

MINUTES OF THE HOUSE COMMERCE AND LABOR COMMITTEE

The meeting was called to order by Chairman Don Dahl at 9:00 a.m. on March 10, 2004 in Room 241-N of the Capitol.

All members were present except:

Representative Rob Boyer- excused

Committee staff present:

Jerry Ann Donaldson, Legislative Research Department

Norm Furse, Revisor of Statutes

Renae Jefferies, Revisor of Statutes

June Evans, Committee Secretary

Conferees appearing before the committee: Wayne Maichel, Kansas Department of Human Resources
Senator Lana Oleen
Shirley Spittles, Director of Field Services, North Central
Flint Hills Area Agency on Aging, Inc.
Craig Kaberline, Executive Director,
Kansas Area Agency on Aging Association
Jim Snyder, Kansas Silver Haired Legislative Council
Matt Jordan, Director of Community Development,
Department of Commerce
Sherry Diel, Executive Director, Kansas Real Estate
Commission
Bill Yanek, KAR Director of Governmental Relations,
Kansas Association of Realtors

Others attending:

See Attached List.

The Chairman called the meeting to order and stated the first item of business would be continuation of the hearing on **SB 483 - Employment security laws; disqualification from receipt of benefits.** There were some questions yesterday regarding how a person working part-time was eligible for unemployment benefits. The Department of Human Resources was contacted and they will respond to questions in that regard today.

Wayne Maichel, The Kansas Department of Human Resources, stated a part-time employee can qualify for partial unemployment benefits but not the maximum of \$351.00 per week. If an employee's salary is \$200 per week, they receive 25% after the first \$50 is forgiven. Anything over that would be deducted dollar per dollar. Fifty dollars would be written off, leaving \$150, and the employee would draw \$100 in unemployment benefits. The Department of Human Resources thinks this is a good thing. With the large number of layoffs of people in the aircraft industry, some of them are teaching one day a week and draw unemployment for the rest of the week. Sometimes these jobs work into full-time employment. The part-time employees have to qualify just the same as a full-time employee. They must be ready, available and looking for work. If they turn down work they are not available and therefore not eligible for unemployment benefits. A card is sent out every month and if there is not a reply, unemployment is ceased. Incarcerated inmates can not receive unemployment benefits. It is difficult to administer when the information is handled on the telephone.

It was asked if employees are eligible for unemployment when they are fired because of a positive drug test?

Mr. Maichel responded, yes, they are eligible because they were not fired due to anything with their job performance. Most employers do not put their employees on the rolls before receiving results of the drug tests.

The Chairman closed the hearing on **SB 483.**

CONTINUATION SHEET

MINUTES OF THE HOUSE COMMERCE AND LABOR COMMITTEE at 9:00 a.m. on March 10, 2004 in Room 241-N of the Capitol.

The Chairman opening the hearing on **HB 2908 - Membership of state and local workforce investment boards; local board advisory committees.**

Staff gave a briefing on **HB 2908** stating the board would include one older Kansan who has received assistance from a nonprofit agency or organization or public body providing services through the older Kansans employment program.

Senator Lana Oleen testified as a proponent to **HB 2908**. Prior to 2000, the federal government provided funding targeted for older workers for workforce development through the Job Training Partnership Act (JTPA). The "older worker" is designated by persons of age 55 or more. In 1999, federal workforce development funds were consolidated under one program called the Workforce Investment Act (WIA) Older workers workforce development funding is in the same pool of money as all other Kansans seeking workforce development. Older workers are a unique population with unique needs, and that age population continues to grow in Kansas. There would be very little fiscal impact as there is no salary involved, just mileage which is provided by federal grants. It would add depth to have older people on the board (Attachment 1).

Shirley Spittles, Director of Field Services, North Central-Flint Hills Area Agency on Aging, Inc., testified as a proponent to **HB 2908**. This bill is an act concerning the membership of the state workforce investment board and local workforce investment boards in the state of Kansas. It also provides for an advisory committee to each local workforce investment board. Older workers need representation on all five local boards and on the state workforce investment board. Representation on the boards would provide an opportunity for input into the plans and provide a forum for understanding into the special needs of older workers. This awareness would enhance the opportunity for funding to provide employment and training services for innovative specialized projects to serve older job seekers (Attachment 2).

Craig Kaberline, Executive Director, Kansas Area Agencies on Aging Association (K4A), testified in support of **HB 2908**. K4A's mission is to work to improve services and supports for all older Kansans and their care givers. K4A represents all eleven Area Agencies on Aging (AAA) who coordinate services for seniors in all 105 counties of Kansas. We would like the phrase "Kansans aged 55 and over shall be designated as a special population group under the Workforce Investment Act (WIA)" added under (d), line 37. (Attachment 3).

Jim Snyder, Kansas Silver Haired Legislative Council, testified in support of **HB 2908**. This supports older Kansans who wish to or have to re-enter the work force. The Kansas Silver Haired Legislative Council would recommend an amendment by inserting after the period on line 15, the sentence, "Kansans aged 55 and over shall be designated as a special target population under the Workforce Investment Act" (Attachment 4).

Matt Jordan, Director of Community Development, Kansas Department of Commerce, stated the Department requested no action be taken on **HB 2908**. The Department does not oppose the intent of the bill. Rather, Commerce believes there are very important issues raised by this proposal that deserve careful study and consideration. The Governor's Executive Reorganization Order #31 will consolidate the workforce training programs of the Department of Commerce and the Department of Human Resources as a part of the Administration's continuing search for changes in government to better serve Kansans. In light of these important changes to the state's workforce system, Commerce believes it is prudent to delay action on this bill until the next legislative session. As was stated earlier, Commerce plans to make changes to the current system to ensure that all Kansans have access to meaningful employment opportunities.

Federal law governs the requirements for the configuration of the state boards and the local boards. The Kansas board is a "grand fathered" board under the previous federal law - Job Partnership Training Act. This is known as an "Alternative Entity" under the Workforce Investment Act. We need to determine if this change in the board would require Kansas to dissolve the "alternative entity" and reconfigure the board in accordance with the Workforce Investment Act. We would like clarification from the U.S. Department of Labor concerning the ramifications, if any, of this proposed change in law (Attachment 5).

CONTINUATION SHEET

MINUTES OF THE HOUSE COMMERCE AND LABOR COMMITTEE at 9:00 a.m. on March 10, 2004 in Room 241-N of the Capitol.

The Chairman closed the hearing on **HB 2908**.

The Chairman opened the hearing on **SB 404 - Real estate brokers and salespersons; licensure prohibited acts.**

Sherry C. Diel, Executive Director, Kansas Real Estate Commission, requested introduction of **SB 404** as a clean up measure to clarify the authority of the Commission. The requested amendments are derived from the experience over the past two years of the agency staff and the Investigation Committee in drafting agency orders for denial of licensure or for discipline purposes. The Commission has to cite several statutes to deny an application for licensure or to discipline a licensee. To discipline a salesperson or associate broker for paying compensation to an unlicensed person, the Commission must cite at least three statutes as statutory support for the violation. The proposed language attempts to specifically address issues of this nature. The proposed language repeals the limited prohibition on licensees providing a buyer or seller with a gift or gratuity (Attachment 6).

Bill Yanek, KAR Director of Governmental Relations, Kansas Association of Realtors, testified as a proponent for **SB 404**. A particular area of interest in the bill is Sec. 3 paragraph (11), which repeals the prohibition of offering or giving prizes, gifts, or gratuities which are contingent upon an agency agreement or the sale, purchase or lease of real estate.

Mr. Yanek also requested as amendment on Page 4 line7 to add "Kansas or" between "in" and "another" and on line 9 between "the" and "out-of-state" (Attachment 7).

The Chairman closed the hearing on **SB 404**.

The Chairman asked if the committee wished to take action on **HB 2908**.

Representative Ruff moved and Representative Patterson seconded to move **HB 2908** out favorably. The motion carried.

The Chairman asked what the committee's wishes were on **SB 410** that had a hearing yesterday.

Representative Johnson moved and Representative Hill seconded to move **SB 410** out favorably.

Representative Ruff moved and Representative Lane seconded a Substitute Motion to refer **SB 410** to the Employment Securities Advisory Council.

A Division was called. 10 Yeas and 7 Nays.

SB 410 was referred to the Advisory Council.

The meeting adjourned at 10:25 a.m. The next meeting will be March 11, 2004.