

MINUTES OF THE SENATE COMMERCE COMMITTEE

The meeting was called to order by Chairperson Karin Brownlee at 8:00 a.m. on February 12, 2004 in Room 123-S of the Capitol.

All members were present.

Committee staff present:

Susan Kannarr, Legislative Research
Helen Pedigo, Revisor of Statutes
Nikki Kraus, Committee Secretary

Conferees appearing before the committee:

Senator Derek Schmidt
Garry Lambert, Prestridge Inc., Neodesha, KS

Others attending:

See Attached List.

Chairperson Brownlee called the meeting to order, announcing that the committee would try to work the bills: **SB 241**, **SB 393**, and **SB 417**.

The committee discussed the bills. Senator Barone stated that he had some conversation on **SB 393**. He stated that it seemed on the surface, there might be some duplication between the statewide Kansas Center for Entrepreneurship and the local small business development centers. He asked Matt Jordan, Department of Commerce, for more detail about this issue. Mr. Jordan replied that one of the primary purposes of the Center would be to create a seamless system to allow the service delivery agencies to work together. Senator Jordan stated that to goal was to create an umbrella organization that can better coordinate those existing resources around the state. Mr. Jordan pointed out that both the website and call center that would be portals that are not currently in existence and will help connect all of the resources. Chairperson Brownlee stated that when this bill first came out, she was concerned that it would be an increase of bureaucracy. Senator Jordan replied that the goal would be not to create new wheels, but to use those that were already out there; entrepreneurship is very risky and many fail, and this would be a much better assistance program to make more resources available.

Senator Kerr made moved to conceptually amend the bill to add a mandatory review and evaluation of the program by Kansas, Inc. three years out. Senator Barone seconded the motion. The motion passed.

Senator Kerr moved to strike the preamble and clearly name the act in line 40, including the phrase "Act shall be known as"; Senator Emler seconded. The motion passed.

Following discussion of the statement of purpose of the bill, the committee decided to indicate in the minutes that removing the "whereas" clauses in the bill did not indicate that the committee was unsupportive. The committee indicated that it was very supportive of the concept. This is evidence of legislative intent on **SB 393**.

Senator Emler moved **SB 393** favorable as amended. Senator Jordan seconded. The motion passed.

Chairperson Brownlee stated that **SB 241** seemed to be included in **SB 319**, so there would probably not be a need to continue forward with **SB 241**.

The Chair then directed the committee to work **SB 417**. Senator Jordan asked if the committee would want to reconcile the percentage tax credits between this bill and **SB 393**. He stated that **SB 393** had a 50% tax credit, and **SB 417** had a 70% credit. Senator Kerr stated that he had not given it much thought, but would prefer to be cautious; he was in favor of the 50% credit. Senator Jordan stated that 50% was fine, and Mr. Jordan stated that they would need to change **SB 417**. Chairperson Brownlee suggested that they leave the bill in committee and send it out the following day.

CONTINUATION SHEET

MINUTES OF THE SENATE COMMERCE COMMITTEE at 8:30 a.m. on February 12, 2004 in Room 123-S of the Capitol.

Senator Emler moved to reconsider action on **SB 393**. Senator Kerr seconded. The motion passed.

Senator Emler moved to change **SB 417** to a 50% tax credit instead of 70% on p.3 line 12. Senator Jordan seconded. The motion passed.

Senator Bunten moved to recommend **SB 417** favorable as amended. Senator Jordan seconded. The motion passed.

Senator Jordan moved to strike term accredited investor and mirror the language in **SB 417**. Senator Kerr seconded. The motion passed.

Senator Emler moved to recommend **SB 393** favorable as amended. Senator Jordan seconded. The motion passed.

Chairperson Brownlee opened the hearing on:

SB 410--Employment security law, failure to pass pre-employment drug screen

Senator Schmidt presented testimony in favor of the bill. (Attachment 1)

Senator Emler expressed concern about the term “miscouduct” dealing with the workplace, which would not apply to pre-employment screening. Senator Schmidt replied that it would be fine to use another route and that this seemed to be a semantic, not substantive, issue. Senator Wagle suggested this issue not be tied to pre-employment screeings, but, rather be a prerequisite to receiving unemployment benefits because of evidence of drug use. Senator Barone expressed concern that some substances may stay in the system for some time, and they may have discontinued use. He stated that a test prior to employment was different than one after work had begun. Senator Schmidt stated that a time limit in which a pre-employment test might be held against an employee would be fine, if reasonable.

Mr. Lambert presented testimony in favor of the bill. (Attachment 2)

Written testimony in support of the bill was provided by:

Hal Hudson, State Director, NFIB (Attachment 3)

Kenneth Daniel, Chairman and CEO Midway Sales (Attachment 4)

Marlee Carpenter, Kansas Chamber of Commerce (Attachment 5)

David Schauner, Kansas National Education Association (Attachment 6)

Chairperson Brownlee closed the hearing on **SB 410**. She adjourned the meeting at 9:30 a.m. The next meeting will be at 8:30 a.m. on February 13, 2004 in Room 123-S of the Capitol.