

Approved 02/17/87
Date

MINUTES OF THE HOUSE COMMITTEE ON ECONOMIC DEVELOPMENT

The meeting was called to order by Rep. Phil Kline at
Chairperson

3:30 a.m./p.m. on Monday, February 9th, 1987 in room 423-S of the Capitol.

All members were present except:
Representatives Helgerson, Love, Dyck, Goossen, and Hoy (All Excused).

Committee staff present:
Lynn Holt, Research
Jim Wilson, Revisor
Molly Mulloy, Secretary

Conferees appearing before the committee:

Dr. Merle Hill, Executive Director, KS Association of Community Colleges
Ms. Connie Hubbell, Member, State Board of Education

Chairman Kline called the meeting to order and recognized Rep. Jayne Aylward, who asked to have a bill introduced to the committee concerning deregulation of cellular and mobile telephones. Rep. Mainey moved, Rep. Chronister seconded and the motion carried that the bill be received for introduction. (Attachment 1)

Lynn Holt summarized H.B. 2073 as follows: It would amend K.S.A. 1986 Supp. 72-4440 to expand the vocational education capital outlay aid program to include community colleges. This bill requires vocational ed aid to be distributed on a competitive basis and requires the State Board of Education to establish criteria for evaluating applications of schools for vocational ed capital outlay aid.

Dr. Merle Hill, Kansas Association of Community Colleges, was the first proponent on H.B. 2073. He testified that his organization supports the bill because it would enable 17 of the 19 community colleges in Kansas which are not now eligible to complete for funds. Dr. Hill voiced concern about the \$2 million figure recommended in the bill since 17 additional schools would be added to those already competing for the funding. He suggested that \$3 to \$4 million would enable more of the 33 institutions to meet the business training needs in their service areas. He also said that funds are distributed based on a formula that takes into account the need of the school, with the competitive factor being which school has the greatest need (Attachment 2).

The last conferee was Connie Hubbell, State Board of Education, who supported the bill provided additional funds were added to the program so as not to take away from vocational-technical schools (Attachment 3).

Rep. Chronister asked Ms. Hubbell if the need is as great in community colleges as in vocational/technical schools and Ms. Hubbell responded that it was. She said that both kinds of institution were working to come up with needed business training programs and it was important not to duplicate programs. She stated that "need" was the major issue though schools would be competing against other programs in the state.

There were no opponents to H.B. 2073. The meeting adjourned at 3:50pm. The next meeting of the committee is scheduled for Tuesday, February 10th, 3:30pm, Room 423-S.

HOUSE BILL NO. _____

AN ACT concerning the regulation, suspension and control of public utilities and common carriers by the state corporation commission; relating to the provision of radio communication, including cellular radio communication; amending K.S.A. 66-104a, 66-1,143, 66-1,144 and 66-1,145 and repealing the existing sections.

Be it enacted by the Legislature of the State of Kansas:

Section 1. K.S.A. 66-104a is hereby amended to read as follows: 66-104a. (a) Except as otherwise provided in subsection (b), no telephone public utility shall be subject to the jurisdiction, regulation, supervision and control of the state corporation commission if it meets the following conditions: (1) The original cost of its telephone public utility facilities located in this state constitutes less than 1% of the total original cost of all its telephone public utility facilities located everywhere, (2) the telephone public utility does not have a central office in this state, (3) the telephone public utility is subject to the jurisdiction, regulation, supervision and control of a regulatory agency existing under the laws of any state bordering upon this state, (4) the telephone public utility certifies to the state corporation commission that a regulatory commission of a bordering state has asserted jurisdiction, regulation, supervision and control over its telephonic operations, and (5) customers of the telephone public utility in this state are charged the same rates and are provided service under the same terms and conditions as are its customers located in similar areas in a bordering state.

(b) The state corporation commission shall retain such jurisdiction and control over any such telephone public utility

Attachment 1
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necessary to insure compliance with the condition that customers of the telephone public utility in this state are provided service under the same terms and conditions as are its customers located in similar areas of a bordering state and may, in its discretion, require any such utility to furnish copies of documents filed with the appropriate regulatory agency of the appropriate bordering state which demonstrate its compliance with such condition. Also, any such telephone public utility shall be subject to such orders on industry practices and quality of service as the state corporation commission may from time to time promulgate.

(c) The service of a telephone public utility, otherwise authorized to transact business pursuant to K.S.A. 66-131 and amendments thereto, relating to the provision of radio communication, including cellular radio, which is one-way, two-way or multiple, between mobile and base stations, between mobile and land stations, including land line telephones, between mobile stations or between land stations, shall not be subject to the jurisdiction, regulation, supervision and control of the state corporation commission during the period commencing on January 1, 1986, and ending on ~~December 31, 1987~~ July 1, 1988.

Sec. 2. K.S.A. 66-1,143 is hereby amended to read as follows: 66-1,143. (a) As used in this section and K.S.A. 66-1,144 and 66-1,145 and amendments thereto, "radio common carrier" shall include all persons and associations of persons, whether incorporated or not, operating a public "for hire" radio service engaged in the business of providing a service of radio communication, including cellular radio, which is one-way, two-way or multiple, between mobile and base stations, between mobile and land stations, including land line telephones, between mobile stations or between land stations, but not engaged in the business of providing a public land line message telephone service or a public message telegraph service within this state.

(b) Except as provided in this subsection and K.S.A. 66-1,144 and 66-1,145 and amendments thereto, no radio common

carrier shall be subject to the jurisdiction, regulation, supervision and control of the state corporation commission during the period commencing on January 1, 1986, and ending on ~~December-31,-1987~~ July 1, 1988. The state corporation commission shall have the power and authority granted by K.S.A. 66-1,145 and amendments thereto and the power and authority to regulate and control radio common carriers whenever it is necessary to protect the public interest against cross-subsidization of competitive goods or services by monopoly goods and services.

Sec. 3. K.S.A. 66-1,144 is hereby amended to read as follows: 66-1,144. (a) After ~~December-31,-1987~~ June 30, 1988, no radio common carrier governed by the provisions of this act shall transact business in the state of Kansas until it has obtained a certificate from the state corporation commission that public convenience will be promoted by the transaction of the business of providing radio service and permitting the applicants to transact the business of a radio common carrier in this state.

(b) Each radio common carrier which is engaged in the construction or operation of any radio common carrier or in the transaction of the business of a radio common carrier during the period commencing on January 1, 1986, and ending on ~~December-31,-1987~~ July 1, 1988, and which is not required to have a certificate from the state corporation commission during such period as provided by this act, shall keep and maintain all the records of such construction, operation and business during such period and shall make such records available to the state corporation commission during such period and thereafter.

Sec. 4. K.S.A. 66-1,145 is hereby amended to read as follows: 66-1,145. Except as otherwise provided in this section, each radio common carrier may interconnect its common carrier radio telephone facilities with the telephone facilities of the telephone company serving the area in which the base station of the radio common carrier is located if an agreement can be reached between the radio common carrier and the serving telephone company providing for such interconnection. When such

an agreement cannot be reached between the radio common carrier and the serving telephone company, the radio common carrier may petition the state corporation commission for the right of interconnection and if the commission finds that a necessity exists therefor such interconnection shall be ordered by the commission on such reasonable terms as shall be established and prescribed by the commission. After ~~December-31,-1987~~ June 30, 1988, each radio common carrier, which is interconnecting its common carrier radio telephone facilities with the telephone facilities of a telephone utility in accordance with an agreement or an order under this section, shall hold a certificate issued by the state corporation commission permitting the radio common carrier to transact the business of a radio common carrier in this state.

Sec. 5. K.S.A. 66-104a, 66-1,143, 66-1,144 and 66-1,145 are hereby repealed.

Sec. 6. This act shall take effect and be in force from and after its publication in the statute book.



KANSAS ASSOCIATION OF COMMUNITY COLLEGES

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W. Merle Hill
Executive Director

To: House Economic Development Committee

From: Merle Hill

Date: February 9, 1987

Subj: House Bill #2073: An act concerning vocational education capital outlay aid; affecting definitions; providing for distribution thereof on a competitive basis; amending K.S.A. 72-4442 and K.S.A. 1986 Supp. 72-4440, and repealing the existing sections.

Mr. Chairman, members of the Committee. Thank you very much for permitting the Kansas Association of Community Colleges to appear before you to support HB 2073.

HB 2073 is the result of a recommendation to the Legislative Commission on Economic Development from its Business Training Task Force. The Task Force stated "it is imperative that the Legislature fund capital outlay programs for the requisition by purchase or lease of instructional equipment by vocational schools and community colleges." Seventeen of the 19 community colleges have never had the opportunity to compete with the vocational schools for state funds used for capital outlay purposes. Only Cowley County Community College and Pratt Community College, both of which are also designated as area vocational-technical schools, have been able to acquire state funding for capital outlay purposes.

Under K.S.A. 71-501a each community college has had the authority to levy 1 mill for capital outlay purposes, for a period not to exceed five years. The statute includes a provision for a protest petition of 5 percent of the registered voters in a community college district. Last year, this statute was amended to make it possible for all community colleges to levy up to 2 mills for capital outlay purposes, a privilege three of the smaller colleges had had for several years under K.S.A. 71-505 (Highland, Coffeyville and Labette community colleges).

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When the statute was amended in 1986, 13 of the 19 community colleges had capital mill levies, they ranged from .70 at Dodge City Community College to 1.13 at Highland Community College, and three of the 13 had mill levies above 1.00. All colleges were authorized to exceed the maximum of 1.00 mill when farm machinery was taken off the ad valorem tax rolls, as long as the higher levy did not raise any more money than was raised the previous year. Several of those with no capital outlay mill levy had attempted to raise the 1 mill but had had the proposition defeated after a protest petition had been filed or had withdrawn the proposed levy after a petition had been filed.

Although the maximum was raised to 2 mills in 1986, it is likely that only two of the colleges will be able to raise their levy to that amount - Johnson County Community College and Hutchinson Community College.

The Legislature has appropriated funds for capital outlay purposes for vocational schools and the two community colleges which are designated as area vocational-technical schools. It is my understanding that the requests for funding from these institutions have always exceeded the funds available. Funds requested in 1985 exceeded even the \$2 million recommended in HB 2073. Adding 17 additional institutions to those eligible to apply on a competitive basis for capital outlay funds will make things extremely competitive and make it very difficult for any of the eligible 33 institutions to receive the funds they need to purchase equipment to meet business training needs in their service areas.

The Kansas Association of Community Colleges supports the provisions of HB 2073 to include community colleges among those institutions eligible for state capital outlay funding and urges the Committee to give strong consideration to a fiscal note higher than the \$2 million recommended by the Business Training Task Force.

MH:am

Kansas State Board of Education

Kansas State Education Building

120 East 10th Street Topeka, Kansas 66612-1103



Mildred McMillon
District 1

Connie Hubbell
District 4

Bill Musick
District 6

Evelyn Whitcomb
District 8

Kathleen White
District 2

Sheila Frahm
District 5

Richard M. Robl
District 7

Robert J. Clemons
District 9

Paul D. Adams
District 3

February 9, 1987

Marion (Mick) Stevens
District 10

TO: House Committee on Economic Development

FROM: State Board of Education

SUBJECT: 1987 House Bill 2073

My name is Connie Hubbell, Legislative Chairman of the State Board of Education. I appreciate the opportunity to appear before this Committee on behalf of the State Board.

House Bill 2073 authorizes community colleges to be eligible for vocational education capital outlay aid. This program was originally approved for area vocational-technical schools in 1977. The amount of money allocated under this program has varied from zero to \$2,000,000 per year. The last year money was appropriated for this program was fiscal year 1986 in the amount of \$1,500,000.

The State Board of Education supports House Bill 2073 provided additional funds are added to the program so as not to take away from the area vocational-technical schools.

It is the State Board's opinion that money must be made available to the area schools and community colleges for updating instructional equipment if we are going to attract new business to Kansas and provide our students with meaningful training to the business community.

HISTORY
AVTS CAPITAL OUTLAY AID

	<u>1977-78</u>	<u>1978-79</u>	<u>1979-80</u>	<u>1980-81</u>	<u>1981-82</u>	<u>1982-83</u>	<u>1983-84</u>	<u>1984-85</u>	<u>1985-86</u>	<u>1986-87</u>	<u>1987-88</u>
Arkansas City	\$ 100,000	\$ 150,000	\$ 150,000	\$ 100,000	\$ 45,000			\$ 50,000	\$ 230,000		
Atchison	43,077	125,000	200,000	85,000	35,000			50,000	50,000		
Beloit	185,000	125,000	128,000	80,000	40,000			40,000	100,000		
Coffeyville	300,000	200,000	225,000	100,400	60,000	N O	N O	50,000	157,000	N O	N O T
Dodge City	185,055	130,000	138,202	120,000	55,000	A P P R O P R I A T I O N	A P P R O P R I A T I O N	60,000	71,800	A P P R O P R I A T I O N	A V A I L A B L E
Emporia	126,000	207,760	200,000	137,600	55,000			50,000	60,000		
Goodland	226,400	125,000	99,843	150,000	50,000			50,000	65,500		
Kansas City	93,900	106,500	250,000	63,000	45,000			100,000	128,200		
Liberal	34,100	190,000	56,855	75,000	40,000			40,000	40,000		
Manhattan	170,000	100,000	57,100	22,500	50,000			50,000	54,000		
Newton	124,323	100,000	80,000	137,500	40,000			34,000	67,500		
Salina	61,026	185,000	130,000	89,000	50,000			50,000	70,000		
Topeka	116,119	75,740	85,000	90,000	50,000			90,000	60,000		
Wichita	235,000	180,000	200,000	175,000	95,000			200,000	180,000		
Ottawa				20,000	7,000						
Olathe				80,000	33,000			26,000	57,000*		
Pratt								60,000	109,000		
TOTAL	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 1,525,000	\$ 750,000			\$ 1,000,000	\$ 1,500,000		
SDE Amount Requested	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 1,500,000	\$ 1,525,000	\$ 750,000	\$ 1,500,000	\$ 2,000,000	\$ 1,500,000	\$ 1,500,000	\$ 1,000,000
Amount Appropriated	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 1,525,000	\$ 750,000	\$ -0-	\$ -0-	\$ 1,000,000	\$ 1,500,000	-0-	not available

*Johnson County Area Vocational-Technical School