

## MINUTES OF THE SENATE COMMERCE COMMITTEE

The meeting was called to order by Chairperson Karin Brownlee at 8:30 a.m. on February 9, 2004 in Room 313-S of the Capitol.

All members were present.

Committee staff present:

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

Conferees appearing before the committee:

U.S. Senator Sam Brownback

Others attending:

See Attached List.

Chairperson Brownlee opened the joint meeting of the Senate Commerce, Senate Agriculture, and House Economic Development committees by introducing United States Senator Sam Brownback.

U.S. Senator Brownback explained to the committee that Senator Pat Roberts was unable to attend the meeting because of pressing intelligence issues back in Washington, D.C.

Senator Brownback stated that Kansas needed to declare that the state is going to grow in terms of both the economy and jobs. Through a low tax, low regulation environment, Kansas could achieve these goals. He discussed two important areas of research: carbon farming and aviation. He discussed the stem cell properties of umbilical cord blood and its role in cutting edge scientific development. Senator Brownback addressed the significance of out-migration in Kansas and offered the history of the Homestead Act, explaining that the New Homestead Act would have a similar effect of drawing people back to our state. He compared this legislation to that of urban areas which had sought to re-populate themselves after such out-migration.

In response to questions from the crowd, Senator Brownback stated that the majority of bases in the state were secure, and that the one over which there was the most concern was Forbes Field. He also clarified that counties that would qualify for the New Homestead Act would be those with a net out-migration; areas whose growth positive, but less than the national average would not be eligible. He stated that although the bill had been filed, the legislation had not moved recently. Representative Wilk noted that there are a number of incentives that could be complimentary.

Senator Brownback stated that, in regard to Wichita and Boeing, both are good for one another. He noted that Airbus was a subsidized European company, so Boeing said it was hard to compete; at the same time, Airbus said that their subsidies were worth no more than Boeing's military contracts with the US government. Senator Brownlee asked if these were WTO standards, and Senator Brownback replied that Boeing had not wanted to bring forward a case for fear it would hurt its European market.

In regard to carbon farming, Senator Brownback explained that a leading national expert was at Kansas State University working on the technology. He explained the technology and emission credit exchange as another source of income for farmers.

In response to a question about nuclear power, Senator Brownback explained that nuclear power plants have not been built for thirty years. He stated that there is both a heavy regulatory burden and initial investment cost. This type of power largely lacks public support; wind power is an option that is currently being explored. In all cases, he said, there must be economic opportunity to accomplish these things.

Chairperson Brownlee thanked Senator Brownback for his appearance and adjourned the meeting at 9:20 a.m. The next meeting will be at 8:30 a.m. on February 10, 2004 in Room 123-S of the Capitol.