

Approved 2-28-90 Date

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

The meeting was called to order by SENATOR ALICIA SALISBURY at
Chairperson

1:30 ~~am~~/p.m. on February 21, 1990 in room 527-s of the Capitol.

All members were present ~~except~~:

Committee staff present:

Jerry Donaldson, Kansas Legislative Research Department
Phil Lowe, Secretary to the Committee

Conferees appearing before the committee:

Senator Michael Johnston, State Senate
A. J. Kotich, Department of Human Resources
Bill Clawson, Department of Human Resources
Michael Land, Vice Chairman Private Industry Council, SDA II
Terry Moore, Director of Program/Planning, SDA II

Senator Alicia Salisbury, Chairman of the Committee, called the meeting to order at 1:35 p.m.

Senator Michael Johnston, sponsor of SB 612, concerning the Employment Security Law, gave a brief overview of the bill and noted the bill has the recommendation of the Department of Human Resources. He said the bill relates to the shared work compensation program and is a worthwhile program and is only available to employers who have positive balances. Senator Salisbury said a possible amendment had been suggested on page 3, line 16, that the words "shown by the employer" be stricken. A. J. Kotich, Department of Human Resources, said that the amendment would give the employer some flexibility for good cause shown but would also give the Department some flexibility as well. Bill Clawson, Department of Human Resources, requested that the bill be further amended to strike down by the employer on page 3, line 16, and to change the effective date from July 1 to upon publication in the Kansas Register.

Senator Oleen moved that the bill be amended on page 3, line 16, by striking the words "shown by the employer", and on page 5, line 18, by inserting "Kansas Register" as the effective date. Senator Petty seconded the motion and the motion carried. Senator Oleen moved that SB 612 be recommended favorably for passage as amended. Senator Petty seconded the motion. The motion carried.

The Chairman stated that today and tomorrow the committee would continue to review the JTPA projects in the Service Delivery Areas. She called on Michael Land, Vice Chairman Private Industry Council, SDA II, who described the program in Northeast Kansas. Mr. Land stated it is their duty to see that the goals of JTPA are met. He said they provide various opportunities and serve the people of Kansas communities who really need help to improve their standard of living. Mr. Land said the JPTA is a very useful way to spend tax dollars which can only be a great benefit to the economic development of the state.

Mr. Terry Moore, Director of Programs and Planning SDA II, also outlined and explained the program and special projects. Their written testimony and a copy of the 1989 Annual Report SDA II, Private Industry Council, Inc., Northeast Kansas, are Attachment I.

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON LABOR, INDUSTRY AND SMALL BUSINESS,
room 527-S, Statehouse, at 1:30 ~~a.m.~~/p.m. on February 21, 1990.

The Chairman announced that the committee would meet Tuesday, Wednesday and Thursday of next week to hear and take action on all Senate Bills in the committee prior to the upcoming deadline.

Senator Morris moved that the minutes of the February 14, 1990, February 15, 1990, and February 16, 1990 meetings of the Committee be approved. Senator Strick seconded the motion and the motion carried.

The meeting was adjourned by the Chairman.

TESTIMONY BEFORE THE SENATE LABOR AND INDUSTRY COMMITTEE
Tuesday, February 19, 1990

Presenters: Mr. Michael Land, Vice Chair SDA II PIC
Mr. Terry Moore, Director Policy and Planning

I am pleased to be here today representing the SDA II Private Industry Council. It is always appreciated when the PICs are recognized as having an important role in directing the JTPA programs in our local communities.

Given the limited time available, I am going to assume you have an understanding of the JTPA funding and administrative structures and will concentrate my presentation on describing the program in Northeast Kansas. First, I will briefly describe how we are organized. Then I will provide you with information on who we train, what we train them in, who provides the training, and how these decisions are made.

SDA II is comprised of 17 counties in Northeast Kansas. We have a 15 member Private Industry Council which includes nine (9) private sector members and six (6) members representing other areas specified in the Law. The PIC is incorporated and has directly administered the programs and funds since October of 1987.

The public side of our public/private partnership is the Local Elected Official (LEO) Board. This past year has brought about many changes in or Local Elected Official Board as a result of changes in State policy. We now have a 13 member LEO Board which is a substantial increase from previous years. The PIC and LEO Board meet jointly every other month.

The PIC as a non profit corporation has hired a staff to provide the management of the program and has established 6 field offices across the area to serve our local communities. The offices and counties served by each office is listed in my testimony.

<u>Offices</u>	<u>Counties of Responsibility</u>
Manhattan	Riley, Wabaunsee, Pottawatomie
Junction City	Geary, Clay
Topeka	Shawnee, Osage, Jefferson
Lawrence	Douglas, Franklin, Jackson
Atchison	Atchison, Brown, Doniphan
Marysville	Marshall, Nemaha, Washington

I would like to talk about how the program works on the local level. SDA II has established a client centered case management approach to providing services. What this means is that we work with people on an individualized basis. Field staff, called Employment Marketing Representatives, are located in each field office and are responsible for client services including outreach

Attachment I

to the eligible population. When someone makes application to JTPA eligibility is determined, an assessment is done, counseling is provided, and available training options are explored. This typically takes several appointments. When appropriate training is available an Employability Development Plan is written detailing an individualized plan of service to be provided. The Representative contracts for the training and tracks the client's progress during the training period. Once training is completed, the client and Representative work together on job placement. A follow-up contact is then initiated 13 weeks after the participant leaves the program.

The PIC has also established a number of special projects to meet specific needs. I will discuss this in more detail later in my presentation.

This past year the PIC served 1,835 people in its programs. We have 1,040 persons enrolled in training during this year. These figures do not include the enrollments in special projects funded by the 8% Education funds.

To give you an idea of the kind of training services we provide, the table in your written testimony has the training activity and the numbers of persons leaving the program in each activity for this last year and the current year. This is for Title IIA only.

PARTICIPATION IN PROGRAM ACTIVITIES - TITLE IIA

	FY 89	FY 90
On-the-Job Training	257	93
Classroom Training	847	312
Work Experience	169	59
Youth Try-Out	95	38

NOTE: FY 90 figures are for a seven month period.

You can see that the program has served more people in the classroom training component. Classroom training includes occupational training as well as youth pre-employment and literacy training.

Support services are also provided including child care and transportation. In most cases we have relied upon SRS to provide the child care assistance.

The Title IIB Summer Youth program is a work experience program with a remedial education component for youth who demonstrate a need to improve their basic skills. This program is operated in the summer months only.

The Title III EDWAA program serves dislocated workers and also maintains a mix of program activities. We are finding more and more dislocated workers wanting to go back to school to receive technical training as opposed to On-the-Job Training. We attribute this to a growing recognition that the workplace is requiring more technical skills and that going to school is the best way to gain these skills. Re-location assistance is an added service available under Title III.

We have increased our level of involvement in literacy training and remedial education over the last few years. We provide funding to four literacy projects and have established five remediation sites for the summer program. The four literacy programs are heavily coordinated with the Adult Basic Education (ABE) program administered by the State Department of Education. We see this activity as one that will in all likelihood grow in coming years. We are also participating in an effort with the other PICs to improve upon our assessment of functional literacy skills and restructure our basic skill training programs.

Next I would like to address your question regarding who provides the training. Our OJT enrollments in most cases are one or two per employer. A list of our largest OJT employers (five or more) in the past two years is provided in your written testimony.

OJT EMPLOYERS WITH 5 OR MORE CONTRACTS

Landoll Corporation
Wal Mart - Atchison
Industrial Millworks
Jentronics
Bank of Horton
* Olsburg Apparel
Acme Roofing
* Designer Products
Onaga Hospital
* Goldblatt
CR Industries
* Brackett, Inc.

The employers marked by an asterisk indicate those who received Kansas Industrial Training (KIT) contracts from the Department of Commerce. The PIC coordinated services with the KIT program through the Job Training Coordinator.

In our Classroom Training component we make full use of the available training through our Area Vocational Technical Schools, Community Colleges and Private Vocational Schools. I have listed in your testimony the institutions where we have sponsored training. In these cases, we pay for tuition, books, tools, and miscellaneous expenses (e.g. uniforms) generally not to exceed \$2,000.

TRAINING AGENTS: CLASSROOM TRAINING TITLE IIA

FY89	FY90	
91	83	Kaw AVTS - Topeka
141	136	Manhattan AVTS
41	52	Northeast Kansas AVTS
14	13	North Central Kansas AVTS
10	10	Cloud County Community College
11	46	Highland Community College
3	2	Salina AVTS
2	2	Flint Hills AVTS
8	5	Kansas City AVTS
4	1	Barton County Community College
5	6	South East Kansas Community College
9	4	Fort Scott Community College
52	67	Center for Training in Business and Industry
29	58	American Career College
33	49	Topeka Technical College

As stated earlier the PIC also funds special projects to meet specific needs not being met by existing service providers. The PIC issues a Request for Proposal every two years and funds projects on a competitive basis. The projects fall into three different types of training - occupational skill training, basic educational skill training and youth pre-employment training.

The PIC has four projects that provide occupational skill training.

Washburn University Continuing Education provides two training projects.

1. The Office Training and Assessment Program is an open-entry open-exit clerical skill training program. Training includes word processing, typing, filing, office etiquette, Lotus 123, DBase III, and job seeking skills.

2. The Dental Assistant Training Institute is a new 20 week training program designed to provide entry level skills as a Dental Assistant. The curriculum was developed in cooperation with local dentists and has received numerous donations of time, equipment, and office space.

YWCA of Topeka also provides two training programs.

1. The Bank Employment Program is a customized training program for entry level employment in the banking industry. The curriculum was developed in cooperation with local bankers and involves customer relations, communication skills, banking terminology, typing, and job seeking skills.

2. The Production Training Program is a short term training program designed to prepare women for non-traditional jobs in manufacturing. Training includes physical conditioning, mechanical concepts, tool usage, survival skills in the industrial environment, and other basic skills. The project is highly targeting the Goodyear expansion in Topeka.

The PIC funds three special projects to provide basic education. Two of these projects are operated by USD #501 Topeka Adult Learning Center and USD #475 Junction City. Training includes basic skills development, preparation for the GED, and English as a Second Language. Both sites utilize computers in the classroom and provide instruction on an individualized basis. The third project is provided by Marshall County Education Coop which has as a part of its program a GED preparation component.

The last type of special project that we offer is youth pre-employment training. The PIC has contracted with six school districts in the area to provide this training. Youth pre-employment training includes training in career awareness, interviewing skills, completion of job applications, resume development, and using labor market information. This classroom training is coupled with a job experience that is either subsidized or un-subsidized. The schools with projects are:

- USD #451 Baileyville
- USD #380 Vermillion, Frankfort
- USD #497 Lawrence
- USD #288 Axtell, Bern
- USD #422 Nemaha Valley
- Marshall County Education Coop

Of our twelve special projects, five are funded by the 8% State Education Grants in cooperation with the PIC.

The PIC also contracts with the Topeka Youth Project and the Atchison Learning Center on an individualized purchase of service basis.

The next area I have been asked to cover is the occupations in which training is provided. I have provided a listing for you in your written testimony of the occupations in which 10 or more people are being trained in this year.

No. of Trainees	Occupation
141	Clerical - Secretary, Typist, Clerk
87	Medical N.E.C. (Nurse LPN and RN)
33	Manager Finance, Insurance, Real Estate
28	Clerk Production
24	Truck Driver - Heavy
24	Repair - Vehicle
18	Electronic Data Processing
16	Mechanical Engineer
16	Nurse Aid
14	Clerk - Accounting
13	Art Commercial
13	Electric, Electronic Engineering
13	Carpenter
10	Body Worker - Transportation Equipment

It is my understanding that you would like to know more about how the decisions are made on which occupations training is provided. Other than our special projects, these decisions are generally made by the Representative in each of our local communities. We expect our staff to know the local labor market and to fund training in an occupation that a person has a reasonable expectation of entering upon completion of training. The staff also uses the occupational information provided by the Department of Human Resources. Secondly, we expect the Representative to make professional judgments on whether the training is appropriate for the individual. This includes such factors as family income needs, basic skills, income needs during training, interests and other qualifications necessary to enter an occupation. Thirdly, the occupations in which training is offered depend on the availability of training including OJT training slots as well as what is offered at the vocational schools at the time of application.

The PIC also reviews labor market information provided by the Department of Human Resources and looks at past program performance data. We evaluate training programs by occupation and provider of the training. Also, agencies submitting proposals inform us as to the need for specific occupational training. Surveys are occasionally performed when specific training is being proposed to verify the need for training.

In short, the PIC uses a variety of means for determining what occupations in which to provide training.

The next area I have been asked to cover is who we serve. We establish a plan that targets certain populations based on demographic information provided by DHR. My written testimony contains a listing of the characteristics of persons in our program during the first seven months of this year.

Title IIA Participant Characteristics - FY 90

Sex	Male	40.9%
	Female	59.1%
Race	White	78.7%
	Black	15.3%
	Hispanic	3.1%
	Am. Indian	2.0%
	Asian/PI	.9%
Education	Dropout	10.3%
	HS Student	22.6%
	High School Grad	56.4%
	Post HS Attendee	10.8%
Other	Veteran	11.4%
	Welfare	28.8%
	Teen Parent	3.5%
	Food Stamp	32.6%
	Handicapped	16.2%
	Offenders	8.3%
	Displaced Homemaker	4.3%

The PIC is committed to serving those most in need of training and is continually reviewing program data to insure that targeting occurs. SDA II was the only SDA in the State this past year that met the State standards for serving targeted groups. We see taking our program even more in the direction of serving those persons with multiple barriers to employment.

One place in which a great deal of emphasis has been placed in the last two years is in serving welfare recipients. The PIC and its staff have made every effort to coordinate our services with the new KanWork program and are very pleased with the progress made in this regard. We are of course disappointed that JTPA and the Private Industry Councils were not considered as a provider for various employment and training services that will now be handled by the Department of Human Resources.

I would like to now discuss program performance. We use the performance measures required by the Federal and State government in measuring performance. SDA II received the largest incentive grant ever awarded in Kansas this past year as a result of exceeding performance expectations. Performance for last year and this year is provided in your written testimony:

TITLE IIA PERFORMANCE MEASURES - ACTUAL PERFORMANCE

		FY 89	FY 90
Adult	Entered Employment Rate	66.4%	71.0%
	Average Wage at Placement	\$5.59	\$5.98
	Welfare Entered Employment	49.7%	58.0%
	Follow-up Entered Employment	76.3%	71.2%
	Follow-up Welfare Employment	63.6%	60.3%
	Follow-up Weekly Earnings	\$208	\$230
Youth	Entered Employment Rate	53.3%	61.2%
	Employment Enhancement Rate	63.7%	75.1%
A&Y	New and Expanding Industry	16.6%	13.2%
	Female Participation Rate	58.1%	54.2%
	Minority Participation Rate	30.9%	17.0%
	Welfare Participation Rate	26.3%	25.9%

One last area I would like to discuss is the funding levels. We are quite concerned with the erosion of funding being provided under JTPA and are particularly concerned about next year. We estimate having anywhere from \$300,000 - \$550,000 reduction in funding for next fiscal year. This is partially due to funding reductions and partially due to fewer unspent dollars being carried forward from this fiscal year. We are concerned about this because of the people we see on a daily basis who need training and cannot afford it. I have provided you with an summary of SDA II funding levels over the last six years in the written testimony.

HISTORICAL FUNDING LEVELS - FUNDS AVAILABLE ALL TITLES

PY 84	3,468,452
PY 85	4,134,479
PY 86	3,469,803
PY 87	2,770,845
PY 88	2,829,837
PY 89	2,675,605
PY 90	2,118,431 (estimate)

I would like to close by saying that I have appreciated the opportunity of appearing before you today. We are pleased with what we have accomplished to date. The PIC and LEO Board invite you to attend any of our PIC meetings or visit any of our programs or local offices. Thank you for your interest.