As Amended by Senate Committee

Session of 2001

HOUSE BILL No. 2497

By Committee on Appropriations

2-12

AN ACT concerning committees of the legislature; relating to the composition and appointment of certain committees; creating certain committees; [concerning membership on the legislative coordinating council;] concerning the committee on economic development of the house of representatives; renaming such committee as the committee on new economy; amending K.S.A. 44 1408, 46 1603 and 46 1801 and K.S.A. 2000 Supp. 12 1771a, 74 5001a, 74 5049, 74 5080, 74 50,104, 74 50,151, 74 8001, 74 8002, 74 8004, 74 8017, 74 8101, 74 8105, 74 8204, 74 8310, 74 8317 and 74 8405 and repealing the existing sections 32-874, 32-966, 44-1408, [46-1201, 46-1204,] 46-1603, 46-1604, 46-1801, 46-2201 and K.S.A. 2000 Supp. 2-3703, 2-3710, 12-1771a, 65-1,195, 65-1,198, 65-34,154, 65-6206, 66-2011, 68-2003, 74-5001a, 74-5049, 74-5080, 74-50,104, 74-50,151, 74-8001, 74-8002, 74-8004, 74-8017, 74-8101, 74-8105, 74-8204, 74-8310, 74-8317, 74-8405, 74-9001 and 79-32,204 and repealing the existing sections; also repealing K.S.A. 32-874e, 46-2507, 46-2701 and 46-3001 and K.S.A. 2000 Supp. 74-2623 and **74-9005**.

Be it enacted by the Legislature of the State of Kansas:

Section 1. K.S.A. 46-1604 is hereby amended to read as follows: 46-1604. (a) There is hereby created the joint committee on economic development which shall be composed of five senators and eight members of the house of representatives. The five senate members shall be the chairperson of the standing committee on commerce of the senate, or a member of such committee appointed by the chairperson, two composed of three members of such committee appointed by the president and two members of such committee appointed by the minority leader. The eight representative members shall be the chairperson of the standing committee on economic development of the house of representatives, or a member of such committee appointed by the chairperson, four composed of five members of such committee ap-

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pointed by the speaker and three members of such committee appointed by the minority leader.

- (b) All members of the joint committee on economic development shall serve for terms ending on the first day of the regular legislative session in odd-numbered years. The chairperson and vicechairperson serving on the effective date of this act will continue to serve in such capacities through June 30, 1998. On and after July 1, 1998, and until the first day of the 1999 regular legislative session, the chairperson shall be one of the senate members of the joint committee selected by the president and the vice chairperson shall be one of the representative members selected by the speaker. Thereafter, On and after the first day of the regular legislative session in odd-numbered years, the chairperson shall be one of the representative members of the joint committee selected by the speaker and the vice-chairperson shall be one of the senate members selected by the president and, on and after the first day of the regular legislative session in even-numbered years, the chairperson shall be one of the senate members of the joint committee selected by the president and the vice-chairperson shall be one of the representative members of the joint committee selected by the speaker. The chairperson and vice-chairperson of the joint committee shall serve in such capacities until the first day of the regular legislative session in the ensuing year. The vice-chairperson shall exercise all of the powers of the chairperson in the absence of the chairperson.
- (c) The joint committee on economic development may meet at any time and at any place within the state on the call of the chairperson.
- (d) The provisions of the acts contained in article 12 of chapter 46 of the Kansas Statutes Annotated, and amendments thereto, applicable to special committees shall apply to the joint committee on economic development to the extent that the same do not conflict with the specific provisions of this act applicable to the joint committee.
- (e) In accordance with K.S.A. 46-1204 and amendments thereto, the legislative coordinating council may provide for such professional services as may be requested by the joint committee on economic development.
- (f) The joint committee on economic development may introduce such legislation as it deems necessary in performing its functions.
- Sec. 2. K.S.A. 46-1801 is hereby amended to read as follows: 46-1801. (a) There is hereby established a joint committee on the arts and cultural resources which shall consist of five senators and

five members of the house of representatives. The senate members shall be appointed by the committee on organization, calendar and rules. The house of representative members shall be appointed by the speaker of the house of representatives. Not less than one representative member shall be a member of the house committee on appropriations and not less than one senator member shall be a member of the senate committee on ways and means. In addition, not less than one representative member shall be a member of the house committee on economic development and not less than one senator member shall be a member of the senate committee on commerce. The committee on organization, calendar and rules shall designate a senator member to be chairperson or vice-chairperson of the joint committee as provided in this section. The speaker of the house of representatives shall designate a representative member to be chairperson or vice-chairperson of the joint committee as provided in this section.

- (b) A quorum of the joint committee on the arts and cultural resources shall be six. All actions of the committee may be taken by a majority of those present when there is a quorum. In odd-numbered years the chairperson of the joint committee shall be the designated member of the house of representatives from the convening of the regular session in that year until the convening of the regular session in the next ensuing year. In even-numbered years the chairperson of the joint committee shall be the designated member of the senate from the convening of the regular session of that year until the convening of the regular session of the next ensuing year. The vice-chairperson shall exercise all of the powers of the chairperson in the absence of the chairperson.
- (c) The joint committee on the arts and cultural resources shall study, investigate and analyze the following matters:
- (1) The goals appropriate to the future of the arts and cultural life of Kansas including, but not limited to, the following: Public art; individual artists; films, video, radio and music; and historic preservation;
- (2) the role the legislature and state government should play in the achievement of these goals;
 - (3) arts legislation in other states and at the federal level;
- (4) the budget and programs of the Kansas arts commission and other state supported arts and cultural programs and agencies;
 - (5) the present status of arts education in Kansas; and
- (6) the economic impact of arts and cultural resources in Kansas.
- (d) The joint committee shall report to the legislature on or before December 31 each year any finding and recommendations con-

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cerning the arts in Kansas which the joint committee deems appropriate. The joint committee may introduce such legislation as it deems necessary in performing its functions.

- (e) The joint committee on the arts and cultural resources shall meet on call of the chairperson as authorized by the legislative coordinating council. All such meetings shall be held in Topeka, unless authorized to be held in a different place by the legislative coordinating council. Members of the joint committee shall receive compensation and travel expenses and subsistence expenses or allowances as provided in K.S.A. 75-3212, and amendments thereto, when attending meetings of such committee authorized by the legislative coordinating council.
- (f) Amounts paid under authority of this section shall be paid from appropriations for legislative expense and vouchers therefor shall be prepared by the director of legislative administrative services and approved by the chairperson or vice-chairperson of the legislative coordinating council.
- Sec. 3. K.S.A. 46-2201 is hereby amended to read as follows: 46-2201. (a) There is hereby created the joint committee on pensions, investments and benefits which. On and after July 1, 2001, the joint committee shall be composed of five six senators and eight seven members of the house of representatives. Of the five six senate members shall be the chairperson of the standing committee on ways and means of the senate, or a member of such committee appointed by the chairperson, two members four shall be appointed by the president and two members shall be appointed by the minority leader. Of the eight seven representative members shall be the chairperson of the standing committee on appropriations of the house of representatives, or a member of such committee appointed by the chairperson, four members five shall be appointed by the speaker and three members two shall be appointed by the minority leader.
- (b) The terms of all members of the joint committee on pensions, investments and benefits appointed prior to the effective date of this act are hereby terminated on July 1, 2001. All members of the joint committee on pensions, investments and benefits appointed on and after July 1, 2001, shall serve for terms ending on the first day of the regular legislative session in odd-numbered years. The chairperson and vice chairperson serving on the effective date of this act will continue to serve in such capacities through June 30, 1998. On and after July 1, 1998, and until the first day of the 1999 regular legislative session, the chairperson shall be one of the senate members of the joint committee selected by the president and the vice chairperson shall be one of the representative members selected by the speaker. Thereafter, on and after

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the first day of the regular legislative session in odd numbered years, the chairperson shall be one of the representative members of the joint committee selected by the speaker and the vice chairperson shall be one of the senate members selected by the president and On and after July 1, 2001, and until the first day of the 2002 legislative session, the chairperson shall be one of the representative members of the joint committee selected by the speaker and the vice-chairperson shall be one of the senate members of the joint committee selected by the president. Thereafter, on and after the first day of the regular legislative session in even-numbered years, the chairperson shall be one of the senate members of the joint committee selected by the president and the vice-chairperson shall be one of the representative members of the joint committee selected by the speaker and on and after the first day of the regular legislative session in odd-numbered years the chairperson shall be one of the representative members of the joint committee selected by the speaker and the vice-chairperson shall be one of the senate members selected by the president. The chairperson and vice-chairperson of the joint committee shall serve in such capacities until the first day of the regular legislative session in the ensuing year. The vice-chairperson shall exercise all of the powers of the chairperson in the absence of the chairperson.

- (c) The joint committee on pensions, investments and benefits shall meet at any time and at any place within the state on call of the chairperson. Members of the joint committee shall receive compensation and travel expenses and subsistence expenses or allowances as provided in K.S.A. 75-3212 and amendments thereto when attending meetings of such committee authorized by the legislative coordinating council.
- (d) In accordance with K.S.A. 46-1204 and amendments thereto, the legislative coordinating council may provide for such professional services as may be requested by the joint committee on pensions, investments and benefits.
- (e) The joint committee on pensions, investments and benefits may introduce such legislation as deemed necessary in performing such committee's functions.
- (f) The joint committee on pensions, investments and benefits shall:
- (1) Monitor, review and make recommendations regarding investment policies and objectives formulated by the board of trustees of the Kansas public employees retirement system;
- (2) review and make recommendations relating to benefits for members under the Kansas public employees retirement system;
 - (3) consider and make recommendations to the standing com-

mittee of the senate specified by the president of the senate relating to the confirmation of members of the board of trustees of the Kansas public employees retirement system appointed pursuant to K.S.A. 74-4905 and amendments thereto. The information provided by the Kansas bureau of investigation or other criminal justice agency pursuant to subsection (h) of K.S.A. 74-4905 and amendments thereto relating to the confirmation of members of the board to the standing committee of the senate specified by the president shall be forwarded by the Kansas bureau of investigation or such other criminal justice agency to such joint committee for such joint committee's consideration and other than conviction data, shall be confidential and shall not be disclosed except to members and employees of the joint committee as necessary to determine qualifications of such member. The committee, in accordance with K.S.A. 75-4319 and amendments thereto shall recess for a closed or executive meeting to receive and discuss information received by the committee pursuant to this subsection; and

- (4) review and make recommendations relating to the inclusion of city and county correctional officers as eligible members of the Kansas police and firemen's retirement system.
- New Sec. 4. (a) There is hereby created the joint committee on health care oversight, hereinafter "committee," to oversee the necessary changes in state laws and regulations made necessary by federal law and, to the fullest extent possible, implement health care reform specific to Kansas needs.
- (1) The committee shall be composed of 14 members of the legislature appointed as follows: Four members of the house of representatives appointed by the speaker of the house of representatives; three members of the house of representatives appointed by the minority leader of the house of representatives; four members of the senate appointed by the president of the senate; and three members of the senate appointed by the minority leader of the senate. The secretary of health and environment, the secretary of social and rehabilitation services, the director of the budget and the commissioner of insurance shall be advisors to the committee.
- (2) A quorum of the committee shall be eight. All actions of the committee may be taken by a majority of those present when there is a quorum. On and after July 1, 2001, and until the first day of the 2002 legislative session, the chairperson shall be one of the representative members of the committee selected by the speaker and the vice-chairperson shall be one of the senate members of the committee selected by the president. Thereafter, in even-numbered years the chairperson of the committee shall be the member of the

senate selected by the president and the vice-chairperson of the committee shall be the member of the house selected by the speaker from the convening of the regular session of that year until the convening of the regular session of the next ensuing year. In odd-numbered years, the chairperson of the committee shall be the member of the house of representatives selected by the speaker and the vice-chairperson of the committee shall be the member of the senate selected by the president from the convening of the regular session in that year until the convening of the regular session in the next ensuing year. The vice-chairperson shall exercise all of the powers of the chairperson in the absence of the chairperson.

- (3) The committee shall be designated a standing joint committee of the legislature and shall have such powers and duties as hereinafter provided. Funding of operations of the committee shall be made from moneys appropriated to the legislature and expenditures of the committee shall be approved by the legislative coordinating council. Administrative support for the committee shall be provided by the division of legislative administrative services.
- (4) The joint committee on health care oversight shall meet on call of the chairperson as authorized by the legislative coordinating council. All such meetings shall be held in Topeka unless authorized to be held in a different place by the legislative coordinating council. Members of the committee shall receive compensation and travel expenses and subsistence expenses or allowances as provided in K.S.A. 75-3212 and amendments thereto, when attending meetings of such committee authorized by the legislative coordinating council.
 - (b) The joint committee on health care oversight shall:
- (1) Examine changes in federal laws affecting Kansas and propose such changes in Kansas laws and regulations as are necessary to meet the federal requirements.
- (2) Cooperate and interact with agencies of the federal government responsible for health care reform.
- (3) Consider all health care financing and delivery options now in effect taking into account the actions of other states and the federal government.
- (4) Work cooperatively with all relevant state and federal agencies, health care providers, payors and consumer groups in the development of an integrated health plan for all Kansans.
- (5) Receive, analyze and make recommendations related to the state health care data base developed by the health care data governing board.
 - (6) Develop plans for health care cost containment.

- (7) Study and make recommendations for legislative action to integrate health care financing and coverage with other states.
- (8) Recommend legislative actions necessary to assure accessibility of services to residents of underserved areas.
- (9) Provide recommendations if federal or state laws require inclusion of the medical care component of workers compensation and automobile insurance into all inclusive health care coverage.
- (10) Oversee the implementation and operation of the children's health insurance plans created under the provisions of K.S.A. 38-2001 et seq., including the assessment of the performance based contracting's measurable outcomes as set forth in subsection (b)(4) of K.S.A. 38-2001 and amendments thereto and other children's issues as the committee deems necessary.
- (11) Make recommendations on tort reform for medical liability and for state antitrust reform and federal antitrust modifications.
 - (c) The committee may introduce legislation.
- (d) All officers and employees of the state shall provide such information and assistance as may be deemed necessary by the committee. Staff assistance shall be provided by the office of the revisor of statutes, the legislative research department and such other legislative offices and employees as may be directed by the legislative coordinating council.
- (e) The department of health and environment is hereby designated the contact agency for the state of Kansas with reference to federal health care reform measures. The department of health and environment shall not make any decision with reference to federal health care reform measures not otherwise authorized by the legislature or which would be inconsistent with existing law.
- New Sec. 5. (a) There is hereby created the SRS oversight committee. On and after July 1, 2001, the oversight committee shall consist of 12 members as follows:
- (1) Three members who shall be appointed by the chairperson of the house appropriations committee, from among the members of the house appropriations committee, of whom two are members of the majority party and one is a member of the minority party;
- (2) three members who shall be appointed by the chairperson of the senate ways and means committee, from among the members of the senate ways and means committee, of whom two are members of the majority party and one is a member of the minority party;
- (3) three members who shall be appointed by the speaker of the house of representatives at least two of whom shall be members of the house committee on health and human services, one of whom shall be a member of the majority party and one of whom shall be

a member of the minority party; and

- (4) three members who shall be appointed by the president of the senate at least two of whom shall be members of the senate committee on public health and welfare, one of whom shall be a member of the majority party and one of whom shall be a member of the minority party.
- (b) (1) On and after July 1, 2001, and until the first day of the 2002 legislative session, the chairperson of the committee shall be one of the representative members of the committee selected by the speaker and the vice-chairperson shall be one of the senate members of the committee selected by the president. Thereafter, on and after the first day of the regular legislative session in even-numbered years, the chairperson shall be one of the senate members of the joint committee selected by the president and the vice-chairperson shall be one of the representative members of the committee selected by the speaker and on and after the first day of the regular legislative session in odd-numbered years the chairperson shall be one of the representative members of the committee selected by the speaker and the vice-chairperson shall be one of the senate members selected by the president.
- (2) If a vacancy occurs in the office of any member of the SRS oversight committee, a successor shall be appointed in the same manner as the original appointment.
- (c) The oversight committee shall meet on call of the chairperson. All such meetings shall be held in Topeka unless authorized to be held in a different place by the legislative coordinating council. Members of the oversight committee shall receive compensation and travel expenses and subsistence expenses or allowances as provided in K.S.A. 75-3212 and amendments thereto, when attending meetings of such committee.
- (d) (1) The oversight committee shall monitor the long-term care programs that were transferred from the secretary of social and rehabilitation services to the secretary of aging. The oversight committee shall ensure that the transfer of the long-term care programs does not lead to a loss of services by consumers.
- (2) The oversight committee shall monitor, review and make recommendations relating to privatization efforts at the state hospitals, the closure of hospital beds, the downsizing of staff, the closure of Topeka state hospital and Winfield state hospital and training center, the funding of community services and the availability of adequate community services.
- (3) The oversight committee shall monitor, review and make recommendations relating to (A) privatization of children service

programs of the department of social and rehabilitation services including family preservation, foster care and adoption programs, (B) privatization of child support collection programs and any other programs of the department of social and rehabilitation services, and (C) privatization of any programs of the department on aging.

- (4) The SRS oversight committee shall monitor, review and make recommendations relating to federal social welfare reform laws and the regulations and policies implementing such laws and the activities of the department of social and rehabilitation services relating to such federal laws, regulations and policies and the operation of the home and community based services programs.
- (5) The oversight committee shall annually prepare a report on findings and recommendations which shall be provided to the legislature on or before the first day of each legislative session.
- Sec. 6. K.S.A. 2000 Supp. 65-6206 is hereby amended to read as follows: 65-6206. (a) A task force on long-term care services is hereby established to study state and federal laws and rules and regulations which impact on the services provided by government and the private sector to citizens who are consumers of long-term care services, the financing of these services, both public and private, the effectiveness of partnering activities between state agencies and long-term care providers and such other matters relating thereto as the task force deems appropriate.
- (b) The task force shall consist of 20 members appointed as follows:
- (1) Seven members appointed by the legislative coordinating council, three of whom shall be consumers of long-term care services, three of whom shall be providers of long-term care services and one of whom shall be a trustee or board member of a long-term care facility and no more than two such members shall reside in any one congressional district;
- (2) two members appointed by the president of the senate and the speaker of the house of representatives, one of whom shall be a member of the senate committee on ways and means and one of whom shall be a member of the house committee on appropriations and both of whom shall be from different political parties;
- (3) two members appointed by the president of the senate, one of whom shall be a member of the senate committee on public health and welfare and one of whom shall be a member of the senate committee on financial institutions and insurance;
- (4) two members appointed by the minority leader of the senate, one of whom shall be a member of the senate committee on public health and welfare and one of whom shall be a member of the senate committee

on financial institutions and insurance:

- (5) two members appointed by the speaker of the house of representatives, one of whom shall be a member of the house committee on health and human services and one of whom shall be a member of the house committee on insurance;
- (6) two members appointed by the minority leader of the house of representatives, one of whom shall be a member of the house committee on health and human services and one of whom shall be a member of the house committee on insurance. Of the seven members appointed by the legislative coordinating council, no more than two members shall reside in any one congressional district;
- (7) one member shall be the secretary of social and rehabilitation services or the secretary's designee;
- (8) one member shall be the secretary of health and environment or the secretary's designee; and
- (9) one member shall be the secretary of aging or the secretary's designee.
- (c) The legislative coordinating council shall appoint the chairperson and vice-chairperson from among the membership of the task force, the chairperson to be appointed from among the legislator members of the task force. Staffing for the task force shall be available from the legislative research department, the revisor of statutes office and the division of legislative administrative services if authorized by the legislative coordinating council.
- (d) The members of the task force shall receive reimbursement for attending meetings of the task force as authorized by the legislative coordinating council consistent with the provisions of K.S.A. 46-1209 and amendments thereto.
- (e) The task force shall prepare and submit a report and recommendations to the governor and to the legislature on or before the second Monday of January each year through 2005. In developing such recommendations the task force shall give consideration to creative, common sense solutions and approaches to problems which do not necessarily require additional expenditures of money.
- (f) As used in this section, the term "long-term care" includes a broad spectrum of supports, ranging from skilled nursing services to assistance with activities of daily living or help with instrumental activities of daily living.
 - (g) The provisions of this section shall expire on July 1, 2005.
- Sec. 7. K.S.A. 2000 Supp. 2-3703 is hereby amended to read as follows: 2-3703. (a) There is hereby established the remediation linked deposit loan program, which shall be administered by the state treasurer. The program shall be for the purpose of providing

loans to eligible persons to pay the costs of corrective action approved by the department of health and environment or taken in accordance with requests or orders issued by the department of health and environment. Such loans shall be made only for projects approved by the board.

- (b) The state treasurer may adopt rules and regulations to administer and implement the remediation linked deposit loan program.
- (c) On or before February 1 of each year, the state treasurer shall submit to the governor, the senate standing committee on energy and natural resources and the house of representatives standing committee on environment an annual report on the activities of the remediation linked deposit loan program.
- Sec. 8. K.S.A. 2000 Supp. 2-3710 is hereby amended to read as follows: 2-3710. The board shall have the following powers, duties and functions:
- (a) Administer the fund and the remediation reimbursement program.
- (b) Subject to K.S.A. 2000 Supp. 2-3701 through 2-3714, and amendments thereto, adopt rules and regulations concerning the terms and conditions of any reimbursements from the fund.
- (c) Adopt rules and regulations establishing, for purposes of the remediation linked deposit loan program and the remediation reimbursement program, criteria for classification and prioritization of properties where contamination was caused by a release of agricultural or specialty chemicals, or both. Classification and prioritization may account for the criteria contained in Kansas department of health and environment's voluntary clean up and property redevelopment program and state cooperator program.
- (d) Establish operating standards and procedures which shall include, but not be limited to, the following:
- (1) With respect to the remediation linked deposit loan program, provisions governing board approval of projects for which applications for loans may be made;
- (2) with respect to the remediation reimbursement program, provisions governing application procedures, determination of eligible corrective action costs, determination of ineligible corrective costs and reimbursement or payment of eligible corrective action costs; and
- (3) with respect to both programs, provisions governing conflicts of interest, appeals procedures, review and priority determinations and enforcement of the provisions of K.S.A. 2000 Supp. 2-3701 through 2-3714, and amendments thereto.

- (e) Appoint or contract for qualified administrative services subject to the limitation that expenditures from the fund for the administrative expenses of the board and the programs established by K.S.A. 2000 Supp. 2-3701 through 2-3714, and amendments thereto, shall not exceed \$150,000 in any fiscal year.
 - (f) Annually provide an independent audit of the fund.
- (g) On or before February 1 of each year, submit to the governor, the senate standing committee on energy and natural resources and the house standing committee on environment an annual report of the activities and reimbursements for which money from the fund has been expended during the previous fiscal year, including a copy of the independent audit.
- Sec. 9. K.S.A. 32-874 is hereby amended to read as follows: 32-874. (a) The secretary of the Kansas department of commerce and housing and the secretary of wildlife and parks, together, shall direct and implement a feasibility study regarding the potential of developing lake resorts in Kansas. The study shall consider ready access from nearby interstate and interstate connected controlled access highways, public transportation systems, facilities and any other factors that may affect tourism to a given site. The study shall consider only sites at existing state parks or lakes.
- (b) The feasibility study shall be completed by January 1, 1998, with a joint report on the study's results and recommendations derived therefrom to be presented to the legislature, house committee on tourism, senate committee on transportation and tourism and to the governor during the 1998 legislative session.
- Sec. 10. K.S.A. 32-966 is hereby amended to read as follows: 32-966. The secretary of wildlife and parks and the secretary of transportation shall cooperate in developing a management plan to address reduction of motor vehicle accidents involving deer in those areas of the state experiencing high numbers of such accidents. The management plan shall include methods to identify those areas and methods to inform and communicate with landowners and tenants in those areas regarding measures to reduce local deer populations. The management plan shall be completed on or before January 1, 2001, and the joint report of the secretary of wildlife and parks and the secretary of transportation shall be submitted to the senate standing committee on energy and natural resources, the house standing committee on environment and the governor on or before February 1, 2001.
- Sec. 11. K.S.A. 2000 Supp. 65-1,195 is hereby amended to read as follows: 65-1,195. (a) Kansas state university shall cooperate with the department, other agencies and owners and operators of swine facilities to determine best available technology and best

management practices.

- (b) Within the limitations of appropriations therefor and for the purpose of identifying potential risk of groundwater contamination by swine waste retention lagoons or ponds or land application of swine waste, Kansas state university, as a part of its current evaluation of lagoons and ponds for containment of animal waste, shall conduct nutrient management testing of land where swine waste is applied, including deep soil sampling in areas where land application of swine waste is conducted and in adjacent areas where such waste is not applied. Kansas state university, until completion of the evaluation, shall submit preliminary reports regarding such evaluation on or before the first day of each regular legislative session and, upon completion of the evaluation, shall submit a final report of the evaluation on or before the final day of the next regular legislative session. Each such report shall be submitted to the governor, the senate and house standing committees on agriculture, the senate standing committee on energy and natural resources and the house standing committee on environment.
- Sec. 12. K.S.A. 2000 Supp. 65-1,198 is hereby amended to read as follows: 65-1,198. (a) Before January 1, 1999, The secretary shall adopt such rules and regulations as necessary to implement, administer and enforce the provisions of this act.
- (b) On or before the first day of the 1999 and 2000 regular legislative sessions, the secretary shall submit a report regarding implementation of the provisions of K.S.A. 65–171d and K.S.A. 2000 Supp. 65–1,178 through 65–1,196, and amendments thereto, to the house and senate standing committees on agriculture, the senate standing committee on energy and natural resources and the house standing committee on environment.
- Sec. 13. K.S.A. 2000 Supp. 65-34,154 is hereby amended to read as follows: 65-34,154. On or before the first day of the regular legislative session each year, the secretary shall submit to the members of the standing committee on energy and natural resources of the senate and to the members of the standing committee on environment of the house of representatives a report regarding:
- (a) Receipts of the fund during the preceding calendar year and the sources of the receipts;
- (b) disbursements from the fund during the preceding calendar year and the purposes of the disbursements;
- (c) the extent of corrective action taken under this act during the preceding calendar year; and
 - (d) the prioritization of sites for expenditures from the fund.
- Sec. 14. K.S.A. 2000 Supp. 66-2011 is hereby amended to read as follows: 66-2011. (a) As used in this section, "the internet" means

the international network of interconnected government, educational, and commercial computer networks. An "internet service provider" means an entity that provides end user access to the internet. Nothing in this section shall be construed to mean that the commission has any regulatory jurisdiction over internet service providers. The provisions of this section apply only to those locations of the state where local (7-digit) internet access, which supports at least 14.4 kilobits per second service with no more than 5% blockage during the busiest hour of the service, is not available on or after October 1, 1996.

- (b) On or after July 1, 1996 and prior to October 1, 1996, rural telephone companies shall file concurring tariffs to offer internet access in locations identified in subsection (a) to an intraLATA internet service provider of the customer's choice. All rural telephone companies, including local exchange carriers pursuant to subsection (c), shall provide dial-up access to support at least 14.4 kilobit per second service ubiquitously throughout the exchange service area, with 19.2 kilobit per second service on and after July 1, 1999. The commission shall increase the 19.2 kilobit per second requirement when the commission determines that more advanced technology is both technically and economically feasible.
- (c) On or after July 1, 1996 and prior to October 1, 1996, all local exchange carriers, other than rural telephone companies, shall file tariffs with the commission for two flat-rate dial-up plans, which would provide internet access in locations identified in subsection (a) to an intraLATA internet service provider of the customer's choice. All such plans shall be approved by the commission if they meet the criteria established in this section. The first plan includes: (1) For off-peak users, a monthly rate of not more than \$15 per line for the hours of 5 p.m. through 7:59 a.m. weekdays and all hours on weekends and federal holidays. Calls placed outside this specified off-peak period shall be billed at prevailing toll rates. (2) For unlimited usage, the rate shall not exceed \$30 per line per month. The commission shall waive imputation considerations in reviewing and approving these service offerings.
- (d) If a location was previously eligible for the plans provided in subsection (c) and a new internet service provider establishes a local presence in that location, the local exchange carrier serving the location shall:
- (1) Notify all subscribers of the discounted internet access service that a local internet service provider is now available;
- (2) continue to make the discounted internet access service available to existing subscribers of such service with no deteriora-

tion of such service: and

- (3) allow no new subscribers of the discounted internet access service.
- Nothing in this section shall be construed to imply that the (e) commission has any regulatory jurisdiction over the internet or internet service providers with respect to quality of service, rates, billing and collection practices, end-to-end bandwidth, technical support or any other aspects of the business of providing internet access service. However, the commission shall monitor the adequacy of connectivity to internet service providers. Upon complaints of inadequate access, commission staff shall request a sevenday traffic busy line study from the local exchange carrier serving the internet service provider. Commission staff shall analyze the study results to determine whether there is more than 5% access blockage and shall provide the analysis to the internet service provider for consideration and possible action. If the analysis indicates a need for additional capacity and the internet service provider fails to take a corrective action within 45 days after the analysis is provided to such provider by the commission staff, the internet service provider shall be removed from the commission's internet service provider registry and subscribers of such internet service subscriber shall be eligible for the plans provided in subsection (c) if there is no other local internet service provider serving the location.
- (f) All internet service providers operating in the state shall register with the commission. Such registration shall include the name of the internet service provider and the provider's address, contact name, phone number, and access line numbers. This information shall be maintained by the commission at the commission's internet home page (http://www.kcc.state.ks.us). This information shall be used to determine a requesting customer's eligibility for the plans provided in subsection (c) and to provide a single authoritative listing of internet service provider access numbers for local exchange carriers to use in processing service orders. Absent complaints to commission staff, internet service providers shall be assumed to provide service with 5% or less access blockage upon registration. If, upon complaint and subsequent investigation, access blockage is determined to exceed 5%, the provider shall be removed from the commission's registry.
- (g) During the 1999 session of the Kansas legislature, the commission shall transmit a report to the chairperson, vice chairperson and ranking minority member of the house standing committee on energy and natural resources, the senate standing committee on transportation and utilities and the joint committee on computers and telecommunications concern-

ing implementation of this section. The report shall include recommendations for revisions in this section necessitated by technological innovation or market changes in the telecommunications industry. The report also may include an expiration date for this section.

Sec. 15. K.S.A. 2000 Supp. 68-2003 is hereby amended to read as follows: 68-2003. There is hereby created a body politic and corporate to be known as the Kansas turnpike authority. The authority is hereby constituted a public instrumentality and the exercise by the authority of the powers conferred by this act in the construction, operation and maintenance of turnpike projects shall be deemed and held to be the performance of an essential governmental function.

The Kansas turnpike authority shall consist of five members. Two members shall be appointed by the governor for terms of four years. The members appointed by the governor shall be residents of the state and shall each year be owners of revenue bonds issued by the Kansas turnpike authority. One member of the authority shall be the secretary of transportation. One member shall be the chairperson of the committee on transportation and tourism of the senate, and one member shall be a member of the committee on transportation of the house of representatives and shall be appointed by the speaker of the house of representatives. Any person appointed by the governor to fill a vacancy on the authority shall be appointed to serve only for the unexpired term, and a member of the authority shall be eligible for reappointment. A member of the authority may be removed by the governor for misfeasance, malfeasance or willful neglect of duty, but only after reasonable notice and a public hearing conducted in accordance with the provisions of the Kansas administrative procedure act. Each member of the authority, before entering upon the member's duties, shall take and subscribe an oath or affirmation as required by law.

The authority shall elect one member as chairperson of the authority and another as vice-chairperson. The authority shall also elect a secretary-treasurer who need not be a member of the authority. The chairperson, vice-chairperson and secretary-treasurer shall serve as officers at the pleasure of the authority. Three members of the authority shall constitute a quorum and the affirmative vote of three members shall be necessary for any action taken by the authority. No vacancy in the membership of the authority shall impair the right of a quorum to exercise all the rights and perform all the duties of the authority.

Members of the Kansas turnpike authority attending meetings of such authority, or attending a subcommittee meeting thereof au-

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thorized by such authority, shall be paid compensation, subsistence allowances, mileage and other expenses as provided in K.S.A. 75-3223 and amendments thereto.

Sec. 16. K.S.A. 2000 Supp. 74-9001 is hereby amended to read

5 as follows: 74-9001. (a) There is hereby established the council on travel and tourism. The council shall consist of 17 voting members 6 7 as follows: (1) The chairperson of the standing committee on trans-8 portation and tourism commerce of the senate, or a member of the 9 senate appointed by the president of the senate; (2) the vice-chair-10 person of the standing committee on transportation and tourism com-11 merce of the senate, or a member of the senate appointed by the president of the senate; (3) the ranking minority member of the standing 12 13 committee on transportation and tourism commerce of the senate, or a 14 member of the senate appointed by the minority leader of the sen-15 ate; (4) the chairperson of the standing committee on tourism of the house of representatives, or a member of the house of representa-16 17 tives appointed by the speaker of the house of representatives; (5) the vice-chairperson of the standing committee on tourism of the 18 19 house of representatives, or a member of the house of representa-20 tives appointed by the speaker of the house of representatives; (6) 21 the ranking minority member of the standing committee on tourism, 22 or a member of the house of representatives appointed by the mi-23 nority leader of the house of representatives; and (7) eleven mem-24 bers appointed by the governor. Of the 11 members appointed by 25 the governor, one shall be appointed from a list of three nominations 26 made by the travel industry association of Kansas, one shall be ap-27 pointed from a list of three nominations made by the Kansas lodging association, one shall be appointed from a list of three nominations 28 29 made by the Kansas restaurant association, one shall be appointed 30 from a list of three nominations made by the Kansas oil marketers 31 and convenience store association and seven shall be appointed to 32 represent the general public. In addition to the voting members of 33 the council, four members of the council shall serve ex officio: The secretary of commerce, the secretary of transportation, the secre-34 35 tary of wildlife and parks and the secretary of the state historical 36 society. Each ex officio member of the council may designate an 37 officer or employee of the state agency of the ex officio member to serve on the council in place of the ex officio member. The ex officio 38 members of the council, or their designees, shall be nonvoting mem-39 40 bers of the council and shall provide information and advice to the 41 council. 42

(b) Legislator members shall be appointed for terms coinciding with the terms for which such members are elected, except that on

July 1, 1997, the four legislator members serving on the commission immediately prior to such date shall cease to be members of the council and the legislator members specified in paragraphs (1) and (2) of subsection (a) shall serve on the council. Of the 11 members first appointed by the governor, six shall be appointed for terms of three years and five shall be appointed for terms of two years as determined by the governor. Thereafter, all members appointed by the governor shall be appointed for terms of three years. All mem-bers appointed to fill vacancies in the membership of the council and all members appointed to succeed members appointed to membership on the council shall be appointed in like manner as that provided for the original appointment of the member succeeded.

- (c) As soon as possible after the effective date of this act and on July 1, thereafter, the council shall elect a chairperson and vice-chairperson from among its members. The council shall meet at least four times each year at the call of the chairperson of the council. Nine voting members of the council shall constitute a quorum.
- (d) Members of the council attending meetings of such council, or attending a subcommittee meeting thereof authorized by such council, shall be paid amounts for mileage as provided in subsection (c) of K.S.A. 75-3223 and amendments thereto, or a lesser amount as determined by the secretary of commerce. Amounts paid under this subsection (d) to ex officio members of the council, or their designees, shall be from appropriations to the state agencies of which such members are officers or employees upon warrants of the director of accounts and reports issued pursuant to vouchers approved by the chief administrative officers of such agencies. Amounts paid under this subsection (d) to voting members of the council shall be from moneys available for the payment of such amounts upon warrants of the director of accounts and reports issued pursuant to vouchers approved by the chairperson of the council.
- Sec. 17. K.S.A. 2000 Supp. 79-32,204 is hereby amended to read as follows: 79-32,204. (a) As used in this section:
- (1) Terms have the meanings provided by K.S.A. 2000 Supp. 65-1,178 and amendments thereto.
- (2) "Qualified swine facility" means a swine facility that: (A) Is owned and operated by a sole proprietorship or partnership or by a family farm corporation, authorized farm corporation, limited liability agricultural company, family farm limited liability agricultural company, limited agricultural partnership, family trust, authorized trust or testamentary trust, as defined by K.S.A. 17-5903 and amendments thereto; and (B) is utilizing its swine waste man-

agement system on January 1, 1998.

- (3) "Required improvements to a qualified swine facility" means capital improvements that the secretary of health and environment certifies to the director of taxation: (A) Are required for a qualified swine facility to comply with the standards and requirements established pursuant to K.S.A. 2000 Supp. 65-1,178 through 65-1,198 or pursuant to the amendments made by this act to K.S.A. 65-171d; and (B) are not required because of expansion for which a permit has not been issued or applied for before the effective date of this act.
- **(b)** There shall be allowed as a credit against the tax liability of a taxpayer imposed under the Kansas income tax act an amount equal to not more than 50% of the costs incurred by the taxpayer for required improvements to a qualified swine facility. The tax credit allowed by this subsection shall be deducted from the taxpayer's income tax liability for the taxable year in which the expenditures are made by the taxpayer. If the amount of such tax credit exceeds the taxpayer's income tax liability for such taxable year, the taxpayer may carry over the amount thereof that exceeds such tax liability for deduction from the taxpayer's income tax liability in the next succeeding taxable year or years until the total amount of the tax credit has been deducted from tax liability, except that no such tax credit shall be carried over for deduction after the fourth taxable year succeeding the year in which the costs are incurred.
- (c) The provisions of this section shall be applicable to all taxable years commencing after December 31, 1997.
- (d) On or before the first day of the 1999, 2000 and 2001 regular legislative sessions, the secretary of revenue shall submit to the senate standing committee on energy and natural resources, the house standing committee on assessment and taxation and the house standing committee on taxation a report of the number of taxpayers claiming the credit allowed by this section and the total amount of such credits claimed by all taxpayers.
- Section \pm 18. K.S.A. 2000 Supp. 12-1771a is hereby amended to read as follows: 12-1771a. (a) The governing body of a city may establish an increment in ad valorem taxes using the procedure set forth in subsection (b) for projects that are initiated upon a finding that the area is a blighted area under subsection (a)(2) of K.S.A. 12-1771, and amendments thereto, when the following conditions exist:
- (1) The proposed district has been identified by the Kansas department of health and environment or the United States environmental protection agency to be an environmentally contaminated area;

- (2) the city has entered into a consent decree or settlement agreement or has taken action expressing an intent to enter into a consent decree or settlement agreement with the Kansas department of health and environment or the United States environmental protection agency that addresses the investigation and remediation of the environmental contamination;
- (3) the consent decree or settlement agreement contains a provision that has the effect of releasing property owners who are not responsible for the contamination from the responsibility of paying the response costs of the investigation and remediation of the contamination; and
- (4) the city intends to establish a redevelopment district pursuant to K.S.A. 12-1771, and amendments thereto, to wholly finance or partially finance the investigation and remediation of contamination within such district.
- (b) An increment established after a city has found that the condition in subsection (a)(2) of K.S.A. 12-1771, and amendments thereto, exists shall be set on a yearly basis. For purposes of this section, a yearly basis shall be a calendar year. Each year's increment shall be an amount sufficient to pay the direct costs of investigation and remediation of the contaminated condition anticipated to be incurred that year including principal and interest due on any special obligation bonds or full faith and credit tax increment bonds issued to finance in whole or in part the remediation and investigation, costs relating to remediation investigation and feasibility studies, operation and maintenance expenses and other expenses relating directly to the investigation and remediation of contamination. Each year's increment shall not exceed 20% of the amount of taxes that are produced by all taxing subdivisions within any currently existing or subsequently created redevelopment district area in the year the redevelopment district is first established, notwithstanding that such subdivision was not required to receive notice of the establishment of the district.
- (c) The budget that establishes the yearly increment shall be certified by the city to the county clerk and county treasurer no later than August 25th, preceding the calendar year for which the budget is being set. Funds derived from an increment established by this section and interest on all funds derived from an increment established by this section may be used only for projects involving the investigation and remediation of contamination in the district.
- (d) The real property taxes produced by the increment established under subsection (b) from a redevelopment district established under the provisions of K.S.A. 12-1771, and amendments thereto, shall be allocated and paid by the county treasurer to the treasurer of the city and deposited in a special separate fund of the city to pay the direct cost of investigation

and remediation of contamination in the redevelopment district. Any funds collected by the city from parties determined to be responsible in any manner for the contaminated condition shall be either: (1) Deposited in the same separate special fund created hereunder, and with all interest earned thereon, may be used only for projects involving the investigation and remediation of contamination in the established redevelopment district; or (2) distributed to parties who have entered into a contract with the city to pay a portion of investigation and remediation of the contamination in the redevelopment district and the terms of such contract provide that such parties are entitled to reimbursement for a portion of funds they have expended for such investigation and remediation of contamination from the recovery of costs that are collected from other third party responsible parties.

A redevelopment district created under the provisions of this section shall constitute a separate taxing district. If all costs for such investigation and remediation of contamination in the redevelopment district have been paid and moneys remain in the special fund, such moneys shall be remitted to each taxing subdivision which paid moneys into the special fund on the basis of the proportion which the total amount of moneys paid by such taxing subdivision into the special fund bears to the total amount of all moneys paid by all taxing subdivisions into the fund.

- (e) Nothing in this section shall prevent any city from establishing a redevelopment district for other purposes pursuant to K.S.A. 12-1770 *et seq.*, and amendments thereto, which may include part or all of the real property included in the district established under this section.
- (f) Nothing in this section shall be construed to affect the obligations of the county to annually review the fair market value of property in accordance with procedures set by law or to affect the right of any tax-payer to protest and appeal the appraised or reappraised value of their property in accordance with procedures set forth by law.
- (g) Commencing with the regular session of the legislature in 1993, each city that establishes a redevelopment district under this section shall make a status report on a biennial basis to the standing committee on commerce of the senate and the standing committee on economic development new economy of the house of representatives during the month of January. The status report shall contain information on the status of the investigation and remediation of contamination in the redevelopment district.
- Sec. <u>2</u>: **19.** K.S.A. 44-1408 is hereby amended to read as follows: 44-1408. The secretary shall annually submit a report to the house economic development new economy committee and the senate commerce committee detailing the manner in which funds were spent pursuant to K.S.A. 44-1401, et seq., and amendment thereto. Such report shall include the

nature of the work performed by participating youths, the percentage of funds expended for administrative expenses, findings on the educational, criminal and occupational disposition of participating youths and an evaluation of the program as a whole including a recommendation concerning continuation of the program.

Sec. <u>3</u>. **20**. K.S.A. 46-1603 is hereby amended to read as follows: 46-1603. There is hereby established a standing committee of the house of representatives known as the house committee on economic development new economy. The members of the committee shall be appointed in the same manner as members of other standing committees of the house of representatives. Laws and rules applicable to other standing committees of the house of representatives shall apply to the house economic development new economy committee.

Sec. 4. K.S.A. 46 1801 is hereby amended to read as follows: 46 1801. (a) There is hereby established a joint committee on the arts and cultural resources which shall consist of five senators and five members of the house of representatives. The senate members shall be appointed by the committee on organization, calendar and rules. The house of representative members shall be appointed by the speaker of the house of representatives. Not less than one representative member shall be a member of the house committee on appropriations and not less than one senator member shall be a member of the senate committee on ways and means. In addition, not less than one representative member shall be a member of the house committee on economic development new economy and not less than one senator member shall be a member of the senate committee on commerce. The committee on organization, calendar and rules shall designate a senator member to be chairperson or vice chairperson of the joint committee as provided in this section. The speaker of the house of representatives shall designate a representative member to be chairperson or vice chairperson of the joint committee as provided in this section.

(b) A quorum of the joint committee on the arts and cultural resources shall be six. All actions of the committee may be taken by a majority of those present when there is a quorum. In odd numbered years the chairperson of the joint committee shall be the designated member of the house of representatives from the convening of the regular session in that year until the convening of the regular session in the next ensuing year. In even numbered years the chairperson of the joint committee shall be the designated member of the senate from the convening of the regular session of the next ensuing year. The vice chairperson shall exercise all of the powers of the chairperson in the absence of the chairperson.

(c) The joint committee on the arts and cultural resources shall study,

investigate and analyze the following matters:

- 2 (1) The goals appropriate to the future of the arts and cultural life of Kansas including, but not limited to, the following: Public art; individual artists; films, video, radio and music; and historic preservation;
- 5 (2) the role the legislature and state government should play in the achievement of these goals;
- 7 (3) arts legislation in other states and at the federal level;
- 8 <u>(4) the budget and programs of the Kansas arts commission and other</u> 9 state supported arts and cultural programs and agencies;
 - (5) the present status of arts education in Kansas; and
 - (6) the economic impact of arts and cultural resources in Kansas.
- 12 (d) The joint committee shall report to the legislature on or before
 13 December 31 each year any finding and recommendations concerning
 14 the arts in Kansas which the joint committee deems appropriate. The
 15 joint committee may introduce such legislation as it deems necessary in
 16 performing its functions.
 - (e) The joint committee on the arts and cultural resources shall meet on call of the chairperson as authorized by the legislative coordinating council. All such meetings shall be held in Topeka, unless authorized to be held in a different place by the legislative coordinating council. Members of the joint committee shall receive compensation and travel expenses and subsistence expenses or allowances as provided in K.S.A. 75-3212, and amendments thereto, when attending meetings of such committee authorized by the legislative coordinating council.
 - (f) Amounts paid under authority of this section shall be paid from appropriations for legislative expense and vouchers therefor shall be prepared by the director of legislative administrative services and approved by the chairperson or vice chairperson of the legislative coordinating council.
 - Sec. $\frac{5}{2}$ **21.** K.S.A. 2000 Supp. 74-5001a is hereby amended to read as follows: 74-5001a. The purpose of the department of commerce shall be to develop and implement strategies to:
 - (a) Facilitate the growth, diversification and expansion of existing enterprises and the creation by Kansans of new wealth-generating enterprises;
 - (b) promote economic diversification and innovation within the basic industries and sectors of the state;
 - (c) promote increased productivity and value added products, processes and services among wealth-generating enterprises, and the export of those goods and services created by small and large Kansas enterprises to the nation and world;
 - (d) maintain and revitalize economically depressed rural areas and urban neighborhoods by annually targeting scarce resources by size, sec-

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tor and location to communities and enterprises of particular need and opportunity, and by working in close collaboration with local communities;

- (e) protect and enhance the environmental quality of the state in ways consistent with dynamic economic growth; and
- (f) forge a supportive partnership with the standing committee on commerce of the senate, the standing committee on economic development new economy of the house of representatives and the joint committee on economic development, Kansas, Inc., the Kansas technology enterprise corporation, Kansas venture capital, Inc., Kansas certified development companies, Kansas small business development centers, Kansas public and private educational institutions, and other appropriate private and public sector organizations in achieving the economic goals of the state.
- Sec. 6. 22. K.S.A. 2000 Supp. 74-5049 is hereby amended to read as follows: 74-5049. (a) In order to insure that the department of commerce and housing is effectively administering this act, the department shall cooperate with the standing committee on commerce of the senate, the standing committee on economic development new economy of the house of representatives and the joint committee on economic development and Kansas, Inc. in the performance of an independent performance review of the activities of the department and the departmental divisions. The review shall include, but not be limited to: (1) An assessment of the impacts of the department's programs corresponding to the strategic plans of the department and the departmental divisions; (2) a comparative assessment of the relative impact of the department's programs with similar programs in other states; and (3) a comparative assessment of the targeting of the department's programs by size and sector of economic activity, and by location in different areas of the state. The review shall be completed or updated at least once every three years.
- (b) On or before October 1, the department shall prepare and publish an annual report, which shall be made widely available, of its activities and expenditures for the information of the governor, the standing committee on commerce of the senate, the standing committee on economic development new economy of the house of representatives and the joint committee on economic development, Kansas, Inc. and the public, and shall, from time to time, submit recommendations to the governor concerning legislation found to be necessary or desirable in effecting the purposes of this act. The annual report shall include any information which the department is required to report by law. The annual report shall specifically account for the ways in which the purposes of the department and its divisions as described in this act have been achieved, and the recommendations shall specifically note what changes in the ac-

tivities of the department and its divisions, and of state government are necessary to better address the purposes described in this act.

Sec. <u>7</u>. **23**. K.S.A. 2000 Supp. 74-5080 is hereby amended to read as follows: 74-5080. The secretary shall prepare and submit, as a part of the annual report required by K.S.A. 2000 Supp. 74-5049, and amendments thereto, a report of activities under the trade show promotion act to the standing committee on commerce of the senate and the standing committee on economic development new economy of the house of representatives at the beginning of each regular session of the legislature. The report shall contain information concerning the types of Kansas small business concerns receiving financial assistance for participation in trade shows and the results obtained from such participation.

Sec. 8-24. K.S.A. 2000 Supp. 74-50,104 is hereby amended to read as follows: 74-50,104. (a) The secretary of commerce and housing shall administer the provisions of this act and the IMPACT program established thereunder. The secretary of commerce and housing shall encourage Kansas basic enterprises with similar training needs to cooperate in establishing SKILL projects. The secretary of commerce and housing shall coordinate the SKILL program with other job training programs administered by the department of commerce and housing. The secretary of commerce and housing shall provide opportunities for coordination and cooperation of SKILL projects with other job training activities in Kansas.

- (b) The secretary of commerce and housing shall adopt rules and regulations as follows: (1) Prescribing review standards and priorities for approval of proposed agreements under this act, including appropriate incentives for cooperation among projects, in order to maximize the number of new jobs created with respect to individual Kansas basic enterprises, which will remain in Kansas, and (2) prescribing limits on program costs and on project and program size in relation to the number of new jobs created or the wages of new jobs created. No agreement shall be approved which provides for program costs of a project under the agreement of more than 90% of the amount equal to the estimated rate of withholding tax applied to the estimated amount of gross wages of all the new jobs under the project over a ten-year period.
- (c) Notice of the approval of a project or program under the IMPACT act shall be provided to the chairpersons of the senate committee on commerce and the committee on economic development new economy of the house of representatives.
- (d) The secretary of commerce and housing may adopt such other rules and regulations as may be required for the implementation and administration of this act.
 - Sec. 9. 25. K.S.A. 2000 Supp. 74-50,151 is hereby amended to read

as follows: 74-50,151. (a) There is hereby created in the state treasury the Kansas economic opportunity initiatives fund. Subject to acts of the legislature applicable thereto, the moneys in the Kansas economic opportunity initiatives fund shall be used only for the purposes prescribed by this section.

- (b) All expenditures made pursuant to this act shall be made in accordance with appropriations acts upon warrants of the director of accounts and reports issued pursuant to vouchers approved by the governor or the governor's designee. The governor may approve a warrant upon certification, by the secretary of commerce and housing, that an economic emergency or unique opportunity exists which warrant funding for a strategic economic intervention by such state agency or agencies to address expenses involved in securing economic benefits or avoiding or remedying economic losses related to:
 - (1) A major expansion of an existing Kansas commercial enterprise;
- (2) the potential location in Kansas of the operations of a major employer;
- (3) the award of a significant federal or private sector grant which has a financial matching requirement;
- (4) the departure from Kansas or the substantial reduction of the operations of a major employer; and
- (5) the closure or the substantial reduction of a major federal or state institution or facility.
- (c) An intervention strategy may include financial assistance in the form of grants, loans or both. The department of commerce and housing shall adopt written guidelines concerning the terms and conditions of any such loans. However, all repaid funds shall be credited to the Kansas economic opportunity initiatives fund. No intervention strategy approved pursuant to this act shall facilitate the moving of an existing Kansas firm to another location within the state unless such restriction is waived by the secretary of commerce and housing. Every intervention strategy approved pursuant to this act shall identify the intended outcomes to be realized by the strategy for which funding is sought.
- (d) The department of commerce and housing and Kansas, Inc. shall make joint findings concerning the costs and benefits, on both a local and statewide basis, of projects proposed pursuant to this act. Prior to allocation of any funds pursuant to this act, the governor shall review the cost-benefit findings performed on each project.
- (e) The director of the budget and the director of the legislative research department shall consult periodically and review the balance credited to and the estimated receipts to be credited to the state economic development initiatives fund during the fiscal year. During any period when the legislature is not in session, upon a finding by the director of

the budget in consultation with the director of the legislative research department that the total of the unencumbered balance and estimated receipts to be credited to the state economic development initiatives fund during a fiscal year are insufficient to fund the budgeted expenditures and transfers from the state economic development initiatives fund for the fiscal year in accordance with the provisions of appropriation acts, the director of the budget shall make a certification of such finding to the governor. Upon approval by the governor, the director of accounts and reports shall transfer the amount of moneys from the Kansas economic opportunity initiatives fund to the state economic development initiatives fund that is required, in accordance with a certification by the director of the budget under this subsection, to fund the budgeted expenditures and transfers from the state economic development initiatives fund for the fiscal year in accordance with the provisions of appropriation acts, as specified by the director of the budget pursuant to such certification.

- (f) On or before the 10th day of each month, the director of accounts and reports shall transfer from the state general fund to the state economic development initiatives fund interest earnings based on:
- (1) The average daily balance of moneys in the Kansas economic opportunity initiatives fund for the preceding month; and
- (2) the net earnings rate for the pooled money investment portfolio for the preceding month.
- (g) A five member panel consisting of the secretary of commerce and housing, the president of Kansas, Inc., the president of the Kansas technology enterprise corporation, the private sector chairperson of the board of Kansas, Inc. and the private sector chairperson of the Kansas technology enterprise corporation shall review annually the propriety of projects funded under this section. The panel shall report its findings in writing to the governor, the economic development new economy committee of the house of representatives, the senate commerce committee and the joint committee on economic development.
- Sec. <u>10.</u> **26.** K.S.A. 2000 Supp. 74-8001 is hereby amended to read as follows: 74-8001. (a) There is hereby created a body politic and corporate to be known as Kansas, Inc. Kansas, Inc. is hereby constituted a public instrumentality and the exercise of the authority and powers conferred by this act shall be deemed and held to be the performance of an essential governmental function. Kansas, Inc. shall consist of 17 predominately private sector members as follows:
 - (1) The governor of Kansas;
 - (2) the secretary of the Kansas department of commerce and housing;
- (3) nine members who are appointed by the governor, subject to con-
- firmation by the senate as provided in K.S.A. 75-4315b, and amendments
- 43 thereto. Except as provided by K.S.A. 46-2601, and amendments thereto,

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no person appointed pursuant to this paragraph shall exercise any power, duty or function as a member of Kansas, Inc. until confirmed by the senate. Such members shall be appointed as follows:

- (A) One member from each of the primary economic sectors in the state—agriculture, oil and gas, and aviation—who are recognized for outstanding knowledge and leadership in their fields;
- (B) one member from one other primary, job creating, value added business sector who is recognized for outstanding knowledge and leadership in the member's field;
- (C) two members from the private financial sector, one of whom shall have experience in the area of high-risk venture investments, and one of whom shall have commercial banking experience in an industry of special importance to the Kansas economy, and both of whom are recognized for outstanding knowledge and leadership in their fields;
- (D) one member representing labor who is recognized for outstanding knowledge and leadership in the member's field;
- (E) one member from the professional and business services sector who is recognized for outstanding knowledge and leadership in the member's field:
- (F) one member who owns a small business and who is recognized for outstanding knowledge and leadership in that community of interest;
- (4) one member who serves as the commanding general of the Kansas cavalry;
- (5) one member who is appointed by the state board of regents from a Kansas university and who is recognized for outstanding knowledge and leadership in the field of economic development;
- (6) the speaker of the house, the house minority leader, the president of the senate, and the senate minority leader or legislators who are appointed to represent them and who will provide continuity by virtue of their membership on the standing committee on commerce of the senate, the standing committee on economic development new economy of the house of representatives or the joint committee on economic development.
- (b) (1) State officers who are designated as members of Kansas, Inc. under subsection (a)(1), (2), (4) and (6) shall serve by virtue of office or position.
- (2) Members appointed under subsection (a)(6) shall be appointed for a term ending on the first day of the regular legislative session in odd-numbered years.
- (3) Except as provided by paragraph (5) of this subsection, the member appointed under subsection (a)(5) shall serve for a term of four years.
- (4) Members appointed under subsection (a)(3) shall serve for a term of four years, except that, of the members first appointed, two shall serve

for a term of two years, three shall serve for a term of three years, and two shall serve for a term of four years.

- (5) The terms of members appointed under paragraphs (3) and (5) of subsection (a) and who are serving on Kansas, Inc. on the effective date of this act shall expire on January 15, of the year in which such member's term would have expired under the provisions of this section prior to amendment by this act. Thereafter, members shall be appointed for terms of four years and until their successors are appointed and confirmed.
- (6) In case of a vacancy in the appointive membership of Kansas, Inc., a successor shall be appointed in like manner and subject to the same qualifications and conditions as the original appointment of the member creating the vacancy.
- Sec. $\underline{11}$: **27.** K.S.A. 2000 Supp. 74-8002 is hereby amended to read as follows: 74-8002. (a) The purpose of Kansas, Inc. shall be to:
- (1) Undertake ongoing strategic analysis in order to determine the state's areas of potential and continuing competitive economic advantage and disadvantage;
- (2) oversee the formulation of economic development policy and strategic planning for the state;
- (3) oversee the targeting of scarce state resources by size and sector of economic activity and by geographic location within the state in order to enhance the state's potential comparative economic advantages;
- (4) undertake continuing strategic planning for the improvements of the state's tax, regulatory and expenditure policies to enhance the state's potential comparative economic advantages;
- (5) oversee crisis management and opportunity management of short term potential gains or losses in economic activity through impact analysis;
- (6) serve in an advisory capacity to the Kansas department of commerce and housing;
- (7) provide appropriate oversight to ensure the successful implementation of Kansas venture capital, Inc.
- (8) forge a supportive partnership with the standing committee on commerce of the senate, the standing committee on economic development new economy of the house of representatives and the joint committee on economic development, the governor and the secretary of commerce and housing, the Kansas technology enterprise corporation, Kansas venture capital, Inc., Kansas certified development companies, Kansas small business development centers, Kansas public and private educational institutions, and other appropriate private and public sector organizations in achieving the economic goals of the state;
- (9) establish goals, priorities and program standards, and evaluate the effectiveness of state economic development programs and policies ac-

cording to the goals, priorities and standards established;

- (10) institutionalize ongoing means of collaboration between the executive and legislative branches, the business, agricultural and financial sectors, educational institutions and local communities to create a developing Kansas economy the increasing innovation, creativity, diversity and productivity of which is greater than any one sector can achieve acting alone; and
- (11) review and evaluate the Kansas technology enterprise corporation, the major programs and activities of the department of commerce and housing, the statewide risk capital system, the venture capital tax credit, and the investments in research and development activities tax credit.
- Sec. $\underline{12}$ **28.** K.S.A. 2000 Supp. 74-8004 is hereby amended to read as follows: 74-8004. (a) In order to achieve its purpose as provided in this act, Kansas, Inc. shall:
- (1) Serve in an advisory capacity to the governor, the Kansas department of commerce and housing and the standing committee on commerce of the senate, the standing committee on economic development new economy of the house of representatives and the joint committee on economic development.
- (2) Assume central responsibility to develop, with the guidance of both the private and public sectors, all facets of a comprehensive long term economic development strategy.
- (3) Coordinate the strategy development with all other state and local agencies and offices and state educational institutions which do research work, develop materials and programs, gather statistics, or which perform functions related to economic development; and such state and local agencies and offices and state educational institutions shall advise and cooperate with Kansas, Inc. in the planning and accomplishment of the strategy.
- (4) Evaluate and analyze the state's economy to guide the direction of future public and private actions, and report and make recommendations to the governor, the department of commerce and housing, and the standing committee on commerce of the senate, the standing committee on economic development new economy of the house of representatives and the joint committee on economic development with respect to the state's economy.
- (5) Oversee and evaluate the state's economic development activities on an ongoing basis through the establishment of goals, priorities performance standards and the periodic program audit of those goals, priorities and performance standards.
- (6) Oversee the implementation of the state's economic development plan and monitor updates of that plan.

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- (7) Provide appropriate oversight to ensure the successful implementation of Kansas venture capital, Inc.
- (8) Oversee the targeting of scarce state resources by size and sector of economic activity and by geographic location within the state in order to enhance the state's potential comparative economic advantages.
- (9) Review and evaluate the annual reports of the department of commerce and housing, Kansas technology enterprise corporation and Kansas venture capital, Inc. Kansas, Inc. shall transmit recommendations concerning the agencies' activities to the governor and the legislature no later than September 1 of each year.
- (b) Kansas, Inc. shall seek advice from the general public and from professional associations, academic groups and institutions and individuals with knowledge of and interest in areas of economic development and planning.
- (c) The department of commerce and housing and all other interested state agencies shall cooperate with Kansas, Inc. in providing information and other assistance as may be requested for the performance of its duties with respect to the state's economic development plan.
- Sec. <u>13.</u> **29.** K.S.A. 2000 Supp. 74-8017 is hereby amended to read as follows: 74-8017. It shall be the duty of Kansas, Inc. to prepare an annual report evaluating the cost effectiveness of the various income tax credits and sales tax exemptions enacted to encourage economic development within this state and submit the same to the standing committees on taxation and economic development new economy of the house and assessment and taxation and commerce of the senate at the beginning of each regular session of the legislature. The secretary of revenue shall develop a questionnaire on the utilization of state income tax credits and sales tax exemptions that shall be completed by all corporate taxpayers subject to state income tax that shall be submitted to the department of revenue concurrently with the filing of an annual corporate income tax return. The questionnaire shall require respondents to indicate utilization of the following credits and exemptions:
- (1) Income tax credits authorized under the provisions of the job expansion and investment credit act of 1976 and acts amendatory thereof and supplemental thereto;
- (2) income tax credits for expenditures in research and development activities authorized by K.S.A. 79-32,182 and 79 32,182a, and amendments thereto;
- (3) income and financial institutions privilege tax credits for cash investment in stock of Kansas Venture Capital, Inc. authorized by K.S.A. 74-8205 and 74-8206, and amendments thereto;
- (4) income tax credits for cash investment in certified Kansas venture capital companies authorized by K.S.A. 74-8304, and amendments

thereto:

- (5) income tax credits for cash investment in certified local seed capital pools authorized by K.S.A. 74-8401, and amendments thereto;
- (6) income tax credits for investment in the training and education of qualified firms' employees authorized by K.S.A. 2000 Supp. 74-50,132, and amendments thereto;
- (7) sales tax exemptions for property or services purchased for the purpose of and in conjunction with constructing, reconstructing, enlarging or remodeling a business, or retail business meeting the requirements of K.S.A. 74-50,115, and amendments thereto, and machinery and equipment for installation at such business or retail business authorized by subsection (cc) of K.S.A. 1993 Supp. 79 3606a 79-3606, and amendments thereto: and
- (8) sales tax exemptions for machinery and equipment used directly and primarily for the purposes of manufacturing, assembling, processing, finishing, storing, warehousing or distributing articles of tangible personal property in this state intended for resale by a manufacturing or processing plant or facility or a storage, warehousing or distribution facility. The secretary of revenue shall provide the completed questionnaires and copies of sales tax exemption certificates to Kansas, Inc. for the preparation of such report.
- Sec. <u>44.</u> **30.** K.S.A. 2000 Supp. 74-8101 is hereby amended to read as follows: 74-8101. (a) There is hereby created a body politic and corporate to be known as the Kansas technology enterprise corporation. The Kansas technology enterprise corporation is hereby constituted a public instrumentality and the exercise of the authority and powers conferred by this act shall be deemed and held to be the performance of an essential governmental function.
- (b) The corporation shall be governed by a board of 20 directors who shall be residents of this state. The board shall consist of (1) the governor or, at the discretion of the governor, the secretary of the department of commerce and housing, (2) the secretary of the state board of agriculture, (3) four directors who are members of the legislature appointed as provided in subsection (d)(1), (4) four directors who are appointed by legislative officers as provided in subsection (d)(2), and (5) ten directors appointed by the governor subject to senate confirmation as provided in K.S.A. 75-4315b, and amendments thereto. Except as provided by K.S.A. 2000 Supp. 46-2601, and amendments thereto, no person whose appointment is subject to confirmation by the senate, shall exercise any power, duty or function as a member of the board until confirmed by the senate.
- (c) (1) All 10 of the directors appointed by the governor shall be persons recognized for outstanding knowledge and leadership in their fields. Six of the directors shall be persons from the private sector and

four shall be persons from the public sector. The four appointees from the public sector shall consist of one or more of the following: Senior administrators at Kansas educational institutions governed by the board of regents or engineers or scientists who have extensive experience in managing basic or applied scientific and technological research. Of the six directors appointed from the private sector:

- (A) Four directors shall be persons who represent industries of the Kansas economy including small enterprises which include, but are not limited to:
 - (i) Resource-based industries of agriculture, oil and gas;
- (ii) advanced technology industries of aviation, manufacturing, information and design; and
- (iii) emerging industries of telecommunications, computer software, information services and research services; and
- (B) two directors shall be persons who represent the private financial sector of whom one shall have experience in the area of high-risk venture investments, and the other shall have commercial banking experience in an industry of special technological importance to the Kansas economy.
- (2) In making appointments to the board, the governor shall give consideration to the qualifications of the persons who served as commissioners of the Kansas advanced technology commission and shall give consideration to appropriate geographical representation.
- (3) Of the members first appointed to the board, two directors shall be appointed for a term of one year, two directors shall be appointed for terms of two years, three directors shall be appointed for terms of three years and three directors shall be appointed for terms of four years. Except as provided by paragraph (4), successors to such directors shall be appointed for terms of four years. Each director shall hold office for the term of appointment and until the successor has been appointed and confirmed. In the event of a vacancy, the vacancy shall be filled by the governor in the manner provided for original appointments for the remainder of the unexpired portion of the term.
- (4) The terms of directors appointed pursuant to this subsection who are serving on the board on the effective date of this act shall expire on January 15, of the year in which such member's term would have expired under the provisions of this section prior to amendment by this act. Thereafter, directors shall be appointed for terms of four years and until their successors are appointed and confirmed.
- (d) (1) Four directors shall be members of the legislature as follows: The speaker of the house, the house minority leader, the president of the senate, and the senate minority leader, or legislators who are appointed to represent them and who will provide continuity by virtue of their membership on the standing committee on commerce of the senate, the stand-

ing committee on economic development new economy of the house of representatives or the joint committee on economic development. Legislative officers designated in this subsection shall serve by virtue of office. Legislators appointed under this subsection shall serve from the dates of their appointment until the first day of the regular legislative session in odd-numbered years and are eligible for reappointment.

- (2) (A) Four directors shall be appointed by legislative officers as follows: (1) One shall be appointed by the speaker of the house, (2) one shall be appointed by the house minority leader, (3) one shall be appointed by the president of the senate, and (4) one shall be appointed by the senate minority leader. The members so appointed shall be persons who are recognized for outstanding knowledge and leadership in their fields, who are from the private sector and who represent industries of the Kansas economy including small enterprises which include, but are not limited to:
 - (i) Resource-based industries of agriculture, oil and gas;
- (ii) advanced technology industries of aviation, manufacturing, information and design; and
- (iii) emerging industries of telecommunications, computer software, information services and research services.
- (B) Of the directors first appointed by legislative officers under this subsection (d)(2), the directors appointed by the speaker of the house and the president of the senate shall be appointed to a term of four years and the directors appointed by the house minority leader and the senate minority leader shall be appointed to a term of two years. Successors to such directors shall be appointed for terms of four years. Each director shall hold office for the term of appointment and until the successor has been appointed. In the event of a vacancy, the vacancy shall be filled by the legislative officer who appointed the director who created the vacancy in the manner provided for the original appointment for the remainder of the unexpired portion of the term.
- (e) Members of the board of directors, in their dealings with enterprises that may receive financing through the corporation, shall declare any potential conflict of interest and abstain from voting prior to taking any actions relating to that transaction.
- (f) The board of directors shall conduct a national search and select a corporate president who meets a national standard of experience, ability and initiative for similar positions. The corporate president shall not be a member of the board.
- (g) The board of directors shall hold all board meetings within the state of Kansas.
- (h) Members of the board of directors are entitled to compensation and expenses as provided in K.S.A. 75-3223, and amendments thereto.

- (i) The board shall annually elect from the private sector membership one member as chairperson and one member as vice-chairperson.
- (j) The board of directors shall meet at least once during each calendar quarter, and at such other times as may be provided in the rules of the corporation, upon call by the president, the chairperson or upon written request of a majority of the directors.
- (k) A majority of the board of directors shall be necessary to transact corporation business, and all actions of the directors shall be by a majority vote of the full number of corporate directors.
- (l) The directors shall establish an executive committee composed of the chairperson, vice-chairperson and three additional members chosen by the chairperson from among the remaining directors. The executive committee, in intervals between board meetings, may transact any board business that has been delegated to the executive committee. A majority of the executive committee shall be necessary to transact business and all actions of the executive committee shall be by a majority vote of the committee.
- (m) No member of the board of directors is eligible to serve more than two terms of office.
- (n) A member appointed to the board of directors by the governor may be removed by the governor for cause, stated in writing, after a hearing thereon.
- Sec. 45. 31. K.S.A. 2000 Supp. 74-8105 is hereby amended to read as follows: 74-8105. (a) The president shall be the chief executive officer of the corporation and shall serve at the pleasure of the board. The president's salary shall be set by the board of directors. The president shall be in the unclassified service under the Kansas civil service act. The board of directors may negotiate and enter into an employment agreement with the individual selected as president of the corporation which may provide for such compensation and such provisions for allowances, benefits and expenses as may be included in such agreement. The board of directors is authorized to make all payments and payroll deductions as may be required under such agreement. The president shall direct and supervise administrative affairs and the general management of the corporation.
 - (b) The president:
- (1) May employ and terminate such other officers and employees as designated by the board of directors. Any officer or employee of the corporation who receives a salary allocated from state funds shall receive no other compensation including, but not limited to, salaries, bonuses, fees or incentives for performance of any duties on behalf of any entity which is a subsidiary of or is otherwise related to the corporation or is a business in which the corporation or any entity related to the corporation has invested state funds. The president's employment contract, including

any renewal of an existing contract, shall be made available to the senate commerce committee and the house economic development new economy committee, or if the legislature is not in session, the joint committee on economic development, prior to execution of the contract. Such officers and employees shall be in the unclassified service under the Kansas civil service act;

- (2) shall attend board meetings;
- (3) shall appoint a secretary to keep a record of all proceedings and maintain and be custodian of all financial and operational records, documents and papers filed with the corporation and of the minute book of the corporation; and
- (4) before accepting any applications as provided for under this act, shall prepare a business plan which shall include the corporate analysis of funding levels of programs in other states that are shown in the report required in subsection (b) of K.S.A. 74-8111 and amendments thereto and the threshold funding levels specified in subsection (c) of K.S.A. 74-8111 and amendments thereto. Upon approval of the business plan by the corporation board, the plan shall be presented to the standing committee on commerce of the senate and the standing committee on economic development new economy of the house of representatives or the joint legislative committee on economic development for review and evaluation.
- Sec. <u>46.</u> **32.** K.S.A. 2000 Supp. 74-8204 is hereby amended to read as follows: 74-8204. Kansas Venture Capital, Inc. shall prepare and publish an annual report of its activities for the information of the governor, the standing committee on commerce of the senate, the standing committee on economic development new economy of the house of representatives and the joint committee on economic development, Kansas, Inc., and the public which shall be made widely available and shall specifically account for:
- (a) The manner in which the purpose as described in this act has been carried out by Kansas Venture Capital, Inc.
- (b) The total investments made annually by Kansas Venture Capital, Inc. in Kansas businesses.
- (c) An estimate of jobs created and jobs preserved by investments by Kansas Venture Capital, Inc. in Kansas businesses.
- (d) An estimate of the multiplier effect on the Kansas economy of investments by Kansas Venture Capital, Inc. in Kansas businesses.
- (e) An analysis of the targeting of scarce resources by Kansas Venture Capital, Inc. by size, sector and location to enterprises of particular need and opportunity.
- 42 Sec. <u>17.</u> **33.** K.S.A. 2000 Supp. 74-8310 is hereby amended to read as follows: 74-8310. (a) Pursuant to K.S.A. 74-5049, and amendments

thereto, the secretary shall report the following:

- (1) The number of Kansas venture capital companies;
- (2) the total tax credit generated;
 - (3) the total investments made in Kansas venture capital companies;
 - (4) the total investments in Kansas businesses by Kansas venture capital companies;
 - (5) an estimate of jobs created or preserved under the program; and
- (6) an estimate of the multiplier effect on the Kansas economy of the program.
- (b) Additionally, in the report the secretary shall evaluate the success of the program in collaboration with Kansas, Inc. and the standing committee on commerce of the senate, the standing committee on economic development new economy of the house of representatives and the joint committee on economic development, and may include specific recommendations for legislation.
- Sec. <u>18.</u> **34.** K.S.A. 2000 Supp. 74-8317 is hereby amended to read as follows: 74-8317. The corporation shall transmit annually to the governor, the standing committee on commerce of the senate, the standing committee on economic development new economy of the house of representatives, the joint committee on economic development and Kansas, Inc.:
 - (a) The annual statement of the fund; and
- (b) a report, based upon information received by the fund manager, which specifies the following:
- (1) The manner in which the purpose as described in this act has been carried out by the fund.
- (2) The total investments made annually by the fund in Kansas businesses.
- (3) An estimate of jobs created and jobs preserved by investments by the fund in Kansas businesses.
- (4) An estimate of the multiplier effect on the Kansas economy of investments by the fund in Kansas businesses.
- (5) An analysis of the targeting of scarce resources by the fund by size, sector and location to enterprises of particular need and opportunity.
- Sec. <u>19.</u> **35.** K.S.A. 2000 Supp. 74-8405 is hereby amended to read as follows: 74-8405. (a) Pursuant to K.S.A. 2000 Supp. 74-5049, and amendments thereto, the secretary of commerce and housing shall report the following:
 - (1) The number of local seed capital pools;
 - (2) the total tax credit generated;
 - (3) the total investments made in Kansas venture capital companies;
- 42 (4) the total investments in Kansas businesses by local seed capital 43 pools;

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- (5) an estimate of jobs created or preserved under the program; and
- (6) an estimate of the multiplier effect on the Kansas economy of the program.
- (b) Additionally, in the report the secretary shall evaluate the success of the program in collaboration with Kansas, Inc. and the standing committee on commerce of the senate, the standing committee on economic development new economy of the house of representatives and the joint committee on economic development, and may include specific recommendations for legislation.
- [Sec. 36. K.S.A. 46-1201 is hereby amended to read as follows: 46-1201. (a) There is hereby established the legislative coordinating council which shall have seven—(7) eight members. Such members shall be the president of the senate, the speaker of the house of representatives, the vice-president of the senate, the speaker pro tem of the house of representatives, the majority leader of the senate, the minority leader of the senate, and the minority leader of the house of representatives.
- [(b) In even-numbered years, the speaker of the house of representatives shall be chairman chairperson of the legislative coordinating council, and the president of the senate shall be vice chairman vice-chairperson thereof. In odd-numbered years, the president of the senate shall be chairman chairperson of the legislative coordinating council, and the speaker shall be vice-chairman vice-chairperson thereof.
- [(c) The legislative coordinating council shall meet at least once each month in the interim between legislative sessions. Such council shall meet on the call of its chairman chairperson or any three members of the council. The director of legislative administrative services, director of legislative research, revisor of statutes and each member of the legislature shall be given notice of each meeting of the council by its chairman chairperson, except in cases of emergency. Each such notice shall state the date, time and place of the meeting. The chairman chairperson also shall cause minutes to be prepared for each meeting of the council, and a copy thereof shall be sent to each person who is required to receive notice of the council's meetings by this subsection. It shall not be necessary to transmit with such minutes any accompanying documents for any item of business, but the minutes shall indicate whether there are supportive documents for any item of business, the nature of such documents and where they are filed or stored.
- [Sec. 37. K.S.A. 46-1204 is hereby amended to read as follows: 46-1204. The legislative coordinating council shall be authorized

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to contract for purchases of personal property or services, and in 2 the discretion of such council, the same may be made as provided 3 in K.S.A. 75-3739 and amendments thereto. Such council may delegate such authority to make or contract for such purchases or serv-4 ices, except professional services, to the director of legislative ad-5 ministrative services. No member or committee of the legislature, 6 7 except the legislative coordinating council, shall be authorized to 8 employ or contract for professional services to be paid from appro-9 priations for legislative expense or from appropriations to the leg-10 islative coordinating council. The legislative coordinating council 11 may employ by contract and direct one or more attorneys, who are approved by a vote of 3/4 of the seven members of the legislative 12 13 coordinating council, to represent the legislature, either house 14 thereof, the legislative coordinating council, any legislator, any of-15 ficer or employee of the legislative branch or any combination of the foregoing, and any such attorney shall be paid from appropri-16 17 ations for legislative expense. No contract made under authority of 18 this section shall require approval under any other statute. Com-19 mencing in the fiscal year that commenced in calendar year 1995 20 and at least once every six years thereafter, the legislative coordi-21 nating council shall employ by contract and direct an independent 22 actuary, approved by a vote of 3/4 of the seven members of the leg-23 islative coordinating council, to conduct an actuarial audit and 24 evaluation for the purposes enumerated by K.S.A. 2000 Supp. 74-25 4908a and amendments thereto. Such actuarial audit and evalua-26 tion shall be paid from appropriations for legislative expense or 27 from appropriations to the legislative coordinating council.] 28

Sec. 20. 36. [38.] K.S.A. 44 1408, 46 1603 and 46 1801 and K.S.A. 2000 Supp. 12 1771a, 74 5001a, 74 5049, 74 5080, 74 50,104, 74 50,151, 74 8001, 74 8002, 74 8004, 74 8017, 74 8101, 74 8105, 74 8204, 74 8310, 74 8317 and 74 8405 32-874, 32-874e, 32-966, 44-1408, [46-1201, 46-1204,] 46-1603, 46-1604, 46-1801, 46-2201, 46-2507, 46-2701, 46-3001 and K.S.A. 2000 Supp. 2-3703, 2-3710, 12-1771a, 65-1,195, 65-1,198, 65-34,154, 65-6206, 66-2011, 68-2003, 74-2623, 74-5001a, 74-5049, 74-5080, 74-50,104, 74-50,151, 74-8001, 74-8002, 74-8004, 74-8017, 74-8101, 74-8105, 74-8204, 74-8310, 74-8317, 74-8405, 74-9001, 74-9005 and 79-32,204 are hereby repealed.

Sec. 21. 37. [39.] This act shall take effect and be in force from and after its publication in the statute book.