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

The meeting was called to order by Chairperson Al Lane at 9:10 a.m. on January 13, 2000 in Room 521-S of the Capitol.

All members were present except:   Rep. Jerry Aday - excused
Rep. Broderick Henderson - excused
Rep. Rick Rehorn - excused
Rep. John Toplikar - 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:   Karen Johnson, National Conference of State Legislatures
David Shreve, National Conference of State Legislatures
Tracy Schmidt, National Conference of State Legislatures

Others attending: See attached list

Chairman Lane opened the meeting by welcoming Rep. Candy Ruff back to the country after her trip to Russia. He also introduced new committee members, Rep. Dan Johnson and Rep. Mike O'Neal.

Karen Johnson, Director of Employment and Training Project, National Conference of State Legislatures (NCSL), Washington, D. C., appeared before the committee to report on the "Kansas Workforce System Review." About three years ago she acquired some funds to invest in a project in Kansas and Missouri to study how many training programs were conducted and how much money was being spent on these programs. It was NCSL's experience that no one person in the states that were asked could tell her how many training programs there were, how much money the state spent, or what the other agencies were doing. She found that in Kansas we were spending about $400 million per year for training programs. NCSL is now in the second stage of the project. They are looking at the system and finding the strengths and weaknesses to make a recommendation about what level of involvement in developing the system the Legislature should take.

A copy of the review is located in Chairman Lane's office, 115-S, for anyone who would like to read the report. Listed in the review outline are the required actions, suggested actions and optional actions that NCSL has developed to help the legislature decide what its role will be in the reforming of Kansas' workforce system.

Ms. Johnson introduced the others who were in Kansas to report to the Kansas Legislature: David Shreve, Committee Director for the Assembly on Federal Issues that has the Education, Job Training and Labor Issues; Tracy Schmidt, Research Analyst; and Steve Smith, Staff Assistant.

David Shreve started by giving a quick overview of 25 years of history about Workforce Development Programs. These programs have always been thought of as social programs. The clients were people who didn't have a job, or had dropped out of school, had lost their job, or needed upgraded training. The attitude has changed during the last few years and these programs are no longer being looked at as social programs for disadvantaged people. Today there are 100,000 vacant jobs in the State of Kansas, many vacant because of the lack of trained bodies to fill the jobs. The clients today are not just individuals looking for employment but businesses that need workers.

Since the 1960's when workforce development coment started, the states were left out of the equation. These programs worked from the top down beginning with Congress and passed down through federal agencies to the communities and non-profit agencies. With the Workforce Investment Act of 1998, the state legislatures are now becoming involved. In the study done by Ms. Johnson, it was found that a client would need to go to several different agencies to find all the needed services that were offered. With these multiple barriers for

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employment and the multiple processes to get services, the client almost made it a career to go to the several agencies to get the benefits they needed. The Workforce Investment Act has encouraged us to develop a way to centralize services - a one-stop method of finding and utilizing all the services needed to find employment. Many states are now in the process of changing their systems to a seamless service thus eliminating most of the barriers.

The Workforce Investment Act of 1998 requires three things of state legislatures; 1) That the legislatures form a workforce board and assign legislators to serve as part on the board, 2) all federal training dollars go through the appropriation process, and 3) the inclusion of vocational education programs into their plan.

Tracy Schmidt talked about the state's role in developing a system. She gave many examples to the committee about the many structural changes that other states have made to reform their programs. She said that the most effective system should be client driven, outcome focused, adaptable, coordinated, and locally controlled. The federal guidelines leave room for the state to be creative in plans to customize their program to the needs of workers in their individual state. Suggestions were made to move Kansas programs from five agencies to one agency with common intake and common assessment on one computer system. She suggested that the legislature could strengthen Secretary Beyer's position by mandating agencies to harmonize the boundaries between different agencies.

Kansas is scheduled to implement the opening of seven "One Stop" centers by July 1, 2000. Ms. Johnson told the committee that if any help is needed in Kansas that the NCSL has technical assistance available.

After the NCSL people answered several questions from the committee members, the meeting was adjourned at 10:08 a.m.

The next scheduled meeting will be January 19, 2000.

# HOUSE BUSINESS, COMMERCE & LABOR COMMITTEE
## GUEST LIST

DATE _January 13, 2000_

| NAME | REPRESENTING |
|------|--------------|
| Tracy Schmidt | Nat'l. Conference of State Legislatures |
| Steve Smith | NCSL |
| Arlene M. Grabul | SEAP - So. Central KA |
| Paul Johnson | PACK |
| David Shreve | NCSL |
| Karen Johnson | NCSL |
| Linda J. Weaver | KDHR |
| Armand Corpolongo | KDHR |
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