

MINUTES OF THE HOUSE HIGHER EDUCATION.

The meeting was called to order by Chairperson Lisa Benlon at 3:30 p.m. on January 29, 2001 in Room 231-N of the Capitol.

All members were present except: Annie Kuether (E)  
Valdenia Winn (E)

Committee staff present: Carol Rampey, Kansas Legislative Research Department  
Paul West, Kansas Legislative Research Department  
Stuart Little, Kansas Legislative Research Department  
Avis Swartzman, Office of the Revisor of Statutes  
Dee Woodson, Committee Secretary

Conferees appearing before the Committee:

John Lind, President, Kansas Association of Technical Schools and Colleges  
Richard McWhorter, Director of Kaw Area Technical School  
Eddie Estes, President & CEO Western Kansas Manufacturers Association  
Arty Strahela, Plant Manager, Goodyear Tire & Rubber  
Jack Porteous, GO Topeka  
Jim Schwarzerberger, Vice President, Wichita Area Chamber of Commerce  
Jon Miles, Vice President of Governmental & Technical Services, Kansas Electrical Cooperatives, Inc.  
Steve Hall, Boelte-Hall Litho  
Tom Whitaker, Executive Director, Kansas Motor Carriers Association  
Roger Kraft, Vektec, Inc.  
James Oldebeken, President, Printing Industries Association of the Heartland  
Jim Edwards, Kansas Chamber of Commerce & Industry (written only)

Others attending:  
See attached sheet.

Chairperson Benlon opened the meeting with a welcome greeting to all in attendance, and announced that there would be numerous conferees testifying to the Committee on technical and vocational education schools. She introduced the first conferee, John Lind, President, of the Kansas Association of Technical Schools and Colleges, and the Director of the Kansas City Area Technical School. Mr. Lind also serves as a Board member of the SDA III Workforce Investment Board. Mr. Lind testified in support of the Regents' budget request for the technical institutions, and he gave the latest statistics regarding job openings, average salary of the Kansas worker, percentage of jobs that require more than a high school diploma, and the number of students enrolled in the technical schools. (Attachment 1)

Mr. Lind went over the operational costs, equipment costs and facility needs for FY 2003. He said the cost of these needs have increased and would continue to increase in the future. He asked the Committee to consider taking the following action: (1) to increase funding over the Governor's recommendation for post-secondary aid and for capital improvements; and (2) to support legislation to implement the Governor's Task Force recommendations on Workforce Development. He said the panel of speakers that the Committee would hear at this meeting would share their information and remarks on Workforce Development and the importance of their efforts for continued economic development in Kansas.

Unless specifically noted, the individual remarks recorded herein have not been transcribed verbatim. Individual remarks as reported herein have not been submitted to the individuals appearing before the committee for editing or corrections.

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The second conferee, Richard McWhorter, Director of the KAW Area Technical School, spoke in support of the Workforce Development programs through the technical schools and colleges. He said that the Workforce Development Force made their report to the Governor in December, and their findings indicated there had been very little progress in addressing the problems which workforce development identified in the report three years ago. He testified that lack of resources was a major problem, and that the current funding formulas discourage community colleges and technical schools from developing programs to meet business training needs. He said there was also a great need for capital improvements as much of the equipment was outdated and overused. He explained further about the shortages for equipment upgrades, increased teacher salaries, the speed at which computer technology needs upgraded, necessary facility improvements, equipment needs for all of their industrial programs, and the fact that they have sixteen institutions that divide any appropriations they are given. Mr. McWhorter recommended establishing a commission with the responsibility to study the technical education delivery system in Kansas and make recommendations to the next legislative session. Mr. McWhorter explained that the two primary sources of revenue for the technical schools are the post-secondary aid appropriation and the vocational capital outlay fund. He strongly urged the Committee to support the Board of Regents request for the post-secondary aid appropriation for technical schools and colleges in Kansas. (Attachment 2)

The third conferee, Eddie Estes, President and CEO of Western Kansas Manufacturers Association, testified in favor of increased funding for the vocational colleges and area vocational schools. He told the Committee that his organization sponsors the 3i SHOW in April each year, and it is comprised of 150 manufacturers, service industry and associate members. He said the event brings together 600 companies from 33 states and several foreign countries to display the latest in agriculture technology and service. He explained that at this occasion these companies have the opportunity to discuss current business conditions, and the most critical issues that they all face nation-wide is the lack of properly trained employees. Mr. Estes said he serves on the National Work Force Board and they have made this skilled worker shortage a banner issue. He gave an example of the need for the technical schools by stating that the Northwest Kansas Technical School had a waiting list of 600 students wanting to enroll in three programs, i.e. Communications Tech, Communication Network Tech, and Electronic Tech.

Mr. Estes submitted to the Committee that around 1973 the Governor established a fund for capital outlay of \$2 million for area vocational and technical schools. He said that was 20 years ago, and they could not keep up with technology changes with no more commitment than that. He pointed out that students who are trained in Kansas Technical schools/colleges remain in the state and become tax payers. He asked the Committee for their support in better funding for these schools. (Attachment 3)

The fourth conferee to testify before the Committee was Arty Strahela, Topeka Plant Manager for Goodyear, and he spoke to the Committee from an industry point of view on the critical shortage of technically skilled workers. He stated this shortage hurts economic growth and development in our communities. Mr. Strahela said that as technology continues to evolve at an incredible pace, we need to evolve our workforce. Mr. Strahela explained the graph in his written testimony that depicts three of Goodyear's plants and the expected eligible retirements they foresee, which he feels will increase the need/demand for trained and skilled employees. He told the Committee that Goodyear strongly supports a cooperative training program between the state, city, and county and local employers. He gave an example of Lawton, Oklahoma; and then explained the funding that the State of Oklahoma has invested in order to retain existing business and attract new business to the state. He urged the Committee to seriously review the lack of skilled workers in our community, and consider the impact this lack will have on our current business and the opportunities to attract new businesses. (Attachment 4)

Jack Porteous, GO Topeka, was the fifth conferee to testify about the increased labor needs for technically trained employees. He stated that a recent study done by the Hudson Institute in Indianapolis disclosed that 82% of the jobs in the year 2020 would not require a college education. He said that we are in a

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technological revolution that is having a major impact on our labor force and we must prepare for tomorrow's labor needs. He added the key to future economic growth was the ability to train tomorrow's high skilled workforce. He shared with the Committee some facts on wage and salary employment (pace of work) for the Topeka and Shawnee County area, and commented that Topeka's anemic growth rate could partly be attributed to our lack of skills necessary to fill the increased demand for skilled labor. He asked the Committee to act now and give Kansans the ability to train for the new jobs of tomorrow. ([Attachment 5](#))

The sixth conferee to speak was Jim Schwarzenberger, Vice President, Workforce Development for the Wichita Area Chamber of Commerce, and Chairman of the General Advisory Board for the Wichita Area Technical College. He testified that it was part of his responsibilities to work in Workforce Development with trainers, educators, and also meet with economic development prospects who come in from outside our community as well as within our community seeking to expand their operations.

Mr. Schwarzenberger testified he wanted to make three points: (1) The number one concern for site selectors and CEO's all across the country has been the availability and sustainability of a qualified workforce; (2) Kansas' economic development competitors are showcasing to prospects their technical training schools and colleges, and our state needs to take a look at national "best practices" and to consider the economic development consequences of not investing more in technical training; (3) He said we need to attract students to technical professions/trades. He stated he felt that Kansas stands to lose an increasing share of the high skill, high wage jobs to its competing states across the country. He concluded by saying the development and continued support of an outstanding technical training system is of great importance. ([Attachment 6](#))

The seventh conferee was Jon K. Miles, Vice President of Governmental and Technical Services for Kansas Electric Cooperatives, Inc. (KEC). He spoke on behalf of Manhattan Area Technical College in support of adequate and continued funding. He related to the Committee the relationship between the rural cooperatives of Kansas and the Manhattan Area Vocational Technical College since 1970, when they first offered students the opportunity to receive classroom instruction and field training to become apprentice linemen in the electric utility industry. He said the current classroom size is a maximum of 18 students, and the total number of applications received by April 7, 2000 for the January 2001 class was 75. He further stated that for the employer, the school has provided the student the basic electrical and mathematical knowledge necessary to perform such technical duties as line construction, power substation and distribution transformer connections, etc. He testified that for the employee, the one-year school and on-the-job training provides the student an opportunity to decide whether the job is a good fit within one year at very little cost to the student.

Mr. Miles said that he was a graduate of the Manhattan Area Vo-Tech School, and to his knowledge every class since 1973 has had a waiting list for students. He added that the school has an excellent student placement record. ([Attachment 7](#))

Steve Hall, President of Boelte-Hall Litho, Inc., was the eighth conferee to testify in support of better funding for vocational and technical schools. He shared with the Committee the problems his company has in finding well trained and qualified employees. He said that the printing industry is largely composed of small companies, and 80% of printing companies have 20 or fewer companies. He stated that the printing industry is not known as a large industry, and yet they employ almost 15,000 in Kansas. He concluded by saying it was his opinion that technical education in Kansas did not come close to the education quality Kansas offers in high schools and colleges, and industry in the state needed the legislators' help in addressing this situation. ([Attachment 8](#))

Tom Whitaker, Executive Director of the Kansas Motor Carriers Association (KMCA), was the ninth conferee and appeared before the Committee representing 1,450 member firms and the Kansas trucking industry. He testified that KMCA had a long history of supporting the truck driver training at the Southwest Kansas Technical School in Liberal, the Wichita Area Technical School, and Fort Scott Community College. He said that KMCA initiated and passed legislation in 1989 to dedicate \$2.00 from every commercial drivers license fee to the truck driver training fund.

Mr. Whitaker shared with the Committee that recent studies have estimated the need for 80,000 new truck drivers annually over the next decade. He said that without a new supply of qualified drivers, the trucking industry would have difficulty in meeting the freight demands in this state and the U.S. He added that the trucking industry currently transports nearly 82% of all of the nation's freight. In summary Mr. Whitaker stated that continued funding for this valuable asset was imperative for continued growth of the Kansas economy in this global business climate. (Attachment 9)

The tenth conferee was Roger Kraft, President of Vektec, Inc., Emporia, Kansas, told the Committee his company manufactures hydraulic equipment and machine parts that most of which are shipped to locations outside the state. He said they employed 115 employees and have been developing their operation in Emporia since 1975. Mr. Kraft testified that he was a member of the newly established Advisory Board for the Flint Hills Technical College in Emporia, and was appearing before the Committee on behalf of the business and industry community in Emporia that supports and relies heavily on the Technical College to provide well trained graduates that could be upwardly mobile in their businesses.

Mr. Kraft said Flint Hills had established an all time enrollment record this year, beginning in school year 2000-2001, and is right at 400 students which is better than a 10% increase year over year. Mr. Kraft told the Committee that for the current year, Flint Hills has only received three quarters of one percent increase in funding from the Kansas Board of Regents. He stated that staff salaries alone would exceed that minimal increase, yet we have had over a 10% increase in the demands of that institution. He said that as an outsider looking in at the situation, it indicated to him that the Kansas Board of Regents essentially would be reducing the scope of that school. Mr. Kraft explained that they had a large increase in students, but they did not receive enough of an increase to support the existing situation let alone the increase in requirements at Flint Hills. He added that this is a real problem that must be dealt with if we are going to continue to grow industry in the State of Kansas. He said that the Committee had heard comments about the inability to bring industry into Kansas because those prospective companies have seen that there is a lack of good technically trained employees. Mr. Kraft testified that he felt that the State of Kansas was not treating the non-college bound student fair, whereas 2/3 to 3/4 of the high school graduates do not go to a four year institution, and they have not been given a good picture of technical and vocational training schools while they were in high school. He concluded by stating that Kansas needed to get priorities straight, and put the money where we need it in order to bring more industries into the state and take care of the existing industries.

James Oldebeken, President of Printing Industries Association of the Heartland, testified before the Committee as the eleventh conferee that his industry was Kansas' third largest manufacturing employer with nearly 15,000 employees (excluding Hallmark Cards) at 548 firms and sales of just over \$2 billion. He told the Committee that the printing companies owners have actively worked with the Kansas City Area Technical School and their administrators to develop the KCKATS Graphic Communications program into a "world-class" technical program. He said the program becomes the only second printing program in the state to attain PrintED accreditation.

Mr. Oldebeken stated that due to the printing industries' significant problems with finding trained workers, that the lawmakers would be hearing from them more often on the issue. He pointed out that the neighboring states such as Oklahoma has a dramatically stronger technical training program. He also said that the system for drawing students into the technical programs needed to be improved, and he feels that Kansas does not have a handle on the nature and extent of the workforce needs of their industry. Mr. Oldebeken concluded with the point that the relationship between state government, education and industry could do a better job of fixing the problems with communications, cooperation and partnership. (Attachment 10)

Written testimony only: Jim Edwards, Chamber of Commerce and Industry (Attachment 11)

The Chair opened the floor for questions and comments from the Committee members. She said that a question came up during a previous discussion with a fellow member of the Committee about whether the schools are teaching technology that can be used in today's business world, and we are not still hung up with teaching old technology like keypunch. She noted that heads nodded affirmatively in answer from

those sitting in the audience that this was being done. The Chair also asked if the reason the schools had large waiting lists was due to lack of teachers, lack of technical equipment, and other capital improvements to teach. She asked if that was really the problem of not having the facilities and we don't have the teachers to teach? She continued to question if this was the reason we were not expanding the classes, or is it the inability to teach 40 students in one classroom in a technical field.

Ken Clouse, President of the Northeast Kansas Technical College at Atchison, responded in terms of the technology, he said he would tell the Committee that absolutely it was a high priority with all of them to be as current as they possibly could be. He stated that the men who testified at this meeting probably serve on advisory committees for all the schools, so they feel like they have close partnerships constantly to insure the viability of the programs and the technology level was relevant to the job which a worker will go to. He responded to the second part of the Chair's question and said the funding for equipment that Dr. Estes mentioned in 1970 there was \$2 million for capital money which could go for equipment or facilities. Today, he said he was talking about \$2.7 million some 30 years later, and everyone knows that inflation and cost of operating has increased drastically since 1973. Mr. Clouse went on to say the post-secondary aid money that they received last year that they were able to deliver services for more than \$250,000 more than what we were funded for. He felt they could deliver a lot more services today if they knew the funding was going to be there to hire the faculty, pay for supplies that it takes to operate a welding class for an example. He said that operational costs continue to go up, and if they don't have the funding coming in to address those needs, they are going to start to look at ways to cut back in order to meet costs. He concluded that they are looking at a lack of capital to operate with, lack of facilities, and a lack of equipment.

Chairperson Benlon asked if the students who stay on the waiting list year after year, do they finally give up and go to other non-skilled jobs?. She inquired if they lose these students because of the waiting list who could possibly be good technical individuals. Dwight Dunn, President of the Manhattan Technical College, explained that the numbers on the waiting list are rolled over as we continue to contact the students on the list who are interested. He said they take the students on a first apply, first enroll basis, and each of those students pay a \$25 non-refundable application fee. He went on to explain what happens to the students who apply and are on the list, but do not wait for an opening, and the other choices they have for this type of education in electric power. Mr. Dunn also said that all the programs in Manhattan are underfunded, and they will probably have to start cutting the evening classes. He told the Committee that private industry and businesses might have to contribute more in order to maintain the programs if the state continues to under-fund these types of educational classes.

General questions and discussion followed regarding: what drives the idea of where the programs are located at which area schools, not having sufficient numbers of people in the program such as the printing industry; the lack of communication or mis-communication within the high school counselors or even selling it to parents to attend a vocational or technical school instead of a four year university, need funding to overcome the perception problem that technical schools have, possibility of raising the tuition in order to help schools fund themselves, and the actual necessity for admission.

The Chair gave some closing remarks regarding the Appropriations Committee's responsibility to allocate the funding, and that the Higher Education Committee would be willing to assist in this endeavor in any way that they can to help promote increased funding for the vocational and technical schools.

Steve Kearney said there were two things he wanted the Committee to work on, and they were: (1) to talk to their peers on the Appropriations Committee, and encourage them for the short term this next year to endorse the Board of Regents' recommendations to the Governor so these schools can survive another year and be able to serve the citizens of Kansas and the work force concern; (2) the technical schools and colleges would encourage a piece of legislation that would form a commission that would study singularly the needs of technical education in Kansas, and address the many issues that are being grappled with currently by the Board of Regents as they try and get their arms around all of these institutions that they suddenly inherited a couple of years ago.

Chairperson Benlon recommended that Mr. Kearney and the Revisor get together and draft the proposed legislation to be introduced in the Committee.

The minutes of the Higher Education Committee for January 10 were presented for additions and corrections. Representative Phelps made a motion to approve the minutes as written, seconded by Representative Gordon, and the motion carried.

Chairperson Benlon adjourned the meeting at 5:15 p.m. The next meeting of the House Higher Education Committee will be Wednesday, January 31, Room 231-N at the Capitol.