

MINUTES OF THE HOUSE KANSAS FUTURES COMMITTEE

The meeting was called to order by Chairman Carlos Mayans at 1:30 p.m. on March 14, 2001 in Room 526-S of the State Capitol.

All members were present except: Representative Karen DiVita - excused
Representative Carl Krehbiel - excused
Representative Brenda Landwehr - excused
Representative Laura McClure - excused
Representative Mike O'Neal - excused

Committee staff present: April Holman, Legislative Research Department
Lynne Holt, Legislative Research Department
Lois Hedrick, Committee Secretary

Conferees appearing before the committee:

Dr. Charles Krider, Professor of Business, University of Kansas, Lawrence
Dr. Norman Clifford, Interim Director, Center for Economic and Business Analysis,
Policy Research Institute, University of Kansas, Lawrence

Others attending: See attached list

Demographic Changes in Kansas: Implications for State Policy

Dr. Krider first introduced Dr. Clifford. He stated that the various charts to be shown during his presentation were prepared by Dr. Clifford. Dr. Krider began by identifying the major demographic changes that are occurring in Kansas and discussed several policy implications of these changes. He noted the state's population growth is below that of the nation as a whole and is concentrated in nine large metropolitan counties (Butler, Douglas, Harvey, Johnson, Leavenworth, Miami, Sedgwick, Shawnee, and Wyandotte). The remaining 96 counties, at best, are not experiencing growth.

By charts, he depicted the area differences in population, employment and wages. Significant differences were identified displaying significant rural to urban population changes in the state. He stated the major policy question is whether the Legislature wants to target economic development programs to rural communities or whether the decline in population should be accepted as inevitable and not subject to state intervention.

One issue to be considered is whether economic development programs should be modified to target some of the programs or resources to rural issues. The decline in rural areas reflects long-term changes in the economy and will not be reversed. Their reliance on production agriculture, and oil and gas extraction has been the largest part of their economic base; yet these industries have had declining employment and that will not change.

Dr. Krider suggested the following state actions that could slow the population decline in rural areas:

- Insure a high-speed internet infrastructure available in all parts of Kansas at competitive costs to attract businesses. Like the existing extensive highway infrastructure and plans to insure availability of water, the Internet infrastructure is needed to give rural communities a chance to diversify their economies.
- Insure high speed Internet connections among all Kansas public schools. It is necessary to insure that distance learning is a feasible option to improve education, especially in rural communities.
- Provide state funding for regional economic development. The larger counties have well funded and staffed economic development programs. Small communities by banding together on a regional basis could be successful. He suggested that grants for operation of regional economic development efforts, in addition to planning grants, may be required.
- To insure K-12 education is improved in rural areas, a consolidation of school districts and greater emphasis on distance learning will be required.
- Phase out use of underground water for agriculture in areas with limited water supplies.

CONTINUATION SHEET

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- Provide assistance and incentives to consolidate county services on a regional basis.

Dr. Krider stated the anticipated increasing aging population requires public policy responses. He offered two recommendations:

- Insured increased medical services are available throughout the state, especially in rural communities. Distance medicine, like distance learning, may be one of the few avenues open to deliver health care to rural populations.
- Insure that an adequate number of health care workers will be available in all parts of the state. Doctors, nurses and medical technicians will be needed to provide services. One question is whether the state's technical education schools will be prepared to provide skilled workers in the medical arena.

He noted there are implications to public policy as a result of the population growth in diverse cultures. The fast growing parts of the labor force have the lowest level of education attainment; therefore, a major priority must be to upgrade the education and skills of Hispanics and Blacks. He recommended:

- Improving access to adult basic education and adult literacy programs. Due to immigration, there will be a greater demand for literacy and basic education programs. In the past, the state has provided minimal funding for such programs.
- Close the education gap for minorities. One goal will be a high school dropout rate for them no higher than for all students.
- Increase availability training and retraining programs. The Kansas Industrial Training program could be expanded, and improvements in the state technical education programs will be needed.
- Make a high skilled workforce a competitive advantage for Kansas; restructuring the state's technical education system could be one part of such strategy.

[A copy of the complete testimony may be obtained through the Kansas Legislative Research Department, 545-N State Capitol, Topeka, Kansas 66612-1504.]

The next meeting is on call.