

Approved: 3/21/07  
Date

## MINUTES OF THE HOUSE COMMERCE AND LABOR COMMITTEE

The meeting was called to order by Chairman Steve Brunk at 9:11 A.M. on March 15, 2007 in Room 231-N of the Capitol.

All members were present except:  
Brenda Landwehr- excused  
Mario Goico- excused

Committee staff present:  
Jerry Ann Donaldson, Kansas Legislative Research Department  
Duston Slinkard, Office of Revisor of Statutes  
Stephen Bainum, Committee Assistant

Conferees appearing before the committee:  
Natalie Bright, Governmental Relations, Conlee Consulting Group, Inc  
Chris Howe, Director, Kansas Division of Purchases  
Ron Passmore, President/CEO of KETCH

Others attending:  
See attached list.

The Chairman made a report of the results of the Conference Committee on **SB 83**. Compromises were made by both sides and a good agreement was made. We have added something called the Tennessee plan or Virginia plan, a combination of the two. It looks like we have a good bill which was signed by the six members of the Conference Committee and should be acted upon today.

The meeting was then turned over to the Vice Chairman, Mike Kiegerl to present the results of the Commerce and Labor Subcommittee on SUTA Error Rate. He explained that they were still getting the necessary signatures on the document so that they could not pass it out now. However, a solution was found for solving the technical error rate by the Department of Labor. First, they would modify the Secretary's authority to change the rules and regulations. Second, they would require the registration of all applicants identified as likely to exhaust benefits. Third, they would require the registration of all applicants by 2010 by combining the process into a single step electronic process. As soon as the signatures are obtained we will bring to report back to you for action.

The Vice Chairman introduced Natalie Bright, Governmental Relations, Conlee Consulting Group, Inc. She presented a 12 page report called the Kansas State Use Law Usage Report for July 2005 to June 2006 to the committee (Attachment 1). She was representing a non-profit group that employs the blind and disabled.

Chris Howe, Director, Kansas Division of Purchase made a presentation to the committee about the State Use Committee. He said that during the 2005 Session, State Use Laws were changed, creating the State Use Committee. The Committee meets quarterly and provides an opportunity for State Use Vendors and Customers to interact with each other. Some Catalog Vendors make their products available through the State of Kansas office supplies contractor, Corporate Express. Several ways of measuring the success of the Committee were listed.

Ron Pasmore, President/CEO of KETCH made a report to the Committee. He indicated that they employed over 600 people. He said that the SUL Committee had met seven times since its inception with very good results. Some of the highlights are an updated SUL web site that offers online purchasing and establishing a time line for the production of the SUL catalogue. The most important benefit has been the face to face communication the Committee has provided.

Representative Ruiz asked if there was a place on the website where they could inquire about the school districts compliance with the law. Ron said that the report that Natalie handed out shows usage and we have more detailed information which we can supply.

Representative Ruff asked if the 600 employees were in one location. Ron said that the 600 represent all of the vendors that supply the products. What is the average wage per hour of those who work in your program? Ron said that in KETCH the wages are based on \$7.50 per hour.

## CONTINUATION SHEET

MINUTES OF THE House Commerce and Labor Committee at 9:11 A.M. on March 15, 2007 in Room 231-N of the Capitol.

However they are paid on productivity governed by the Department of Labor. The actual rate is based on the piece rate.

Representative Teitze asked if the purchasing was available to individuals. Ron said they had customers other than the State Use. They have a large customer base.

The Vice Chairman commented that their work was meritorious and deserving of support. There being no further questions or conferees the committee was adjourned at 9:40 A.M.