

Approved February 9, 1989  
Date

MINUTES OF THE SENATE COMMITTEE ON LABOR, INDUSTRY & SMALL BUSINESS

The meeting was called to order by Senator Alicia Salisbury at  
Chairperson

1:40 ~~am~~ p.m. on January 26, 1989 in room 527-S of the Capitol.

All members were present except:

Committee staff present:

Jerry Ann Donaldson, Kansas Legislative Research Department  
Gordon Self, Revisor of Statutes Office  
Mary Allen, Committee Secretary

Conferees appearing before the committee:

Jim Yonally, National Federation of Independent Business  
Paul Bicknell, Kansas Department of Human Resources  
Dick Pratt, Topeka, KS.  
Tom Hammond, Machinists Union, Wichita, KS.  
John Ostrowski, Kansas AFL-CIO  
Robert Anderson, Division of Workers' Compensation

The meeting was called to order by the Chairman, Senator Alicia Salisbury.

Jim Yonally, National Federation of Independent Business, appeared before the Committee concerning a possible bill request. He said that the concept of the bill would be to exempt from contributions to the Employment Security Fund those people who work only small amount of time, perhaps sixty hours a quarter or twenty hours a month. It was the decision of the Committee to wait to introduce such a bill until the matter of compliance is researched. Paul Bicknell, Chief of Contributions for the Department of Human Resources, said that he will investigate the compliance question for the Committee and report his findings as soon as possible.

Dick Pratt, a small business owner in Topeka and Chairman of the Small Business Council of the Kansas Chamber of Commerce and Industry, addressed the Committee on small business as it relates to the development of human capital. Mr. Pratt defined small business as any business with less than five hundred employees and noted that in Kansas only ninety-seven of the sixty-five thousand business establishments employ over five hundred people and approximately fifty thousand employ less than ten people. He offered suggestions for ways the state can help to insure the economic well being of small business in Kansas including the following: (1.) Establish an 800 telephonenumber, for the use of firms with less than ten employees, to provide information on services offered by the state to aid in problem solving; (2.) State should allow small businesses or retailers to use state sponsored training programs; (3.) Small Business Development Centers should give "hands on help" to small businesses with problems; (4.) Need to have information available in one location for someone who wishes to start a small business; and (5.) Develop partnerships in small town businesses.

Tom Hammond, who represents the Machinist Union in Wichita, spoke to the Committee concerning the portion of the 1987 Workers' Compensation Act which concerns Vocational Rehabilitation. He observed that he sees two problems with the new law: (1.) There needs to be a broader interpretation of the ability to perform a job of comparable wage; and (2.) There needs to be a change in the law to provide for supervision of vendors.

Mr. Hammond and John Ostrowski, Kansas AFL-CIO, indicated that a recent case in Sedgwick County, which has been decided by an Administrative Law Judge, suggests the need for procedural change within the Division of Workers' Compensation or amendments to the Workers' Compensation Act and administrative regulations pertaining to vocational rehabilitation vendors.

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON LABOR, INDUSTRY & SMALL BUSINESS

room 527-S, Statehouse, at 1:40 ~~xxx~~/p.m. on January 26, 19 89

Chairman Salisbury asked Robert Anderson, Director of the Division of Workers' Compensation, to offer at a later date any suggestions for possible amendments to the Workers' Compensation law or modification of procedures concerning vocational rehabilitation. Mr. Anderson noted that there needs to be some type of ethics panel for peer review of vendors. The Chairman requested that a list of vendors' qualifications be provided to the Committee.

The meeting was adjourned at 2:25 p.m. by the Chairman.

GUEST LIST

<u>NAME</u>	<u>REPRESENTING</u>
Jim Yonally	NFIB/Kansas Nat'l. Fed. of Independent Business
JACK MONTGOMERY	KDOC
Jed Rickett	Ks. Assoc. of Small Business
Mike [unclear]	Super D Dungs
Bob Hedges	KTA / KCC /
Tom Hammow	Mechanists