



Testimony: Senate Bill 463
Senate Ways and Means Committee
March 7, 2016
Submitted by: Greater Kansas City Chamber of Commerce &
Civic Council of Greater Kansas City

Chairman Masterson and members of the Committee,

The Greater Kansas City Chamber of Commerce (KC Chamber) and the Civic Council of Greater Kansas City (Civic Council) appreciate the opportunity to express our opposition to two key measures in Senate Bill 463: the abolishment of the Children's Initiative Fund and the Expanded Lottery Act Revenues Fund, including the Kan-Grow engineering fund, and the redirection of these monies into the State General Fund (SGF).

The mission of the Greater Kansas City Chamber of Commerce is to make our metropolitan community the best place to live, work, and start and grow a business. To advance this mission, the KC Chamber developed its Big 5 initiatives - five big ideas to elevate our region onto the world stage. These community-based projects take advantage of the area's world-class organizations and the spirit of our citizens to inspire innovation in our region.

The Civic Council, a 50-year-old organization of 75 CEOs of the larger employers in the Kansas City metro, supports initiatives that contribute to the community's quality of life and economic vitality. The Civic Council's hallmark is a strategic, long-term agenda, informed by research. The Civic Council has focused over the past year on identifying a suite of strategies to grow the region's economy.

Within the KC Chamber's Big 5 and the Civic Council's strategies to grow the regional economy, business leaders have told our organizations that workforce issues are a primary concern, especially in engineering and other STEM-related fields. Programs like those supported through the Children's Initiative Fund and the Kan-Grow Fund are essential to having a 21st Century workforce and build on an existing regional strength in engineering.

One of the Big 5 ideas is building Kansas City's workforce of tomorrow through kindergarten readiness. We see the need for high-quality early childhood education as the first building block necessary to create a strong workforce, but also as a road to opportunity for those at all incomes levels in our community.

The SB463 recommendation calls for transferring funds from the KEY Fund to the State General Fund (SGF) instead of to the Children's Initiative Fund (CIF) for fiscal year 2017. The KC Chamber and Civic Council see this move as dangerous for children in our region by making children's programs more susceptible to harmful budget cuts, sweeps, and diversions thus eliminating existing protections for Kansas' youngest citizens.

Another measure of concern in SB 463 is the elimination of the Expanded Lottery Act Revenue Fund, which serves as the funding mechanism for Kan-Grow. The Kan-Grow statutes remain in place in the bill although there is no set funding level. It is essential Kansas has programs in place to create and retain a professional workforce. Engineering jobs are vital to our metropolitan area and often go unfilled due to the lack of a trained engineering workforce. The engineering programs at KU, KSU and WSU are vital to filling high-paying metro-area jobs of today and tomorrow.

Since the program's inception, each of the state's three engineering schools mentioned above have seen a direct increase in the number of engineering major students and graduates each year. The program is administered by the Department of Commerce. Every year, the Kansas Board of Regents presents an update to the House and Senate Commerce committees illustrating the program's success. In light of the success and impact of this program, we believe transferring the Expanded Lottery Act Revenue Fund to the less stable SGF could cause costly disruption to the University Engineering Initiative Act.

One thing is clear to business leaders in the Kansas City metropolitan area: no single issue and investment impacts the vitality of our regional community and our regional workforce more than education.

For these reasons, we ask that committee members oppose changes to the funding structure of the KEY Fund, the CIF and the Kan-Grow engineering fund.

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