

MINUTES OF THE SENATE WAYS AND MEANS COMMITTEE

The meeting was called to order by Chairperson Carolyn McGinn at 10:30 a.m. on March 18, 2011, in Room 548-S of the Capitol.

Senator Taddiken was excused.

Committee staff present:

Jill Wolters, Office of the Revisor of Statutes
Daniel Yoza, Office of the Revisor of Statutes
David Wiese, Office of the Revisor of Statutes
Alan Conroy, Director, Legislative Research Department
J. G. Scott, Chief Fiscal Analyst, Legislative Research Department
Aaron Klaassen, Senior Fiscal Analyst, Legislative Research Department
Dorothy Hughes, Fiscal Analyst, Legislative Research Department
Amy Deckard, Senior Fiscal Analyst, Legislative Research Department
Brea Short, Intern, Senator McGinn's Office
Jan Lunn, Committee Assistant
Josh Lewis, Chief of Staff

Others attending:

See attached list.

Conferees:

Zulma Toro-Ramos, Dean of the College of Engineering, Wichita State University
Jason S. Dalen, Associate Director, The Civic Council of Greater Kansas City
Ron Gaches, Gaches, Braden and Associates, on behalf of the Kansas Society of Professional Engineers
Amy Deckard, Senior Fiscal Analyst, Legislative Research Department

Bill Introductions:

Senator Huntington introduced a bill (#rs1159) concerning the creation of a joint committee for the purpose of overseeing certain state authorities. Senator Kelly seconded the motion, which carried on a voice vote.

SB 235 – University engineering initiative act

Jill Wolters, Officer of the Revisor of Statutes, briefed committee members on **SB 235**. Its direct goal is to increase the number of engineering graduates from Wichita State University (WSU), Kansas State University (KSU), and the University of Kansas (KU). The bill allows the Board of Regents and the universities to work together to develop plans for the expansion of these universities' engineering programs. The Kansas Development Finance Authority has authority (on behalf of the Board of Regents) to issue bonds for the financing of engineering facilities. Four new funds would be created in the state treasury: Kan-grow engineering fund – Regents, Kan-grow engineering fund – WSU, Kan-grow engineering fund – KSU, Kan-grow engineering fund – KU. Each expenditure from the Kan-grow engineering fund – Regents, which is transferred from state general fund (SGF) or Expanded Lottery Act Revenues Fund would be required to be matched on a dollar-for-dollar basis from non-state resources. The Kan-grow engineering fund – Regents would receive \$4 million for FY 2013, and \$7 million for FY 2014 and each fiscal year thereafter. Ms. Wolters explained there are four technical errors in the bill which require correction (Attachments 1, 2, 3).

Chairperson McGinn introduced Zulma Toro-Ramos, Dean of the College of Engineering at Wichita State University, John English Dean of the College of Engineering at Kansas State University, and Stuart Bell, Dean of the College of Engineering at Kansas University.

Dean Zulma Toro-Ramos, Wichita State University, testified in support of **SB 235**. She provided a history of how the bill evolved. She cited statistics related to the key role of engineers in the state and nation, the economic impact of growth in income per capita in the United States resulting from technological advancement, and the engineering challenges if Kansas's core industries are going to retain and create new jobs (Attachment 4). She encouraged favorable passage of **SB 235**.

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Jason Dalen, Associate Director, The Civic Council of Greater Kansas City, spoke in favor of **SB 235**. He emphasized this is an investment to provide a highly skilled workforce for the 21st century, to foster economic growth, to leverage and expand on Kansas' existing strengths in engineering, science, technology and innovation, and to provide a source of funding for Kansas' engineering programs necessary to support the growth of this industry (Attachment 5).

Ron Gaches spoke on behalf of the Kansas Society of Professional Engineers. He encouraged passage of **SB 235**. He elaborated on the impact of engineers on the Kansas economy, manufacturing, processing, aviation, energy technology, healthcare, transportation, agriculture, construction, and consulting engineering (Attachment 6).

Chairperson McGinn noted written testimony from:

Scott Heidner, Executive Director, American Council of Engineering Companies (Attachment 7).

Dr. Andy Tompkins, President and CEO, Kansas Board of Regents (Attachment 8).

Greg M. Graves, President, CEO and Chairman, Burns and McDonnell (Attachment 9).

Chairperson McGinn closed the hearing on **SB 235**.

Senator Vratil moved to amend **SB 235** to correct the technical errors as previously discussed. Senator Teichman seconded the motion, which carried on a voice vote.

Senator Vratil moved to remove the contents of **HB 2149**, insert the contents of **SB 235** as amended (including any technical revisions required), and recommend favorably for passage **Senate Substitute for HB 2149**. Senator Kelly seconded the motion.

Senator Francisco expressed her concern that adequate funding might be unavailable for other identified initiatives. Considerable discussion was heard related to funding the initiative from the Expanded Lottery Act Revenue Fund (ELARF). Legislative Research staff provided a chart "Consensus Revenue Estimate for ELARF" showing the projected estimates through FY 2015 (Attachment 10).

Senator Vratil's motion as seconded by Senator Kelly passed on a voice vote.

Senate Substitute for SB 234 -- Appropriations for FY 2011 through FY 2016 for various state agencies

Senator Huntington, having voted on the prevailing side, moved to reconsider **S Sub for SB 234** for the purpose of adjusting funding for the Kansas Arts Commission. Senator Vratil seconded the motion, which passed on a voice vote.

Senator Huntington moved to transfer \$200,000 from the Kansas Historical Society budget to State General Fund for the purpose of operating expenses for the Kansas Arts Commission to function as a separate state agency. Senator Vratil seconded the motion, which carried on a voice vote.

Senator Huntington moved to transfer \$489,000, all from the SGF, for the purpose of operating expenditures to restore the Kansas Arts Commission as a state agency for FY 2012. Senator Vratil seconded the motion, which passed on a voice vote.

Senator Huntington moved to restore 6.0 FTE positions to the Kansas Arts Commission for FY 2012. Senator Kultala seconded the motion, which passed on a voice vote.

Senator Kelly moved the following:

Juvenile Justice Authority – For FY 202, delete \$2.0 million from the Children's Initiative Fund for graduated sanctions grants and add \$2.0 million from the SGF for the same program, and

Department of Social and Rehabilitation Services – For FY 2012, delete \$2.0 million from the SGF for Family Centered System of Care and \$2.0 million from the Children's Initiatives Fund for the same program.

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Senator Francisco seconded the motion, which passed on a voice vote.

Senator Huntington moved to pass out **S. Sub for SB 234** as further amended. Senator Vratil seconded the motion, which passed on a voice vote.

The meeting was adjourned at 11:40 a.m.

**SENATE WAYS AND MEANS
GUEST LIST
March 18, 2011**

NAME	AFFILIATION
C Deaton	DaB
A Thomas	DaB
A. Murray	KU
Steve Reese	KU
Sue Peterson	K-state
John English	K-State
Jonas Meyer	Kansas Reporter
Jeff Zehnder	WIBW-AM
Phil Harner	K-State
Megan Pinegar	KSAG
Janet Wornum	WSU
Zelma Taw-Ramos	WSU
Andy Schlapp	WSU
Marjorie Werly	ESU
Jonathan Krueger	KBOR
Jim Gaudet	KSPE
Sandy Braden	Gunc Council
Jayon Dalem	Civic Council
Melba Rivbeaux	JHSU
Lindsey Douglas	KDOT
Jennifer Brunning	OP Chamber
CLINTON D. ROBINSON	BLACK & VEATCH
Scott Heidner	ALEC of Kansas
ML Dyck	KS BTP
Jean Boline	Ks Bd of Tech Prof.
NICK WOOD	DRC
Phyllis Stuebel & Ellen S.	—
JEAN MILLER	CAPITOL STRATEGIES
Althea Carey	—
Robert Carey	—

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MEMORANDUM

To: Chairperson McGinn and members of the Senate Ways and Means Committee
From: Jill Ann Wolters, Senior Assistant Revisor
Date: March 18, 2011
Subject: SB 235, the university engineering initiative act

Senate Bill No. 235 enacts the university engineering initiative act. The goal of the act is to increase the number of engineering graduates to 1,365 graduates per year in 2021, and all moneys appropriated pursuant to this act shall be used to meet this goal.

The act provides for Wichita State University, Kansas State University and the University of Kansas to expand such universities engineering programs. The funding for such expansion is to be used to increase the number of engineering graduates and each such university is to participate in a fair and equitable manner.

Prior to any construction or renovation of any capital improvement pursuant to this act, the board of regents and the universities are required to first advise and consult the joint committee on state building construction. Further, the universities shall submit to the board of regents a plan to provide for the annual maintenance and operation costs of any newly constructed engineering facility or capital improvement of an existing engineering facility when seeking funding for the making of such construction or improvement from the board of regents.

The act allows KDFA on behalf of the board of regents to issue bonds for the financing of engineering facilities in an amount not to exceed \$195,000,000. The bonds are obligations of the board of regents and the obligations are to be paid from appropriations by the legislature or other funds.

Four new funds are created in the state treasury: Kan-grow engineering fund-regents, Kan-grow engineering fund-WSU, Kan-grow engineering fund-KSU and Kan-grow engineering fund-KU. Each expenditure from the Kan-grow engineering fund-regents which is transferred from state general fund moneys or expanded lottery act revenues fund moneys shall be required to be matched on a \$1 for \$1 basis from nonstate sources.

The Kan-grow engineering fund-regents would receive \$4,000,000 in fiscal year 2013, and \$7,000,000 in fiscal year 2014 and each fiscal year thereafter.

There are four technical errors in the bill. On page 2, in line 15, the 'Kan-grow engineering fund' should be the 'Kan-grow engineering fund-regents'. On page 3, in line 33, the 'state general fund' reference should be to the 'Kan-grow engineering fund-regents'. On page 5, line 39, '2013' should be '2012'. On page 6, in line 1, '2014' should be '2013'.

The act would take effect upon publication in the statute book.

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KANSAS STATE
UNIVERSITY



KU
THE UNIVERSITY OF
KANSAS

OUR MISSION:

*Engineers for
Kansas' future*



AGC
of KANSAS



HUTTON
CONSTRUCTION



GE JOHNSON
CONSTRUCTION COMPANY



GARMIN
Johnston Burkholder Associates
CONSULTING STRUCTURAL ENGINEERS

ExxonMobil



SPRINT
AEROSYSTEMS



BLACK & VEATCH
Building a world of difference.

Engineers for Kansas' Future — Industry Support

When the Kansas Senate leadership announced its intention to introduce a bill in support of engineering education within the state, industry was there in force to support this initiative. Attendees included high-level executives from Cessna, Black & Veatch, JE Dunn, HNTB, Bombardier, JE Dunn, Burns & McDonnell, Hawker Beechcraft, Garmin, Lockheed Martin, Spirit AeroSystems, Westar and more.

We were able to gather statements in support of this effort from some of those executives as well as others who had prior commitments that could not be rearranged. These statements demonstrate the importance of this effort, the universal support it has garnered and the impact it will have on the ability of Kansas's core businesses to thrive.

Jack Pelton, CEO, President and Chairman of Cessna

The importance of today is very pivotal for our state. We're coming out of a recession and one thing our industry looks at is how supportive is the state going to be in allowing us to all grow. And looking at this ... proposed legislation, I think it's one of the foundations that's going to allow that to happen. ... We look at it from a variety of perspectives. One, that the policy that's being addressed here is good for our citizens. It's good legislation. It's doing things the right way and being creative to make sure that there are no trade takeaways and (still) creating the foundation for growth.

The other piece that we look at is what the universities have done. This is a true collaborative effort, where they recognize working together and ensuring that they are fostering the education system that's going to allow the engineers that we need in the future to make Kansas the state that has led – in my particular case, the aviation industry – around the world, and seeing that cooperation amongst the three universities is really, really important to us in the industry.

We're coming back as an industry. We're hiring. The engineering need in the next 24 months is something that we haven't seen in the last 3 years. Today is the critical day to move that forward, and allow that foundation to be put in place. I couldn't endorse what's going on today any more.

...

We're a very technical company, a technical industry, that's completely dependent on innovation and design from the engineering workforce. And that leads our business. Everything we do is based on new designs, new concepts, the ability to support service over time, and that takes engineering graduates. ...

One of the important issues for us is the ability to recruit locally. We have found, historically, that across the three universities, the students who come out are highly qualified; they are very productive, very quickly. It's really a positive about them, the curriculum they go through, and the training they are getting through these universities. And they really want to be a part of Kansas. That's very important to us. It saves us money, but it also allows us to be able to compete more effectively on a global stage. We have some vicious competition around the world. We can do it right here in Kansas. We have the universities, the infrastructure. ... That's why we need these folks. We're growing, and one of the issues with industry is, if you can't get what you need locally, you're going to have to go somewhere else. And this is going to help us grow, right here in the state of Kansas.

Jim Lewis, Chief Administrative Officer of Black & Veatch

Our growth is dependent on our ability to hire good engineers. We always have the volume out there that we can do, and we often restrain that just by how many talented people we can get. So we count on the state universities to provide those people for our global growth. For example I started in 1974. We had 800 people. We've now grown to 8,000 people. That's not possible without this support. I'd like to thank the Senate and everyone who participated to make this adjustment so we can move forward like we need to for engineering in the state of Kansas.

...

From Black & Veatch's point of view, we don't build a product; we build products for other people. We build power plants, utilities; we build water treatment plants, we provide telecommunications. We're providing a service so our whole net revenue is based on our engineers. That volume, our contracts, we're selling engineering hours. So the only way we can grow is to have more qualified engineers.

Greg Graves, Chairman, President and CEO of Burns & McDonnell

This Senate proposal is a wonderful step forward for the state of Kansas and the region. Burns & McDonnell's ability to deliver the design and planning services and construction expertise the world needs is dependent upon our ability to find top talent at all levels of the job market. This initiative by leadership in Kansas will set the stage for future success, not only for Burns & McDonnell, but for a number of Kansas's major employers.

Scott Coons, President and CEO of Perceptive Software

Perceptive Software's success is built on bringing new and innovative products to market. Talented engineers are one of the keys to our strategy. We must increase the engineering opportunities at our universities to meet the needs of growing and entrepreneurial companies like Perceptive Software. This initiative is an important move forward for the state.

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Testimony to the Kansas Senate Ways and Means Committee
Zulma Toro-Ramos
Dean College of Engineering, Wichita State University
3/18/2011

Good morning Madame Chair and honorable members of the Kansas Senate Ways and Means Committee. It is my pleasure to speak to you on behalf of John English, Stuart Bell and myself, the deans of Kansas' three engineering colleges and schools at Kansas State, University of Kansas and Wichita State.

It is important to recognize that we are here today due to the leadership of Senate President Steve Morris who over three years ago called the three of us to talk about the shortage of engineers in our state and to ask us to work together on a plan to address the problem. The plan that emerged from the collaboration between President Morris and the three engineering deans is aimed at increasing the number of engineering degrees awarded to domestic students by nearly 60%. This plan was embraced by the Honorable Governor Sam Brownback who made increased funding for engineering education a priority, and he inspired the conversation about funding this initiative by proposing an investment of a \$1M for fiscal year 2012.

The invitation to speak to you today is evidence that the Kansas Senate Ways and Means Committee also understands the key role of engineers in our state and nation. In fact, 80 percent of all science and technology-based occupations in Kansas are in the engineering and information technology fields. Furthermore, economic studies have shown that as much as 85 percent of measured growth in income per capita in the United States is due to technological advancement. The creators of this technological advancement are the engineers, and Kansas' engineering programs are the primary source of this workforce in our state.

The Kansas Board of Regents has also been supportive of this effort to increase the number of engineering graduates and have included it as one of the priorities for the university regents system. The Regents have been receptive to the message conveyed by the leaders of our three institutions; engineers fuel innovation and create wealth.

A quick review of the 21st century engineering challenges leads us to conclude that the demand for engineers in areas such as aviation, energy, design and consulting, pollution control, water, and health care is only going to increase. If Kansas' core industries are going to retain and create new jobs, then the required engineering talent has to be available. This has been the message shared with us and with the general public by our industry partners. They have communicated in many ways how important it is for us to grow the engineering workforce in our state.

While each of the three institutions will implement a unique plan for its campus that maximizes the effectiveness of the state investment in this initiative, there are several strategies common to the three universities. The common strategies are: 1) recruitment of more new students; 2) increase the percentage of students succeeding through graduation; and 3) build capacity to accommodate a larger student body.

The three institutions will continue to work together and we are eager, willing, and ready to work with the Governor, the Kansas Senate and House, industry, the K-12 school system and the Kansas community to educate the engineers needed by the state to maintain our competitive advantage in today's and tomorrow's global economy and the standard of living in our charming and welcoming state.

We would like to thank this committee for working to identify additional funding to increase the engineering degrees awarded by our institutions and for the proposal to make a long-term commitment to fund this initiative. We appreciate your support and the opportunity to share our plan with you.

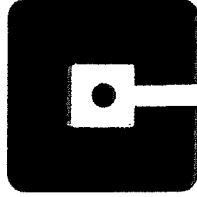
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THE CIVIC COUNCIL OF GREATER KANSAS CITY

One Kansas City Place, 1200 Main Street, Suite 230

Kansas City, Missouri 64105

Telephone: 816-221-2263 • FAX: 816-221-2209

Testimony of
Jason S. Dalen, Associate Director
The Civic Council of Greater Kansas City
In Support of SB 235, The University Engineering Initiative Act
Senate Ways and Means Committee
March 18, 2011

The Civic Council of Greater Kansas City appreciates the opportunity to testify in support of Senate Bill 235 – the University Engineering Initiative Act. The Civic Council is an organization of 75 CEOs of the largest employers in the Kansas City metropolitan area. On behalf of its members, the Civic Council applauds this Committee for sponsoring SB 235. We also appreciate Governor Brownback's inclusion of \$1 million in his proposed FY 2012 budget to jump start the Kan-Grow Engineering Fund that would be created by this legislation.

Similar to the State's hugely successful investment in building and growing the biosciences through the Kansas Bioscience Authority, the University Engineering Initiative Act is precisely the forward-thinking investment the State of Kansas should be making to stabilize and grow its economy for the future. This **investment**, and I stress **investment**, will help:

- To provide Kansas with a highly skilled workforce for the 21st Century, prepared to fill not just engineering jobs, but jobs in a variety of related fields and industries;
- To foster economic growth and the attraction and retention of highly-educated, skilled workers;
- To leverage and expand on Kansas' existing strengths in engineering, science, technology and innovation; and,
- To provide a source of funding specifically for our engineering schools necessary to support the growth of this industry in Kansas.

Kansas City is a world-class engineering city, estimated to be the fourth-largest engineering community in the United States by revenue and has the largest number of engineers per capita in the U.S. As home and headquarters to engineering giants such as Black & Veatch and Burns & McDonnell, as well as scores of other large, mid-size, spin-off and start-up firms, the area provides a rich environment for careers and opportunities in the engineering and related fields.

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We want to keep those jobs in Kansas City. In today's economy, however, engineering firms can recruit – and are recruiting – anywhere in the world. If they cannot find the people to fill their jobs locally, they will recruit nationally and internationally. The problem is further exacerbated by the fact that those people can perform their jobs anywhere in the world; they do not have to work and live in Kansas, or the Midwest, or even the U.S.

The type of State investment contemplated by this legislation does not just help grow the engineering field. The engineering field touches on, overlaps with, contributes to and relies on a variety of other fields. Growing the engineering industry in this State will help grow all of these other industries and job sectors, including agriculture, information technology, aviation and transportation and financial services. Examples of firms that could benefit include Cerner, Garmin, Spirit and Quest Diagnostics.

Furthermore, investments in growing the engineering field help improve the overall quality of life for all Kansans. We want to keep our bright young people in the state. We want to attract other bright people to the state. We want to recruit top-notch, world-class, world-renown faculty to our universities. Our students in Kansas will stay in Kansas, and students from around the world will come to Kansas to study at our engineering schools under these faculty members. More importantly, the students and faculty members are the ones who will develop new technologies, new products, new solutions to the world's problems. We want them to create new companies to commercialize these technologies, products and solutions. And we want them to do all of this here in Kansas. The University Engineering Initiative Act will help make this a reality.

And, if we are successful in growing this industry, it will help improve the quality of life for every Kansan, not just engineers. Engineering students, newly graduated engineers from our universities, and world-renown faculty members will demand high-quality services and amenities, such as world class arts and cultural venues, schools and universities. More importantly, they will contribute to the State's tax base to pay for such amenities and services. The average starting salary for a graduate with a B.S. in engineering in 2001 is \$62,091. All Kansans will benefit from this investment.

Further, this legislation is not geographically focused. It will provide benefit to not only Wichita, Manhattan and Lawrence, but across the state in many industries.

This proposed investment in engineering will help lead Kansas to an economic recovery that is focused on the future vitality and economic health of the state and its citizens. Engineering, science, innovation, health care, aviation and related fields are the exact industries Kansas should be investing in now and in the future because they are vital to our economy, and to the national economy, and are only going to become more so over time. As we have seen over the last few years, these industries and job sectors also are likely to weather any future recessions better than most industries.

The Civic Council strongly encourages you to support SB 235. Thank you for your consideration of these matters. Please contact Jason Dalen, Assistant Director, Civic Council of Greater Kansas City, 816-221-2263 or Sandy Braden, Gaches, Braden and Associates, 785-233-4512, for additional information or questions.

Respectfully submitted by,

Jason S. Dalen
Associate Director
The Civic Council of Greater Kansas City
1200 Main Street, Suite 230
Kansas City, Missouri 64105



Kansas Society of Professional Engineers

A state society of the National Society of Professional Engineers

Testimony of Kansas Society of Professional Engineers

In support of SB 235:

**Presented by Ron Gaches, Executive Director
Before the Senate Ways and Means Committee
Friday, March 18, 2011**

Thank you Chairwoman McGinn for this opportunity to support enactment of SB 235 on behalf of the Kansas Society of Professional Engineers.

SB 235 will help address one of the most critically important workforce issues confronting our state, the availability of highly trained engineers. The availability of an increasing supply of engineers is essential to almost every major component of the Kansas economy; manufacturing, processing, aviation, both traditional and alternative energy technology, transportation, agriculture, construction and consulting engineering. Like most of our workforce, baby boomer engineers are starting to retire from the workplace and their escalating numbers will leave a huge gap in the availability of professions to perform their work. Similarly, emerging industries like bioscience, information technology, and medical research are relying more heavily on the newly developing engineering expertise offered by our three Kansas engineering colleges.

We simply cannot meet the future workforce demands of Kansas employers and potential employers if we don't start investing now in the capacity of our engineering colleges.

Further, we cannot meet the future employment needs of our young adults without increasing the capacity of our engineering schools. CNNMoney.com reported last year that 14 of the top 15-earning undergraduate degrees are engineering degrees. The lowest paying of those entry-level positions last year started at \$54,000 and the top paying earned more than \$83,000.

An increasing supply of young engineers is essential to the future growth of the Kansas economy. Passage of this bill takes us a step closer to having that capacity.

The Kansas Society of Professional Engineers is the state's leading professional society of Professional Engineers working in all aspects of the Kansas economy. With more than 600 members throughout all of Kansas, KSPE's mission is to support the professional and ethical practice of engineering.

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AMERICAN COUNCIL OF ENGINEERING COMPANIES
of Kansas

Affiliate
American Council of Engineering Companies
Kansas Society of Professional Engineers
National Society of Professional Engineers
Professional Engineers in Private Practice

TO: MEMBERS OF THE SENATE WAYS & MEANS COMMITTEE

FROM: SCOTT HEIDNER
EXECUTIVE DIRECTOR, ACEC of KANSAS

RE: SB 235

DATE: MARCH 18, 2011

Chairwoman McGinn, members of the committee, thank you for the opportunity to testify today in support of SB 235, the university engineering initiative act. My name is Scott Heidner, and I appear today on behalf of the American Council of Engineering Companies of Kansas (ACEC of Kansas), the trade association for private consulting engineering companies in Kansas. We have approximately 75 member firms employing several thousand Kansans across the state.

We applaud your consideration of this bill today. In these difficult fiscal times, we know how difficult it is to dedicate dwindling revenues to a new funding initiative. The return on this investment, however, should be fantastic. Engineering colleges in Kansas have struggled to accommodate the volume of students interested in the study of engineering. This bill would solve that issue and boost those schools to levels not seen before in their ability to not only accommodate more students, but to provide a quality of education that will make us the envy of our neighbors in the region.

As many of you have probably heard and seen, engineering is a field of employment that is expected to grow in the coming years. Even in this economic downturn, with many businesses downsizing their workforces, our experience is that there is still a need for more quality engineers than the market can provide. Engineers are an integral part of every exciting sector of economic growth in Kansas, including aircraft production, biosciences, and alternative energy just to name a few. Passage of this bill would take a giant step towards positioning Kansas for growth in forward looking industries.

We would be pleased to contribute to this effort if there is an opportunity to do so. Thank you for your time and consideration, and we look forward to working with this committee and the Kansas legislature to advance this important initiative!

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ACEC, APWA, ASCE Launch Sustainable Infrastructure Institute

A new nonprofit Institute for Sustainable Infrastructure (ISI) is designed to do for the infrastructure sector what the Green Building Council (and its LEED rating system) does for the habitable structures sector.

Launched in February, the organization's board of directors consists of representatives from its three founding organizations—ACEC, the American Public Works Association (APWA) and the American Society of Civil Engineers (ASCE).

The ISI infrastructure rating system—still a work in progress—is founded on a “triple-bottom-line” concept of sustainability—environmental, economic and social considerations.

The rating system will be released this summer.

Former ACEC Chairman Tim Psomas was elected chairman of the ISI Board of Directors. In addition to Psomas, board members from ACEC are ACEC Chairman Jerry Stump and ACEC Chairman-elect Terry Neimeyer.

“This is a groundbreaking effort that will give federal, state and local government agencies a new way to plan and carry out infrastructure projects that achieve broader and longer-term benefits for the American people,” said Stump. “Right now, government agencies lack a comprehensive measuring tool that will assess major infrastructure projects in terms of sustainability and other societal needs—the new ISI rating system will fill this need.”

ISI membership will be open to individuals, companies, non-profits and government agencies. The institute will offer certification and continuing education programs for rating-system users.



Founding principals of the Institute are (from left): ACEC President Dave Raymond; ISI Board Chairman Timothy Psomas, Psomas; Larry Stevens, Howard R. Green Company; Howard LaFever, GHD, Inc.; Peter Binney, Merrick and Company; Christine Andersen, Santa Barbara Public Works Department; ASCE Executive Director Patrick Natale; D. Wayne Klotz, Klotz Associates; ACEC Chairman Gerald Stump, Wilbur Smith Associates; Vicki Vikery Quiram, Westwood (Mass.) Public Works Department; ACEC Chairman-Elect Terry F. Neimeyer, KCI Technologies; and APWA Executive Director Peter King.

For more information on ISI and the rating system, please visit www.sustainableinfrastructure.org.

Engineer Demand Up in Manufacturing Sector

Hiring demand for engineering is on the rise again, according to a report by Wanted Technologies, an economic research group specializing in national employment trends.

Report findings show that employers nationwide are seeking to fill 68 percent more engineering positions today than at the recessionary low point in mid-2009.

Current demand is highest in manufacturing, driven primarily by the heavy-duty truck manufacturing, semiconductor and related devices, pharmaceutical preparation, surgical and medical instruments and aircraft manufacturing sectors.

Research also shows that as of press time, there were nearly 5,200 “engineer” occupations posted on paid job boards and job listing sources across the nation

that are at least 60 days old (*See chart*).

“The postings are still up since employers are receiving applications from job seekers and most likely have not yet found the appropriate talent,” Wanted Technologies researchers say.

The need for engineers is confirmed by the Annual Manpower Talent Shortage Survey, which was conducted recently by Manpower Professional. Results indicate that engineers ranked eighth in the top-10 U.S. jobs most in demand in 2010.

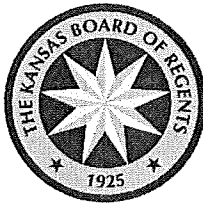
“Employers are already struggling to fill engineering positions, and demand continues to grow,” says Manpower Professional Vice President Rich Hutchings. “This talent mismatch, between the open positions and the candidates with the right skills to fill them, presents an enormous challenge for employers.”

Looking for Work?

Engineering disciplines with the most job postings

Engineering Occupations	National Job Postings (60+days old)
Industrial Engineers	1,613
Electrical Engineers	840
Mechanical Engineers	777
Electronics Engineers (not Computer)	587
Civil Engineers	253
Computer Hardware Engineers	246
Aerospace Engineers	201
Environmental Engineers	139
Chemical Engineers	104

Source: Wanted Technologies



KANSAS BOARD OF REGENTS

March 18, 2011

Senator Carolyn McGinn, Chairwoman
Committee on Ways & Means
Statehouse, Room 545-S
Topeka, KS 66612

Senator Laura Kelly, Ranking Member
Committee on Ways & Means
Statehouse, Room 125-E
Topeka, KS 66612

Dear Chairwoman McGinn and Ranking Member Kelly:

On behalf of the Kansas Board of Regents I write to you in support of SB 235, legislation that would create a multi-year program to directly address the critical workforce shortage of engineering graduates. This legislation would allow Kansas State University, the University of Kansas, and Wichita State University to expand their current capacity for educating engineering students in order to meet future workforce demands. The Board of Regents fully supports and endorses SB 235 and its goal to increase engineering graduates by 60% for the State of Kansas.

Recognizing the significant economic return and vital role engineering programs play for our state, Senate President Morris urged the Board to begin working on this initiative a few years ago, in a collaborative effort with our campus and industry leaders. We understand industries that employ engineers will be a major engine in the economic recovery of Kansas. Expanding the capacity for educating engineering students is an investment in the economic recovery of Kansas. According to a recent study conducted by Goss & Associates for the Board of Regents, it takes the State of Kansas less than three years to recoup the investment in an engineering graduate.

The Board of Regents welcomes the opportunity to administer the program that SB 235 would create to facilitate the development of human capital that meets increased needs of the state. Engineering graduates play a critical role in advancing the economic vitality of Kansas, and the Board is appreciative of the leadership and vision that has produced this university engineering initiative.

Thank you for your consideration and favorable support of SB 235.

Sincerely,

Dr. Andy Tompkins
President & CEO

Senate Ways and Means

Date: 03/18/11

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★ LEADING HIGHER EDUCATION ★



March 18, 2011

Senator Carolyn McGinn
Chair of Senate Ways and Means
P.O. Box A
Sedgwick, Kansas 67135

Dear Senator:

Burns & McDonnell was founded in 1898 in Kansas City by two engineers who had a dream and a plan. For 113 years, the employee-owners of Burns & McDonnell have carried out that plan and have grown from those first two engineers to more than 3,000 employee-owners. We owe a great deal of gratitude that our growth has been supported by the quality of graduates from our local Kansas universities.

Burns & McDonnell employs more than 260 graduates of the University of Kansas, more than 225 graduates from Kansas State University and more than a dozen from Wichita State. That's more than 500 graduates, and we could easily add to that number.

Our firm engineers airports, highways and bridges, power plants, hospitals, industrial facilities, process and petrochemical plants, transmission and distribution of power, environmental remediation, and more. We design what the world needs. And, the world needs more engineers...Kansas needs more engineers.

We believe that our continued growth is highly dependent on the growth of enrollment in engineering studies, and in particular, graduates from the University of Kansas, Kansas State University and Wichita State University. Our firm has made STEM initiatives at the middle school and high school levels part of our strategic plans to assist in the interest of engineering careers. Quite simply, we believe we at Burns & Mac have a responsibility to create more engineers.

Throughout our firm's history, Burns & McDonnell has given hundreds of thousands of dollars to our Kansas universities, and we will proudly continue that tradition. I know our partners in industry share that responsibility as well, but this initiative will provide the financial support that is required to create our regions continued success.

I hope you'll join me in continuing to support this investment in our future.

Most sincerely,

Greg M. Graves
President, CEO and Chairman

Senate Ways and Means

Date: 03/18/11

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GMG/mw

Consensus Revenue Estimate for ELARF October 2010

Revenue Source	FY 2009 Actual	FY 2010 Actual	April 2010 FY 2011 Estimate	October 2010 FY 2011 Estimate	April 2010 FY 2012 Estimate	October 2010 FY 2012 Estimate	[See Note 5] October 2010 FY 2013 Estimate	October 2010 FY 2014 Estimate	October 2011 FY 2015 Estimate
Lottery Gaming Facility Privilege Fees									
NE - Kansas Entertainment L.L.C.	\$ —	\$ 25,000,000	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
SW - Butler National	\$ 5,500,000	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
SC - New Applicant	\$ —	\$ —	\$ 25,000,000	\$ 25,000,000	\$ —	\$ —	\$ —	\$ —	\$ —
SE - ???	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Transfer to ELARF (100%)	\$ 5,500,000	\$ 25,000,000	\$ 25,000,000	\$ 25,000,000	\$ —	\$ —	\$ —	\$ —	\$ —
NE Gaming Zone - Net Revenue Estimate [See Note 1]	\$ —	\$ —	\$ —	\$ —	\$ 59,821,769	\$ 44,000,000	\$ 179,520,000	\$ 183,110,400	\$ 186,772,608
Transfer to ELARF (22%)	\$ —	\$ —	\$ —	\$ —	\$ 13,160,789	\$ 9,680,000	\$ 39,494,400	\$ 40,284,288	\$ 41,089,974
Problem Gambling & Addictions Grant Fund (2%)	\$ —	\$ —	\$ —	\$ —	\$ 1,196,435	\$ 880,000	\$ 3,590,400	\$ 3,662,208	\$ 3,735,452
Cities & Counties (3%)	\$ —	\$ —	\$ —	\$ —	\$ 1,794,653	\$ 1,320,000	\$ 5,385,600	\$ 5,493,312	\$ 5,603,178
Lottery Gaming Facility Manager (73%)	\$ —	\$ —	\$ —	\$ —	\$ 43,669,892	\$ 32,120,000	\$ 131,049,600	\$ 133,670,592	\$ 136,344,004
SW Gaming Zone - Net Revenue Estimate [See Note 2]	\$ —	\$ 20,663,987	\$ 36,568,657	\$ 37,000,000	\$ 42,205,583	\$ 38,000,000	\$ 38,760,000	\$ 39,535,200	\$ 40,325,904
Transfer to ELARF (22%)	\$ —	\$ 4,484,021	\$ 8,045,105	\$ 8,140,000	\$ 9,285,228	\$ 8,360,000	\$ 8,527,200	\$ 8,697,744	\$ 8,871,699
Problem Gambling & Addictions Grant Fund (2%)	\$ —	\$ 561,796	\$ 731,373	\$ 740,000	\$ 844,112	\$ 760,000	\$ 775,200	\$ 790,704	\$ 806,518
Cities & Counties (3%)	\$ —	\$ 619,920	\$ 1,097,060	\$ 1,110,000	\$ 1,266,167	\$ 1,140,000	\$ 1,162,800	\$ 1,186,056	\$ 1,209,777
Lottery Gaming Facility Manager (73%)	\$ —	\$ 14,969,099	\$ 26,695,119	\$ 27,010,000	\$ 30,810,076	\$ 27,740,000	\$ 28,294,800	\$ 28,860,696	\$ 29,437,910
SC Gaming Zone - Net Revenue Estimate [See Note 3]	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 119,354,168	\$ 121,741,251	\$ 124,176,076
Transfer to ELARF (22%)	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 26,257,917	\$ 26,783,075	\$ 27,318,737
Problem Gambling & Addictions Grant Fund (2%)	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 2,387,083	\$ 2,434,825	\$ 2,483,522
Cities & Counties (3%)	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 3,580,625	\$ 3,652,238	\$ 3,725,282
Lottery Gaming Facility Manager (73%)	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 87,128,542	\$ 88,871,113	\$ 90,648,536
SE Gaming Zone - Net Revenue Estimate [See Note 4]	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Distribution of Lottery Gaming Facility Revenue									
Transfer to ELARF	\$ —	\$ 4,484,021	\$ 8,045,105	\$ 8,140,000	\$ 22,446,017	\$ 18,040,000	\$ 74,279,517	\$ 75,765,107	\$ 77,280,409
Problem Gambling & Addictions Grant Fund	\$ —	\$ 561,796	\$ 731,373	\$ 740,000	\$ 2,040,547	\$ 1,640,000	\$ 6,752,683	\$ 6,887,737	\$ 7,025,492
Cities & Counties	\$ —	\$ 619,920	\$ 1,097,060	\$ 1,110,000	\$ 3,060,820	\$ 2,460,000	\$ 10,129,025	\$ 10,331,606	\$ 10,538,238
Lottery Gaming Facility Managers	\$ —	\$ 14,969,099	\$ 26,695,119	\$ 27,010,000	\$ 74,479,968	\$ 59,860,000	\$ 246,472,942	\$ 251,402,401	\$ 256,430,449
Lottery Gaming Facility Privilege Fees	\$ 5,500,000	\$ 25,000,000	\$ 25,000,000	\$ 25,000,000	\$ —	\$ —	\$ —	\$ —	\$ —
Lottery Gaming Facility Revenue-ELARF	\$ —	\$ 4,484,021	\$ 8,045,105	\$ 8,140,000	\$ 22,446,017	\$ 18,040,000	\$ 74,279,517	\$ 75,765,107	\$ 77,280,409
Total Available in ELARF	\$ 5,500,000	\$ 29,484,021	\$ 33,045,105	\$ 33,140,000	\$ 22,446,017	\$ 18,040,000	\$ 74,279,517	\$ 75,765,107	\$ 77,280,409

Assumptions:

Note 1 - Assumes Hollywood Casino at the Kansas Speedway will open Phase I gaming operations on April 1, 2012 and no date certain for full operations.

Note 2 - Boot Hill Casino & Resort opened Phase I gaming operations on December 15, 2009 and no date certain for full operations.

Note 3 - Assumes Casino in SC Gaming zone will open Phase I gaming operations on July 1, 2012 and no date certain for full operations.

Note 4 - Unknown if there will be a manager willing to pay the \$25.0 million privilege fee and make a minimum investment of \$225.0 million for this zone.

Note 5 - Please note the estimates for FY 2013, FY 2014, and FY 2015 are for planning purposes only and are not an official estimate. Future estimates assume a 2.0 percent growth rate.

Senate Ways and Means

Date:

Attachment:

03/18/11
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