

MINUTES OF THE SENATE COMMITTEE ON COMMERCE.

The meeting was called to order by Chairperson Senator Brownlee at 8:30 a.m. on January 18, 2001 in Room 123-S of the Capitol.

All members were present except:

Senator Susan Wagle (Excused)

Committee staff present:

April Holman, Legislative Research Department

Robert Nugent, Revisor of Statutes

Lea Gerard, Secretary

Conferees appearing before the committee:

Cal Roberts, Chairman Work Force Development

David Strom, Chairman Economic Development

Others attending: See Attached List

Chairperson Senator Brownlee introduced Cal Roberts, Chairman Work Force Development of the Governor's Vision 21st Century Task Force.

The Task Force was made up of a cross section of business leaders, educators and government agencies that held meetings in all regions of the state to get an overview and opinions from each region. Mr.

Roberts stated that the charge was to assess the needs of both employers and employees in the state, view the structure of resources available for work force training, address the needs and make five recommendations that would be beneficial to the State of Kansas. The Task Force cited a U.S. Bureau of Labor Statistics report that noted an increasing shortage of skilled labor in the State of Kansas. Cal Roberts also stated the report stressed teaching work skills between grades K through 12. The task force is suggesting that in addition to basic academic standards a program of marketable work skills be initiated.

Cal Roberts reviewed the five policies that the work force presented (Attachment 1).

Cal Roberts briefly summarized that Oregon and Indiana provide technical training in K through 12 and this is something the State of Kansas should look at. Most of this training would begin in grades 8 through 12 and students along with their parents would decide on what area they would like to have technical training. Some of the choices are engineering technical training, health care, business administration and computer training. With the proper skill training in a chosen field, the student has the ability to find a job, as well as earn a living using this money for further education, if desired. The conclusion is Kansas needs to move forward on a system that focuses on skill standards as well as academic standards to prepare our work force needs of the future.

Chairperson Brownlee opened the meeting for questions from committee members.

Chairperson Brownlee introduced David Strom, Chairman of the Economic Development Task Force.

Conferee Strom stated the task force was made up of business people, educators and attorneys who have backgrounds in economic development and tourism. The task force accepted the charge understanding it was to review the economic development strategies and structure. Mr. Strom pointed out that the report is divided into two sections. The first three recommendations all relate to structure of economic development at the state level, the last two recommendations are focused on two opportunities that came forth as the committee interviewed the many presenters that faced them. The state is confronted with a lot of demands for funding different projects. In that regard, the task force felt it important to do the best with the money that is allocated for economic development efforts and that means creating efficiencies. It is very difficult to measure the success of economic development, it's a lot like advertising in a business. If a bank begins a large advertising campaign for loans and the federal reserve lowers interest rates at the same time, what was the value of advertising? Economic development is in some regard that way. We try to measure economic development to determine what businesses we attracted and how many jobs were created.

The task force recognized the need for reliability in financing and that brought forth our recommendation to move financing away from the lottery, place it on the general fund and tying it to one-tenth of one percent of the Kansas economy. This seems to be a very tangible and realistic measurement for economic development. Over the years, since the mid 1980's, we have actually seen a decline in the dollars promoting economic development since they have been siphoned off for other worthwhile purposes, but nevertheless taken away. This recommendation would represent a measure of dynamic growth for economic development dollars in the state.

Chairperson Brownlee opened the meeting to questions from the committee members.

Meeting adjourned at 9:30 a.m.. The next scheduled meeting is Friday, January 19, 2001.