

Approved 3/17/87  
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 Thursday, March 5, 1987 in room 423S of the Capitol.

All members were present except: All were present

Committee staff present:

Jim Wilson, Revisor  
Lynn Holt, Research  
Molly Mulloy, Secretary

Conferees appearing before the committee:

Eldon Fastrup, Board of Agriculture

Chairman Kline called the meeting to order and opened the hearing on H.B. 2517. Eldon Fastrup of the Board of Agriculture spoke in support of this bill, which was recommended by the Agriculture Task Force of the Legislative Commission on Economic Development. He explained the marketing activities of his department and stated that this bill establishes two fee fund accounts so that money can be received for use of the Kansas trademark and for other market development activities. Rep. Chronister noted that the Appropriations Committee had approved the concept of this bill on March 4. Rep. Dyck moved and Rep. Heinemann seconded to pass the bill favorably. The motion carried.

Chairman Kline told the committee that they would discuss all of the bills on which hearings had been held, beginning with those bills recommended by the Economic Development Commission.

H.B. 2479. Copies of balloon amendments for this bill were distributed (Attachment 1). Rep. Miller moved and Rep. Aylward seconded to adopt the amendments. Motion carried. Rep. Leach moved that the funding in each category on lines 0014-0015 be divided in half. Rep. Chronister seconded and the motion carried. Rep. Aylward moved to pass the bill favorably, as amended. Rep. Mead seconded. Rep. Chronister moved to insert in the bill that the funding come from the gaming revenue fund rather than the state general fund. The motion was seconded by Dyck. After some discussion, the motion failed. Discussion on the motion to pass the bill as amended continued. Rep. Mead withdrew his second of the motion to pass the bill as amended. Rep. Leach moved to reconsider the previous motion to fund the bill from the gaming fund if funds are available. Motion carried. Rep. Aylward moved the bill be passed as amended. Rep. Dyck seconded. Motion passed.

H.B. 2434 Rep. Leach moved to amend the bill to change the assessment rate from .04% to .02%. Rep. Heinemann seconded the motion. Rep. Gjerstad made a substitute motion to have the bill held over for study by the Jt. Committee on Economic Development this summer. Rep. Baker seconded and the motion carried.

H.B. 2515 Rep. Miller moved, and Rep. Moomaw seconded, to hold the bill for interim study. The motion carried.

H.B. 2514 Rep. Chronister moved to amend the bill by accepting the balloon (Attachment 2) and making the same changes to the amounts in lines 0100-0104 as in H.B. 2479 by cutting the funds by 50% and funding from gaming revenues if money is available. Rep. Aylward seconded and the motion carried. Rep. Aylward moved to pass the bill as amended. Rep. Foster seconded and the motion carried.

H.B. 2528 Rep. Aylward moved to amend the bill by striking the words "from time to time" in line 39 and inserting the words "review annually" on line 39. She also moved to strike the word "amend" in line 40. Rep. Miller seconded and the motion carried. Rep. Miller moved for a conceptual motion to change the language in the bill

CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON ECONOMIC DEVELOPMENT,

room 423S, Statehouse, at 3:30 a.m./p.m. on Thursday, March 5, 1987.

from "program completers" to "people completing program" wherever it occurred throughout the bill. Rep. Moomaw seconded and the motion carried. Lynn Holt said there was no fiscal note on this bill. Rep. Mainey moved to pass the bill as amended. Rep. Chronister seconded and the motion carried.

H.B. 2073 Jim Wilson announced that he is still working on the amendment for this bill.

H.B. 2435 Copies of the balloon were distributed (Attachment 3). Rep. Chronister moved to amend the bill to include the balloon. Rep. Heinemann seconded and the motion carried. Rep. Foster moved to pass the bill over for interim study. Rep. Baker seconded, saying that she had asked for an amendment regarding reporting any discretionary actions. Rep. Miller made a substitute motion to report the bill favorably, as amended. Rep. Aylward seconded. Rep. Baker asked if Rep. Miller would accept a friendly amendment to his motion to add a reporting procedure in sections (b) and (c). There were no objections to adding this. On the substitute motion to pass the bill favorably, as amended, the motion carried.

H.B. 2425 Copies of balloon amendments were distributed (Attachment 4). Rep. Heinemann moved that the preamble of the bill be stricken and that the balloon amendments be accepted. Rep. Chronister seconded and the motion carried. It was noted that the fiscal note was \$350,000 as stated at the Board of Agriculture hearing on March 4. Rep. Helgerson moved to amend the bill so that it would be funded from the gaming revenue fund. Rep. Gjerstad seconded the motion. After some discussion, Rep. Helgerson withdrew his motion.

Rep. Miller moved to delete the following: on lines 77-78, remove "as a result of the agricultural economy"; on line 79, delete the word "assist"; on line 87, delete the word "all"; on line 93, delete the word "powers." Rep. Heinemann seconded the motion and it carried.

Rep. Barkis moved to amend the bill by moving it to the Department of Commerce. Rep. Weimer seconded and the motion carried. Rep. Heinemann moved, and Rep. Aylward seconded, to pass it out favorably, as amended. Rep. Leach commented that if the bill were amended to the Department of Commerce, then section (c) needed to be looked at again. He moved to change section (b), line 55, from "state board of agriculture" to "secretary of commerce." Rep. Chronister seconded. Jim Wilson pointed out that references to the "Board of Agriculture" would be changed throughout the bill to "Secretary of Commerce" since Rep. Barkis' motion had carried. Rep. Leach moved to have the bill's wording remain as in the original balloon except for line 55, which would be changed from "Board of Agriculture" to "Department of Commerce" because this would force the two agencies to work together. Rep. Chronister withdrew her second of the previous motion and there was no new second. Rep. Baker moved for a substitute motion to strike the following: on lines 94-96, the words "all such contracts shall be exempt from the competitive bid requirements of KSA 75-3739 and amendments thereto" and on line 092 the words "negotiated and." Rep. Gjerstad seconded the motion. After further discussion, Rep. Baker withdrew her motion. On the previous motion to pass the bill as amended, the motion carried.

H.B. 2389 Chairman Kline announced that proponents had asked that the bill be held over to next year. The committee agreed.

H.B. 2448 Rep. Teagarden moved that lines 90-93 be deleted. Rep. Aylward seconded and the motion carried. Rep. Gjerstad offered a conceptual motion that the following words be added on line 57: "30 days for slaughter of poultry." Rep. Goossen seconded, and the motion carried. Rep. Dyck moved to amend by changing the word "may" to "shall" in line 121. Rep. Hassler seconded and the motion carried. Rep. Chronister moved to pass the bill as amended. Rep. Leach seconded and the motion carried.

Minutes for February 17, 19, 23 and 25 were approved.

The meeting adjourned at 5:30pm.



# HOUSE BILL No. 2479

By Legislative Commission on Kansas Economic Development

2-24

0017 AN ACT providing for Kansas exemplary ~~handicapped~~/person disadvantaged  
0018 employability program recognition awards.

0019 *Be it enacted by the Legislature of the State of Kansas:*

0020 Section 1. As used in this act:

0021 (a) "~~Handicapped~~/person employability program" or "em- Disadvantaged

0022 ployability program" means a program designed for the specific  
0023 purpose of providing employability services for ~~handicapped~~ disadvantaged

0024 persons so as to prepare them for gainful and suitable employ-  
0025 ment and to enhance their ability to secure and retain such  
0026 employment.

0027 ~~(b)~~ "Handicapped person" means a person who has a physi-  
0028 cal or mental disability which constitutes or results in a substan-  
0029 tial impediment to employability and who can reasonably be  
0030 expected to benefit in terms of the attainment of employability  
0031 skills from participation in an employability program.

(b) "Disadvantaged person" means a handicapped person or a person who is defined as economically disadvantaged in the federal job training partnership act.

0032 ~~(c)~~ "Public educational institution" means area vocational (d)  
0033 schools, area vocational-technical schools, community colleges,

0034 municipal universities and state educational institutions.

0035 ~~(d)~~ "State council" means the state council for employment (e)  
0036 and training.

0037 ~~(e)~~ "Kansas exemplary ~~handicapped~~/person employability (f)  
0038 program recognition award" or "Kansas recognition award"

0039 means a financial award made by this state on a competitive basis disadvantaged

0040 to a public educational institution which is operating an exem-  
0041 plary ~~handicapped~~/person employability program. disadvantaged

0042 Sec. 2. (a) Any public educational institution may establish  
0043 and provide an employability program. Service delivery area  
0044 restrictions imposed on the delivery of educational services by  
0045 public educational institutions are not applicable to employabil-

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0046 ity programs provided under this act.

0047 (b) Each public educational institution which desires to  
0048 compete for a Kansas recognition award shall provide the ser- it deems to be  
0049 vices ~~deemed~~ necessary and most appropriate to the provision of  
0050 an exemplary ~~handicapped~~ person employability program. disadvantaged  
0051 services may include, but not by way of limitation:

0052 ~~(1) Assistance in attaining minimum competency in basic~~  
0053 ~~academic skills;~~

0054 ~~(2) diagnostic and assessment services to determine voca-~~  
0055 ~~tional interests, abilities and aptitudes;~~

0056 ~~(3) employment orientation services, including instruction in~~  
0057 ~~the submission of job applications, interview techniques, job~~  
0058 ~~expectations for attendance and performance, translation of skills~~  
0059 ~~and abilities to job requirements;~~

0060 ~~(4) services to develop job specific skills;~~

0061 ~~(5) supportive services which maximize the potential of~~  
0062 ~~handicapped persons for success in employment, including~~  
0063 ~~physical and mental restoration services, interpreter services for~~  
0064 ~~the deaf, reader services and orientation and mobility services~~  
0065 ~~for the visually impaired, speech and language training, physical~~  
0066 ~~and occupational therapy;~~

0067 ~~(6) counseling, guidance, referral and placement services;~~

0068 ~~(7) on the job work experiences necessary to bridge the gap~~  
0069 ~~between employability program and employment;~~

0070 ~~(8) postemployment services necessary to assist handicapped~~  
0071 ~~persons maintain and retain employment.~~

0072 Sec. 3. In order to be eligible for a Kansas recognition award,  
0073 a public educational institution shall file an application with the  
0074 state council for evaluation of its employability program. Appli-  
0075 cations shall be on a form prescribed and furnished by the state  
0076 council and shall be filed at a time and in the manner specified  
0077 by the state council. An application shall contain the following  
0078 information:

0079 (a) The number of ~~handicapped~~ persons who participated in disadvantaged  
0080 and completed the employability program;

0081 (b) a description of the services provided under the employ-  
0082 ability program;

0083 (c) ~~the amount budgeted and expended for provision of the~~  
0084 ~~employability program;~~

0085 ~~(d)~~ the number of ~~handicapped~~ persons who, upon comple- disadvantaged  
0086 tion of the employability program, obtained or were placed in a  
0087 position of gainful employment suitable to the ~~handicapped~~  
0088 person's interests and abilities; and (d)

0089 ~~(e)~~ such additional information as the state council may re-  
0090 quire.

0091 Sec. 4. (a) The state council shall administer the provisions  
0092 of this act and shall:

0093 (1) Prescribe and adopt criteria for identification of ~~handi-~~  
0094 ~~capped persons and for specification of the services required to~~  
0095 ~~be provided for such persons in an employability program;~~ disadvantaged

0096 (2) prescribe and adopt criteria for evaluation of the services  
0097 provided by public educational institutions for ~~handicapped~~  
0098 persons in employability programs;

0099 (3) review and evaluate employability programs for effec-  
0100 tiveness in the provision of services thereunder;

0101 (4) identify the public educational institutions which are  
0102 providing the most effective employability programs as deter-  
0103 mined by ~~the number of handicapped persons provided with~~  
0104 ~~services, the number of such persons placed in gainful and~~  
0105 ~~suitable employment, and the cost effectiveness of such pro-~~  
0106 ~~grams;~~ and by the increased employment, earnings and reductions in welfare  
dependency of disadvantaged persons who participated in the program

0107 (5) select not more than five public educational institutions  
0108 which are determined to be providing effective employability  
0109 programs.

0110 (b) ~~The~~ state council shall determine the amount of each Each year,  
0111 Kansas recognition award for the public educational institutions

0112 it determines to be most deserving thereof so that the amount of  
0113 the award for the public educational institution providing the  
0114 most effective program is ~~\$50,000~~, the amount for the second  
0115 most effective program is ~~\$40,000~~, the amount for the third most  
0116 effective program is ~~\$30,000~~, the amount for the fourth most  
0117 effective program is ~~\$20,000~~, and the amount for the fifth most  
0118 effective program is ~~\$10,000~~. In the event the state council  
0119 determines that there are not five programs which are deserving not more than

0120 of a Kansas recognition award, the state council may reduce the  
0121 number of awards.

0122 Sec. 5. Each public educational institution which qualifies  
0123 for a Kansas recognition award shall be entitled to receive the  
0124 amount thereof determined by the state council. The state coun-  
0125 cil shall certify the amount due each public educational institu-  
0126 tion to the director of accounts and reports. The director of  
0127 accounts and reports shall draw warrants on the state treasurer  
0128 payable to the treasurer of each public educational institution  
0129 entitled to payment under this section upon vouchers approved  
0130 by the state council. Amounts received by a public educational  
0131 institution as a Kansas recognition award may be expended,  
0132 whether budgeted or not, for any purpose for which any other  
0133 moneys of the public educational institution may be lawfully  
0134 expended.

0135 Sec. 6. This act shall take effect and be in force from and  
0136 after its publication in the statute book.

0083 provided by public educational institutions in rural assistance  
0084 programs;

0085 (3) review and evaluate rural assistance programs for effec-  
0086 tiveness in the provision of services thereunder;

0087 (4) identify the public educational institutions which are  
0088 providing the most effective rural assistance programs ~~as deter-~~  
0089 ~~mined by the number of jobs created, new business ventures~~  
0090 ~~commenced, projects of economic activity stimulated, strategies~~  
0091 ~~developed for dealing with economic crises, and cost effective-~~  
0092 ~~ness of such programs;~~ and

0093 (5) select not more than five public educational institutions  
0094 which are determined to be providing effective rural assistance  
0095 programs.

0096 (b) ~~The~~ secretary shall determine the amount of each Kansas  
0097 rural assistance recognition award for the public educational  
0098 institutions it determines to be most deserving thereof so that the  
0099 amount of the award for the public educational institution pro-  
0100 viding the most effective program is ~~\$~~50,000, the amount for the  
0101 second most effective program is ~~\$~~40,000, the amount for the  
0102 third most effective program is ~~\$~~30,000, the amount for the fourth  
0103 most effective program is ~~\$~~20,000, and the amount for the fifth  
0104 most effective program is ~~\$~~10,000. In the event the secretary  
0105 determines that there are not five programs which are deserving  
0106 of a Kansas rural assistance recognition award, the secretary may  
0107 reduce the number of awards.

0108 Sec. 5. Each public educational institution which qualifies  
0109 for a Kansas rural assistance recognition award shall be entitled  
0110 to receive the amount thereof determined by the secretary. The  
0111 secretary shall certify the amount due each public educational  
0112 institution to the director of accounts and reports. The director of  
0113 accounts and reports shall draw warrants on the state treasurer  
0114 payable to the treasurer of each public educational institution  
0115 entitled to payment under this section upon vouchers approved  
0116 by the secretary. Amounts received by a public educational  
0117 institution as a Kansas rural assistance recognition award may be  
0118 expended, whether budgeted or not, for any purpose for which  
0119 any other moneys of the public educational institution may be

Each year,

not more than

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0047 mediate performance of services; or (4) when any statute autho-  
 0048 rizes another procedure or provides an exemption from the  
 0049 provisions of this section.

0050 The director of purchases shall make a detailed report at least  
 0051 once in each calendar quarter to the legislative coordinating  
 0052 council and the chairpersons of the senate committee on ways  
 0053 and means and the house of representatives committee on ap-  
 0054 propriations of all emergency purchases under subsection (a)(5)  
 0055 (a)(3).

0056 (b) If the amount of the purchase or sale is estimated to  
 0057 exceed approximately ~~\$5,000~~ \$10,000, sealed bids shall be soli-  
 0058 cited by notice published once in the Kansas register not less  
 0059 than 10 days before the date stated therein for the opening of  
 0060 such bids. The director of purchases may waive this publication  
 0061 of notice requirement when the director determines that a more  
 0062 timely procurement is in the best interest of the state. The  
 0063 director of purchases may also may designate a trade journal for  
 0064 such publication. The director of purchases shall also shall  
 0065 solicit such bids by sending notices by mail to all active pro-  
 0066 spective bidders known to the director. All bids shall be sealed  
 0067 when received and shall be opened in public at the hour stated  
 0068 in the notice.

0069 (c) All purchases or sales estimated to exceed approximately  
 0070 ~~\$2,000~~ \$5,000 but not more than ~~\$5,000~~ \$10,000 shall be made  
 0071 after receipt of sealed bids following at least three days' notice  
 0072 posted on a public bulletin board in the office of the director of  
 0073 purchases ~~or after the receipt of two or more bid solicitations by~~  
 0074 ~~telephone~~. The director of purchases may also may solicit sealed  
 0075 bids by mail in such cases in like manner as provided in subsec-  
 0076 tion (b).

0077 (d) All purchases or sales estimated to be approximately  
 0078 \$2,000 or less may be made either upon competitive bids or in  
 0079 the open market, in the discretion of the director of purchases  
 0080 but, so far as practicable, shall be based on at least three com-  
 0081 petitive bids and recorded as provided in K.S.A. 75-3740, and  
 0082 amendments thereto, except that the director of purchases, With  
 0083 the approval of the secretary of administration, the director of

Prepared by Department  
 of Administration

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All purchases estimated to be less than \$5,000 may be made either after the receipt of three or more bid solicitations by telephone, or after receipt of sealed bids following at least three days' notice posted on a public bulletin board in the office of the director of purchases. Such bids shall be recorded as provided in K.S.A. 75-3740, and amendments thereto.

HOUSE BILL No. 2425

PROPOSED AMENDMENTS

By Committee on Agriculture and Small Business

2-19

0017 AN ACT concerning the state board of agriculture; establishing a  
0018 division of rural initiatives; providing for duties and functions  
0019 of such division.

0020 WHEREAS, The state's agricultural economy is experiencing  
0021 an alarming rate of farm failures with such failures rippling  
0022 through the agricultural economy causing or accelerating the  
0023 collapse of associated rural business, the decline and demise of  
0024 rural communities and the loss of careers, homes and ways of  
0025 life; and

0026 WHEREAS, It is of paramount importance that the state of  
0027 Kansas, through the state board of agriculture in cooperation  
0028 with Kansas state university, proceed ~~(with urgency)~~ to become  
0029 active in the area of rural social and economic problems in efforts  
0030 to revitalize the social and economic base of Kansas upon which  
0031 to build for the future; and

expeditiously

0032 WHEREAS, The purpose of this act is to establish a program of  
0033 rural initiatives to directly assist rural communities and agribu-  
0034 sinesses in avoiding and alleviating the problems and financial  
0035 distress resulting from or associated with the adverse economic  
0036 conditions and forces which are presently experienced in agri-  
0037 culture: Now, therefore,

0038 *Be it enacted by the Legislature of the State of Kansas:*

0039 Section 1. (a) The secretary of the state board of agriculture  
0040 with the cooperation of the director of extension of Kansas state  
0041 university shall establish a rural initiatives referral program. For  
0042 the purposes of providing such ~~(assistance and)~~ program, the  
0043 secretary shall utilize the services of Kansas state university,  
0044 other state and federal agencies, county extension personnel,  
0045 municipal and community services organizations, personnel and  
0046 private business and professional agencies or services available  
0047 for such purpose. The secretary shall compile a directory of

and assistance thereunder

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0048 programs and services which may be utilized in providing the  
0049 assistance contemplated by this act.

0050 (b) A division of rural initiatives is hereby created within and  
0051 as part of the state board of agriculture. The division shall be  
0052 administered by a director appointed jointly by the secretary of  
0053 the state board of agriculture and the director of extension  
0054 services of Kansas state university. Staff required by the secre-  
0055 tary of the state board of agriculture for the purposes of imple-  
0056 menting this act shall be employed by the secretary. Personnel  
0057 employed by the secretary for the purpose of implementing this  
0058 act shall be employed as special project employees and shall be  
0059 in the unclassified service under the Kansas civil service act. The  
0060 personnel employed by the secretary for this purpose shall be  
0061 utilized in: (1) Receiving requests for assistance; and (2) deter-  
0062 mining if such assistance can best be provided by staff or by  
0063 referral to an appropriate public or private agency or party for  
0064 direct assistance.

0065 (c) Administered by the state board of agriculture, the divi-  
0066 sion of rural initiatives shall be located at Kansas state university  
0067 in Manhattan, Kansas, to facilitate a close working relationship  
0068 with Kansas state university, the Kansas center for rural initia-  
0069 tives and the Kansas state extension services.

0070 Sec. 2. (a) The division of rural initiatives shall coordinate  
0071 ~~numerous~~ functions of private organizations and state and fed-  
0072 eral agencies to facilitate assistance to rural communities in the  
0073 aggressive regeneration of rural economic bases and the revi-  
0074 talization of the quality of rural life-style. The division of rural  
0075 initiatives shall provide: (1) A ~~concerted effort toward problem~~  
0076 ~~identity and service delivery;~~ (2) a single point of contact ~~for~~  
0077 ~~assistance~~ to rural communities experiencing distress as a result  
0078 of agricultural economy; ~~and (3) a coordination~~ of services, ac-  
0079 tivities and information presently available to assist rural com-  
0080 munities. ~~The services provided by the division of rural initia-~~  
0081 ~~tives shall include direct assistance or referral in the areas of:~~  
0082 ~~Administrative~~ and fiscal management; ~~additional and alterna-~~  
0083 ~~tive sources of revenue;~~ provision for human needs; ~~expansion of~~  
0084 economy; ~~jobs creation and enhancement;~~ community aware-

the various

aid and assist

(2) a concerted effort toward problem identification  
and service delivery; (3) a compilation

; and (4) referrals to services, including but not  
limited to the areas of administrative

capital,

,

0085 ness and involvement, and location of capital sources for busi-  
0086 ness retention and expansion.

0087 (b) When assistance is requested by a rural community, all  
0088 available assistance shall be reviewed and the process of deliv-  
0089 ery shall be facilitated. ~~The assistance to communities shall be~~  
0090 ~~conducted within the community by infusion of new ideas and~~  
0091 ~~cross-application of known successes.~~

by the division

0092 (c) The secretary is hereby authorized to negotiate and enter  
0093 into contracts for the performance of the powers, duties and  
0094 functions of the ~~program of~~ rural initiatives. All such contracts  
0095 shall be exempt from the competitive bid requirements of K.S.A.  
0096 75-3739 and amendments thereto.

referral program

0097 Sec. 3. The provisions of this act shall expire on July 1, 1990.

0098 Sec. 4. This act shall take effect and be in force from and  
0099 after its publication in the statute book.