Approved: March 10, 2004

MINUTES OF THE SENATE COMMERCE COMMITTEE

The meeting was called to order by Chairperson Karin Brownlee at 8:30 a.m. on February 4, 2004 in Room 123-S of the Capitol.

All members were present except:

Senator Bill Bunten- absent

Committee staff present:

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

Conferees appearing before the committee:

Lt. Governor John Moore Secretary Jim Garner Rocky Nichols, KAPS Martha Gabehart, KS Commission for Disabled Concerns Mary Ellen Conlee, REAP Kris Kitchen, Director, Heartland Works

Others attending:

See Attached List.

Chairperson Brownlee opened the hearing on:

ERO 31-Establishment of Workforce Development under Department of Commerce

Lt. Governor John Moore presented testimony in favor of the **ERO 31**. (<u>Attachment 1</u>)

Secretary Gardner presented testimony in favor of the **ERO 31**. (Attachment 2)

Senator Kerr asked if the departmental name change would be confusing. Secretary Gardner replied that while it had nothing to do with organized labor, it would more accurately reflect the department's role in the workplace, as well as making the department's name more consistent with other states and the Federal department. Senator Kerr stated that he would like statistics on the proportion of labor in Kansas that is organized. Secretary Gardner stated that he would provide the committee with these. In response to a comment from Senator Kerr regarding dissatisfaction which had been expressed to him about the way the department was handling these issues. Secretary Gardner stated that the Department of Commerce is in a silo dealing with businesses in terms of getting them to come to the state and stay; at the same time, the Department of Human Resources is working separately to build partnerships with communities and administration of federal programs. In addition, he noted that education, too, was operating autonomously. Secretary Gardner stated that the goal of the new transition would be to fuse the elements of business, administration, and direction of education for jobs in demand to increase efficiency for the state.

Senator Kerr asked what would happen to disability training under this bill. Secretary Gardner replied that workforce training centers should serve them too in an effort to improve the services they offer.

Senator Kerr asked if the House of Representatives had the right idea in proposing to eliminate the Department of Human Resources entirely. Secretary Gardner replied that it would not save money, nor would it improve the delivery of services to Kansans because it would be difficult find and access services. He stated that when the Governor was elected, this was a part of her top to bottom review of state government. He stated that it will not free up money unless programs will be cut; advocacy commissions and other such programs would be a moot point because they are dependent on Federal monies.

Following further discussion, Senator Barone asked the secretary if the department had outcome measures to show increasing performance of Kansans. Secretary Gardner stated that the department had seventeen detailed measures from the US Department of Labor including how many people came to look, the number placed in

CONTINUATION SHEET

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jobs, and the job salaries among others. Senator Barone stated that he would like to applaud the department's ability to track these things.

- Mr. Nichols presented a position paper in favor of but suggesting changes to the reorganization order (<u>Attachment 3</u>), as well as a paper entitled "University of Kansas' Center for Research on Learning: Improving Outcomes for Persons with Disabilities in Kansas' Workforce Development System" (<u>Attachment 4</u>).
- Ms. Gabehart presented testimony in favor of the order. (Attachment 5)
- Chairperson Brownlee closed the hearing on **ERO 31**.
- Kris Kitchen presented the committee with information on Heartland Works and the functions of the One Stop Centers it operates in Atchison, Lawrence, Topeka, Manhattan, and Junction City. She outlined for the committee the role of these organizations in workforce development in Kansas and provided detailed testimony for the committee. (Attachment 6)
- Ms. Conlee supplied the committee members with copies of a presentation entitled, "Workforce Alliance: Building Tomorrow's Workforce Today" (Attachment 7)
- Chairperson Brownlee thanked the speakers and adjourned the meeting at 9:30 a.m. The next meeting will be February 5, 2004 in Room 123-S of the Capitol.