

MINUTES OF THE SENATE COMMERCE COMMITTEE.

The meeting was called to order by Chairperson Karin Brownlee at 8:30 a.m. on February 5, 2003 in Room 123-S of the Capitol.

All members were present except:

Committee staff present: April Holman, Legislative Research
Deb Hollon, Legislative Research
Norman Furse, Revisor of Statutes
Mitch Rice, Revisor of Statutes

Conferees appearing before the committee: Steve Weatherford, President, Kansas Development Finance Authority
Kim Qualls, Department of Commerce

Others attending: See attached list.

Chairperson Brownlee began the meeting by asking for bill introductions, as today is the last day for committees to request bills. Senator Brownlee requested introduction of a bill to grant Starbond authority to any location statewide. Senator Kerr moved to introduce the bill. Senator Jordan seconded. The motion carried.

Mike Murray, Director of Governmental Affairs with Sprint, requested introduction of a bill regarding broadband development throughout the state, where no tax dollars are involved. Sprint will deploy broadband in 48% of access lines by the end of 2004. Caller id and other features will be deregulated and not subject to the KCC. Senator Steineger moved to introduce the bill. Senator Emler seconded. The motion carried.

Bill Curtis from the Kansas Association of School Boards requested introduction of a bill on workers compensation. Senator Jordan moved to introduce the bill. Senator Brungardt seconded. The motion carried.

Paul Johnson with the Public Assistance Coalition requested introduction of a bill similar to HB 2467 from two years ago, which was an act concerning agriculture, enacting the agricultural opportunities and value-added partnerships act. Senator Kerr moved to introduce the bill. Senator Jordan seconded. The motion carried.

Chairperson Brownlee welcomed Steve Weatherford, President of the Kansas Development Finance Authority, to the committee. Mr. Weatherford spoke to the committee about Kansas' credit rating, in response to a letter from the past president of KDFA, Jack Brier, which included an article published by

CONTINUATION SHEET

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Standard and Poor's. (Attachments 1 and 2) Kansas currently has an AA+ rating, which is the second highest. This reflects responsible financial management of Kansas' debt. However, Kansas has a "negative watch," though our rating is still very high. S & P is concerned about the financial dealings of the state, and the depletion of the "rainy days" fund.

KDFA believes it is imperative to make a reasonable plan to replenish the reserves. If Kansas has a downgrade, highway bonds, the turnpike, and school district bonds would be affected, among other things. Increasing revenue and having an ending balance are the two most important things Kansas can do to retain its high credit rating.

Chairperson Brownlee welcomed Kim Qualls from the Department of Commerce, Division of Travel and Tourism, to the committee. Ms. Qualls briefed the committee on the progress of the Lewis and Clark bicentennial celebration, which will be held in the summer of 2004. (Attachment 3) Ms. Qualls provided the committee with details of the specific planning her division is doing to prepare for the event. Events will be held in Atchison, Leavenworth, White Cloud, and Kansas City, Kansas. Heart of America: A Journey Fourth, a Lewis & Clark National Signature Event, will take place July 3-4, 2004. These events are expected to draw thousands of visitors to Kansas.

Senator Steineger moved to approve the minutes from January 23. Senator Emler seconded. The motion carried.

The meeting was adjourned at 8:30 a.m.

The next meeting is scheduled for February 6, 2003 at 8:30 a.m. in room 123-S.