

Approved: 2-24-99
Date

MINUTES OF THE HOUSE COMMITTEE ON BUSINESS, COMMERCE AND LABOR.

The meeting was called to order by Chairperson Al Lane at 9:10 a.m. on February 22, 1999 in Room 521-S of the Capitol.

All members were present except: Rep. Broderick Henderson - excused
Rep. David Huff - excused

Committee staff present: Bob Nugent, Revisor of Statutes
Jerry Donaldson, Legislative Research Department
Dennis Hodgins, Legislative Research Department
Bev Adams, Committee Secretary

Conferees appearing before the committee: Rep. Bob Grant
Jim DeHoff AFL/CIO

Others attending: See attached list

Rep. Beggs made a motion to approve the minutes of February 16 and 17 as written. Rep. Ruff seconded the motion. The motion carried.

Hearing on: HB 2380 - KIT and KIR funding for apprenticeship programs.

Rep. Bob Grant appeared as the author of the bill. He explained that it would allow state registered apprenticeship programs to apply for training funds or grants. The Training Grants are available from the Kansas Department of Commerce & Housing, and application is made to the Kansas Industrial Training Program (KIT) and the Kansas Industrial Retraining Program (KIR). (See Attachment 1)

Jim DeHoff, Kansas AFL/CIO, appeared before the committee in support of the bill. They are looking forward to the opportunity to apply for KIT and KIR Training Funds to expand and update training. (See Attachment 2)

Steve Jack, Manager, Business Finance and Workforce Training, Kansas Department of Commerce & Housing Business Development Division, appeared before the committee to make a few comments. He explained that the amendment would add apprenticeship programs to the definition of eligible job training agencies. The KIT and KIR programs approach the development of a trained workforce in most cases in a slightly different manner than most apprenticeship programs. They believe the existing statute clearly allows for training provided by any qualified training provider including those entities delivering apprenticeship programs. (See Attachment 3)

Tom Slattery, Executive Vice-President, Associated General Contractors of Kansas and a member of the State Apprenticeship Council, stated from the audience that his association also supports the bill.

No others were present to testify for or against the bill and Chairman Lane closed the hearing.

Final Action on: HB 2380 - KIT and KIR funding for apprenticeship programs.

Rep. Grant made a motion to pass out the bill favorably and to place it on the Consent Calendar. It was seconded by Rep. Swenson. The motion passed.

The meeting was adjourned at 9:25 a.m.

The next meeting is scheduled for February 23, 1999.

ROBERT "BOB" GRANT
REPRESENTATIVE, 2ND DISTRICT
MOST OF CRAWFORD COUNTY
AND PART OF CHEROKEE AND
NEOSHO COUNTIES
407 W. MAGNOLIA
CHEROKEE, KANSAS 66724



TOPEKA

HOUSE OF
REPRESENTATIVES

COMMITTEE ASSIGNMENTS
MEMBER: BUSINESS, COMMERCE AND LABOR
FINANCIAL INSTITUTIONS
INSURANCE
TRANSPORTATION
FISCAL OVERSIGHT

FEBRUARY 22, 1999

TESTIMONY ON HOUSE BILL 2380

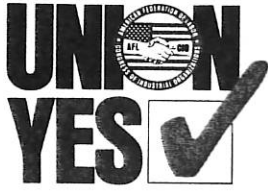
MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE:

HOUSE BILL 2380 WOULD ADD LANGUAGE TO KS 74-5065 THAT WOULD ALLOW STATE REGISTERED APPRENTICESHIP PROGRAMS TO APPLY FOR TRAINING FUNDS OR GRANTS. THE TRAINING GRANTS ARE AVAILABLE FROM THE KANSAS DEPARTMENT OF COMMERCE & HOUSING, AND APPLICATION IS MADE TO THE KANSAS INDUSTRIAL TRAINING PROGRAM (KIT) AND THE KANSAS INDUSTRIAL RETRAINING PROGRAM (KIR).

THE TRAINING GRANTS REPRESENT LOTTERY MONEY (EDIF FUNDS) AND ARE MADE AVAILABLE FOR A NEW EXPANDING BUSINESS, NEW EMPLOYEES OR RESTRUCTURING OF AN EXISTING BUSINESS WHICH INCLUDES UPDATED TRAINING FOR NEW TECHNOLOGY.

ALL THIS LEGISLATION SEEKS TO DO IS PROVIDE THE OPPORTUNITY FOR APPRENTICESHIP PROGRAMS THAT ARE REGISTERED THROUGH THE KANSAS STATE APPRENTICESHIP COUNCIL TO APPLY FOR THE KIT AND KIR GRANTS.

HOUSE BUSINESS, COMMERCE & LABOR COMM.
2-22-99
Attachment 1



President

Ron Eldridge

Executive Secretary
Treasurer

Jim DeHoff

Executive Vice
President

Wayne Maichel

Executive Board

Richard Aldrich

Melany Barnes

Mike Bellinger

Clyde Bracken

Bill Brynds

Gary Buresh

Jessie Cornejo

David Han

Jim Hastings

Tom Hutton

Jerry Johnson

Greg Jones

Earl Kanatzar

Wil Leiker

Frank Mueller

Dwayne Peaslee

Emil Ramirez

Craig Rider

Gary Russell

Debbie Snow

Betty Vines

House Commerce & Labor

Testimony HB 2380

Presented by: Jim DeHoff, Executive Secretary Treasurer, Kansas AFL CIO

February 22, 1999

Mr. Chairman and Committee members, my name is Jim DeHoff, Executive Secretary Treasurer of the Kansas AFL CIO.

I appear before you today in support of HB 2380. HB 2380 makes a very small change to KSA 74-5065 that would allow state apprenticeship programs that are registered through the Kansas Apprenticeship Council to apply for training grants through the Kansas Department of Commerce & Housing. The grant applications would be submitted to the Kansas Industrial Training Program (KIT) or the Kansas Industrial Retraining Program (KIR).

The Kansas Industrial Training Program is a program that is used for new and expanding businesses, and the Kansas Industrial Retraining Program is for employees who are likely to be displaced due to obsolete or inadequate job skills or knowledge.

There are 155 State Apprenticeship Programs registered in the State of Kansas. There are 900 employers in registered apprenticeship. These employers represent a variety of industries, for example, construction, manufacturers, auto mechanics and numerous other businesses.

As of 12/31/98 there were 1,089 apprentices registered in the State of Kansas. 2/3 of the apprenticeship programs in Kansas are non-union and 1/3 are union sponsored training programs.

Apprentices have to complete a very extensive training program that is usually on the job training along with required hours of classroom instruction. Many return to school after completing their apprenticeship to upgrade their skills to meet new technology changes.

Workers who are trained in apprenticeship schools are the most skilled workers in Kansas.

We are asking for the opportunity to apply for KIT & KIR Training Funds to expand and update training. This will help Kansas business and workers prepare for the future. We are asking that you pass HB 2380 favorably.

Thank you.

HOUSE BUSINESS, COMMERCE & LABOR COMM.
2-22-99
Attachment 2



**Testimony on HB 2380
Presented to The House Committee on Business, Commerce and Labor**

**by Steve Jack
Manager, Business Finance and Workforce Training
Kansas Development of Commerce & Housing
Business Development Division
February 22, 1999**

It is a pleasure today to be able to comment on House Bill 2380 which would modify the existing statute which established the Kansas Industrial Training (KIT) and Kansas Industrial Retraining (KIR) programs. This amendment would add apprenticeship programs to the definition of eligible job training agencies.

A trained workforce is vital to our state's ability to respond to changing technology and the increasing globalization of the world's economy. Apprenticeship programs play a crucial role in the development of skills throughout our workforce. The KIT and KIR programs, because of their unique missions, approach the development of a trained workforce in most cases in a slightly different manner than most apprenticeship programs.

The KIT program funds job training for new or expanding industries which are creating new jobs. The KIR program retrains existing employees who are likely to be displaced because of obsolete or inadequate job skills and knowledge. The KIR program targets those industries which are restructuring their operations through incorporation of new technology or diversification of production. The statute requires the Secretary to adopt appropriate priorities for "basic industries" which include manufacturing, distribution, and national service firms.

The programs are intended to respond quickly to short-term training projects targeted at an immediate need with a specific company or group of companies. In order to best accomplish this mission, our agency primarily contracts directly with the company adding or retaining jobs. In several cases, though, we have contracted with a community college, a technical school, a

university, or the Mid-America Manufacturing Technology Center (MAMTC) to train a consortium of companies with similar training needs.

The current law allows for our agency to consider proposals from “any public or private educational or job training institution and any other public or private entity which is qualified to provide the training or retraining under the KIT and KIR programs.” We believe the existing statute clearly allows for training provided by any qualified training provider including those entities delivering apprenticeship programs. We would welcome the opportunity to discuss projects with any provider of training for employees of appropriate, specific companies filling newly created positions or for existing employees of these companies who are likely to be displaced.

It also appears that a drafting error was made on page 2 of the bill. Section (i), lines 2 through 5, on the second page is not language currently in the KIT and KIR statute (74-5065).