

MINUTES OF THE HOUSE COMMITTEE ON COMMUNICATIONS, COMPUTERS AND TECHNOLOGY

The meeting was called to order by Representative Mike Meacham at
Chairperson

3:30 ~~am~~/p.m. on February 28, 1984 in room 522-S of the Capitol.

All members were present except:

Committee staff present:

Sherry Brown, Fiscal Staff, Research Department
Chris Stanfield, Fiscal Staff, Research Department
James A. Wilson, III - Senior Assistant Revisor
Betty Ellison, Secretary to the Committee

Conferees appearing before the committee:

Dr. Ed Meyen, Acting Vice Chancellor, University of Kansas
Dr. Robert Kruh, Dean of Graduate School, Kansas State University
Mr. Fred Sudermann, Director of Research and Sponsored Programs,
Wichita State University
Mr. Bill Henry, Kansas Engineering Society

The meeting was called to order by Chairman Meacham. He noted that the hearing on House Bill 3080 which had been scheduled for this meeting would be deferred.

The Chairman opened hearings on House Bill 3081.

Dr. Ed Meyen provided copies of his testimony in favor of House Bill 3081. (Attachment 1) He supported continuation of the Centers of Excellence program, primarily because it addressed what it would take for the universities to impact on the growth of advanced technology industries in Kansas. He stressed that the bill would provide the capability for excellence and creation of new industries. Commenting on the reference to staffing, Dr. Meyen said that the level of funding proposed in the bill was adequate, but he had a concern that no provision was made regarding head count. In order to provide the excellence necessary, he said that two unclassified and two classified people would be needed. Dr. Meyen noted that at some point, a mechanism might be created to allow for expansion.

In his testimony on House Bill 3081, Dr. Robert Kruh said that Kansas State University has a committee which deals extensively with plans for a Center of Excellence there. He noted that Kansas State's annual non-state revenues (federal and private monies) are nearly \$18 million. This provides a base for extensive activity in a number of technological fields. The same appropriation which they have had this year is insufficient to start a new area, but it gives a margin for excellence. The proposed funding in House Bill 3081 would continue to sustain the additional funding to add the staff and equipment support to improve an already strong base.

Dr. Kruh felt that the necessity for matching funding as outlined in the bill was undesirable, but that it did compel a helpful interaction between the university and the commercial and industrial community. He pointed out that there might be some technical difficulties in getting recurring funding annually from a given organization. It was his feeling that, given the breadth of areas of excellence on the campus already, there could be a second or third area which would make its own arrangements with outside firms to get the qualifying money that is provided for in the successive years under this proposed bill. This would make the capabilities of the universities more broadly available to benefit various sectors of the state.

CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON COMMUNICATIONS, COMPUTERS AND TECHNOLOGY,

room 522-S, Statehouse, at 3:30 ~~am~~/p.m. on February 28, 1984

Representative Chronister asked Dr. Kruh and the other conferees for a breakdown of how the money is being used for additional funding for faculty members, laboratory equipment, etc. Dr. Kruh agreed to provide some budget materials which summarize that information.

Mr. Fred Sudermann expressed the support of Wichita State University for House Bill 3081. He said that this multi-year appropriation would make it easier for the universities to make longer term commitments, particularly of staff. He noted that while the university does not object to the match, they are a bit concerned about getting the \$170,000 match next year, etc. He commented that Wichita State would not go to one particular industry for matching money, but would be interested in considering some alternate methods of obtaining a match. Mr. Sudermann said that this is speculative money that we are asking an industry to provide, rather than matching money on a grant where an industry gets some particular assistance for research service. He expressed Wichita State's hope that as these centers are up and running, there will be a multi-million dollar operating budget, most of which would come from federal grants and contracts and/or local business and industrial arrangements, contracts, grants, etc. He said that the on-going operating budget of an up and running Center would be much more than the 150 percent match originally required. If the match could be softened on an annual basis (60 percent to 75 percent) it would be much easier for the universities to plan, and they would have about the same result.

When asked by Representative Friedeman if the Centers would be able to operate without state funding at some time in the future, Mr. Sudermann replied that the state funding was important in sustaining the program because it provided the solid resources to retain the outstanding senior faculty members needed. It was his belief that this money would ultimately produce a great deal more support in grants and contracts than it was costing. He felt that in the fifth or sixth year, some amount ought to go into the base for that purpose. In his opinion, the Centers of Excellence would have an impact on the economy by bringing federal grants and contracts for basic and applied research into the state.

Representative Chronister asked Dr. Meyen about the inclusion of the University of Kansas Medical Center in House Bill 3081. He replied that a number of areas in basic science could be developed at the Medical Center through the Centers of Excellence program. He said they could be successful in acquiring a private match, and the university was very supportive of the Medical Center being included in the bill.

Mr. Bill Henry, representing the Kansas Engineering Society, favored House Bill 3081 for two reasons: (1) the continuing appropriations established a focus for research which could be translated into dollars by the recognition among intellectual communities across the United States; (2) it gives continuity to a program which will reward the present faculty who are excellent in their areas.

Chairman Meacham announced that House Bill 3081 would be assigned to a subcommittee which would be chaired by Representative Chronister. Members would be Representatives Rolfs, Friedeman, Aylward, Dean, Helgerson and Roper. Representative Chronister said that the subcommittee would meet on February 29 at 3:30 p.m. in room 522-S.

The meeting was adjourned at 4:20 p.m.

The next meeting of the Committee will be held on March 1, 1984 at 3:30 p.m.

COMMENTS ON HOUSE BILL 3081

EDWARD MEYEN

ACTING VICE CHANCELLOR

RESEARCH, GRADUATE STUDIES AND PUBLIC SERVICE

UNIVERSITY OF KANSAS

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WHEN YOU EXAMINE THE CONTRIBUTIONS THAT UNIVERSITIES HAVE MADE TO THE GROWTH OF THE ADVANCED TECHNOLOGY INDUSTRY YOU FIND THAT IT HAS EVOLVED PRIMARILY OUT OF RESEARCH PROGRAMS.

GROWTH IN ADVANCED TECHNOLOGY DEPENDS ON A STRONG RESEARCH CAPABILITY. TO STIMULATE GROWTH THROUGH ADVANCED TECHNOLOGY REQUIRES A RESEARCH EMPHASIS ON TECHNOLOGY MORE FOCUSED THAN WHAT WE CURRENTLY HAVE. IN FY'83, THE UNIVERSITY OF KANSAS ENTERED INTO RESEARCH GRANTS AND CONTRACTS TOTALLING OVER \$18 MILLION DOLLARS. MUCH OF THIS RESEARCH RELATED TO ADVANCED TECHNOLOGY, BUT NONE OF THE SPONSORED RESEARCH PROJECTS WERE DEDICATED TO BUILDING A RESEARCH CAPABILITY AT THE LEVEL THAT THE CENTER OF EXCELLENCE PROGRAM IS DESIGNED TO SUPPORT.

Attachment 1 2/28/84
House Communications, Computers and Technology

OUR MOST EFFECTIVE MEANS OF CONTRIBUTING TO ECONOMIC GROWTH IN KANSAS IS THROUGH STRONG RESEARCH PROGRAMS TARGETED AT ADVANCED TECHNOLOGY. SUCH RESEARCH IS COSTLY. IT REQUIRES THE BEST TALENT AND MUCH OF THE EQUIPMENT REQUIRED IS EXPENSIVE. BUT, THE POTENTIAL BENEFITS TO THE STATE ARE GREAT.

THE CENTER OF EXCELLENCE PROGRAM HAS BEEN WELL RECEIVED BY OUR RESEARCHERS AND HAS STRONG SUPPORT ON CAMPUS.

WE ARE CONFIDENT THAT OUR BIOANALYTICAL RESEARCH CENTER, ESTABLISHED THROUGH THE CENTER OF EXCELLENCE PROGRAM, WILL FULLY MEET YOUR EXPECTATIONS GIVEN SUFFICIENT ON-GOING SUPPORT.

TO AVOID HAVING THE BENEFIT BEING DIFFUSED WITH ONLY NOMINAL ECONOMIC BENEFITS FOR THE STATE REQUIRES THAT THE UNIVERSITY TARGET THE CENTER OF EXCELLENCE PROGRAM IN AREAS IN WHICH WE ALREADY HAVE A LEVEL OF EXCELLENCE. KANSAS MUST DEVELOP SOME HIGH TECHNOLOGY CAPABILITY THAT OTHER STATES DO NOT POSSESS. LITTLE WILL BE GAINED IF WE MERELY SUPPLEMENT AN ON-GOING INDUSTRY.

HOUSE BILL 3081 SETS FORTH A PROGRAM OF SUPPORT WHICH WE FIND TO BE REASONABLE. IT IS FORWARD LOOKING AND IS SERIOUSLY NEEDED IF THE STATE IS TO ACHIEVE ITS POTENTIAL IN ECONOMIC GROWTH.

IT ACKNOWLEDGES THAT CORE SUPPORT OVER TIME IS ESSENTIAL IF WE ARE TO BUILD EXCELLENCE IN A RESEARCH CAPABILITY,

IT ALSO ADDRESSES THE REALITIES OF PRIVATE SUPPORT, YOU CALL FOR MAJOR INVESTMENTS OF MATCHING SUPPORT UP-FRONT WHERE IT IS REQUIRED, AND THAT IS IMPORTANT, YOU SPECIFY CASH RATHER THAN IN-KIND CONTRIBUTION AND THAT TOO IS IMPORTANT,

OUR ONLY CONCERN~~s~~ ABOUT HOUSE BILL 3081 RELATES TO WHAT MIGHT BE AN OVERSIGHT AND THAT PERTAINS TO HEAD COUNT FOR PERSONNEL. THE FUNDING PATTERN IS VERY ACCEPTABLE, BUT IF WE ARE TO STAFF THE CENTER WITH THE KINDS OF PEOPLE REQUIRED TO MAKE THE CENTER SUCCESSFUL, WE WILL NEED HEAD COUNT. TWO (2) UNCLASSIFIED AND TWO (2) CLASSIFIED FTE COMBINED WITH THE PROPOSED FUNDING WOULD ALLOW US TO DO WHAT NEEDS TO BE DONE.

BECAUSE THE UNIVERSITY OF KANSAS HAS A COMPREHENSIVE ARRAY OF RESEARCH PROGRAMS IN FIELDS RELATED TO ADVANCED TECHNOLOGY, WE DO HAVE THE PROBLEM OF HAVING SEVERAL RESEARCH PROGRAMS AT A LEVEL OF QUALITY THAT MAKES THEM GOOD CANDIDATES FOR THE CENTER OF EXCELLENCE PROGRAM. THEY ARE GOOD INVESTMENTS AND WE WOULD HOPE THAT SOME CONSIDERATION COULD BE GIVEN TO A MECHANISM WHEREBY OTHER CENTERS COULD BE STARTED. AFTER AN EXTENSIVE REVIEW PROCESS THIS PAST SUMMER, WE IDENTIFIED SIX (6) STRONG RESEARCH PROGRAMS, THAT IN OUR JUDGEMENT,

WOULD MEET YOUR EXPECTATIONS FOR EXCELLENCE IN TERMS OF POTENTIAL ECONOMIC IMPACT.

THE ADVANCED TECHNOLOGY PROJECT PROGRAM IS A VERY SOUND APPROACH TO STIMULATING UNIVERSITY-INDUSTRY RELATIONSHIPS. THAT PROGRAM COMPLEMENTS THE CENTER OF EXCELLENCE PROGRAM, HOWEVER, IT WILL NOT HAVE THE LONG-TERM ECONOMIC BENEFITS OF THE CENTER OF EXCELLENCE. THE CENTER OF EXCELLENCE HAS THE ADVANTAGE, IN ADDITION TO STIMULATING ECONOMIC GROWTH, OF PROVIDING A TREMENDOUS RESOURCE FOR TRAINING KANSANS TO FILL NEEDED POSITIONS TO BE CREATED BY THE HIGH TECHNOLOGY INDUSTRY GROWTH.

AS A RESEARCH UNIVERSITY, WE FEEL CONFIDENT THAT WE HAVE MUCH TO OFFER IN AIDING THE STATE IN ECONOMIC GROWTH IN ADVANCED TECHNOLOGY. AN ADDITIONAL CENTER OF EXCELLENCE WOULD ALLOW US TO DO THIS.