

Approved: 2-5-93
Date

MINUTES OF THE SENATE COMMITTEE ON COMMERCE.

The meeting was called to order by Chairperson Alicia Salisbury at 8:00 a.m. on January 21, 1993 in Room 123-S of the Capitol.

Members present: Senators Burke, Downey, Feleciano, Jr., Harris, Hensley, Kerr, Petty, Ranson, Reynolds, Steffes and Vidricksen

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

Conferees appearing before the committee: Carole Morgan, Deputy Secretary, Kansas Department of Commerce and Housing
Robert G. Knight, Secretary of the Department of Commerce and Housing

Others attending: See attached list

Requests for bill introductions:

Senator Vidricksen requested the Committee introduce a bill requiring project cost estimates on county road and bridges.

The chairman stated the Committee would entertain a motion.

A motion was made by Senator Vidricksen and seconded by Senator Petty to introduce, as a committee bill, the proposed legislation. The motion passed.

Senator Salisbury requested the Committee introduce a bill relating to economic development which provides business assistance and income and sales tax incentives for certain qualified firms.

Senator Vidricksen moved and Senator Ranson seconded to introduce the legislation requested. The motion passed.

Confirmation hearing:

Secretary of the Department of Commerce and Housing, Robert G. Knight, to serve at the pleasure of the Governor.

Robert G. Knight, Secretary of the Department of Commerce and Housing, testified he was committed to improving the economic prosperity of the state of Kansas and its citizens. As mayor of Wichita for five terms, he gained experience in economic development planning and grants, affordable housing issues, public infrastructure, global trade development, travel and tourism, community development and business retention and expansion.

Mr. Knight stated he worked with many neighborhood associations, ad hoc committees and civic groups, as well as state, county and federal officials, in order to meet the needs of and deliver quality services to the citizens of Wichita, and it was his opinion, particularly during these times of economic uncertainty, that the only cities, states, regions or even countries that will succeed in the years ahead are those who stress collaborative agenda. He pledged his willingness to work with the legislature on improving the economic prosperity of Kansas and its citizens, see Attachment 1.

In response to Committee questions, Mr. Knight replied he strongly supports the initiative of Kansas quality management. His strength is his ability to work with other people. His style is to be an advocate for men and women who do the ordinary things well. He stated the human resource base in the Department of Commerce and Housing is very sound. They are committed to serving the public and he intends to support

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON COMMERCE, Room 123-S Statehouse, at 8:00 a.m. on January 21, 1993.

them and work with them. He said part of the responsibilities of the department are set forth in the statutes. The department serves the Governor, the Legislature and the citizens of the state. The Department implements policy directives from the Governor and the Legislature. He said he does not view economic development as a partisan issue.

Mr. Knight replied he had very little contact with Governor Finney prior to her becoming Governor. He and others met with Governor Finney a few times on a state office facility project in Wichita.

He said he believes the Department of Commerce and Housing is efficient, effective and competent. The employees are committed to performing with the same or fewer resources. His responsibility is to carry out the Governor's and the Legislature's instructions, to give citizens better service for less cost, and to off-load things they are doing that could be done better privately.

In regard to the creation of a Commission to study efficiency in government and privatization, Mr. Knight replied he and his staff would contribute their expertise if called upon.

Mr. Knight was asked if he had aspirations, political or otherwise. He stated he was dedicated to public service.

In regard to KTEC he stated he was impressed and was working with others interested in finding solutions to problems. He was impressed with Mr. Bruske's strategy document. He reaffirmed his loyalty and allegiance to Governor Finney and said he will have opportunities to make his views known to the Governor.

The Committee meeting was adjourned at 9:00 a.m.

The next meeting is scheduled for January 22, 1993.

GUEST LIST

COMMITTEE: SENATE COMMERCE COMMITTEE

DATE: 1/21/93

[illegible]

PRESENTATION TO THE
SENATE COMMERCE COMMITTEE
CONFIRMATION HEARING

BOB KNIGHT
SECRETARY DESIGNATE
KANSAS DEPARTMENT OF COMMERCE & HOUSING
JANUARY 21, 1993

Commerce
1/21/93

BOB'S CONFIRMATION SPEECH

Good morning Madam Chairwoman and distinguished members of the committee!

I want to express my sincere gratitude for the opportunity to appear before you this morning. I appreciate both your time and your thoughtful concern in monitoring the economic development responsibilities and programs of the state of Kansas. And I am mindful of the history of that legislative involvement, a history which has invested you with considerable standing and equity.

In 1985, the Kansas legislature took an unprecedented step on the path of economic development. Requiring considerable boldness and demonstrating enormous insight, your body commissioned and, in the following years, adopted many sweeping and comprehensive recommendations in the Redwood/Krider report from the University of Kansas. Those recommendations, all 47 of them, ushered in a new era and a new spirit of economic development in this state. I am here because I share that commitment. I am proud of the legacy which created one of the most comprehensive and thoughtful economic development strategies in the country. I am excited about participating with you and with others in continuing to shape this effort.

Commerce
1/21/93
1-2

My own involvement with public service began some 14 years ago when I was first elected to the Wichita City Council. This experience provided a solid, and I must say, excellent foundation for dealing with a wide variety of economic development issues. From economic development planning and grants, to affordable housing issues, from public infrastructure, global trade development, travel and tourism, community development, to business retention and expansion -- you name it, I experienced it in my five terms as mayor of Kansas' largest city.

I learned many things during those years. Certainly that pursuing a strong and prosperous economy is neither Republican nor Democrat in origin and implementation (though some might like to claim otherwise.) I have learned through difficult public policy questions that each decision has a financial consequence...., learned that ordinary men and women, sufficiently committed, can accomplish extraordinary things, and that nothing can be accomplished in a vacuum.

The only workable strategy for surmounting the challenges we face is that of partnerships. As a local official, I worked hard to establish positive ties with our sister jurisdictions, the smaller communities surrounding Wichita, because our concerns did not stop at the city limits.

Commerce
1/21/93
1-3

I worked with many neighborhood associations, ad hoc committees, and civic groups, as well as state, county, and federal officials, in order to meet the needs of and deliver quality services to the citizens of Wichita. One result of these efforts was the establishment of the coalition known as WISE, the Wichita/Sedgwick County Partnership for Growth.

In none of these instances did any one individual run the show. It's my opinion, particularly during these times of economic uncertainty, that the only cities, states, regions, or even countries that will succeed in the years ahead are those who stress collaborative agendas, who are willing to be team players.

I am here before you today to pledge my willingness to work together on improving the economic prosperity of our state and its citizens.

The Kansas Department of Commerce & Housing has over 100 very competent and dedicated professionals on our staff. I have every confidence in that staff to work hard, to perform our duties ethically, and to remain sensitive to the needs of all Kansans. However we can't do the job alone. In order for any of us to succeed, we must work together to nurture a climate that encourages and rewards intelligent effort. For the owner of a large or small business, that means a climate with a favorable tax structure, a skilled workforce, the availability

Commerce
1/21/93
1-4

of suitable transportation and telecommunication networks, reasonable public utility and energy rates, etc.

For the residents of our communities to succeed it means the availability of affordable housing, clean air and water, access to reasonable health care, safe, superb education, and good jobs.

Many of these elements are determined through the legislative process. It seems to me, therefore, that we need to work together. We need to share information and feedback. We need to lay our hands on the issues that affect our people and push, tug, squeeze, pat, pinch and smooth those issues into our best vision of tomorrow.

The Governor, obviously, is a part of this process as well. I serve at her pleasure; I owe her my allegiance and loyalty. My respect for Governor Finney includes recognition of her sincere caring for the condition of people and a determination to create a climate where human beings can thrive. In addition, from my deep commitment to and respect for the legislative process, I also pledge to do everything I can to facilitate our shared goal of economic prosperity. I intend to meet or exceed your expectations.

Commerce
1/21/93
1-5

Recently, it has been my privilege to join the boards of directors of KTEC, Kansas, Inc., and the Kansas Development Finance Authority. I have also observed the work of the Kansas, Inc. Strategic Planning Committee to help develop the vision and strategic choices for economic growth and development in Kansas. Governor Finney has endorsed and supports these efforts, and the Dept. of Commerce & Housing will help to implement them.

The broad scope of the Department of Commerce & Housing ranges from assisting communities with strategic planning, infrastructure and housing development to working with businesses to strengthen their markets, help them expand, and improve their work forces..., all of this to position Kansas as a desirable business and tourist destination, a place where our citizens reach their potential.

You know, I'm new to Topeka, just like many of the newly elected legislators this year. We have a lot in common, actually -- all of us came to Topeka eager to work toward solutions regarding the challenges facing our state. But we live in a time when eagerness and good intentions are no longer sufficient -- we will be judged, not by our good intentions, but by our results.

I mentioned earlier how often I've seen extraordinary things happen when ordinary people use their collective efforts,

Commerce
1/21/93
1-6

aptitude, and wisdom for the benefit of all. I truly believe that. When our history is chronicled, will it be recorded for future generations that Kansas never regained the glory of its wonderful pioneer heritage? Will our best days have been behind us? Or will it be said, "Kansas..., a marvelous state with a very special legacy. And it just keeps getting better!"

Thank you again for the opportunity to make these few remarks. I welcome every opportunity to work with you and my door is always open.

* * *

Commerce
1/21/93
1-7