

MINUTES OF THE SENATE COMMITTEE ON LABOR, INDUSTRY AND TOURISM

The meeting was called to order by Sen. Bill Morris at
Chairperson

1:30 ~~am~~/p.m. on January 17, 1984 in room 529-S of the Capitol.

All members were present except:

Sen. Feleciano

Committee staff present:

Jerry Ann Donaldson, Research Department
Gordon Self, Revisor
Louise Cunningham, Secretary

Conferees appearing before the committee:

Larry Wolgast, Department of Human Resources

A motion was made by Sen. Werts and seconded by Sen. Burke to approve the Minutes of January 16. Motion carried.

Jerry Ann Donaldson said regarding SCR 1629, Proposal 43 of the Interim Committee recommended that no bill be presented. This concerned a minority contractors' revolving loan fund and a surety bond guarantee program for minority contractors.

Mr. Wolgast gave a report to the Committee on Job Service Centers and JPTA. He also answered questions. He said the budget for FY 81 was \$7.4 million and for FY 84 would be \$6.4 million. This had been decreased \$1 million in the four year span. The staff for FY 81 was 331 positions and at the present time there are 223.8 positions. The number of offices for FY 81 was 49 and for FY 84 there are 35 at the present time. There were large cutbacks in 1981 and 1982. Some of the offices came back and others were merged into other offices. The staff was reduced. Some offices however, are larger than they used to be. An example would be Topeka where there used to be three offices and presently there is only one large one. Some offices have a large staff and some have only one person.

Mr. Wolgast was asked how they arrived at a contract price for employers. He said by federal regulation they cannot charge an employee or employer. The Department does the screening for employers and then submits a list of applicants for the positions. He said most companies use their own employment service for higher paid positions and use the Job Service Centers for low or mid-level positions.

There was some discussion on how the figures on the workforce are arrived at. Mr. Wolgast said a drop in the unemployment rate could mean other things rather than a person has gone back to work. They could have left the state. The federal government used to determine the funding by the number of placements that were made but it is no longer done that way. Kansas always had a high record of putting people back to work. More money is now going to states like Ohio and Michigan where the unemployment rate is higher. Mr. Wolgast said people are on the unemployment list for an average of 22 months now as opposed to 14 months since WW II. This time they are closing plants and these jobs will never come back again.

The Committee was then informed on the JPTA program. Mr. Wolgast said he had received the allocation last week for \$17.3 million. This was to operate the adult training program and dislocated worker program. The budget under CETA in the late '70s had been for \$34 million. He said they were presently training 150 people. Wichita was doing an excellent job in this area. The Kansas City area was a little slower getting started. Private industry is setting up their own program and just getting started. He said the goal of the program is to have on-the-job training.

Senator Burke, the senate's representative on the State Council, said it was a brand new concept and is going slower than was anticipated. It is taking a while to get away from the bureaucracy created by CETA but it will be good when it gets going.

(over)

Mr. Wolgast said Kansas was considered in the top 15% nationally in implementation of the program and they were pleased with the organization so far.

Meeting was adjourned.

SENATE LABOR, INDUSTRY & TOURISM COMMITTEE

Date 1-17-84 Place 529-8 Time 1:30

GUEST LIST

NAME

ADDRESS

ORGANIZATION

PAT SHAFER

Topeka

BUDGET

Larry Wolgast

Topeka

D.H.R.

Chris Mitchell

Topeka

AFL-CIO

T.A. Lockhart

Leavenworth

NAACP