

MINUTES

JOINT COMMITTEE ON ECONOMIC DEVELOPMENT

December 14-15, 2005
Room 514-S—Statehouse

Members Present

Representative Lana Gordon, Chairperson
Senator Nick Jordan, Vice Chairperson
Senator Jim Barone
Senator Karin Brownlee
Senator Laura Kelly
Senator David Wysong
Representative Sydney Carlin
Representative Don Dahl
Representative Terri Huntington
Representative Jerry Williams
Representative Valdenia Winn
Representative Kenny Wilk

Staff

Kathie Sparks, Kansas Legislative Research Department
Renaee Jefferies, Revisor of Statutes Office
Carlene Maag, Committee Secretary

Conferees

Blake Flanders, Director of Career and Technical Education, Board of Regents
Roger Haden, Deputy Secretary, Kansas Department of Corrections
Margie Phelps, Director of Reentry, Kansas Department of Corrections
Candy Shively, Deputy Secretary, Kansas Department of Social and Rehabilitation Services
Linda Oborny, Assistant Director of State and Federal Programs, Kansas Department of Education
Joel Hudson, Executive Director, Secondary Career and Technical Education, Wichita Public Schools
Susan Symons, Career and Technical Education Coordinator, Pottawatomie Consortium
Steve Kelly, Deputy Secretary and Director of Business Development, Kansas Department of Commerce
Lew Ebert, President, Kansas Chamber of Commerce and Industry

Wayne White, Director of Research and Program Development, Kansas Legal Services, Inc.
Mary Bradshaw, Kansas Legal Services, Inc.
Kris Kitchens, Executive Director, Heartland Works Services
Mark Bannister, Fort Hays State University
Bob Dalke, Executive Director, Local Area I for the Workforce Investment Act
Renea Cavaness, Local Workforce Investment Board Member

Others Attending

See attached list.

Wednesday, December 14 Morning Session

Chairperson Gordon called the meeting to order by welcoming the Committee and guests.

A motion was made by Senator Jordan and seconded by Representative Wilk to approve the minutes of the October 11-12 meeting as is, with the addition of information on questions pertaining to workforce development. A vote was taken, motion passed.

Workforce Development

Chairperson Gordon asked Kathie Sparks, Legislative Research Department, to give an overview on the Workforce Investment Act which became law August 7, 1998. Ms. Sparks explained each section of the law, the three funding streams authorized by the law, and the make up of the state and local boards required by the law (Attachment 1).

Staff also provided to Committee members with the booklet, "2005 Kansas Job Vacancy Survey" which provides information pertaining to employment and training needs (Attachment 2), and Kansas Employment and Training Programs (Attachment 3).

Dr. Blake Flanders, Director, Career and Technical Education, Kansas Board of Regents, spoke about workforce training in Kansas. Workforce training is workforce development, and postsecondary education is a primary provider of workforce training in Kansas, according to Dr. Flanders. Beginning in late 2003, the Kansas Board of Regents and the Kansas Department of Commerce came together to begin the development of the Kansas 1st initiative. The vision was to create a vehicle for providing qualified employees for any employers in Kansas. To accomplish the Kansas 1st objective, the goal was to link Kansas employers, education, and workforce training programs together into a seamless integrated system. An outcome of the prosperity summits conducted around Kansas identified the need to better connect businesses with postsecondary education.

The technical schools and colleges and the community colleges are the primary providers of technical education, which supports workforce development in Kansas. Some examples of education programs are: nursing (producing Licensed Practical Nurses and Registered Nurses), dental hygienist, commercial truck driving, and others.

One item that Dr. Flanders pointed out was that there are 455 Carl Perkins federally funded technical programs offered through 30 Kansas institutions, including Washburn University, that have an annual enrollment of 20,551 (Attachment 4).

In the discussion that followed this presentation, it was felt by some of the Committee members that the written information was incomplete and inaccurate and it was requested that the conferee redo his testimony to accurately reflect the facts.

Roger Haden, Deputy Secretary of the Kansas Department of Corrections (KDOC), spoke about workforce development, work opportunities, and programs available at KDOC. Mr. Haden spoke about the Department project to assess and counsel inmates in terms of their development of technical and employment-related skills, aptitudes, and goals. The project will assist inmates in enrolling in appropriate technical and related academic education programs available in their specific institution (Attachment 5). In addition, a chart was presented that showed a total of 253 vocational slots are available currently to inmates for training (Attachment 6). Mr. Haden also spoke about the home building program at Ellsworth Correctional Facility (Attachment 7).

The third area of workforce development consists of the work opportunities that are available at the correctional facilities. Kansas Correctional Industries (KCI) has two distinct components: (1) traditional correctional industries, which are operated directly by KCI staff; and (2) private sector correctional industries, whereby the Department enters into agreements with private firms who locate their operations in or near KDOC facilities. There are nine traditional industry divisions and two warehouse operations that are located in three KDOC facilities. Lansing and Hutchinson have 92 percent of the traditional industry jobs for inmates. Inmates working for traditional industries receive pay ranging from \$.25 -\$.60 per hour, depending on work performance. The Department currently has agreements with 21 private firms for employment of inmates in private correctional industries located in or near KDOC facilities. These inmates earn at least the federal minimum wage of \$5.15/hr. (Attachment 8).

Kansas is the second highest state in terms of amount of dollars earned by inmates in private industry. Mr. Haden told the Committee members, that the vocational education program is open to everyone, but since there are only 253 slots in the program, certain criteria need to be met to participate in the program.

Afternoon Session

A motion was made by Senator Brownlee and seconded by Representative Carlin to introduce a proposed bill pertaining to eminent domain in the 2006 Legislative Session. A vote was taken, motion passed (Attachment 9).

A motion was made by Representative Wilk and seconded by Representative Huntington to introduce a proposed bill in the 2006 Legislative Session as outlined in (Attachment 10). A vote was taken, motion carried.

Both bills will be pre-filed and introduced by the Senate.

Margie Phelps, Director of Reentry, KDOC, gave a presentation pertaining to the agency's reentry program. In addition, she presented to the Committee members a statistical analysis of the information presented by Deputy Secretary Haden during the morning session (Attachment 11).

Ms. Phelps made the point that employment is very critical to reducing the risk of returning to prison. Year after year, on average, 42 percent of the people who leave prison return and of the returning inmates 14 percent return because they have committed a new crime. People who had full-time employment prior to prison returned at a rate of 25 percent. Sustained employment can buffer other risk areas such as housing, finances, family, and substance abuse when discussing causes of return to criminal activity.

According to Ms. Phelps, barriers to offender employment are employer reluctance, legal barriers, and lack of experience, education, training and skills. Employers who have hired offenders say they are less likely to leave the job and are more consistent in attendance and performance than non-offenders.

With the barriers in mind, and the potential solutions in mind, there are some key things that needed to be done for success. Sustained employment is the goal; job retention, not just job placement. Offering something of value to employers was a key factor for hiring offenders (Attachment 12). In order for KDOC to obtain its goals, it was felt speciality staff needed to be put in place to bridge between KDOC and the workforce world.

Chairperson Gordon thanked Ms. Phelps for the presentation.

Candy Shively, Deputy Secretary, Kansas Department of Social and Rehabilitation Services (SRS), was the next speaker and provided information to the Committee members concerning SRS workforce training programs including Temporary Assistance for Families' beneficiaries, The Food Stamp Employment and Training Program, and Vocational Rehabilitation Services (Attachment 13).

Linda Oborny, Assistant Director of State and Federal Programs, Kansas Department of Education, presented testimony pertaining to career and technical education provided by the Department. Career and technical education (CTE) is an essential component of the total educational and workforce system in the United States, providing students with the technical skills, knowledge, and training necessary to prepare for post-secondary education and success in careers.

Program areas in secondary schools include:

- Agricultural Education;
- Business Education;
- Family and Consumer Sciences Education;
- Health Careers Exploration;
- Marketing Education;
- Technology Education; and
- Trade and Industry.

CTE prepares Kansas secondary students to succeed in the workplace, in education, and in life by offering programs in more than 278 unified school districts and 330 high schools (Attachment 14).

Joel Hudson, Executive Director, Secondary Career and Technical Education Program, Wichita Public Schools, spoke about career and technical education in the Wichita School District. The district operates 11 high schools, offering 19 Kansas State Department of Education approved career and technical education programs; however, not all programs are offered at all schools. The district is working closely with its community to develop partnerships that will result in a stronger link between school and the workforce needs of Wichita and Kansas (Attachment 15).

Susan Symons, Career and Technical Education (CTE) Coordinator, Pottawatomie Consortium, presented testimony pertaining to two rural high schools in Pottawatomie County. A total of 158 seniors graduated from the two high schools in May 2005 and approximately 81percent of the graduates enrolled in postsecondary education and training.

After extensive research to determine how to integrate higher-level mathematics, science, literacy, and problem-solving skills necessary in life, the workplace and further education, the Rock Creek Board of Education approved graduation requirements of a Senior Exit Project and Portfolio Project.

In the Portfolio Project, all students develop a portfolio during their four years of high school that is a personal snapshot of their career and personal interests, academic and teamwork skills, time management, and community service involvement.

In the Senior Exit Project, all students are required to do a research project to manufacture a "product" to demonstrate mastery of the topic (Attachment 16). Ms. Symons provided the Committee members with a brochure, "WorkKeys," that can be found at www.matc.net/buscenter.htm.

Chairperson Gordon thanked Ms. Symons for an exciting presentation.

Steve Kelly, Deputy Secretary and Director of Business Development, Kansas Department of Commerce, was the next speaker. He provided the Committee members with a handout that explains the flow of Workforce Investment Act (WIA) program dollars (Attachment 17); a table that projects dollars for federal workforce funding (Attachment 18); and an article about Kansas 1st that describes from the user's prospective what Kansas 1st is about (Attachment 19). At the October meeting, when representatives from Kansas 1st presented testimony to the Committee members, there were numerous questions that were unanswered and (Attachment 20) is the list of these questions and answers.

Mr. Kelly defined Workforce Development as "the training and retraining development of incumbent and emerging workers for specific positions required by Kansas employers to remain globally competitive." After a lengthy discussion by the Committee members, consensus was reached that the definition given by Mr. Kelly was a mission statement instead of a definition.

A handout, "Top Ten Reasons Why We Are Better Off with Kansas 1st" (Attachment 21), was provided to the Committee members.

Jim Snyder, a representative from the Silver Haired Legislature, presented the Committee members with written testimony (Attachment 22) pertaining to 2005 Session, HB 2194, which would require:

- that Kansas designate as a special target population the individuals in Kansas who are older with regard to the federal Workforce Investment Act.
- the State Workforce Investment Board to include two representatives; one representative of nonprofit entities that provide services to Kansans seeking employment through the Older Kansas Employment Program and one representative of Area Agencies on Aging.
- each local workforce investment board to also include the two representatives as outlined in the State Workforce Investment Board.

The meeting was adjourned.

Thursday, December 15 Morning Session

The meeting was reconvened by the Chairperson welcoming Lew Ebert, President, Kansas Chamber of Commerce and Industry.

Mr. Ebert spoke about how Kansas businesses feel about the Kansas economy, particularly the workforce that is being created in Kansas. Taxes continue to be the major focus facing Kansas businesses. Energy cost is second. The vast majority of Kansas business owners have no qualms with the quality of the workforce. Satisfaction with the workforce is highest in Kansas City, the northeast, and Topeka. Only in the education sector itself are fewer than 50 percent of business leaders satisfied with the workforce (Attachment 23).

Wayne White, Director of Research and Program Development, Kansas Legal Services, Inc., spoke next. Kansas Legal Services is a statewide nonprofit organization dedicated to helping low-income Kansans meet their basic needs through the provision of essential legal, mediation, and employment training services (Attachment 24). Mary Bradshaw, also from Kansas Legal Services, spoke about programs it provides, as follows:

- The Job Success Program focuses on job readiness and life skills. In this program, students are treated as though they are in the workplace. They are expected to be on time. They are taught how to get along with co-workers and accept feedback from a supervisor.
- The Office Training and Assessment Program (OTAP) is an open entry/open exit intensive program that provides students with basic office skills training. Classes are offered in a group setting by staff trained in business education.
- The Topeka Moving Ahead program (MAP) is a program targeted to homeless individuals. The focus is on job readiness and life skills. Students in the program are placed through an internship. Various employers provide internships.
- The Custom Computer Training Program provides a range of services from an introduction to computers to specialized one-on-one training in particular software applications.
- The Work Opportunities for Rural Kansans Program assists displaced farmers, ranchers, and their families with training, education, and non-farm job placement.

In addition, Committee members were given two brochures—Employment Training Programs and Building Bridges to Success. Both brochures can be found at www.kansaslegalservices.org.

Kris Kitchens, Director of Heartland Works, Inc., spoke on how this organization is involved in workforce development. Heartland Works, Inc. is a corporation which administers the federally funded Workforce Investment Act (WIA) programs for Local Area II and is the One-Stop operator in a 17-county region of Northeast Kansas. Ms. Kitchens explained that there are 17 federal performance standards measuring the success of the WIA programs in each Local Area and the state as a whole (Attachment 25).

Senator Jordan presented Committee members with a Workforce Development definition that could serve as a starting point of the definition of workforce development from the Committee's perspective ([Attachment 26](#)).

Afternoon Session

Committee members were presented with a Proposed Definition of Workforce Development by the Kansas Department of Commerce ([Attachment 27](#)) and ([Attachment 28](#)), including the vision and mission of Kansas 1st.

Mark Bannister, Fort Hays State University, spoke about the Kansas Cisco Networking Academy System. According to Mr. Bannister, the Internet is changing the way we work, live, play, and learn. This is a network age. Not only is the external environment changing, so is education, students and the competition. The U.S. Department of Labor projections from 2002-2012 show the fastest growing professions to be IT oriented. Kansas Department of Labor projections from 2005-2010 show the fastest growing occupation to be IT positions in Kansas. The best background for IT jobs appears to be previous experience in related fields and a four-year college degree in a related field. In terms of adding value to enterprise once on-the-job, hiring managers indicated best methods for internal advancement included participation in formal on the job training, which points to the need for collaboration between educational institutions and business and certification programs.

The Cisco Networking Academy System is led by a nonprofit Cisco Learning Institute. It is supported by IT industry as a source of brainpower and future growth. The program consists of a high school curriculum, postsecondary curriculum, graduate education and professional curriculum and a valuable industry certification at each step of the way ([Attachment 29](#)). A document from Cisco Networking Academy Program which shows a summary of each of the pieces of the major curriculum ([Attachment 30](#)) was provided Committee members as well as a list of the Kansas Cisco Networking Academies ([Attachment 31](#)). Written testimony ([Attachment 32](#)) told about the Cisco partnership with Wichita State University.

Senator Jordan made a motion that the definition of Workforce Development, as defined by the Committee, is to be put in both the minutes and report.

Definition: Workforce Development is a partnership between the State and business to develop employment opportunities with meaningful and sustainable income to Kansans and providing programs that assist business through specialized training.

Goals:

- Increase employment;
- Increase personal income through continuing education and training programs;
- Work with business in developing programs to provide specialized education and training programs, including technical programs at postsecondary institutions;
- Develop, through an executive team that includes all applicable stakeholders, strategies to address goals while linking programs to the best practices to be delivered effectively and efficiently; and
- Provide statewide accountability standards and reporting for all workforce programs and their finances ([Attachment 33](#)).

The motion was seconded by Senator Barone. A vote was taken, motion passed. It is the hope of the Committee members that this definition will begin some dialogue to define the definition and goals of workforce development programs in the State of Kansas.

Bob Dalke, Executive Director, Local Area I for the Workforce Investment Act from Barton County Community College, was the next speaker. Local Area I consists of 61 counties in the western part of Kansas. It is the largest Local Area in Kansas covering almost 65 percent of the land mass of the state. The formula dollars Local Area I receives for delivering WIA programs is approximately \$1.16 million per program year. The delivery of WIA IB Training Services in Local Area I is accomplished through a system of competitively contracted service providers (Attachment 34).

Renea Cavaness, Local Workforce Investment Board Member from Local Area V, spoke next. Local Area V consists of 17 counties in southeast Kansas. There are four workforce development centers in Area V, which are located at Emporia, Pittsburg, Chanute, and Independence. All of the community colleges in the area are eligible training service providers for Local Area V. At the present time, Local Area V has 489 active WIA participants: 197 adult, 106 dislocated workers, 66 older youth, and 120 younger youth, ages 14-18. Local Area V has met or exceeded all of its performance measures and has for the last four years. In addition, Ms. Cavaness provided the Committee members a handout which detailed the allocation of funds from the Department of Commerce to Local Area V (Attachment 35). Ms. Cavaness vented her frustration to the Committee with the lack of accurate data and information, in a timely manner, from the Department of Commerce, Kansas 1st team.

Committee members thanked Ms. Cavaness for her comments and asked that she put them in a letter and send the letter to Kathie Sparks of the Legislative Research Department.

The Committee made the following recommendations for the Committee Report:

- The Committee is hopeful that Local Workforce Development Boards, as well as the State Workforce Board, will take into consideration the employment needs of senior citizens of the state. In addition, the Committee hopes that the needs of the senior citizens will be represented in some manner on the above-mentioned boards.
- The Committee was very impressed with the efforts of the Kansas Department of Corrections' Offender Employment Program; the Wichita Public Schools' secondary career and technical education program; especially impressed with the Pottawatomie Consortium's requirement for a senior exit project and portfolios that incorporate academic, technical, and performance standards; Kansas Legal Services' employment training programs that work with Department of Social and Rehabilitation Services' clients with several barriers to successful employment; Kansas Cisco Network Academy System which trains individuals to work with computers and software; and the three local workforce boards, Heartland Works, Barton County Community College, and Local Area 5 Workforce Board for their explanation of the operations of these diverse areas and the workforce training they are providing.
- The Committee believes that several programs are providing excellent workforce training; however, there is lack of communication between the Kansas Department of Commerce and other stakeholders. Also, the State of Kansas lacks a clear financial picture of what is being spent on workforce development. Therefore, the Committee makes the following recommendations and requests:

- The Committee defines workforce development as a partnership between the State and business to develop employment opportunities with meaningful and sustainable income to Kansans and providing programs that assist business through specialized training. The goals established by the Committee for workforce development are to:
 - Increase employment;
 - Increase personal income through continuing education and training programs;
 - Work with business in developing programs to provide specialized education and training programs, including technical programs at post-secondary institutions;
 - Develop, through an executive team that includes all applicable stakeholders, strategies to address goals while linking programs to the best practices to be delivered effectively and efficiently; and
 - Provide statewide accountability standards and reporting for all workforce programs and their finances.

- The Committee requests that the Department of Commerce provide to the House Committee on Commerce and Labor, the House Committee on Economic Development, and the Senate Committee on Commerce the time table for the transition to Kansas 1st initiative and when it will be fully implemented during January 2006.

- The Committee requests that the House Committee on Commerce and Labor, House Committee on Economic Development, and the Senate Committee on Commerce continue the exploration and discussion of workforce development during the 2006 Legislative Session.

- The Committee requests that the Chairperson of the Joint Committee on Economic Development send a letter to Secretary of Commerce, Howard Fricke, with copies to Deputy Secretary Steve Kelly, President and CEO of the Kansas Board of Regents Reginald Robinson, and Dr. Blake Flanders, Director, Career and Technical Education. The letter is to express the frustration the Committee has experienced over a number of years in trying to receive accurate and complete data on the workforce efforts in Kansas. In addition, the Committee is requesting that Dr. Flanders revise his testimony and information provided to Kansas Legislative Research Department to accurately reflect the efforts of the Board of Regents with regard to workforce development. The testimony also should include technical schools and colleges and the community colleges which the Board of Regents represents.

Representative Wilk made a motion, seconded by Representative Dahl, to adopt the Committee recommendations. A vote was taken, motion passed.

Staff provided written testimony outlining the fiscal data from 2002 through 2004 on the older worker participants in workforce investment programs (Attachment 36).

The meeting was adjourned.

Edited by Kathie Sparks

Approved by Committee on:

January 13, 2006
(date)