

## **MINUTES**

### **JOINT COMMITTEE ON ECONOMIC DEVELOPMENT**

April 24, 2001

Kansas Technology Enterprise Corporation (KTEC), Topeka, Kansas

#### **Members Present**

Representative Bill Mason, Chairman  
Senator Jim Barone  
Senator Karin Brownlee  
Senator Lynn Jenkins  
Senator Nick Jordan  
Representative Jerry Aday  
Representative Carol Beggs  
Representative Mary Compton  
Representative Annie Kuether  
Representative Valdenia Winn

#### **Members Absent**

Senator U.L. "Rip" Gooch  
Representative Margaret Long  
Representative Vern Osborne

#### **Staff Present**

April Holman, Kansas Legislative Research Department  
Renaë Jefferies, Revisor of Statutes Office  
Rose Marie Glatt, Committee Secretary

#### **Conferees**

Charles Ranson, President, Kansas Inc.  
Alec L. Hanson, Ph.D., Economic Competitiveness Group

The meeting was called to order by Chairman Mason at 1:20 p.m. on April 24, 2001 at the KTEC Board Room, 214 SW 6<sup>th</sup>, Topeka, KS. The Chairman advised the committee that the intent of the meeting was to provide an update on the Kansas Comprehensive Strategic Plan and solicit input from members to help with the final product that will be rolled out at the May 31<sup>st</sup> meeting. He introduced Charles Ranson, who stated that they would review the technical report that will appear as three chapters of the final document. Today they would be given an update on the strategic planning process, look at the identified issues, discuss the range of policy options for each issue, look at strategies for implementation and engage in dialogue providing feedback for consideration. He introduced Dr. Alec Hanson, director of the project.

Dr. Alec Hanson stated that the meeting was an opportunity for the committee members to state their opinions, adding their ideas to the large group of people previously interviewed for the study. He gave a power point presentation on "*Making the Knowledge Economy Work for all Kansans*", (Attachment 1). He stated the Project Objectives were to:

- Evaluate the economy and the current economic development programs;
- Identify strategies for insuring Kansas' economic competitiveness in the New Economy; and
- Design a process whereby the strategies can be implemented.

Discussions during the presentation included:

- Risk of losing the Aviation Industry in Wichita due to industry being only an assembly operation with a lack of local supplier firms for the industry, lack of automation in processes, high value portion of industry is not located in Wichita and lack of qualified workforce development programs for industry. Other factors such as public/private collaboration, corporate income tax and lack of focused training were discussed. Another study is expected soon on the Aircraft Industry that will provide more specific information in this arena.
- The aging population of Kansas, loss of educated workers leaving Kansas and the importance of changing the image of Kansas to attract younger workers.
- The challenges facing Kansas' Education programs through the Universities and Vocational-Technical colleges in the urban and rural areas. What facilities are needed and how do they meet the demand for more *focused* training from industries.
- The data on Telecommunication access across the state are lacking in the study due to the competitive incentives in the business world. The recommendation will be to do a digital assessment study compiled by a digital specialist. It was suggested that the rural telephone companies are

ahead of the large corporations in bringing telecommunications to the rural areas.

- A survey compiled by Kansas, Inc. on the internet: [www.ink.org/public/ks-inc/survey](http://www.ink.org/public/ks-inc/survey) with response from over 780 completed responses gave information on the priorities and differences of people around the state. It points to the need for more regionalization in the delivery of Economic Development services and in the way that strategies are developed around the state.
- Funding for Economic Development is paramount in the success of the programs. Suggestions were made to fund the programs.

In summary, Dr. Hansen described the challenges facing Kansas today. The collapse of rural economy, lack of workforce development, need for business clusters and the structured imbalance. He stated that most people in Kansas lack an understanding of the entire economy and what the industries are that will provide rapid growth. Education of those issue should be the starting point. He asked the members of the committee for their opinions on what is needed to get that level of understanding progressing.

The following suggestions were made:

- The Governor should take an active role in promoting the importance of the Economic Development and develop a “message” that can be carried statewide.
- There must be more public/private collaboration in developing the future workforce needs.
- Tourism should play a bigger part in Economic Development in the state.

Dr. Hanson outlined the format for the second part of the report available in 2-3 weeks.

- Chapter 5—Discussion of the issues
- Chapter 6—Strategic directions
- Chapter 7—Implementation processes and 120 initiatives. These will be broken down in five pieces:
  - Economic development framework made up of regional councils and new economy alliances working together
  - Natural resources and environmental issues
  - Workforce development
  - Technology and Communications Initiatives
  - Initiatives(3-10) for each individual cluster
- Chapter 8 -Timing for Implementation

- Appendixes: Case studies of the “best practices” in other states.

After Committee discussion, the chair announced that the next meeting of the Joint Committee would be May 31 and June 1, 2001. At that time, the Committee will review the second half of the report on the first day and address other issues on the second day. Details on the meeting will be forthcoming. Future meeting schedules were discussed. The chair also informed the Committee of the possibility that the discussion of telecommunications right-of-ways may be assigned to the Joint Committee on Economic Development for the 2001 Interim.

The meeting was adjourned at 4:30 p.m.

Prepared by Rose Marie Glatt  
Edited by April Holman

Approved by Committee on:

August 17, 2001