Approved: 2/19/08
Date

MINUTES OF THE HOUSE COMMERCE AND LABOR COMMITTEE

The meeting was called to order by Chairman Steve Brunk at 9:15 A.M. on January 31, 2008 in Room 784 of the DSOB.

All members were present except:

Brenda Landwehr- excused

Candy Ruff- excused Kasha Kelley- excused Mario Goico-excused Mike Kiegerl-excused

Committee staff present:

Jerry Ann Donaldson, Kansas Legislative Research Department Jill Wolters, Office of Revisor of Statutes Renae Jefferies, Office of Revisor of Statutes Stephen Bainum, Committee Assistant

Conferees appearing before the committee:

David Kerr, Secretary, Department of Commerce

Rae Anne Davis, Deputy Secretary of Workforce Services, Department of Commerce

Blake Flanders, Director of Workforce Training & Education Services, Department of Commerce

Keith Meyers, Director of Training Services, Department of Commerce

Others attending: See attached list.

The chairman called for any Bill Introductions. Natalie Bright, Government Affairs Consultant for the Wichita Independent Business Association introduced a bill about Age Discrimination, making Kansas law compliant with the Federal Age Law. It was received without objection.

Sherry Diel, Executive Director, Kansas Real Estate Commission introduced a bill about Amendments to real estate brokers' and salespersons' license act; advertising. It was also received without objection.

Representative Huntington asked Secretary Kerr if Commerce could do the same thing with the same amount of money as the Travel and Tourism Commission. Secretary Kerr stressed the need for grass roots support for travel and tourism. If the initiative does not move forward Commerce needs to form an advisory board to ensure that we have broad based support from the people in the industry. He stressed that Commerce has not cut the budget for travel and tourism.

Secretary Kerr introduced Rae Anne Davis, Blake Flanders and Keith Meyers who shared the explanation of a PowerPoint presentation about Training Programs, Workforce Services and KansasWorks (Attachment 1).

Representative Grant asked how much Federal money was received for these programs. Rae Anne replied that it was about 20 million dollars. The amount is dependent upon the unemployment rate in Kansas.

Representative Brunk asked if Commerce had discretion regarding how the money was divided. Rae Anne said that they had absolutely no discretion and the division of funds was driven by the Federal formula. Neither was the 10% set aside discretionary except that they do not say in what area it must be spent.

Secretary Kerr said that they were trying to build in more flexibility to meet immediate needs for companies.

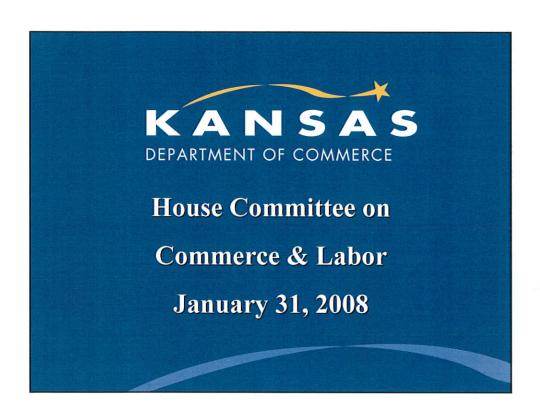
Representative Huntington said that the Joint Economic Development Committee had proposed that we write our congressmen to designate training for those 55 and older. They are now included in adult training. Rae Anne said that in Kansas those 55 and older are a priority group.

Rae Anne continued with an explanation of the KansasWorks Program. She discussed the role of higher education and the problems of under supply and over supply of graduates in particular areas. She concluded with recommendations for KansasWorks State Board to develop.

The meeting was adjourned at 10:30 AM. The next meeting is scheduled for February 6, 2008.

COMMERCE & LABOR COMMITTEE DATE: 1-31-08

| NAME | REPRESENTING |
|--------------------|----------------------------|
| Blake Flanders | Commerce / Regents |
| SARIN KERR | |
| Rae Anne Davis | Commerce |
| D. KEITH MEYERS | COMMERCE |
| Natales Bright | Society Human Resource Man |
| Jacquellan Koenler | Kausas Inc. |
| Leigh Reck | Rep. Gordon |
| Haila Went | KZHI |
| BOEN Brownll | The Kansas Chamber |
| Sherry ODiel | KS Real Estate Commission |
| Luke Bell | Ks Assoc. of REALTORS |
| Anstin Hayden | Hen |
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Kansas Department of Commerce

Mission: To Deliver the Highest Level of Business Development, Workforce and Marketing Services That Build a Healthy and Expanding Kansas Economy.

House Commerce & Labor
Date: 1-31-08
Attachment # 1

Workforce Services Vision

Provide economic prosperity for Kansas by leading an effective workforce system

Mission

Provide workforce solutions to Kansas businesses and job seekers

Guiding Principles

- Focus our limited resources to have the biggest impact.
- Use the State's resources strategically to build training capacity.
- Develop a sustainable workforce.

Training Programs FY 2007

- KIT, KIR and IMPACT State Programs
 - 9,769 individuals trained
- Workforce Investment System Federal Programs
 - 56,488 Kansans received services
 - 3,811 individuals trained statewide
 - Training services delivered through 5 local areas

Kansas Workforce Services

- Two WIRED Projects
- Offender Re-Entry
- Reaching Out to Kansans
- Workforce System Branding



Kansas Workforce Services

- Workforce Recruitment
- Disability Navigator Grant
- National Emergency Grants
- Collaboration with Kansas Postsecondary System

Positioning Kansas for Competitive Advantage



Aligning Key Industry Clusters and Occupations With Postsecondary Education and Workforce Development

Aligning Higher Education with the Economy in Kansas

- KANSASWORKS State Board, Kansas Department of Commerce, Kansas Board of Regents and Kansas, Inc. funded study.
- Tasks: industry and occupational analysis; employer surveys; promising practices research; focus groups and survey of postsecondary institutions; policy benchmarking; and supply/demand analysis.

Undersupply

Generally, we can say that there appears to be a shortage of individuals with knowledge and skills in the areas of:

- · Accounting-related
- [Some] Information Technology-related
- · Aviation-related
- · Protective Services-related
- [Some] Agricultural-related
- Engineering (civil, chemical, industrial)
- Business/Banking/Finance
- Health Care-related
- Skilled Trades (electrician, carpenter, welder, tool and die)

Oversupply

<u>Generally</u>, we can say that there appears to be an oversupply of graduates from programs that are:

- · [Some] Agricultural-related
- Family and Consumer sciences
- Theology/Philosophy-related
- Law (lawyers, paralegals, etc.)
- Fine Arts (creative writing, drama, music, theater, design, etc.)
- Psychology (including various kinds of counseling)

Oversupply

- · Library Science
- · Political Science
- Economics and Statistics-related
- Biological and Natural Sciences
- Languages
- [Some] Information technology-related
- History-related
- Social Sciences

Key Finding

Undersupply is more often related to technical occupations requiring <u>less than four years</u> of postsecondary education.

Conclusions and Recommendations

- Repeat supply-demand analysis at the regional level.
- Implement cost adjustments for high cost technical programs.
- Provide "seed capital" for regional sector/cluster initiatives, and require research into root causes
- Restrict the use of federal program training monies to certain targeted occupations

Conclusions and Recommendations

- Set quantified goals for closing specific gaps.
- Put the common core course project back on track and mandate common course numbering and transfer of credits for a core set of courses.
- Develop a message campaign that highlights the importance of postsecondary education and specific skills.

KANSASWORKS State Board Response

- Taskforce Appointed to Review Study in Depth
 - Shared workforce study with key stakeholders.
- Taskforce Recommendations:
 - Create list of demand occupations
 - · Establish specific numerical goals
 - Message campaign
 - KANSASWORKS State Board as convener
 - KBOR common core course project
- Next Step: Taskforce to develop action plan and timeline

