Approved: April 3, 2004

#### MINUTES OF THE SENATE COMMERCE COMMITTEE

The meeting was called to order by Chairperson Karin Brownlee at 8:30 a.m. on February 6, 2004 in Room 123-S of the Capitol.

All members were present except:

Senator Chris Steineger- excused Senator Pete Brungardt- excused Senator Susan Wagle- excused

## Committee staff present:

Kathie Sparks, Legislative Research Susan Kannarr, Legislative Research Helen Pedigo, Revisor of Statutes Nikki Kraus, Committee Secretary

## Conferees appearing before the committee:

Steve Kelly, Deputy Secretary, Department of Commerce Pete Gustaf, Kansas Technical Training Initiative (KTTI), Wichita Bob Masters, Kansas Board of Regents Dave Cleveland, Department of Commerce

#### Others attending:

See Attached List.

Chairperson Brownlee opened the meeting and asked the committee to look over minutes.

Senator Barone moved to approve the minutes. Senator Emler seconded. The motion passed.

Chairperson Brownlee opened the public hearing on:

# SB 394–IMPACT; increased cap on major product investment; authorizes direct investment to educational institutions

Mr. Kelly presented testimony in favor of the bill. (<u>Attachment 1</u>) Following discussion, Mr. Kelly stated that the intention of the Center for Excellence would be instead of forming a program specifically, just have a nationally recognized programs for expertise. He stated that workforce development people need to be more proactive in identifying the programs we will need, and that it would not be cost effective or prudent to build a program around a particular business. Mr. Cleveland replied to a question from Senator Bunten by stating that the vast majority of training is focused on soft skills like team building and computer training. Mr. Kelly stated that the bill would simplify monitoring and keeping track of outcomes also by moving them in-house, which would also leave a better audit trail. He stated that the money not needed for administration can go back into the trust fund to increase and improve curricula.

Mr. Gustaf presented testimony in favor of the bill. (Attachment 2)

Dr. Masters presented testimony in favor of the bill. (Attachment 3)

Senator Barone stated that he saw the bill as reactive, but the testimony made it sound as though it were proactive. Lt. Governor John Moore replied that everything has to be market-driven. He stated that if there was no need for training, then don't create it; this is reactive. Mr. Kelly stated that it was also somewhat predictive of what will come in demand.

Chairperson Brownlee adjourned the meeting at 9:27 a.m. The next meeting will be at 8:30 a.m. on February 9, 2004 in Room 313-S of the Capitol.