

MINUTES OF THE HOUSE COMMITTEE ON EDUCATIONThe meeting was called to order by Representative Don Crumbaker at  
Chairperson3:30 ~~am.~~ p.m. on March 4, 1985 in room 519-S of the Capitol.

All members were present except: Representative Brady, who was excused.

## Committee staff present:

Ben Barrett, Legislative Research Department  
Avis Swartzman, Revisor of Statutes' Office  
Judy Crapser, Secretary to the Committee

## Conferees appearing before the committee:

Dr. Merle Hill, Kansas Association of Community Colleges

The Chairman turned the Committee's attention to HB 2435 relating to income taxation, modifying adjusted gross income for certain tuition and transportation expenses scheduled for hearings today. Bob Runnels fo the Kansas Catholic Conference, the group requesting this bill, had called and asked that the hearings be delayed for a day or two. The Chairman explained to Mr. Runnels that because of the double referral of the bill, there would not be time enough for both committees to address the bill and have it reported out of both committees to meet the deadlines for doing so. After that explanation, it was agreed between the Chairman and Mr. Runnels that the Committee would hold the bill over for next year's session.

The Chairman opened the hearings for HB 2456 which creates the Kansas community college academic advancement fund.

Dr. Merle Hill, KACC, testified in support of HB 2456. (ATTACHMENT 1)There being no further proponents or opponents, this concluded the hearing for HB 2456.

The Chairman opened the hearings for HB 2538 which enacts the Kansas community college economic development program assistance act.

Dr. Merle Hill, KACC, testified in support of HB 2538. (ATTACHMENT 2)There being no further proponents or opponents, this concluded the hearing for HB 2538.

The Chairman opened the meeting to discussion and possible action on bills previously heard if the Committee so desired.

Representative Apt moved that HB 2297 be recommended for passage. Representative Smith seconded the motion. HB 2297 would require the school district that recieves SDEA funds for a student be responsible for the payment of tuition and fees for vocational education. The motion prevailed.

Representative Apt moved that HB 2355 be reported favorable for passage. Representative Pottorff seconded the motion. HB 2355 requires state agency purchase of services from handicapped individuals but excluding unified school districts. The motion prevailed by a vote of ten for the motion and eight against.

The minutes of February 26, February 27, and February 28, 1985 were approved as written.

The next meeting of the Committee will be March 5, 1985 at 3:30 p.m. in Room 519-S.





# KANSAS ASSOCIATION OF COMMUNITY COLLEGES

Columbian Title Bldg., 820 Quincy • Topeka 66612 • Phone 913-357-5156

W. Merle Hill  
Executive Director

To: House Education Committee  
From: Merle Hill *M.H.*  
Date: March 4, 1985  
Subj: House Bill 2456 (Matching funds from an Academic Advancement Fund)

House Bill 2456, an act creating the Kansas community college academic advancement fund, is patterned after a statute passed two years ago in Florida. The purpose of the statute is to create a fund of state dollars to be used as matching grants for dollars raised by the community colleges from the private sector. Recognizing that the state is experiencing continuing difficulties in funding all segments of education appropriately and in a manner that provides sufficient funding for maintenance of effort as well as growth, the Kansas community colleges believe fund-raising efforts in the private sector may well be a source of funds for future financial support.

House Bill 2456 provides for matching grants on a 60-40 basis, with the maximum grant being \$125,000. To qualify for any matching funds from the state, a college would have to raise from the private sector at least \$10,000 more than the average raised during the past three years and pledge that amount to match funds from the state. No funds could be pledged more than once.

The funds raised by the college and those matching funds received from the state will be used solely for advancing education at the community college. No funds can be used to promote or finance athletics at a college.

The director of development at Miami-Dade Community College in Miami, Florida has informed me that his college has used this matching provision very effectively in its fund-raising efforts and that those efforts have proven quite successful. The Florida academic advancement fund was allocated \$2 million upon passage, and Miami-Dade Community College was able to qualify for \$125,000 of that amount. The Miami chamber of commerce has even created a special committee to make industry and business aware of the program to benefit the community college. Dr. Herman reports that other Florida

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community colleges have also been successful in acquiring additional funds from the private sector as a result of the matching dollars that are now available from the state. In a sense, the private sector is picking up slack, he said.

The Kansas community colleges are cognizant of the fiscal restraints imposed on the Legislature this year and understand that the potential match of more than \$2 million is a significant financial step to take. Although the potential is more than \$2 million, our college presidents do not believe the colleges could qualify for half that much for several years. On the other hand, one college president in western Kansas believes the combination of matching funds from the state and what can be raised as a consequence from the private sector could mean as much as \$500,000 for his college in the next five years.

As demands for state educational dollars increase, here is a way to have the private sector assist in doing what the state cannot.

MH:am



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W. Merle Hill  
Executive Director

To: House Education Committee  
From: Merle Hill  
Date: March 4, 1985  
Subj: House Bill 2538 (Economic Development Assistance Program)

House Bill 2538 is a bill not unlike House Bill 2442, passed in 1983, which established the Kansas high technology research partnership program to promote research projects to enhance employment opportunity and created a special grant fund to support such activities at postsecondary educational institutions.

House Bill 2538 is the result of numerous discussions by the community college presidents regarding vocational education, the needs of businesses and industries in their cities and an awareness of what has happened economically in other states as a result of the community colleges becoming the vehicle for economic development. Then, later, at a meeting with personnel from the Kansas Department of Economic Development and the Vocational Administration Division of the Kansas State Department of Education, it was revealed that these two state agencies could easily utilize an additional \$500,000 in their own program entitled the Kansas New and Expanding Industries Training Program.

The Kansas New and Expanding Industries Training Program is a joint effort of these two agencies, and they had approximately 500,000 available to them to assist high schools, area vocational-technical schools and community colleges in creating job training programs. No funding is available to provide for upgrading of training, the kind of training Buddy Baker of Midland Brake, Inc. indicated to you several weeks ago was so vital to the future of his firm. We have been told by KDED and the Vocational Education Administration that they ran out of funding in October of this fiscal year and would have no trouble in allocating an additional \$500,000 if it were available.

Recognizing the fiscal restraints placed upon the Legislature this year, the Kansas Association of Community Colleges scaled down this expressed need of \$500,000 to a modest \$150,000 for use by the State Department of Education to fund community colleges initiatives in economic development efforts in their cities.

The KACC, as some of you are aware, looks to the State of North Carolina with envy in this matter of economic development, since North Carolina is probably the prime example of how community colleges can assist a state grow economically. In 1983-84, for example, North Carolina led the nation in recruiting new industry, and much of that success can be chalked up to the state's community college system. More than 5,200 new and expanding industries in the past seven years have created more than 234,000 jobs and invested more than \$14 billion in North Carolina.

About twenty-five years ago North Carolina created the nation's first training service expressly designed to support industrial growth. "In 1983," says C. C. Hope, secretary of the Department of Commerce in North Carolina, "new and expanding industries announced plans for more than \$1.1 billion worth of manufacturing facilities in North Carolina. Ultimately, those investments will mean more than 29,700 new jobs for the people of our state."

Recognizing the important role the community college system plays in keeping the economy stable in North Carolina, the General Assembly in 1983-85 provided \$28.8 million to replace worn-out training equipment. In the short session of 1984 legislators set aside \$2 million for scholarships, \$14 million for equipment, \$6.4 million for new industry and high technology training and \$26.3 million for campus construction.

The KACC request for an initial \$150,000 to begin such an initiative in Kansas appears even more modest when compared with those figures.

In 1981, Malcolm Baldrige, Secretary of Commerce, told Congress that "Our falling competitive advantage in foreign markets may derive in large measure from our under-investment in human resources."

Investing in the human resources is what the Kansas community colleges have in mind. In the joint effort of KDED and the Vocational Education Administration of the State Department of Education, the 1982-83 per-trainee-hour cost was only \$1.62. The total cost per trainee was only \$900 in 1983-84! If it costs only \$900 to train a person to hold down a job, raise a family and pay taxes to our state, isn't that an extremely low cost with the very high, repeating return!

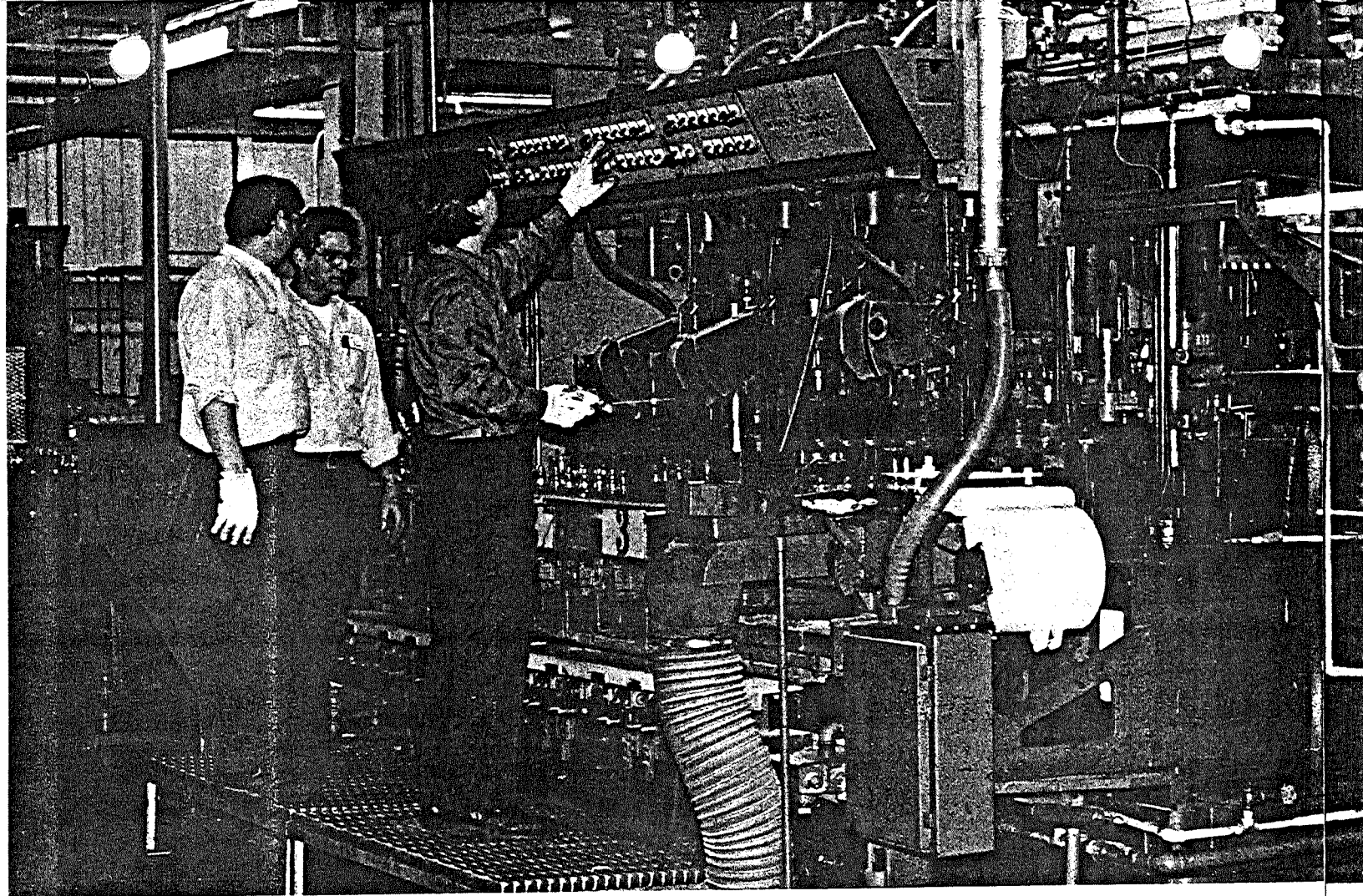
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In closing, let me call attention to what has happened in one other state, not a state known as an economic plant. In Mississippi, a study of the impact of the community colleges' industrial services program showed 20,274 employees retrained at a cost of only \$1.25 million; but the earnings of these employees were \$271 million, and the taxes paid came to \$81 million.

The Kansas community colleges have requested your support for \$150,000 to be earmarked for economic development efforts. This would still be an underinvestment in Secretary of Commerce Baldrige's terms, but it would be a significant start for Kansas. We urge favorable action on House Bill 2538.

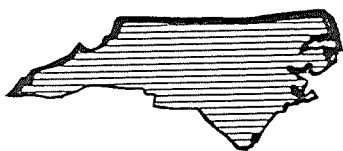
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Attachment: North Carolina: No Shrinking Violet



# NO SHRINKING VIOLET

*The partnership between business and industry and the state's community college system has been good for North Carolina's economy, and that partnership has been enhanced by the investments companies have made in the system.*



BY REBECCA W. HOLDSWORTH

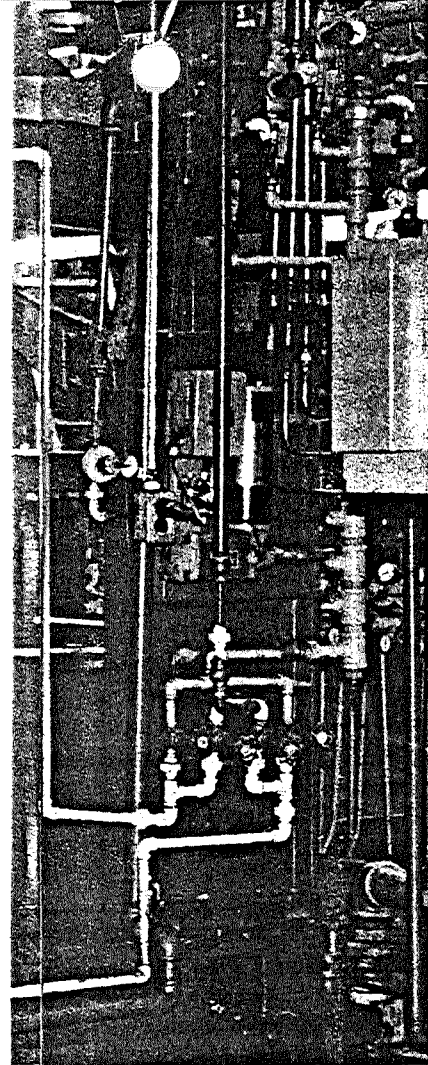
**T**HE STATE OF NORTH CAROLINA is no shrinking violet when it comes to recruiting and holding business and industry. In fact, North Carolina is in full bloom when it comes to industrial recruitment.

Last year the state led the nation in recruiting new industry, and much of that success can be chalked up to the state's community college system. More than 5,237 new and expanding industries, during the past seven years, have generated 234,715 jobs and invested more than \$14 billion.

"Our perception is that North Carolina is the rapidly emerging eastern center for high-technology research," says Peter Hoffmann, a member of the Dynamit Nobel AG board of directors. Dynamit, founded by Swedish inventor Alfred Nobel, is building a \$35 million silicon wafer manufacturing plant near North Carolina's nationally recognized Research Triangle Park.

The proximity of three major universities and Durham Technical Institute (one of the state's 58 community college system institutions) was the major reason for building the plant in Durham, Hoffman added. "It's an exciting and attractive climate for us." The company, which plans to open its doors in 1986, is one of the state's latest





STANLY TECHNICAL COLLEGE

Stanly Technical College in Albemarle is providing around-the-clock training for locally hired employees of Carolina Glass, one of North Carolina's newcomer industries. Here students are being trained in the production process of a section glass molding machine. Some consider the glass-making plant in Norwood the world's most modern.

acquisitions.

"We are able to say to industry, 'When you open your doors for production, our community college system will have people trained to your specifications, ready for employment,'" says Robert W. Scott, state president of the North Carolina Department of Community Colleges. "And it's a promise industry knows will be kept."

"We started a glass plant in Missouri six or seven years ago. We brought people with machinist training or other skills right off the street. It took that plant about a year to get up and going," says Jim Fordham, general manager of Carolina Glass (a subsidiary of Wheaton Industries) in Norwood.

"So when we decided to build this plant, we decided we had to have a fairly extensive training program. We also wanted to hire most of the employees locally. That's why we started the training program with Stanly Tech (Albemarle), and we've trained both operations and maintenance type people.

"Startup of any plant is a very complicated job, and because of the high-technology equipment we are using, this startup was particularly difficult," Fordham added. "But as far as the skills and ability of the people are concerned, we are already up to speed. The program we have had with Stanly Tech has been excellent—super. We really could not have had better cooperation. They have bent over backwards to help us any way they could."

The approach Durham Technical Institute and Stanly Technical College have taken to train workers is typical of what other institutions in the state's community college system use when a new or expanding industry needs training assistance.

Rowan Technical College's coordinator of new industry, Tim Hutchins, traces the steps that institution has taken in meeting the training needs of Philip Morris. The Employment Security Commission office in Concord screens applicants for Philip Morris using a series of tests and applications; then Philip Morris selects a percentage of those to participate in the preemployment program.

"When people finish preemployment training and are hired, they go into the training center, which is provided by the state. The training center is a microcosm of the main plant. It has the exact same machines that are being installed in the main plant.

"People may come back to the training center several times to learn different machines. So far we have provided 299,000 man hours of training at the training center alone. This is the largest job training effort ever attempted by the state," Hutchins says.

"The plant had the smoothest startup in the history of Philip Morris," says Newton Fowler, plant manager at Philip Morris's Concord plant. And adds the plant's director of employee relations, William Van Arnam: "Rowan Tech is not

only doing a good job of training our people, our employees here are second to none because we find in this area the most outstanding work ethic."

The training programs are administered by the local community college, technical college, or technical institute and are offered at little or no cost to the companies. The institution's administration assures constant attention and a prompt response to industry needs.

"I've been very impressed with the caliber of the community college staff working with us on our project," says John Evans, project manager of Owens-Illinois, about Vance-Granville Community College in Henderson. "Their answers have been very precise and very clear. They have been excellent. Every time we provide them with a new idea, they've responded to it in the affirmative and have helped us put it in place.

"We have a commitment to new technology at this plant, and the community college system has a commitment to do what is necessary to provide training for operators of our equipment," Evans says. "Getting this help with industry training was really one of the final things that helped us locate here. If it had not been available, we would not have come to North Carolina."

"The availability of the community college training program was extremely important to this project," says Jim Epting, regional development representative of the North Carolina Department of Commerce's Industrial Development Division. Epting is just one of the regional developers in the commerce department who work with the Department of Community Colleges' Industry Services Division, which is dedicated exclusively to industrial training.

Once training is begun, industrial training specialists from the Industry Services Division continue to work with the company and the local institution doing the training to ensure that the program is meeting the company's needs. These industrial training specialists are headquartered at five regional centers in the state. Decentralization facilitates clear and easy communications with regional developers from the Department of Commerce and strengthens the linkage between the community college system and localized or regional economic development efforts.

### Commitment to Economic Development

Job training has always been a top priority of North Carolina's community college system. More than 25 years ago North Carolina created the nation's first training service expressly designed to support industrial growth, thereby creating a healthy business environment that enhances the state's economic well-being.

"We have a proven training program," Scott says. "We have a track record of meeting new industry's demand for workers with specific job skills and of meeting existing industry's need for upgrading and replacement of its workforce.

"More than 70 percent of our budgeted enroll-

ment is in job training," he added. "When our legislature created the system in 1963, it made some commitments that I think have enabled us to play a key role in economic development.

"First, tuition and fees have been kept to a minimum in our community college system. At \$51 a quarter, the tuition is among the lowest in the nation. That was a deliberate move, though, by the legislature to ensure that all the state's citizens would have access to education and training.

"Second, the campuses are within easy commuting distance of nearly 100 percent of the state's population. That means that almost all of the people and all of the industry are within reach of training.

"And North Carolina has managed to retain at the local level a great measure of autonomy over what is taught. The programs offered—and there are more than 200 vocational and technical programs—reflect what business and industry in the community need in the way of skills training."

Each year hundreds of short courses in the institutions' extension divisions meet business and industry's need for replacement and upgrading of employees. At every step of the way, business and industry are involved in training decisions—whether it's the S.W.A.T. team approach of the Industry Services Division, or the local advisory councils that all of the institutions have, or the State Board of Community Colleges, which is composed of top company executives.

"Business and industry tell us what is needed and our institutions make sure that the students are taught what they are going to find on the job," says Joe Sturdivant, director of the Department of Community Colleges' Industry Services Division.

The partnership between business and industry and the state's community college system has been good for North Carolina's economy, and that partnership has been enhanced by the investments companies have made in the system.

Working together, the former chairman of the State Board of Community Colleges, Carl Horn, and Governor Jim Hunt led a self-help effort for the system that has meant donations by business and industry, during the past three years, of equipment with an original purchase value of more than \$7.1 million. Also, companies such as Wachovia Bank and Trust Co., Carolina Telephone and Telegraph Co., and the Weyerhaeuser Company Foundation have established scholarships to aid students pursuing programs in the community college system. Even more recently, International Business Machines has provided a hands-on seminar to update the skills of the system's electronic engineering technology instructors so that they can teach students the skills needed in today's marketplace.

Recognizing the important role the community college system plays in keeping the economy stable in North Carolina, the General Assembly in 1983-85 provided \$28.8 million to replace worn-out training equipment. In the short session of the General Assembly this year, legislators set aside \$2 million for scholarships (the interest will be used for scholarships for needy students), appropriated \$14 million for equipment, \$6.4 million for new industry and high-technology training, and \$26.3 million for campus construction.

"The support of the General Assembly and our governor, the able advice and guidance of our state board, the input from business and industry, and the commitment of our 58 institutions to job training," says Scott, "are the reasons why North Carolina topped the national list in announcing new industries last year."

"In 1983 new and expanding industries announced plans for more than \$1.1 billion worth of manufacturing facilities in North Carolina. Ultimately, those investments will mean more than 29,700 new jobs for the people of our state," says C.C. Hope, secretary of the Department of Commerce.

"The availability of top-notch technical and industrial skills training has been a vital part of our state's success in recruiting new companies and encouraging existing firms to expand their operations.

"According to *Industrial Development Magazine's* 1983 survey of industrial development in the states, more companies, both foreign and domestic, announced plans for major new manufacturing facilities in North Carolina than in any other state in the nation last year.

"In fact," he adds, "the survey revealed that of all the new plant announcements in the United States by foreign firms in 1983, more than two thirds were planned for North Carolina. That is a phenomenal record, and one that clearly reflects our state's growing reputation, not only as a place with a very positive attitude toward business, but also as a state where education and training are given a great deal of emphasis by government officials and the general public alike."

The major reason for building a \$35 million silicon wafer manufacturing plant in Durham, according to Peter Hoffman, member of Dynamit Nobel AG's management board, is its proximity to three universities and Durham Technical Institute. The West German company's intention to open a branch in North Carolina was made public at a news conference in Raleigh earlier this year with Hoffman (seated center) and Santino Gatte (seated left), managing director of Dynamit Nobel Silicon, joining Governor Jim Hunt for the announcement. Durham Tech, like many of the state's 58 community and technical colleges, has the training capability to meet the needs of new and expanding industries for skilled workers.



In its commitment to serving new and expanding industries, North Carolina has not forgotten the state's home-grown or traditional industries. The apparel, furniture, machinery, textile, and tobacco production and manufacturing industries have been the cornerstone of North Carolina's economic stability for many years. And for more than two decades the state's community college system has trained workers for these industries.

The commitment of the system to existing industries is reflected in the nearly \$60 million invested last year in training programs related to these industries. This investment has made it possible for more than 108,450 people to receive training in a variety of vocational, technical, occupational extension, and cooperative skills training programs.

### Small Business Training

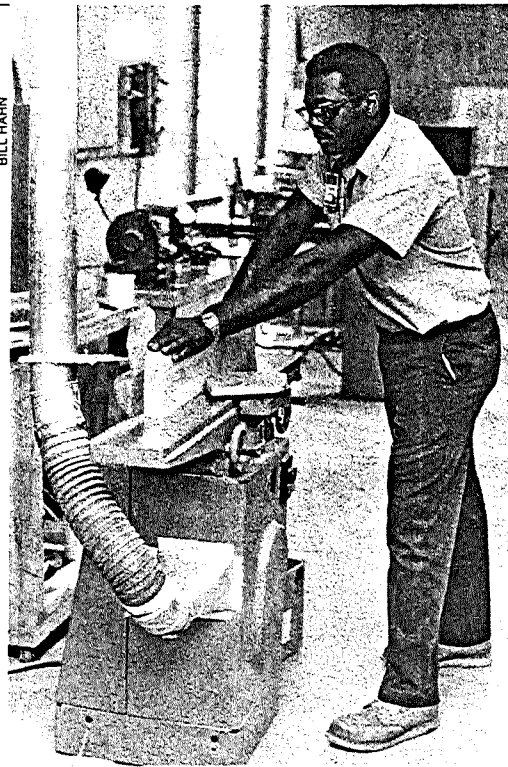
At the same time North Carolina's community college system is working diligently to provide new and expanding industry and traditional industries with a trained workforce, the system is also providing training assistance to small businesses throughout the state. The community college system has long recognized the importance of providing education for small business owners and managers. However, a renewed challenge was given to the system this year when Governor Hunt announced his support for a small business assistance network in the community college system in cooperation with the Department of Commerce.

Eight system institutions are presently a part of the network both in North Carolina and in the National Small Business Training Network of the American Association of Community and Junior Colleges. Six additional institutions became operational in October. Over the next three years, the network will be expanded to all 58 system campuses. The network will work with other deliverers of small business assistance and training to provide small business owners and managers with access to professional advice; courses, workshops, and other continuing education opportunities; and computerized databases and sources of information.

Even now, the small business training program has many successful endeavors. Erlene Wilson, owner of rodeo and western wear retail stores and four bars in eastern North Carolina, discovered how the Small Business Center at Central Piedmont Community College in Charlotte could prevent her business from becoming bankrupt.

"I feel that I can do a better job of selling myself and the rodeo business," she says. "I have the practical knowledge to run my business, and I have improved my ability to understand and communicate with people in order to keep my business profitable."

Business practices that have been adopted as a result of her training include incorporation,



Philip Morris relies on Rowan Technical College in Salisbury to train employees on the same machines that are being installed in the Concord plant. Because North Carolina recognizes the community college system as an effective service provider, and has funded \$28.8 million to replace wornout training equipment, colleges such as Rowan Tech are able to offer a variety of hands-on training courses, from welding and sheet metalworking to electrical maintenance and carpentry. Rowan Tech and Philip Morris are 1984 winners of the College-Business/Industry Partnership Award, which is presented annually by AACJC and HBJ Media Systems Corporation in recognition of such exemplary cooperative relationships.

reorganization, (both internally and externally), monthly profit and loss statements, more and better marketing and advertising principles, and the ability to study and work with financial statements.

Rita Beck, owner of Rita Beck's Designs in Thomasville, says that courses offered by the Small Business Center at Davidson County Community College in Lexington have helped her increase her sales skills and improve her organizational ability.

"I like being part of Davidson's program because of the chance to meet with other business persons, discuss common problems, and learn from others as well as from the instructor," Beck says. "I now spend time setting priorities in my work schedule."

Recently Lenoir Community College in Kinston has been receiving rave reviews about its program through television interviews. Both center personnel and Carol Garris, a client of the center, have appeared on local television. Garris and her husband own a small tile company in Kinston. She has participated in courses at the center and is now pursuing a two-year business degree even though she holds a bachelor's degree in sociology.

These are but a few examples of small business owners and managers utilizing the services of the small business center network. The official logo, "Grab a Lifeline," used by Central Piedmont Community College, indeed summarizes the efforts of small business services in the North Carolina community college system in providing for small business owners and potential owners the opportunity to have a fighting chance.

No, North Carolina is not a shrinking violet. And the message goes out loud and clear from the state's leaders and from business and industry that the community college system means business.



Rebecca W. Holdsworth is former coordinator for publications at the North Carolina Department of Community Colleges in Raleigh, and now resides in Wilmington.