

MINUTES OF THE HOUSE COMMITTEE ON EDUCATION.

The meeting was called to order by Chairman Bill Mason at 3:30 p.m. on February 22, 1996 in Room 519-S of the Capitol.

All members were present except:

Committee staff present: Ben Barrett, Legislative Research Department
Avis Swartzman, Revisor of Statutes
Dale Dennis, Department of Education
Beverly Renner, Committee Secretary

Conferees appearing before the committee: Mikel Miller-Kansas, Inc.
Steve Jack-Department of Commerce and Housing
Kevin Carr, Vice President of Applied Technology-Kansas
Technology Enterprise Corporation (KTEC)
Rosemary Kirby, President-Wichita Area Technical College by
letter
Bill Berry, Director-Manhattan Area Technical Center by letter

Others attending: See attached list

Chairman Mason opened the hearing on **HB 2827**-concerning transfers of administration of vocational education instructional equipment aide program to the department of commerce and housing.

Mikel Miller, Kansas, Inc., presented testimony for Charles Warren in support of **HB 2827** (Attachment 1). In a 1995 report, Kansas, Inc. put forth twenty recommendations to increase accountability and improve the effectiveness of programs designed to aid Kansas companies. This bill is a result of a number of suggested changes to improve management and reduce duplication and fragmentation. "The training equipment grants program in KTEC should be more closely coordinated with the functions of the Work Force Training Section in the Kansas Department of Commerce and Housing. The possibility of transferring responsibility for the training equipment grants to KDOC &H should also be evaluated."

Steve Jack, Manager, Workforce Training-Kansas Department of Commerce and Housing, appeared as a proponent for **HB 2827** (Attachment 2). Three workforce training programs for business and industry are currently administered; Kansas Industrial Training (KIT), Kansas Industrial Retraining (KIR) and State of Kansas Investments in Lifelong Learning (SKILL). These programs fund training projects for new, expanding and restructuring businesses and a program of training equipment grants to area technical schools and community colleges could be easily integrated.

Kevin Carr, Vice President of Applied Technology, KTEC, speaking in opposition to **HB 2827**, described the management and results of the program with the focus on upgrading technological literacy which companies need to maintain competitiveness and improvement in job skills (Attachment 3). This program fits well within KTEC's mission as the primary link between technology and postsecondary. Administrative costs are low and the program benefits companies, employees, institutions and students. The improved coordination with other training programs will resolve concerns of duplication or missed opportunity.

Letters were submitted from Rosemary A. Kirby, President of Wichita Area Technical College as an opponent and Bill Berry, Director of the Manhattan Area Technical Center who commented that a change would make little difference to his organization (Attachments 4 and 5).

Chairman Mason closed the hearing on **HB 2827**.

Representative Powers moved to table **HB 2827** and seconded by Representative Shore. Motion carried.

Chairman Mason brought **HB 2821** up for consideration.

CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON EDUCATION, Room 519-S Statehouse, at 3:30 p.m. on February 22, 1996.

Representative Horst moved to recommend favorable passage of **HB 2821**. The motion was seconded by Representative Tomlinson.

Representative Horst moved to amend **HB 2821**, line 41, by striking "conduct which caused or threatened to cause serious bodily harm to another person". Representative Shore seconded. Motion carried.

Representative O'Connor moved to amend on line 41 to insert "may constitute" and strike "constitutes". Representative Powell seconded. After discussion, Representative O'Connor withdrew her motion.

Representative O'Connor moved to pass **HB 2821** favorably, as amended. Representative Tomlinson seconded. Motion carried.

Chairman Mason brought **HB 2855** up for reconsideration.

Representative Franklin moved a conceptual amendment that any document containing religious references should be presented in a civic nature without promotion to any specific religious faith. Representative Powers seconded.

Representative Reardon moved a substitute motion to table **HB 2855**. Representative Wells seconded. Motion failed; 7 in favor and 11 opposed.

Representative Tomlinson moved a substitute amendment to strike "founding fathers and" in line 30, strike lines 31, 32, 37,38 and 39 and renumber. Representative Reardon seconded. Motion carried; 11 in favor and 8 opposed.

The meeting was adjourned at 5:32 p.m. to be continued upon adjournment tomorrow.

The next meeting is scheduled for February 23, 1996.

HOUSE EDUCATION COMMITTEE GUEST LIST

DATE: February 22, 1996

NAME	REPRESENTING
Mikel Miller	KS Inc.
Craig Grant	KNEA
Gene Neely	KNEA
Bruce Goeden	Kansas NEA
Sue Chase	KNEA
Robin Lehman	Olathe USD 233
Steve Jack	KDOCH
Kevin Can	KTEC
STEVE KEARNEY	KAAUTS
Tran Hawley	HSB
Diane Gjerstad	USD 259 - Wichita
Jim Youvalley	USD # 512
Barbara Cole	KNEA
Whitman	Intern for Leg. Morrison
Helen Stephens	BV # 229
Arum Burnth	USD 581 #
Dave DeRue	KS Council on Vocational Education

H.B. 2827
Vocational Education Instructional Equipment Aid

Testimony of
Charles R. Warren, President, Kansas, Inc.
House Committee on Education
February 20, 1996

In 1995, Kansas, Inc. completed an evaluation of selected Kansas economic development programs. A copy of the report, *Analysis of Kansas Business Assistance Programs*, has been provided to each member of the Legislature. The report contains twenty recommendations to increase accountability and improve the effectiveness of programs designed to aid Kansas companies. In the report, the Board of Directors of Kansas, Inc. suggested a number of changes to improve management and reduce duplication and fragmentation. Among the recommendations is: "The training equipment grants program in KTEC should be more closely coordinated with the functions of the Work Force Training Section in the Kansas Department of Commerce and Housing. The Possibility of transferring responsibility for the training equipment grants to KDOC&H should also be evaluated."

For several years, KTEC has managed a modest grant program, \$250,000 in FY 1996, to fund capital outlays for training equipment that will assist business in upgrading the skills of its work force. This program is successful in leveraging private dollars toward the purchase of equipment by community colleges and vocational-technical institutions. KTEC has operated the program effectively. However, based on our review, we believe that greater coordination and leverage can be achieved if the program is transferred to the Office of Work Force Training in KDOC&H. This office currently manages the Kansas Industrial Training, Kansas Industrial Retraining, and the S.K.I.L.L. programs. KDOC&H programs provide over \$10 million annually for customized business training. Among the eligible activities of these programs is the purchase of training equipment. The Office of Work Force Training has established strong working relationships with the State Department of Education and Kansas post secondary institutions. Transfer of the program would enable KDOC&H to integrate this program with its other job training functions and to ensure that equipment purchases among all four programs are coordinated. The equipment grants program should not be operated in isolation from the state's other major and ongoing investments in work force training.

House Education
2/22/96
Attachment 1

Board of Directors

Governor Bill Graves, *Co-Chair*

John Moore, *Co-Chair*

Jay Anderson • Joe Bauman • Paul Burke • John Farmer, III • Greg Jones • Gerald Karr • John Prather
Warren Schmidgall • Deryl Schuster • Vince Snowbarger • Gary Sherrer • Jack Wempe • Larry Williams

TESTIMONY ON HOUSE BILL NO. 2827

**Presented to the House Committee on Education
February 20, 1996**

**Steve Jack
Manager, Workforce Training
Kansas Department of Commerce and Housing**

I am pleased to appear before you today regarding H.B. 2827 which would transfer authority of the training equipment grants program to the Kansas Department of Commerce and Housing.

Our agency currently administers three workforce training programs for business and industry -- Kansas Industrial Training (KIT), Kansas Industrial Retraining (KIR), and State of Kansas Investments in Lifelong Learning (SKILL). These programs fund training projects for new, expanding, and restructuring businesses. In FY 1995, our agency funded innovative, customized training programs for 77 businesses in 42 communities. Once training is complete, this effort will result in the skill training of 2,908 employees in new jobs and 4,904 existing workers. State funding totaled \$4,361,000 which leveraged an additional \$6,091,000 of primarily private sector support.

A program of training equipment grants to area technical schools and community colleges could be easily integrated into our agency's workforce training efforts. Approximately 70 percent of all projects funded through the KIT, KIR, and SKILL programs utilize a local educational institution to provide at least of a portion of the training. Our agency has had a close relationship with the State Board of Education for many years.

House Education
2/22/96
Attachment 2

Not only do we call upon Department of Education staff to assist in the drafting of workforce training contracts but a representative is involved in the competitive process of awarding KIR grants. The Commissioner of Education is also a member of the Governor's Council on Workforce Training which approves all SKILL agreements.

While instructors' salaries, curriculum development, training manuals, and even some travel expenses are covered under the KIT and KIR programs, major equipment purchases are not eligible expenditures. The transfer of these equipment grants would allow our agency to create a critical mass -- bringing together training needs, training programs, and training equipment grants. It would allow us to build a more quantifiable link between these grants and jobs and job training.

According to the statute, the distribution of equipment grants is based, to a large degree, on the "potential for stimulating economic growth and enhancing employment opportunities within the state." Our agency faces this challenge every day as a part of our mission. A more integrated workforce development effort would create the critical mass to meet these challenges.

House Committee on Education
February 22, 1996

Testimony on H.B. 2827
Kevin M. Carr
Kansas Technology Enterprise Corporation

House Education
2/22/96
Attachment 3

Purpose and Role

1. Grants to postsecondary institutions for purchases of state-of-the-art equipment, enabling them to deliver technology training programs which upgrade skills for a number of Kansas businesses simultaneously.
2. Grants meet ongoing high-tech training needs of a number of industries in each region of the state. Focus is on upgrading technological literacy, which companies need to maintain competitiveness. Grants are rarely tied to a specific company expansion or relocation.
3. Money is used to purchase equipment to anchor programs and increase the institution's opportunities for leveraging industry and federal funds. Leverage factor is 7:1.
4. Rather than providing customized training for a single company, grants are used to serve a number of companies simultaneously. To date, 13 programs have served 289 companies, with 4,962 existing employees having been trained.
5. Level of training primarily includes short-courses and seminars and some full semesters, geared toward upgrading skills of existing personnel, including certification and recertification.
6. Employees benefit from increased skill level, increased earning potential, and job security.
7. Postsecondary institutions benefit from having state-of-the-art equipment, increased involvement with regional industry, and ability to provide attractive offerings for traditional students. Over 3,000 students have benefited from hands-on training relevant to regional industry.
8. This program is the primary link between the state's advanced technology programs and postsecondary education, and fits well within KTEC's role of linking academia and industry.

Review process (annual)

- Eligible applicants: all Kansas community colleges and AVTS
- Annual request for proposals, co-participation by industry
- On-site review
- Review criteria center around industry need, advancing of skills, capabilities of institution
- Input from Mid-America Manufacturing Technology Center, 29 field engineers in contact with over 1,000 manufacturing firms, as well as industry members of review committee
- Kansas State Board of Education assists in proposal review
- Recently took action to increase coordination with Department of Commerce and Housing

Management

- Total administrative costs approximately \$7,000 (salaries, marketing, evaluation)
- Industry expertise contributed at no cost
- Semi-annual tracking surveys
- Annual site visit by staff (Topeka and Great Bend offices)
- Marketing through newsletters, MAMTC field engineers, and postsecondary institutions
- Close ties to MAMTC field engineers

Summary of Results, FY90-FY95

- * \$971,000 KTEC funds awarded to initiate 14 programs (13 active sites as of end FY95)
- * 289 companies served (each company counted once per year participating)
- * 4,962 employees of these companies trained
- * 3,016 students trained
- * Funds leveraged:

Industry	\$2,280,000	
Federal	3,293,000	
Institutional resources	<u>1,316,000</u>	
TOTAL leverage	\$6,889,000	(7:1 ratio to KTEC funds)

Existing programs (FY90-FY95 KTEC investment: \$971,000):

- | | |
|--------------------------------|--|
| Cowley County Comm. College | * Aviation powerplant mechanics
* Aviation airframe mechanics |
| Garden City Comm. College | * Industrial technologies
* Electronics & computer controls |
| Ft. Scott Comm. College | * Telecommunications center |
| Hutchinson Comm. College | * On-site industrial training
* Computer-integrated manufacturing |
| Kansas City Ks. Comm. College | * Real-time instrumentation technology simulation
* Environmental services mobile lab |
| Pratt Comm. College | * Non-destructive inspection lab
* Quality control management skills |
| Wichita Area Technical College | * Retraining manufacturing skills
* Computer-aided design and manufacturing |

New projects in implementation stage (FY96 KTEC investment \$250,000):

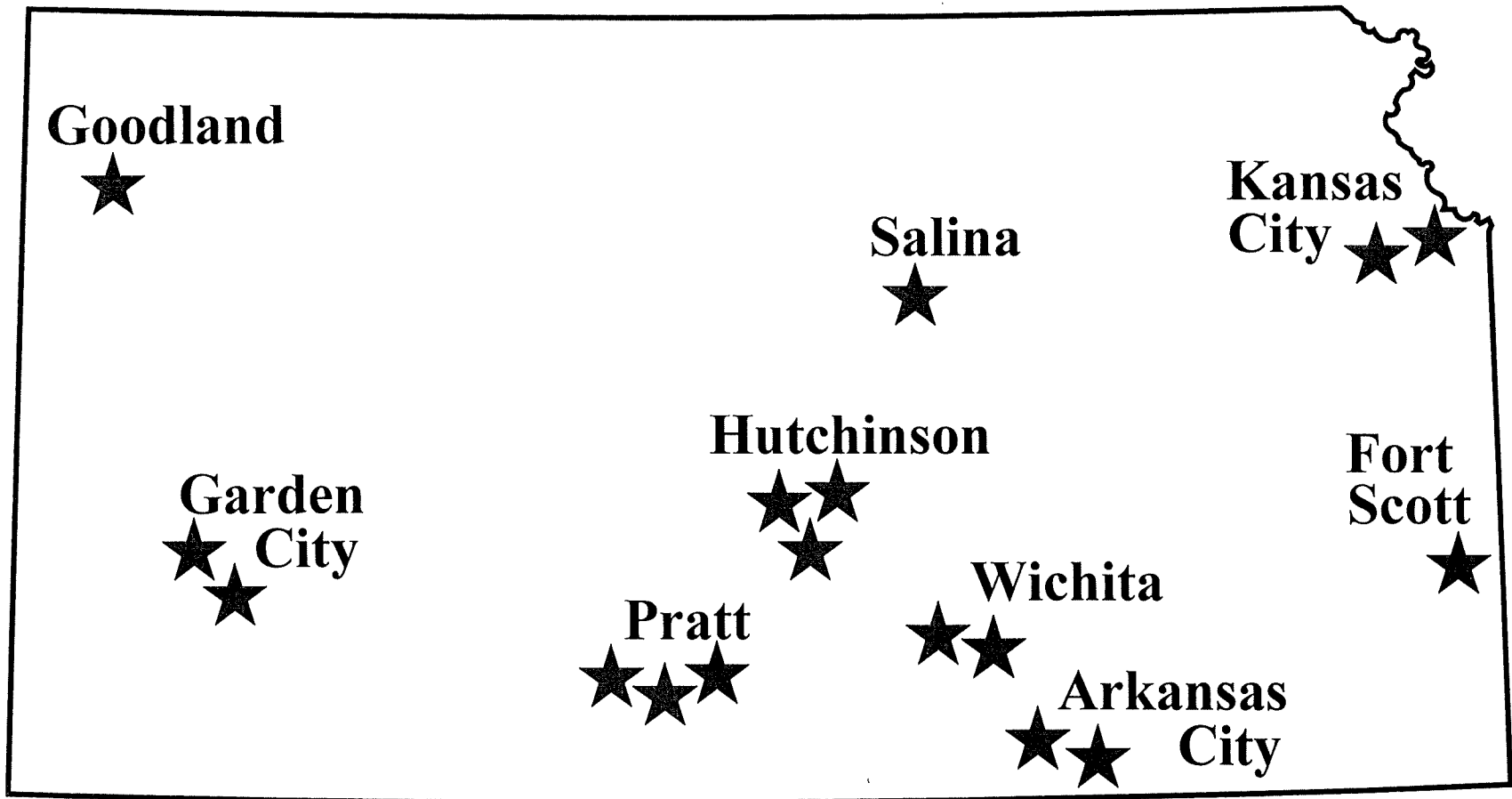
Hutchinson Comm. College	* In-factory emergency medical response
Northwest Ks. Technical School	* Interactive television training lab
Pratt Comm. College	* Teleconferencing facility
Salina Area Voc.-Tech. School	* Glass manufacturing technology center

Attached: Map of active and newly approved programs; program guidelines

Summary

- Fits well within KTEC's mission/primary link between technology program and postsecondary
- Fulfills need for enhancing competitive position of our existing companies
- Each facility provides training opportunities to a number of companies simultaneously
- Strong involvement by industry
- Results are very positive
- Administrative costs are low
- Benefits reach companies, employees, institutions, and students
- Improved coordination with other training programs will resolve concerns of duplication or missed opportunity

TRAINING EQUIPMENT GRANT LOCATIONS





KANSAS
TECHNOLOGY
ENTERPRISE
CORPORATION

KTEC's mission is to create and maintain employment by fostering innovation, stimulating commercialization, and promoting the growth and expansion of Kansas businesses.

**Training Equipment Grant Fund
Community Colleges and Area Vocational Technical Schools
Fiscal Year 1996 Guidelines**

The Kansas Technology Enterprise Corporation (KTEC) will provide equipment grants to Community Colleges and Area Vocational Technical Schools for the purpose of enhancing economic development in Kansas. The Kansas State Department of Education (KSDE) and the Mid-America Manufacturing Technology Center (MAMTC) will assist in proposal evaluation.

Philosophy

Training Equipment Grants are utilized to purchase needed equipment in the training and retraining of Kansans for jobs in new or existing business and industry. Successful grants will require a dollar for dollar match in new outside money.

Projects with the greatest potential for meeting training needs demanded by Kansas industry will receive the highest priority. Direct industry involvement in the program is of utmost importance.

GUIDELINES AND PROCEDURES

Eligible Applicants

Eligible applicants are Community Colleges and Area Vocational Technical Schools. Only one proposal per institution may be submitted.

Use of Grant Proceeds

Grant proceeds may only be used to purchase new equipment and cover installation costs. Construction, renovation, service, insurance, operation, and maintenance costs are not allowed.

Equipment purchased must be industrial training equipment, and generally should not include general instructional equipment such as personal computers, office equipment, and supplies.

Matching Fund Requirements

Dollar for dollar match from outside sources is the minimum requirement. Match may be in the form of cash, new state-of-the-art equipment, or installation costs. Additional match is encouraged, and will be taken into account in the evaluation process. Additional match may be derived from corporate, foundation, government or institutional sources, with corporate match given highest priority. Ownership of the equipment rests with the institution.

214 W. 6th, First Floor ■ Topeka, KS 66603-3719

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EOE

Application Procedure

- (a) Cover page with title, institution, and signatures of responsible officials of the institution;
- (b) Proposal narrative of five pages or less addressing:
 - (1) projected impact on particular industries which address training needs both now and several years into the future;
 - (2) potential for assisting particular companies;
 - (3) types of skills to be developed;
 - (4) utilization of the equipment; and
 - (5) how the equipment fits within the mission of the institution;
- (c) Level of corporate interaction, including letters of support; and
- (d) Budget:
 - (1) breakdown of the use of KTEC and matching funds;
 - (2) price quotations from vendors, reflecting standard educational discount and dated no earlier than October 1, 1994.
 - (3) model numbers, product descriptions and dates of manufacture.

Proposals must be signed by the authorized officer of the institution.

Review Process

- 1. KSDE, KTEC and MAMTC will review each proposal and formulate recommendations to the KTEC Board of Directors, which holds final approval authority.
- 2. Decisions will be communicated to proposers within sixty days of submittal.

Reporting Requirements

- 1. Every six months following announcement of the grant, KTEC staff will request a report on the impact of the project.
- 2. Site visits will occasionally be conducted by KTEC staff and affiliates.
- 3. Appropriate acknowledgment of KTEC support in papers, publications and presentations is appreciated.

Contact for Information

Kansas Technology Enterprise Corp.
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WICHITA AREA
TECHNICAL
COLLEGE

February 20, 1996

The Honorable Bill Mason
Chairman, House Education Committee
State Capitol, Rm 446-N
300 S.W. 10th Ave.
Topeka, KS 66612-1504

Dear Rep. Mason:

It is my understanding that HB 2827 was to be discussed this afternoon. I had hoped to get this short note to you before that time, but time just didn't allow. . .

As you are discussing, KIT, KIR and KTEC, please keep in mind the original intent of these funding sources and the law under which they were developed. My personal preference would be that you leave KIT and KIR with the Department of Commerce and the training equipment grants with KTEC. The primary link between the state's advanced technology programs and postsecondary education fits well within KTEC's role of linking academia and industry.

These are just a few thoughts for your consideration . . . if I can provide you with other information, please give me a call . . . thanks.

With regards,

Rosemary A. Kirby
President

clm



The TECHNICAL CENTER
MANHATTAN AREA TECHNICAL CENTER

February 20, 1996

Rep. William G. Mason
House Education Committee Chair
Kansas Statehouse, Room 446-N
Topeka, KS 66612-1504

Dear Representative Mason:

In regard to H.B. 2827, it is my feeling that the Kansas Association of Area Vocational-Technical Schools members would support me when I say that it makes little difference to us as to the location of the instructional equipment aid source. It is critical, however, that KIT, KIR and SKILL funding opportunities not be co-mingled with innovative grants available from K-TEC.

KIT, KIR, and SKILL funding opportunities are very business/company intensive and specific in terms of the identification of the applicant/recipient company. The dollars are earmarked for training for employment, are date specific, and pertain to an identified new or expanding employment/training need within that particular company.

The K-TECH grants are typically available for innovative programs in area vocational-technical schools, technical colleges, and community colleges in Kansas, based on competitive application. The students in these programs benefit greatly from the experience with new, technologically advanced equipment.

The intent of the two funding sources, K-TECH, and KIT/KIR/SKIL, are very different and should remain that way.

If you or your committee members have questions, please contact me.

Sincerely,

Bill Berry
Director

President
Kansas Association of Area Vocational-Technical Schools

House Education
2/22/96