

Approved: \_\_\_\_\_  
Date

## MINUTES OF THE HOUSE COMMITTEE ON ECONOMIC DEVELOPMENT

The meeting was called to order by Chairperson Bill Mason at 12:30 p.m. on March 25, 1999 in Room 423-S of the Capitol.

All members were present except: Representative Kuether - Excused  
Representative Bonnie Sharp - Excused  
Representative Susan Wagle - Excused  
Representative Weiland - Excused

Committee staff present: April Holman, Legislative Research Department  
Rose Marie Glatt, Committee Secretary

Conferees appearing before the committee:  
John Montgomery, Committee Chairman, Governor's Military Affairs  
Coordinating Council

Others attending: See Attached

Mr. Montgomery introduced the three other members of the Governor's Military Affairs Coordinating Council (GMAC): Major General Greg Gardner, Andy Chandler and Robert Arter. Governor Graves formed a nine person committee, whose members have military installations in their areas, in July, 1998. Their mission is to bring awareness, to the citizens of Kansas, of the significant role the military plays in the state. The program is also about recognition of the patriotism, volunteer involvement and the job that the military personnel perform. He briefed the committee on the current and upcoming activities of the committee, which includes issues associated with potential base closings. This program currently exists in Georgia, Texas, California and Kentucky.

He distributed a new brochure entitled *The Military's Role in the Kansas Economy* (Attachment 1). It will be distributed to Legislators, Chamber's of Commerce, Civic Clubs and any other appropriate organizations. He invited members to distribute copies as well.

He distributed and reviewed copies of data pertaining to the economic impact of major Kansas military installations, classified by monetary value and number of defense civilians associated with those installations (Attachment 2).

Chairman Mason congratulated the Governor on the formulation of the committee and the members for their willingness to serve. He spoke of the loss of public support for the military, however believes that there may be a resurgence of patriotism. He cited the six day "Celebration of Freedom" in his community as an example.

Discussion followed regarding the economic impact of the military, possibility of more base closures in 2001 and 2003 and the importance of maintaining the existing installations at a state of the art level.

Representative Campbell moved that the minutes of the March 23<sup>rd</sup> meeting be approved. Representative Compton seconded and the motion carried.

The Chairman adjourned the meeting at 12:50 p.m.



## LABOR TRENDS

Recruiting military alumni makes good business sense, especially when you consider the outlook for our labor force.

Trends in today's work force look bleak for business recruiting. According to the Bureau of Labor Statistics, by the year 2000, the number of 25- to 34-year-olds entering the labor force is expected to decrease by more than 12%. The number of 16- to 24-year-olds

ing the work force over the next several years will decrease nearly 7%.

## KEEP THEM IN KANSAS

Kansas military bases and their alumni are too important to our economic stability to ignore. And it's crucial to keep military alumni in Kansas, especially as they move into the private sector. Find out more about what you can do to help keep these valuable resources in Kansas. Call:

**GMACC**  
Kansas Department of Commerce & Housing  
785-296-5298  
700 SW Harrison, Suite 1300  
Topeka, KS 66603-3712

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The GMACC was created in 1998 by executive order of Governor Bill Graves to enhance the state's military presence to the mutual benefit of the military and the state of Kansas.

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# THE MILITARY'S ROLE IN THE KANSAS ECONOMY

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Economic Development  
March 26  
Attachment 1

## HELPING KANSAS GROW

Kansas military bases generate nearly \$1.3 billion for our economy with payrolls representing more than 50% of this expenditure. That's an economic impact we can't afford to lose. One key to helping our Kansas economy grow is keeping military personnel who have left active duty by hiring them in the private sector.

By providing jobs for these highly skilled veterans, you can continue to grow the economy and add valuable people to your payrolls.

Kansas military personnel and their families support all aspects of our communities with their social and educational contributions and their positive economic impact on entertainment, goods and services.

The Governor's Military Affairs Coordinating Council (GMACC) understands the importance of the economic impact that military bases, families and retirees have on Kansas. It's committed to the growth of Kansas through this valuable resource. It's dedicated to promoting Kansas as a desired location for military retirement.

In partnership with all Kansans, the GMACC will play an active role in enhancing the quality of life for all military personnel stationed in Kansas and their families.

## THE SMART CHOICE

In addition to the strong economic impact made by the military's presence in Kansas, it makes sense to look at military alumni for highly skilled labor.

When you consider the high costs of recruiting and training, it's a smart business move to tap into a talent pool of highly trained and educated candidates. Military alumni have a strong sense of mission, exceptional leadership skills and experience managing budgets larger than many major civilian corporations.

### THEY'RE ALSO HIGHLY EDUCATED

- *95% of military officers hold college degrees*
- *More than 40% of military officers hold graduate degrees*
- *More than 15% of military enlisted personnel hold college degrees*
- *More than 90% of new recruits have completed high school*
- *Military personnel receive extensive training throughout their military careers*

Ex-military personnel know what it takes to be effective team players, especially under pressure. They're problem solvers with exceptional organizational skills. They're employees who will exceed your expectations.

They've been trained as CEOs and upper management, teachers, pilots, engineers and nurses. They're heavy equipment operators and truck drivers. And they've worked with the most advanced computer and communications technology in the world.

And that's a smart choice.

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"It's in our best interest to bolster our already strong military presence in Kansas, recognizing that our bases provide thousands of jobs and bring nearly \$1.3 billion to the Kansas economy. Equally important are the contributions military families make to enriching our communities. This makes it crucial to our state's economy to keep military personnel in Kansas after they leave active duty."

Kansas Governor  
Bill Graves



## MAJOR KANSAS MILITARY INSTALLATIONS

Ft. Riley	
payrolls	\$ 452,000,000
expenditures	<u>104,000,000</u>
total	\$ 556,000,000
Ft. Leavenworth	
payrolls	\$ 204,000,000
expenditures	<u>100,000,000</u>
total	\$ 304,000,000
McConnell Airforce Base	
payrolls	\$ 230,000,000
expenditures	<u>20,000,000</u>
total	\$ 250,000,000
TOTALS	\$1,110,000,000
Kansas Guard Reserves, Etc.	
total	<u>\$ 200,000,000</u>
	\$1,310,000,000

## PEOPLE EMPLOYED AND SERVED

Ft. Riley	
employees	26,000
retirees	16,000
Ft. Leavenworth	
employees & inmates	14,000
retirees	9,000
McConnell	
employees & retirees	<u>10,000</u>
total people	75,000

Economic Development  
MARCH 26, 1999  
Attachment 2