

March 28, 1985

Approved Jayne Aylward
Date

MINUTES OF THE HOUSE COMMITTEE ON COMMUNICATION, COMPUTERS AND TECHNOLOGY

The meeting was called to order by Representative Jayne Aylward at
Chairperson

3:30 ~~am~~/p.m. on March 18, 1985 in room 522-S of the Capitol.

All members were present except:
Representative Roper

Committee staff present:
Scott Rothe, Research Department
Jean Mellinger, Secretary to the Committee

Conferees appearing before the committee:
Larry Wolgast, Secretary, Department of Human Resources

Chairman Jayne Aylward opened the meeting.

Larry Wolgast appeared to give some background on the Department of Human Resources computer system. They have the only major main frame in the state other than DISC. It was purchased in 1974 by the Federal Government who has title to it; and, if they get rid of it, it goes back to the Federal Government. In their operation, they have the records for every person paid wages in the State, for every employer, and at the present time they compute 26,000 checks per week for unemployment insurance. They operate the computer 24 hours a day generally at 85% to 90% utilization. Phase one is that they need a new computer. The Feds have set aside a certain amount of money to update hardware and software, and they would go there if they had the time. Number two, they have a move coming up from 503 Kansas to the Santa Fe Office Building in fiscal 87. If they buy a new computer at that time, it will save approximately \$100,000, the cost of moving the computer. They are looking at the Penalty and Interest Fund, approximately \$1.2 to \$1.5 million to purchase a computer; but they would have to pay this back. The third factor is that the Employment System Security Institute, which was placed in Kansas by the Department of Labor to train national computer operators at 1310 Topeka Avenue, is currently having their funding and employees decreased. It is suggested that the data processing unit be moved to that location to eliminate rent expense paid to the state; the ESSI location would be rent free. They would then purchase a computer from the Penalty and Interest Fund, use the rent money to repay the Fund, and save \$100,000 by purchasing the computer when they move. They are also talking about this with the Ways and Means Committee and the Governmental Organization Committee.

Representative Chronister asking who he meant would have to pay the amount back was told the Federal gives the State an amount to run the Unemployment Insurance operation including the rent which would be used to repay the amount.

Representative Friedeman asked about the possibility of the Federal Government purchasing the computer and was told it would be very difficult to go through their process and have it ready in time for the move.

Representative Dean asked why their move would hinge on the move into Santa Fe if they moved in with ESSI and was told they had to vacate at a certain time.

Representative Green inquired if they bought the computer, if it would belong to the state and was informed it would belong to the Feds.

Representative Friedeman was told that the formula redistribution to the State from the Federal Government is based mostly on the level of unemployment and employment in the state and is set by the Labor Department. He was assured that this could be used as backup for DISC and was told they would probably have to put in all new cable if they moved to the Santa Fe Building.

Representative Dean moved that the minutes of the meetings of March 5 and 6 be approved. Representative Erne seconded the motion. The motion carried.

The meeting adjourned at 4:03 p.m.
The next meeting of the committee will be held at 3:30 p.m. on Tuesday, March 19, 1985.

Unless specifically noted, the individual remarks recorded herein have not been transcribed verbatim. Individual remarks as reported herein have not been submitted to the individuals appearing before the committee for editing or corrections.