

Approved: 2/22/93  
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 29, 1993 in Room 123-S of the Capitol.

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

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

Conferees appearing before the committee: Thomas R. Zarda, Export Loan Guarantee Review Committee, term expires September 30, 1994  
Anna R. Anderson, Export Loan Guarantee Review Committee, reappointed to serve a term to expire September 30, 1996

Others attending: See attached list

### Confirmation hearings

Thomas R. Zarda, appointed to the Export Loan Guarantee Review Committee, term expiring September 30, 1994, of Shawnee, Kansas, testified he had been the owner and manager of the Zarda Brothers Dairy, Inc., and the Zarda-Mid America milk and ice cream plants. When the company was sold in 1987 they were doing \$100 million in sales annually.

Mr. Zarda explained he was a former member of the Board of Directors of the Edwardsville State Bank of Edwardsville, Kansas. In 1974 he was a member of a group that started a new bank, Shawnee Citizens State Bank of Shawnee, Kansas. In 1987 they sold the Citizens State Bank to a group of investors and became involved with the Home State Bank of Kansas City, Kansas, and the Wyandotte Bank of Kansas City, Kansas, and started a new bank. The banks were merged together into a holding company.

In answer to Committee questions, Mr. Zarda replied the expertise he would bring to the Export Loan Guarantee Committee would be his experience of reviewing loan applications, and deciding whether the applicants had the ability to repay the loans. He said he has experience reviewing loans for export businesses. He replied he has reviewed some of the past activities of the Export Loan Guarantee Review committee and suggested promotion of the program would make Kansans aware of what is available. He stated there is probably a lot of industry in Kansas that is not aware of the possibility of exporting their products.

Anna R. Anderson of Wichita, Kansas, reappointed to the Export Loan Guarantee Review Committee, appeared before the Committee and offered to answer any questions on the activities of the Export Loan Guarantee Review Committee during the past few years, as well as questions regarding her reappointment.

In answer to Committee questions she replied the Export Loan Guarantee Review Committee has received inquiries that would exceed the amount of the cap on the guarantee. She said they have done ten guaranteed export loans. In regard to educating the banks about the program, she suggested they could solicit assistance from the Kansas Bankers Association. It is also effective working with individual banks.

Ms. Anderson stated the cap was not a problem. A program has been developed with the Small Business Administration (SBA) so that anything that goes over the limit of the cap can be absorbed by the SBA.

As an employee of Bank IV, when there is a conflict of interest, Ms. Anderson abstains from voting. She participated in ten international business seminars last year and generally the export finance programs are mentioned at the seminars. She has developed for Bank IV an international marketing team whereby a senior lender from each of their banks in Kansas will become knowledgeable about international banking services so

## CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON COMMERCE, Room 123-S Statehouse, at 8:00 a.m. on January 29, 1993.

they can market the program on a direct basis. This can serve as an outreach program with presentations to small conferences in the local communities.

The hearings on appointments to the Export Loan Guarantee Review Committee was concluded.

Senator Salisbury appointed a subcommittee to address the policy questions in **SB 73**, and to make recommendations and propose amendments to the full committee. Senator Ranson was appointed as Chair, and Senators Kerr, Steffes, Vidricksen, Feleciano, Jr., Petty and Gooch as members.

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

The next meeting is scheduled for February 1, 1993.

## GUEST LIST

COMMITTEE: SENATE COMMERCE COMMITTEE

DATE: 1/29/93

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