

Approved June 18, 1992  
Date

MINUTES OF THE House COMMITTEE ON Labor and Industry

The meeting was called to order by Representative Anthony Hensley  
Chairperson

~~1:35~~ ~~a.m.~~ p.m. on May 1, 1992 in room 526-S of the Capito.

All members were present except:

Committee staff present:

Jim Wilson, Revisor  
Jerry Donaldson, Principal Analyst  
Barbara Dudney, Committee Secretary

Conferees appearing before the committee:

Rep. Sherman Jones  
Tony Augusto, Director, Office of Minority Business, Kansas Dept. of Commerce

The meeting was called to order at 1:35 p.m. by chairman, Anthony Hensley.

The chairman stated that the purpose of the meeting was to discuss several bills.

The first conferee was Rep. Sherman Jones, a proponent for House Concurrent Resolution No. 5060.

Tony Augusto, Director, Office of Minority Business, Kansas Department of Commerce testified in support of HCR No. 5060 (attachment #1).

Rep. Arthur Douville moved to pass HCR 5060. Rep. Bob Grant seconded the motion. Motion carried.

Rep. Diane Gjerstad made a motion to amend to create a substitute for HB 2984. Rep. Eloise Lynch seconded.

Rep. Jan Pauls made a substitute motion to amend not to apply to church and other religious organizations. Rep. Gjerstad seconded the motion. Motion carried.

Rep. Darrell Webb made a motion to adopt substitute for HB 2984. Rep. Bob Grant seconded the motion. Motion fails.

Rep. Don Smith made a motion to approve minutes of March 31 a.m., 31 p.m. and April 1, 1992. Rep. Jack Sluiter seconded the motion. Motion carried.

Meeting adjourned 2:05 p.m.



Testimony Presented to:

HOUSE LABOR AND INDUSTRY  
COMMITTEE

MAY 1, 1992

by

Tony Augusto, Director  
Office of Minority Business  
Kansas Department of Commerce

*Labor & Industry  
4-1-92  
Attachment #1-1*

Thank you, Mr. Chairman, and members of the committee. My name is Tony Augusto, I am director of the Office of Minority Business in the Existing Industry Development Division of the Kansas Department of Commerce.

I want to express our support for House Concurrent Resolution 5060. In the past four months, two separate bills that seek to ensure minority and women owned businesses receive a share of state business have been presented. One of the bills was introduced to this committee and one to Senate Labor, Industry, and Small Business Committee. It is obvious that some people feel this is an issue important to Kansas businesses and one to which the state needs to be sensitive .

However, public policy decisions made without adequate knowledge and understanding of an issue are hard to support and can lead to mistakes. House Concurrent Resolution 5060 attempts to make sure that public policy decisions can be made that are based on a solid understanding of the participation, or lack of participation, by minority and women owned businesses in state contracts. This can be achieved through a disparity study.

Secretary Laura Nicholl and the Kansas Department of Commerce would welcome the opportunity to work with the legislature to carry out recommendations of the Resolution. We are not sure what the cost of a complete study is at this time. We are studying the possibility of a regent's school doing the research to defray the cost somewhat. Research results would be analyzed by an ad hoc advisory committee created to make recommendations to remedy problems in state contracting to minority and women business owners. The final report would provide the information needed to allow legislators to make the decision as to

how much parity is needed. We would also make a proposal, based on study information, as to what goals state agencies need to achieve to provide fair and equitable opportunities to minority and women owned businesses in state contracting.

Preliminary talks with the U.S. Department of Commerce, Economic Development Administration, reveal the possibility of federal funds available to match state funds for this project. Other federal agencies may have funds available for such a study. We would also aggressively pursue funding options that might exist in the private sector.

The work proposed will require a good deal of original data development and analysis. This issue is receiving increasing attention by both state legislatures and the courts. If Kansas wants to control the process, and attempt to keep the issue out of the courts, now may be the best time to conduct the research and discuss alternatives and recommendations.

Thank you, I would be glad to respond to questions.