

Approved 3-14-90
Date

MINUTES OF THE Senate COMMITTEE ON Labor, Industry and Small Business

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

1:00 ~~am~~/p.m. on March 5, 1990 in room 527-S of the Capitol.

All members were present ~~except~~

Senator Feleciano and Senator Ehrlich

Committee staff present:

Jerry Ann Donaldson, Kansas Legislative Research Department
Gordon Self, Revisor of Statutes Office
Phil Lowe, Secretary to Committee

Conferees appearing before the committee:

A quorum being present the Chairman, Senator Salisbury, called the meeting to order at 1:10 p.m. for the purpose of committee discussion and possible action on two bills which had been previously heard. SB 699 would amend the Administrative Procedures Act as it relates to the Public Employee Relations Board, and SB 698 would create a Kansas Existing Industry Training Act.

The amendment in SB 699, Section 1, page 2, subsection I, line 12, would allow the Public Employees Relations Board 60 days after the conclusion of the hearing to issue a final order. In answer to a question, the Chairman stated that the Representative from KAPE suggested that a more acceptable way of dealing with the problem was to amend the Public Employer/Employee Relations Act to allow the PERB to issue a final order at the next meeting of the Board. The Chairman stated that amending administrative procedure in to the Public Employer/Employee Relations Act would be contrary to the purpose of the Administrative Procedures Act. A technical amendment was recommended on page 2, line 12, to strike "employees" and inserting "employee", and also in the title, line 9, by striking "employees" and inserting "employee". Senator Morris moved to amend SB 699 on page 2, line 12, and also in the title, line 9, by striking the word "employees" and inserting "employee". Senator Sallee seconded the motion. The motion carried. Senator Morris moved to recommend SB 699, as amended, favorably for passage. Senator Sallee seconded the motion. The motion carried.

SB 698 creates the Kansas Existing Industry Training Act and the fiscal impact of the bill appropriates \$1,750,000 from the Economic Development Initiatives Fund for FY 1991. The Chairman stated this bill would create an additional employment training program to be administered by the Kansas Department of Education which is responsible for approving training programs. She stated that this is being done now except for the fact that area vocational technical schools in order to do the customized training programs must take money from their other operating funds to put into the customized training programs, and unlike community colleges, are not eligible to seek a supplemental appropriation. A separate line item appropriation would encourage AVT schools to provide training tailored to meet the needs of existing Kansas industry other than discouraging them, as does the existing funding mechanism. The Kansas Existing Industry Training and Kansas Industry Retraining programs on the other hand are administered by the Department of Commerce. In answer to a question about what kinds of companies received grants under KIT/KIR particularly as it pertains to 10 or less employees, the Chairman pointed out that nothing in the law or in regulations determines what kind of companies, whether large or small, receive the KIT/KIR training funds. They must be new and

Unless specifically noted, the individual remarks recorded herein have not been transcribed verbatim. Individual remarks as reported herein have not been submitted to the individuals appearing before the committee for editing or corrections.

CONTINUATION SHEET

MINUTES OF THE Senate COMMITTEE ON Labor, Industry and Small Business,
room 527-S, Statehouse, at 1:00 ~~xx~~ p.m. on March 5, 1990.

expanding industry and must have a product or a change in technology in order to qualify. (Attachment I).

The Chairman suggested that because SB 698 should have more thorough consideration than time has allowed the committee, because there is a fiscal impact of \$1,750,000, and because there is a similar bill in the Senate Economic Development Committee, that SB 698 be referred to an exempt committee. The committee may wish to request re-referral to the Senate Committee on Economic Development for further consideration. Senator Morris moved that SB 698 be referred to the Committee on Ways and Means and request that it be referred to the Senate Committee on Economic Development for any further consideration. Senator Oleen seconded the motion. The motion carried.

Senator Petty asked that the minutes reflect that the question was raised as to an amendment to SB 698, Section 5(a), page 3, line 2, by deleting the words "and expanding" for the reason that this amendment might have some value in the occurrence of scarce funds as it would narrow the target in the application.

Staff requested that the minutes also reflect that there are other technical amendments to the bill which should be made.

The meeting was adjourned by the Chairman at 1:30 p.m.

STATE OF KANSAS

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DIVISION OF THE BUDGET

MIKE HAYDEN,
Governor
MICHAEL F. O'KEEFE
Director of the Budget

Room 152-E
State Capitol Building
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March 2, 1990

The Honorable Alicia Salisbury, Chairperson
Committee on Labor, Industry and Small Business
Senate Chamber
Third Floor, Statehouse

Dear Senator Salisbury:

SUBJECT: Fiscal Note for SB 698 by Committee on Labor, Industry and Small Business

In accordance with KSA 75-3715a, the following fiscal note concerning SB 698 is respectfully submitted to your committee.

SB 698 creates an existing industry training program and provides appropriation of economic development initiatives funds for the program. The bill provides that each vocational education which has an existing industry training program or proposes to establish an industry training may apply for a program grant of up to 50 percent of the cost of the program.

Such application would be made to the Commissioner of Education for consideration. The application, to be developed by the Commissioner, shall contain: (1) a description of the scope and objectives of the existing industry training program for the year and the procedures to be utilized in accomplishing the purposes of the program; (2) the amount budgeted by the vocational education institution for operation of the program; (3) evidence of joint planning and cooperation in the establishment and operation of the program with business and industry; and (4) any additional information required by the Commissioner of Education. The amount of a program grant for a vocational education institution will be determined by the Commissioner of Education; not to exceed 50 percent of the total cost.

The appropriation provided by the bill is \$1,750,000 from the EDIF for FY 1991.

Attachment I
3-5-90

The Honorable Alicia Salisbury

March 2, 1990

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The bill appropriates \$1,750,000 from the Economic Development Initiatives Fund for FY 1991. Fiscal impact for subsequent years would be subject to appropriation. These costs are not contained in the *FY 1991 Governor's Report on the Budget*.



Michael F. O'Keefe
Director of the Budget

cc: Dale Dennis, Dept. of Education
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