

Approved 4-6-90 Date _____

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

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

8:00 a.m./p.m. on March 30, 1990 in room 527-S of the Capitol.

All members were present except:

Senator Ehrlich and Senator Strict

Committee staff present:

Jerry Donaldson, Legislative Research Department
Jim Wilson, Revisor of Statutes Office
Phil Lowe, Committee Secretary

Conferees appearing before the committee:

Robert Anderson, Division of Workers Compensation

The Chairman, Senator Salisbury, called the meeting to order for the purpose of hearing Substitute HB 3069 and HB 3036.

Sub. HB 3069 - concerning the workers compensation act; relating to the administration thereof and the provision of benefits thereunder; amending K.S.A. 44-515, 44-516, 44-518, 44-519, 44-551, 44-5a04 and 44-5a18 and K.S.A. 1989 Supp. 44-501, 44-508, 44-510, 44-510c, 44-510g, 44-512a 44-528, 44-534a and 44-556 and repealing the existing sections.

Jim Wilson, Revisor of Statutes Office, explained the bill and the amendments that were offered by the House Committee on Labor and Industry and by the House Committee of the Whole. The bill is a very complex issue and some of the major revisions are included in section 3 of the bill.

Section 3 was amended extensively by the House Committee on Labor and Industry and the House Committee of the Whole and has major changes. This section of the bill creates an advisory panel to assist the director in establishing a medical fee schedule for services rendered in connection with injuries covered by the workers compensation act. The House Committee of the Whole also adopted an amendment which allows the injured worker the right to select a health care provider of his choice.

Robert Anderson, Director, Division of Workers Compensation, said the House Labor and Industry Committee requested him to propose amendments to the workers compensation act in those areas that needed changes. He stated that the bill as amended would reduce litigation, would protect the injured worker and would make the system work more efficiently. The Director acknowledged that he could adopt this proposal by administrative rules and regulations, but would prefer that the fee schedule be codified. **Attachment I**).

The minutes of March 21, March 22 and March 28 were approved.

The meeting was adjourned at 9:00 a.m.

SECTION I-SUBSECTION B: SPECIAL PROJECTS

19. SERVICE PROVIDER: Garden City Community College

Brief Description:

This project proposed to facilitate cooperation between the local educational agency, the KanWork Project in Finney County, and JTPA. The project supported training programs which would enable 63 welfare recipients to make the transition from public assistance to work.

Final PY88 Results:

Amount of Grant: \$26,851
Total Amount Spent: \$18,300.99
Amount Deobligated: \$8,550
Number of Participants Served: 25
Entered Employment Rate: 32%
Average Wage at Placement: \$4.44/hour
Negative Termination Rate: 68%

PY89 Information:

Amount of Grant: \$48,676
Number of Participants to be Served: 92 (52 Economically Dis-
advantaged Females + 40
KanWork participants)

20. SERVICE PROVIDER: Kansas Department of Social and
Rehabilitation Services, Youth Services

Brief Description:

This was a statewide program to provide limited work experience for approximately 100 youth center students. The Youth Centers provided pre-employment skills and work maturity classroom training before the youth was placed at a worksite to gain work experience. This project was available to youth center residents at the Youth Center at Topeka, Youth Center at Larned, Youth Center at Beloit, and the Youth Center at Atchison who met criteria set out by the Youth Center.

Final PY88 Results:

Amount of Grant: \$26,322
Total Amount Spent: \$10,816
Amount Deobligated: \$10,466
Number of Participants Served: 23
Positive Termination Rate: 89%
Negative Termination Rate: 11%

PY89 Information:

Amount of Grant: \$15,855
Number of Participants to be Served: 17

SECTION I-SUBSECTION B: SPECIAL PROJECTS

D. 8% EDUCATION COORDINATION FISCAL REPORT

A Service Delivery Area I Title IIA 8% Special Projects Statement of Revenues, Expenditures, and Changes in Fund Balances for Program Year 1988 is provided below.

SERVICE DELIVERY AREA I
 Statement of Revenues, Expenditures, and
 Changes in Fund Balances - Budget and Actual-
 Title IIA 8% Education Coordination Grants
 for the Fiscal Year Ended June 30, 1989

	Title IIA 8%		
	Budget	Actual	Variance
Appropriation:	\$154,634	\$154,634	----
Expenditures:			
Administration	\$3,890	\$3,799	\$91
Supportive Services	\$0	\$0	\$0
Training	\$150,744	\$139,292	\$11,452
Fund Balances- June 30, 1989	\$154,634	\$143,091	\$11,543
			\$11,543
			=====

SECTION I-SUBSECTION B: SPECIAL PROJECTS

E. 8% EDUCATION COORDINATION PROJECT SUMMARY

1. SERVICE PROVIDER: Hutchinson High School

Brief Description:

The major emphasis of this project was to keep potential school drop-outs in school. This was accomplished through learning basic job attainment and job retention skills. Pre-employment and work maturity skills were emphasized. Thirty participants are to be served through work experience and youth try-out activities.

Final PY88 Results:

Amount of Grant: \$18,067
Number of Participants Served: 1
Positive Termination Rate: 100%

PY89 Information:

Amount of Grant: \$7,500
Number of Participants to be served: 15

2. SERVICE PROVIDER:

Brief Description: This project conducted an "occupations" class at Solomon High School and Minneapolis High School to assess and train economically disadvantaged high school students in career choices, job skills and survival skills. Field trips providing first hand experience and hands-on exposure were made to the Salina Vocational Technical School, Salina Employment and Training Office, Kansas State Industrial Reformatory and the General Motors-Leeds Plant, Union Pacific Railroad and Labor Relations Department in Kansas City. The project planned to enroll 30 students in the Occupations class and also utilized the work experience component.

Final PY88 Results:

Amount of Grant: \$28,130
Number of Participants Served: 18
Positive Termination Rate: 56%
Negative Termination Rate: 23%
Other Termination Rate (8% termination): 21%

PY89 Information:

Amount of Grant: \$27,000
Number of Participants to be served: 30

SECTION I-SUBSECTION B: SPECIAL PROJECTS

3. SERVICE PROVIDER: Northwest Kansas Educational Service Center

Brief Description:

This project provided a career development program to teach pre-employment and work maturity skills in 20 rural school districts in Northwest Kansas. Fifty special needs students were to be assessed and trained in career choices, job skills and survival skills. Field trips were taken to area industries, Vocational school and community colleges to provide first hand experience and hands-on exposure. The project also provided a provision for JTPA Work Experience and Youth Try-out components.

Final PY88 Results:

Amount of Grant: \$32,615
Number of Participants Served: 32
Positive Termination Rate: 72%
Negative Termination Rate: 11%
Other Termination Rate (8% termination): 17%

PY89 Information:

Amount of Grant: \$31,310
Number of Participants to be Served: 50

4. SERVICE PROVIDER: South Central Kansas Special Education Coop

Brief Description:

This was a School-to-Work Transition program for sixteen Special Education Students. The project included provisions for vocational assessments, classroom instruction for pre-employment, JTPA Work Experience and Youth Try-out components.

Final PY88 Results:

Amount of Grant: \$17,268
Number of Participants Served: 3 (from SDA I-see note below)
Positive Termination Rate: 29%
Negative Termination Rate: 14%
Other Termination Rate (8% termination): 57%

PY89 Information:

Amount of Grant: \$16,547.76
Number of Participants to be Served: 16

Note: This project is funded 50% by SDA I and 50% by SDA IV. The funding and the number of participants both include the amount from SDA IV.

SECTION I-SUBSECTION B: SPECIAL PROJECTS

5. SERVICE PROVIDER: Barton County Community College

Brief Description:

This project was to provide career exploration, job search, and job attainment training for 50 SRS recipients. Clients were assessed as to their education level and skills for employment. They were then placed in one of three training components:

- 1) Classroom Training for Job Specific Skills
- 2) On-the-Job Training (Coordinated with local JTPA Representative)
- 3) Direct placement in unsubsidized employment

Final PY88 Results:

Amount of Grant: \$20,040
Number of Participants Served: 39
Entered Employment Rate: 70%
Average Wage at Placement: \$4.73/hour
Negative Termination Rate: 3%
Other Termination Rate (8% termination): 27%

PY89 Information:

Amount of Grant: \$13,414
Number of Participants to be Served: 36

6. SERVICE PROVIDER: Dodge City Community College/ South West
Kansas Area Vocational Technical School

Brief Description:

This project was to provide career exploration, job search, and job attainment training for 30 SRS recipients. Clients were assessed as to their education level and skills for employment. They were then placed in one of three training components.

- 1) Classroom Training for Job Specific Skills
- 2) On-the-Job Training (Coordinated with local JTPA Representative)
- 3) Direct Placement in unsubsidized employment

Final PY88 Results:

Amount of Grant: \$22,414
Number of Participants Served: 23
Entered Employment Rate: 63%
Average Wage at Placement: \$4.79/hour
Negative Termination Rate: 20%
Other Termination Rate (8% Termination): 17%

PY89 Information:

Amount of Grant: \$21,517
Number of Participants to be Served: 30

SECTION I-SUBSECTION B: SPECIAL PROJECTS

7. SERVICE PROVIDER: Liberal Area Vocational Technical School

Brief Description:

This project was to provide assessment, counseling and entry level skill training to enhance 20 school drop-out's employability skills. This project provided pre-employment skills and placement to participants.

Final PY88 Results:

Amount of Grant: \$16,100
Number of Participants Served: 24
Entered Employment Rate: 59%
Average Wage at Placement: \$5.13/hour
Positive Termination Rate: 65%
Negative Termination Rate: 29%
Other Termination Rate (8% termination): 6%

PY89 Information:

Amount of Grant: \$15,456
Number of Participants to be served: 20

SECTION I-SUBSECTION B: SPECIAL PROJECTS

F. IIA SETASIDE AND 8% PROJECT PERFORMANCE SUMMARY

All 8% Education Coordination and Title IIA Set-Aside Special Projects were to meet these contracted performance standards:

Entered Employment Rate -- 67%
Positive Termination Rate -- 80%
Average Wage at Placement -- \$4.68/hour

The performance of projects by funding and of all projects combined is indicated below. Each individual project's performance is included in the Summary of the project.

1. IIA SET-ASIDE PROJECTS

Entered Employment Rate -- 60%
Positive Termination Rate -- 77%
Negative Termination Rate -- 23%
Average Wage at Placement -- \$4.35/hour

Number of Enrollments -- 502

2. 8% EDUCATION COORDINATION PROJECTS

Entered Employment Rate -- 43%
Positive Termination Rate -- 52%
Negative Termination Rate -- 13%
8% Termination Rate -- 35%
Average Wage at Placement -- \$4.88/hour

Number of Enrollments -- 194

3. ALL SPECIAL PROJECTS (IIA Set-Aside and 8%)

Entered Employment Rate -- 55%
Positive Termination Rate -- 70%
Negative Termination Rate -- 20%
8% Termination Rate -- 10%
Average Wage at Placement -- \$4.62/hour

Number of Enrollments -- 696

Note--An 8% termination is neither positive or negative. It means the participant has successfully completed the 8% activity.

SECTION II-TITLE IIB SUMMER YOUTH

A. FISCAL REPORT

1. A Service Delivery Area I Title IIB Summer Youth Statement of Revenues, Expenditures, and Changes in Fund Balance for Program Year 1988 is provided below.

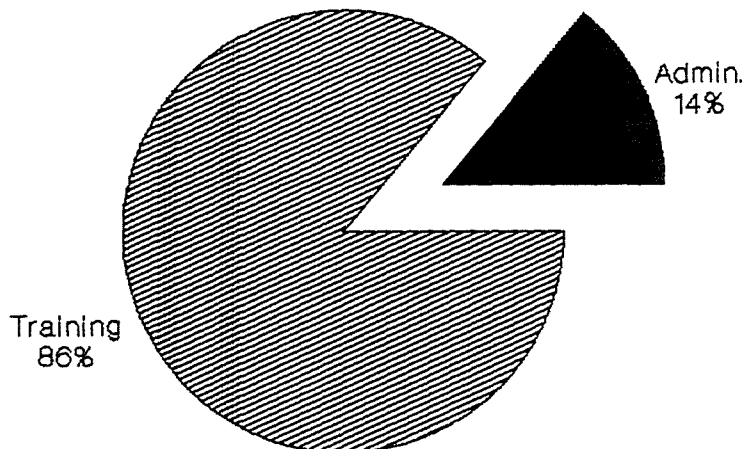
SERVICE DELIVERY AREA I
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual-
Title IIB Summer Youth
for Period Ending June 30, 1989
(Fiscal Year Ends September 30, 1989)

	Title IIB Summer Youth		
	Budget	Actual	Variance
Revenues:			
Allocation	\$704,640	\$704,640	----
Carryover From FY 1988	\$130,702	\$130,702	----
Total Revenues	\$835,342	\$835,342	----
Expenditures:			
Administration	\$83,546	\$31,005	\$52,541
Supportive Services	\$1,500	\$0	\$1,500
Training	\$750,296	\$193,961	\$556,335
Total Expenditures	\$835,342	\$224,966	\$610,376
Fund Balances- June 30, 1989			\$610,376

SECTION II-TITLE IIB SUMMER YOUTH

2. Chart 2.1 below illustrates the expenditures for the three cost categories under JTPA Title IIB: Administration, Supportive Services, and Training. Title IIB JTPA permits a 15% limit on expenditures for Administration. There are no limits on percentages of expenditures for Supportive Services and Training.

CHART 2.1
Title IIB Expenditures



NOTE: SDA I was in compliance with all JTPA mandated expenditure limits for Program Year 1988.

SECTION II-TITLE IIB SUMMER YOUTH

B. PROGRAM ACTIVITIES

1. Training Activities

A total of 755 participants were enrolled in the SDA I Summer Youth Employment and Training Program. The primary goal of this Program is to enhance the participant's work maturity skills. In an effort to attain this objective the participants work behaviors were evaluated throughout their enrollment with counseling and behavior modification programs utilized when applicable. A list of the targeted work behaviors relating to this enrollment include:

- a. Completing tasks satisfactorily
- b. Following instructions
- c. Getting along with supervisor
- d. Getting along with co-workers
- e. Dressing appropriately for job
- f. Good attendance and punctuality
- g. Notifying supervisor if late or absent

2. Remedial Education

Instruction in remedial math and reading was provided to 56 participants. These participants were assessed at the beginning of the Summer Program as being below the 7th grade math and/or reading levels. The cities in which remedial education classes were conducted and the Educational Institutions that provided the training are listed below.

<u>Class Location</u>	<u>Service Provider</u>
Garden City	Garden City Community College
Liberal	Seward County Community College
Concordia Salina	Cloud County Community College
Dodge City	Dodge City Community College
Hutchinson	Hutchinson Community College
Great Bend Hays	Barton County Community College

SECTION III-TITLE III DISLOCATED WORKER

A. FISCAL REPORT

1. A Service Delivery Area I Title III Combined Statement of Revenues, Expenditures, and Changes in Fund Balances for Program Year 1988 is provided below.

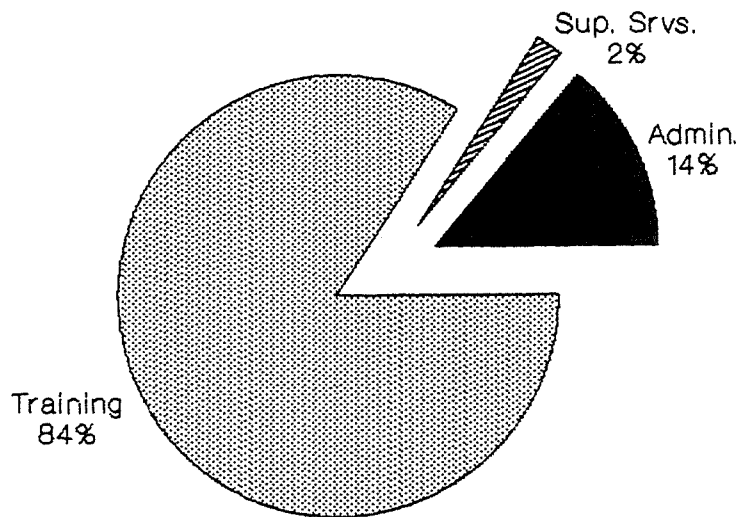
SERVICE DELIVERY AREA I
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual-
Title III Dislocated Worker
for the Fiscal Year Ended June 30, 1989

	Title III Dislocated Worker		
	Budget	Actual	Variance
Allocation:	\$147,586	\$147,586	----
Expenditures:			
Administration	\$17,647	\$17,644	\$3
Supportive Services	\$1,875	\$1,874	\$1
Training	\$128,064	\$102,980	\$25,084
Total Expenditures	\$147,586	\$122,498	\$25,088
Fund Balances- June 30, 1989			\$25,088 =====

SECTION III-TITLE III DISLOCATED WORKER

2. Chart 3.1 below illustrates the expenditures for the three cost categories under JTPA: Administration, Supportive Services, and Training. Title III JTPA permits a 15% limit on expenditures for Administration and a 30% limit on expenditures for Administration and Supportive Services combined.

CHART 3.1
Title III Expenditures



NOTE: SDA I was in compliance with all JTPA mandated expenditure limits for Program Year 1988.

SECTION III-TITLE III DISLOCATED WORKER

B. PROGRAM ACTIVITIES

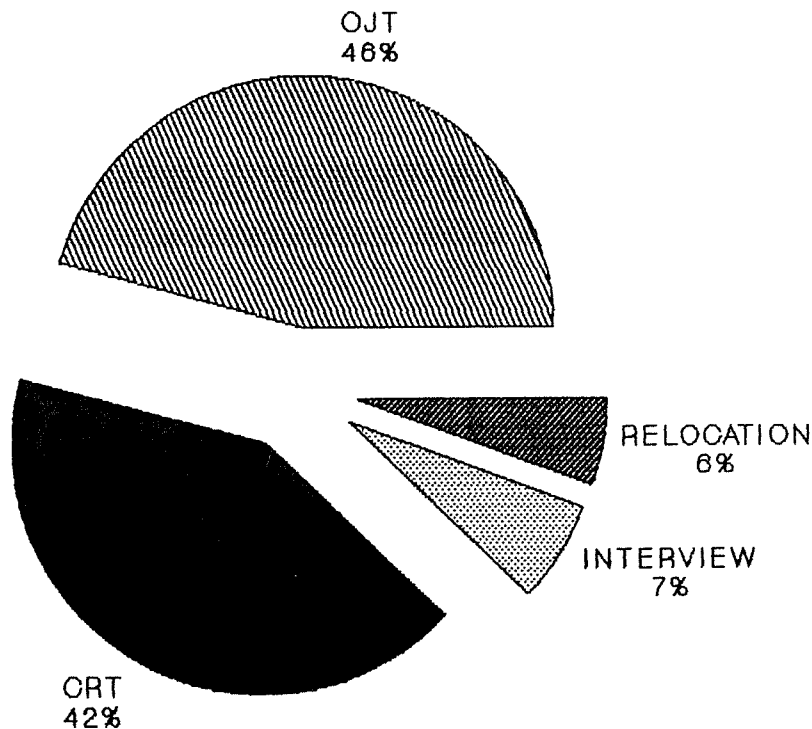
1. Training Activities

Four primary services were provided to Service Delivery Area I Title III participants during Program Year 1988:

- a. On-the-Job Training
- b. Classroom Training
- c. Relocation Assistance
- d. Interview Assistance

Chart 3.2 below illustrates the percentage of the total participants enrolled in each activity.

CHART 3.2
Title III Enrollments



Enrollments: 107
Participants: 101

- 2. The only applicable standard for the Program Year 1988 Title III Program was a 64% Entered Employment Rate. SDA I's actual performance for this standard was 93%.

SECTION IV-SUMMARY OF PROGRAM YEAR 1988

- A. A Service Delivery Area I Title IIA, Title IIB and Title III Combined Statement of Revenues, Expenditures, and Changes in Fund Balances for Program Year 1988 is provided on page 38.
- B. Chart 4.1 on page 39 illustrates Service Delivery Area I's total expenditures for the three cost categories under JTPA: Administration, Supportive Services, and Training.
- C. Chart 4.2 on page 40 illustrates the total number of Service Delivery Area I JTPA participants enrolled in each activity.
- D. In summary please note the following concerning Service Delivery Area I JTPA performance during Program Year 1988.
 - a. Total Enrollments: 2,816
Total Participants Served: 2,748
 - b. Total JTPA Funds Expended: \$2,512,736
(SDA I was within all mandated expenditure limits).
 - c. Federal Performance Standards: SDA I exceeded 5 of the 8 Federal Performance Standards. Standards not met are listed below:

	<u>Standard</u>	<u>Performance</u>
1) Average Wage at Placement	\$5.08	\$4.95
2) Follow up Weekly Earnings	\$183.00	\$176.00
3) Welfare Entered Employment Rate	64.52%	59.84%

- d. State Performance Standards: SDA I did not meet 2 of the 4 State Performance Standards. Standards not met are listed below:

	<u>Standard</u>	<u>Performance</u>
1) Percent AFDC Participants	21.20%	11.38%
2) Percent Female Participants	57.00%	49.71%

SERVICE DELIVERY AREA I
 Combined Statement of Revenues, Expenditures, and
 Changes in Fund Balances - Budget and Actual-
 Titles IIA, IIB, & III
 for the Fiscal Year Ended June 30, 1989

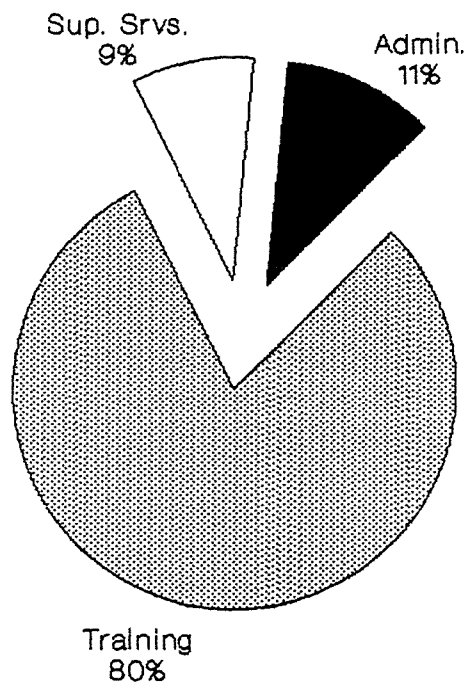
	Title IIA			Title IIB Summer Youth			Title III Dislocated Worker			Total		
	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance
Revenues:												
Allocation	\$1,781,235	\$1,781,235	----	\$704,640	\$704,640	----	\$147,586	\$147,586	----	\$2,633,461	\$2,633,461	----
Carryover From FY 1988	\$628,231	\$628,231	----	\$130,702	\$130,702	----	----	----	----	\$758,933	\$758,933	----
Incentive Grant Award	\$63,665	\$63,665	----	----	----	----	----	----	----	\$63,665	\$63,665	----
Total Revenues	\$2,473,131	\$2,473,131	----	\$835,342	\$835,342	----	\$147,586	\$147,586	----	\$3,456,059	\$3,456,059	----
Expenditures:												
Administration	\$333,495	\$216,938	\$116,557	\$83,546	\$31,005	\$52,541	\$17,647	\$17,644	\$3	\$434,688	\$265,587	\$169,101
Supportive Services	\$366,604	\$230,556	\$136,048	\$1,500	\$0	\$1,500	\$1,875	\$1,874	\$1	\$369,979	\$232,430	\$137,549
Training	\$1,773,032	\$1,717,778	\$55,254	\$750,296	\$193,961	\$556,335	\$128,064	\$102,980	\$25,084	\$2,651,392	\$2,014,719	\$636,673
Total Expenditures	\$2,473,131	\$2,165,272	\$307,859	\$835,342	\$224,966	\$610,376	\$147,586	\$122,498	\$25,088	\$3,456,059	\$2,512,736	\$943,323
Fund Balances- June 30, 1989			\$307,859			\$610,376			\$25,088			\$943,323

NOTE 1: Title IIB Summer Youth Fiscal Year ends September 30, 1989

NOTE 2: Title IIA funds include 78% and 6% funding only.

Chart 4.1 below illustrates Service Delivery Area I's total expenditures for the three cost categories under JTPA: Administration, Supportive Services, and Training.

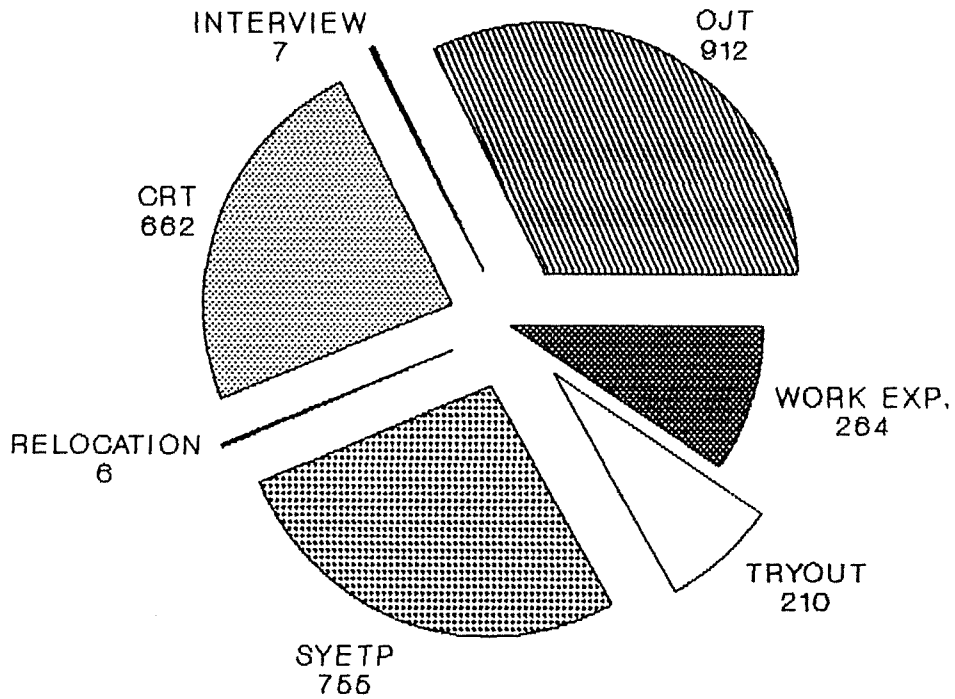
CHART 4.1
Total SDA I JTPA Expenditures
Program Year 1988



Total Expenditures= \$2,512,736

Chart 4.2 below illustrates the total number of Service Delivery Area I JTPA participants enrolled in each activity.

CHART 4.2
Total SDA I JTPA Enrollments
Program Year 1988



Total Enrollments: 2,816
Total Participants: 2,748

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SECTION V- PROGRAM YEAR 1989

FUNDING LEVELS- Table 5.1 below provides a comparison of Funds available for Service Delivery Area I JTPA during Program Years 1988 and 1989.

TABLE 5.1- COMPARISON OF FUNDING LEVELS

TITLE IIA

	PROGRAM YEAR		VARIANCE
	1988	1989	
ALLOCATION	\$1,781,235	\$1,428,636	-\$352,599 (-20%)
CARRYOVER	628,231	307,859	- 320,372 (-51%)
INCENTIVE	63,665	* 55,000	- 7,665 (-12%)
TOTAL FUNDS AVAILABLE	\$2,473,131	\$1,791,495	-\$681,636 (-28%)

Program Year 1988: July 1, 1988 thru June 30, 1989
 Program Year 1989: July 1, 1989 thru June 30, 1990

* Estimated

TITLE III
 (Dislocated Workers)

	PROGRAM YEAR		VARIANCE
	1988	1989	
ALLOCATION	\$147,586	\$173,111	+\$25,525 (+17%)

Program Year 1988: July 1, 1988 thru June 30, 1989
 Program Year 1989: July 1, 1989 thru June 30, 1990

TITLE IIB
 (Summer Youth)

	PROGRAM YEAR		VARIANCE
	1987	1988	
ALLOCATION	\$962,483	\$704,640	-\$257,843 (-27%)
CARRYOVER	111,467	130,702	+ 19,235
TOTAL FUNDS AVAILABLE	\$1,073,950	\$835,342	-\$238,608 (-22%)

Program Year 1987: October 1, 1987 thru September 30, 1988
 Program Year 1988: October 1, 1988 thru September 30, 1989