

MINUTES OF THE HOUSE COMMITTEE ON ECONOMIC DEVELOPMENT.

The meeting was called to order by Chairman Kenny Wilk at 1:30 p.m. on May 1, 2003, in Room 522-S of the Capitol.

All members were present except:

Committee staff present: April Holman, Legislative Research  
Debra Hollon, Legislative Research  
Rena Jefferies, Revisor of Statutes  
Fulva Seufert, Secretary

Conferees appearing before the committee: Secretary Wagnon, Secretary of Revenue  
April Holman, Department of Research  
Bill Jarrell, Boeing Wichita  
Steve Weatherford, KDFA  
Rebecca Floyd, Chief Counsel, KDFA  
Lt. Gov. John Moore

Others attending: See attached list

Chairman Wilk opened the public hearing on **SB 281 - An Act enacting the economic revitalization and reinvestment act.**

The Chair welcomed Secretary Wagnon who presented a revised fiscal note. (Attachment 1)

Chairman Wilk asked Ms. April Holman, Research Department, to explain the Senate amendments. Ms. Holman called the committee's attention to lines 40 and 41 where aircraft manufacturing was stricken so that it now reads manufacturing, and not specifically aircraft manufacturing. On page 2, line 6, it now reads invest not less than \$500,000,000.

The Chair recognized Mr. Bill Jarrell, Boeing Wichita, who spoke as a proponent for **SB 281**. Mr. Jarrell commented on the fiscal note and stated he did not know the work package Boeing could be awarded. He stressed that he believed **SB 281** did not have a real fiscal impact because if there were no jobs, there would be no payroll or withholding. He felt the spin-off jobs were not recognized, and stressed that this program provides a positive impact on the state of Kansas. He mentioned that in Section (h) on page 3 that Boeing's understanding of what double dipping meant was getting the same tax credit twice. He believes this puts a penalty on the company and suggested that paragraph (h) be stricken. He said their legal department was preparing some language for an amendment. He said that the reason this legislation was introduced was to give Kansas an opportunity to be a partner with Boeing Wichita.

The Chair asked if there was anyone else who wished to speak as a proponent or an opponent. There being none, he announced that the public hearing for **SB 281** was closed.

CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON ECONOMIC DEVELOPMENT at 3:30 p.m. on May 1, 2003 in Room 522-S of the Capitol.

Chairman Wilk asked Mr. Steve Weatherford, KDFB, to walk the committee through the handout which was requested giving a scenario of total issue sources and uses. (Attachment 2)

The Chair asked Rebecca E. Floyd, Chief Counsel, KDFB., to explain the balloons added to **SB 281**. (Attachment 3)

The Chair asked Lt. Governor John Moore to assist in answering some of the committee's questions before he directed the Committee's attention back to the bill for consideration.

Due to time constraints, the meeting was adjourned at 2:45 p.m. with the idea of reconvening after the House either recessed or adjourned.