

MINUTES OF THE HOUSE ECONOMIC DEVELOPMENT COMMITTEE

The meeting was called to order by Chairperson Lana Gordon at 3:30 P.M. on February 7, 2006 in Room 526-S of the Capitol.

All members were present except:

Anthony Brown- Absent
Richard Carlson- Absent
John Grange- Excused

Committee staff present:

Audrey Dunkel, Kansas Legislative Research Department
Rena Jefferies, Revisor of Statutes
Helen Pedigo, Revisor of Statutes
Carlene Maag, Committee Secretary

Conferees appearing before the committee:

Blake Flanders, Director of Career and Technical Education, Kansas Board of Regents
Jim Garner, Secretary, Kansas Department of Labor

Others attending:

See attached list.

Chairperson Gordon welcomed Blake Flanders, Director of Career and Technical Education, Kansas Board of Regents to the Committee. Mr. Flanders gave a general overview of his unique role in workforce development, the partnership between the Board of Regents and Department of Commerce and examples of current workforce development projects.

The Kansas 1st Blueprint, Executive Reorganization Order (ERO) 31, and the Kansas Economic Growth Act (KEGA) all contributed to the establishment of the Kansas 1st Initiative.

As a liaison to Kansas 1st, it is the goal of Mr. Flanders to strengthen the linkage between business, the postsecondary education and the training system.

Prior to Kansas 1st, Commerce gave companies money to help offset the cost of training workers for new jobs and job retention. The state of Kansas paid repeatedly for the same curriculum for each company client. Under the direct training service model, Kansas will pay for curriculum one time and customize it for individual companies.

The Career and Technical Education unit leads a system of technical education, provides state administration for the federally funded Carl Perkins Grant, and strives to identify limitations to program capacity.

A nursing shortage exists in Kansas. Implementing nationwide strategies and initiatives within the state, Kansas has been successful in attracting individuals to careers in health care. (Attachment 1)

Mr. Flanders provided the Committee with a report which addressed the resources needed and a time line for rebuilding the infrastructure to accommodate up to 250 more nursing student admissions annually (Attachment 2)

Another area that represents a job shortage in Kansas is the gas and oil field. Unlike the nursing program, there are not people waiting in line to get into this field. It is thought a better job needs to be done to promote a career ladder in this field.

Workforce Development is a complex issue and will not be easy to solve.

Chairperson Gordon welcomed new committee member Representative Ann Mah. She will replace Representative Annie Kuether.

Secretary Jim Garner from the Kansas Department of Labor gave an overview of the Economic Growth in

CONTINUATION SHEET

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Kansas and an overview of the Kansas Labor Market in 2005.

The 2012 occupation project list will likely have nursing at the top of the job shortage list.

There are three tools used in gathering data.

- Survey of households
- Monthly survey of approximately 4,500 Kansas Employers
- Quarterly wage report

Workforce statistics have been collected in Kansas as early as 1890. The Bureau of Labor Statistics (BLS) provides financial support. BLS requirements ensure this information is unbiased and free from political interpretation.

The majority of surveys conducted are voluntary and have a return rate from 75 to 90%.

The overview of 2005 show the Kansas economy continued to recover from the recession that followed the terrorist attacks of 2001. The number of working Kansans reached a record level in July 2005. Kansas has had 22 consecutive months of job growth. There has been consistent growth in key sectors that create good paying, highly skilled jobs. Even though manufacturing employment is still below pre-recession levels, job numbers are rising in the industry.

In 2005, Kansas's unemployment rate was relatively stable ranging from a low of 4.3% in December to a high of 5.85% in January. Unemployment in December 2005 was the lowest since December 2001.

Improvements in the Kansas economy will result in a lower tax bill for many Kansas employers in 2006.

In assessing the economy, it is necessary to look at the number of jobs in Kansas. The highest number of jobs was recorded in November and December 2005. (Attachment 3)

Discussion followed the presentation.

A motion was made by Representative Hill and Seconded by Representative Wolf to approve the minutes from the meetings of January 24 and 26. A vote was taken, motion passed.

The meeting was adjourned at 4:40 pm. The next meeting is scheduled for February 9.