total. In comparison, women-owned businesses in Kansas in 1982 numbered 40,000 and had \$1.2 billion in receipts.

"It's been a tremendous jump in women-owned businesses and in minorities," said Tony Augusto, director of the office of minority business for the Kansas Department of Commerce. "Times are changing."

The reasons for the increase in women-owned businesses, he said, were "the knowledge, the awareness of business possibilities, of business opportunities, and women getting frustrated and wanting to get out on their own."

Hadary said business owners include women who have hit a glass ceiling on the corporate ladder or who have decided they can run a business better than their former employers.

Debra Amett, president of the Wichita chapter of the National Association of Women Business Owners, said the increase is a natural result of women being more educated. And Wichita State University's Center for Entrepreneurship provides great resources locally to help women get started in business, she said.

Linda McMaster, coordinator of women business development with the Wichita district office of the Small Business

Please turn to page 17

Women-Owned Businesses

Kansas	No. of women-owned firms	Sales & receipts (\$1,000)	Annual payroll* (\$1,000)
Agricultural services, forestry, fishing & mining	50 2,515	103,631	15,236
Construction	2 1,152	129,115	24,881
Manufacturing	883	190,260	51,398
Transportation, public utilities	795	98,669	14,598
Wholesale trade	814	309,615	25,405
Retail trade	11,289	1,092,375	110,836
Finance, insurance, real estate	4,310	151,117	22,490
Services	56 29,794	543,249	86,020
Industries not classified	1,953	42,754	1,705
Total	53,505	2,660,785	352,572
Wichita Metro Area			
Agricultural, etc.	664	30,463	3,696
Construction	180	17,967	3,227
Manufacturing	201	29,977	7,620
Transportation, utilities	120	8,927	1,629
Wholesale trade	161	104,939	9,400
Retail trade	2,035	231,704	25,316
Finance, insurance, and real estate	894	23,855	1,569
Services	5,831	152,020	24,198
Not classified	377	9,447	310
Total	10,463	609,299	76,965

Source: U.S. Department of Commerce 1987 Economic Census.
* For firms with paid employees.

"We see that women are going into business about twice to three times as often as men and succeeding more often," Hadary said.

percent of the nation's businesses were women-owned, with receipts totaling nearly \$280 billion, about 14 percent of the U.S. total.

But the number of 4.1 million women-owned businesses in 1987 (up from 2.6 million in 1982) actually is an underrepresentation because the government does not include women who own full corporations, said Sharon Hadary, executive director of the National Foundation for Women Business Owners.

"We know there are half a million women who are not counted in that."

The reason women who own full corporations are not counted is because the census relies on IRS data and names of full

7. Rate of Women's Business Ownership

STATE	# OF WOMEN-OWNED BUSINESSES	# OF ADULT WOMEN (In thousands)	WOMEN OWNERSHIP RATE
Alaska	13,976	165	84.7
Colorado	89,411	1,226	72.9
Vermont	13,802	211	65.4
Wyoming	10,796	166	65.0
Montana	17,747	296	60.0
Kansas	53,505	945	56.6
Oregon	58,941	1,046	56.3
Utah	29,810	536	55.6
New Hampshire	22,713	409	55.5
Hawaii	21,696	391	55.5
Minnesota	88,137	1,619	54.4
Idaho	18,973	351	54.1
California	559,821	10,380	53.9
Nebraska	32,285	608	53.1
Washington	90,285	1,706	52.9
North Dakota	12,689	243	52.2
Maine	23,922	462	51.8
Oklahoma	63,690	1,236	51.5
South Dakota	13,374	262	51.0
Nevada	18,831	373	50.5
Texas	298,138	6,067	49.2
Iowa	53,592	1,099	48.8
Arizona	60,567	1,268	47.9
Connecticut	60,924	1,291	47.2
New Mexico	25,397	539	47.1
Massachusetts	111,376	2,407	46.3

56.6
for 1991
women

STATE	# OF WOMEN-OWNED BUSINESSES	# OF ADULT WOMEN (In thousands)	WOMEN OWNERSHIP RATE
Maryland	81,891	1,781	46.0
Florida	221,361	4,918	45.0
Missouri	87,658	2,010	43.6
Indiana	89,949	2,127	42.3
District of Columbia	10,987	263	41.8
Virginia	94,416	2,295	41.1
Illinois	177,057	4,479	39.5
New York	284,912	7,212	39.5
Arkansas	35,469	919	38.6
Delaware	9,727	254	38.3
Michigan	133,958	3,517	38.1
New Jersey	117,373	3,096	37.9
Wisconsin	69,185	1,833	37.8
Kentucky	53,454	1,424	37.5
North Carolina	93,532	2,505	37.3
Georgia	88,050	2,364	37.2
Ohio	154,084	4,204	36.7
Rhode Island	14,517	403	36.0
Tennessee	67,448	1,903	35.4
Pennsylvania	167,362	4,828	34.7
Louisiana	55,852	1,643	34.0
South Carolina	42,604	1,299	32.8
Alabama	48,018	1,574	30.5
West Virginia	22,549	740	30.5
Mississippi	28,976	973	29.8

HOUSE ECONOMIC DEVELOPMENT COMMITTEE

MARCH 17, 1993

PRESENTED BY:
JAMES BECKLEY
DIRECTOR
TRADE DEVELOPMENT DIVISION

March 17, 1993
Economic Development
Attachment 5

Mr. Chairman, members of the committee.

The Kansas Trade Show Assistance Program, was created under the Trade Show Promotion Act (KS 7405075) by the 1989 session of the Kansas Legislation. The Trade Show Promotion Act expired on June 30, 1992, and was extended for one year by last years session.

We at the Kansas Department of Commerce and Housing are requesting that the Trade Show Promotion Act be reinstated for a period of five (5) years, beginning on July 1, 1993, until July 1, 1998.

During the four (4) years of this program a total of 233 grants have been made to Kansas companies. Listed below is some actual figures from the Kansas Trade Show Assistance Program.

PROGRAM SUMMARY

	FY90	FY91	FY92	FY93
Funding level	\$100,000.00	\$150,000.00	\$200,000.00	\$220,894.00
Total disbursements	88,916.61	145,050.01	182,783.05	121,532.37
Export sales reported	5,092,352.00	6,039,489.61	16,736.423.00	N/A
Dollar return ratio	57.27:1	41.64:1	91.56:1	N/A
Number of allocations	36	62	85	50

The Kansas Trade Show Assistance Program has been a very rewarding and successful program for Kansas companies and for the State of Kansas. With 87% of all funding for this program going to companies with fewer than 300 employees, this is truly a program for the small to mid size company.

Thank you for your time here today and I hope that you will act in a positive way toward the Kansas Trade Show Assistance Program.