

Approved: March 13, 1995  
Date

## MINUTES OF THE SENATE COMMITTEE ON COMMERCE.

The meeting was called to order by Chairperson Alicia Salisbury at 8:00 a.m. on March 9, 1995 in Room 123-S of the Capitol.

Members present: Senators Salisbury, Burke, Downey, Feleciano, Gooch, Harris, Kerr, Petty, Ranson, Reynolds, Steffes and Vidricksen.

Committee staff present: Lynne Holt, Legislative Research Department  
Jerry Donaldson, Legislative Research Department  
Bob Nugent, Revisor of Statutes  
Betty Bomar, Committee Secretary

Conferees appearing before the committee:

Johnnie L. Albertson, Associate Administrator, Small Business Development Center Program, Washington, DC  
Senator Don Sallee  
Bobbi Mariani, Division of Personnel Services

Others attending: See attached list

Johnnie L. Albertson, Associate Administrator, Small Business Development Center Program, US Small Business Administration, advised the Committee of the involvement of the Program in the State of Kansas. Ms. Albertson stated that the Small Business Development Center Program, established by Congress in 1980, is a program advocating partnership between the states and the Small Business Administration requiring a 100% match; 50% cash and 50% in-kind through management and technical assistance to small businesses. There are presently 57 Centers and a total of 940 subcenters throughout the United States with a total budget of \$74,000,000. The funding is based on the state's population. Kansas receives a total of \$800,000. The future of the Development Center Program is dependent upon the 104th Congress. There is discussion the Small Business Administration will be abolished; however, it is unknown at this time what action will be taken. Money may be cut from the Development Center Program budget as it is one of the largest recipients of money under the Small Business Administration.

Upon motion by Senator Harris, seconded by Senator Steffes, the Minutes of the March 7, 1995 and March 8, 1995 meetings were unanimously adopted.

### **SB 112 -Kansas quality program, annual report to legislature**

Senator Don Sallee, Chairman of the Joint Committee on Administrative Rules and Regulations, testified in favor of SB 112. Senator Sallee stated the proposed legislation is the result of the Joint Committee's desire to ensure Kansas Quality Management (KQM) Program report to the Legislature. The Program presently makes a report to the Secretary of Administration; however, it was learned through hearing on Rules and Regulations there is no accountability to the Legislature. This legislation requires annual reporting and sets forth certain reporting requirements.

Bobbi Mariani, Acting Assistant Director for the Division of Personnel Services and Director of the Kansas Management Administrative and Training Office, appeared in support of SB 112. Ms. Mariani informed the (KQM) program was established by Executive Order in 1992, and supported through legislation in 1994. The program was established in three phases and presently consists of 35 agencies.

Ms. Mariani advised SB 112 requires the Secretary of Administration to submit to the Legislature an annual report on the (KQM) program. The report is to include descriptions, locations and costs of the (KQM) agency training programs statewide, as well as a summary of the bonus payments that have been awarded. Cost of the reporting would be absorbed by the agency. The data on the number of state employees being

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON COMMERCE, Room 123-S Statehouse, at 8:00 a.m.  
on March 9, 1995.

trained in quality principles and information on completed team projects is presently available. With the passage of SB 112, the Administrative and Training Office is required to develop a systematic procedure to track and collect training information such as course descriptions, locations and costs. It is also necessary to develop a method to track bonus payments awarded by each agency. See attachment 1

In response to a question from Senator Reynolds, Ms. Mariani testified no bonuses had been awarded to date, due in part to the program being in operation for only one year. Ms. Mariani advised training programs are the same for management as for employees. Training is contracted out to consultants when the agency is small and the Department of Administration is unable to conduct the training. A large majority of the training is done in-house.

The Chair expressed the importance of training at the management level on the principles of quality management.

**Senator Downey moved, seconded by Senator Petty, SB 112 be amended on Page 3, Line 11, following the "comma" inserting the following: "a profile of employees and management receiving training in the programs,". The voice vote was unanimous in favor of the amendment.**

**Senator Feleciano moved, seconded by Senator Petty, SB 112 be passed as amended. The voice vote was unanimous in favor of the motion.**

**SB 327 - Change in provision of eligibility of workers compensation benefits**

Bob Nugent, Revisor, presented an overview of Senate Bill 327.

The Committee adjourned at 9:00 a.m.

The next meeting is scheduled for Friday, March 10, 1995.

SENATE COMMERCE COMMITTEE GUEST LIST

DATE: 3/9/95

NAME	REPRESENTING
Bill Jones	Acwing
Frank Sotrine	Topeka, Kan. Co. CDC (504)
JOHN SCOTT	SBA - KANSAS CITY, MO.
John Arbutson	SBA - Washington
Tom Hull	KS SBDC Wichita
Timera Fall	D of A
B. Mearns	Dept of Adm
Conie Hueser	SRS
Brent Kullmeier	Silver Lake Bank
Mark Barcellona	KDOT

**Testimony To The**  
**SENATE COMMERCE COMMITTEE**

**By**  
**Bobbi Mariani**  
**Division of Personnel Services**

**Thursday, March 9, 1995**  
**RE: Senate Bill 112**

Mr. Chairperson and members of the committee, my name is Bobbi Mariani, and I am the Acting Assistant Director for the Division of Personnel Services. I am also the Director of the Kansas Quality Management Administrative and Training Office. Thank you for the opportunity to appear before you today to discuss the implications of Senate Bill 112. The proposed bill requires the Secretary of Administration to submit to the Legislature an annual report on the Kansas quality program, known as Kansas Quality Management (KQM). This report will include descriptions, locations, and costs of the KQM agency training programs statewide, as well as a summary of the bonus payments that have been awarded.

A KQM reporting system has already been established to gather data on two things: 1) the number of state employees being trained in quality principles and 2) detailed information on completed team projects. The KQM Administrative and Training Office, part of the Division of Personnel Services, maintains a database of these reports. With the passage of this bill, the Administrative and Training Office would also be required to develop a systematic procedure to track and collect KQM training information, such as course descriptions, locations, and costs. Additionally, new reports would need to be developed to track bonus payments awarded by each agency.

The Administrative and Training Office would see an increase in the amount of work due to the annual reporting of KQM activities. The reporting procedures associated with this bill would also increase the amount of information agencies must track and provide when reporting on KQM programs.

We recognize that training programs and bonuses are key ingredients to KQM and the success of any quality initiative. Since the initiation of KQM, we have focused on the importance of training as shown by the development of several materials to instruct state employees in quality principles and practices, teams, tools, and leadership. Last year's legislation further institutionalized sound quality management within state government and provided a mechanism for the agencies to award bonuses for successful quality projects. We appreciate your continued support in setting goals to promote a more responsive, cost-effective government with involvement and decision-making from all levels of our state workforce.

Thank you for allowing me to discuss these issues with you today. I will be glad to answer any questions you might have at this time.

*March 9, 1995*  
*Commerce*

*Attachment 1*