

## **Substitute for HOUSE BILL No. 2570**

By Committee on Commerce, Labor and Economic Development

2-19

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1 AN ACT concerning employment security law; relating to the definition of  
2 benefit year, temporary unemployment, wages subject to assessment for  
3 employer contributions, statewide average annual wage and statewide  
4 average weekly wage; referencing certain new definitions for purposes  
5 of the annual determination by the secretary of the maximum weekly  
6 benefit amount; requiring electronic filing of wage reports, contribution  
7 returns and payments and interest assessments for employers with 25 or  
8 more employees; establishing minimum qualifications for candidates  
9 for membership on the employment security board of review and initial  
10 review of such candidates by the director of unemployment; extending  
11 when the mandatory combination of rates and the establishment of a  
12 new account due to a business acquisition must occur from the  
13 beginning of the following quarter to the beginning of the following  
14 year; making certain changes to the schedules governing employer  
15 contribution rates; removing obsolete language pertaining to the  
16 employment security interest assessment fund and abolishing such  
17 fund; requiring the secretary to create an audit process within the new  
18 unemployment insurance information technology system to permit  
19 employers to submit reports regarding work search, the my  
20 reemployment plan and claimants who do not provide notification or  
21 appear for scheduled interviews; providing for notices by the secretary  
22 to active employers regarding work search noncompliance reporting  
23 options; confirming the legislative coordinating council's authority to  
24 extend the new unemployment insurance information technology  
25 system's implementation date retroactively and as often as deemed  
26 appropriate by the council; requiring the secretary to notify the council  
27 of the need for an extension; authorizing the secretary to extend  
28 temporary unemployment for limited periods upon request by  
29 employers and allowing for additional temporary unemployment when  
30 requested by employers engaged in certain industries; requiring the  
31 secretary to annually post on the secretary's website certain additional  
32 calculations and data and to prepare an annual certification  
33 memorandum; changing the timing of employer benefit charge notices  
34 from annually to quarterly; removing the exemption for benefit charges  
35 less than \$100; providing that school bus drivers employed by private  
36 contractors are eligible for workshare; allowing a one-time write off for

1 negative account balance employers by the secretary of such employers  
2 negative reserve account balance as of August 21, 2025; extending the  
3 publication deadline for contribution rate tables prepared by the  
4 secretary; providing that the secretary suspend state unemployment  
5 benefits for claimants who are receiving federal unemployment  
6 benefits; amending K.S.A. 44-704, 44-705, 44-706, 44-709, 44-710,  
7 44-710b, 44-717, 44-757, 44-771, 44-772 and 44-774 and K.S.A. 2023  
8 Supp. 44-703, 44-710a and 44-775 and repealing the existing sections.  
9

10 WHEREAS, The amendments made to the employment security law by  
11 this act shall be known as the Kansas unemployment insurance state trust  
12 fund solvency, system integrity and tax credit preservation act of 2024.

13 Now, therefore:

14 *Be it enacted by the Legislature of the State of Kansas:*

15 Section 1. K.S.A. 2023 Supp. 44-703 is hereby amended to read as  
16 follows: 44-703. As used in this act, unless the context clearly requires  
17 otherwise:

18 (a) (1) "Annual payroll" means the total amount of wages paid or  
19 payable by an employer during the calendar year.

20 (2) "Average annual payroll" means the average of the annual  
21 payrolls of any employer for the last three calendar years immediately  
22 preceding the computation date as hereinafter defined if the employer has  
23 been continuously subject to contributions during those three calendar  
24 years and has paid some wages for employment during each of such years.  
25 In determining contribution rates for the calendar year, if an employer has  
26 not been continuously subject to contribution for the three calendar years  
27 immediately preceding the computation date but has paid wages subject to  
28 contributions during only the two calendar years immediately preceding  
29 the computation date, such employer's "average annual payroll" shall be  
30 the average of the payrolls for those two calendar years.

31 (3) "Total wages" means the total amount of wages paid or payable  
32 by an employer during the calendar year, including that part of  
33 remuneration in excess of the limitation prescribed as provided in  
34 subsection (o)(1).

35 (b) "Base period" means the first four of the last five completed  
36 calendar quarters immediately preceding the first day of an individual's  
37 benefit year, except that the base period in respect to combined wage  
38 claims means the base period as defined in the law of the paying state.

39 (1) If an individual lacks sufficient base period wages in order to  
40 establish a benefit year in the manner set forth above and satisfies the  
41 requirements of *subsection (hh) and K.S.A. 44-705(g) and K.S.A. 44-*  
42 ~~703(hh)~~, and amendments thereto, the claimant shall have an alternative  
43 base period substituted for the current base period so as not to prevent

1 establishment of a valid claim. For the purposes of this subsection,  
2 "alternative base period" means the last four completed quarters  
3 immediately preceding the date the qualifying injury occurred. In the event  
4 the wages in the alternative base period have been used on a prior claim,  
5 then they shall be excluded from the new alternative base period.

6 (2) For the purposes of this chapter, the term "base period" includes  
7 the alternative base period.

8 (c) (1) "Benefits" means the money payments payable to an  
9 individual, as provided in this act, with respect to such individual's  
10 unemployment.

11 (2) "Regular benefits" means benefits payable to an individual under  
12 this act or under any other state law, including benefits payable to federal  
13 civilian employees and to ex-servicemen pursuant to 5 U.S.C. chapter 85,  
14 other than extended benefits.

15 (d) "Benefit year" with respect to any individual, means the period  
16 beginning with the ~~first day~~ *Sunday* of the first week for which such  
17 individual files a valid claim for benefits, and such benefit year shall  
18 continue for one full year. In the case of a combined wage claim, the  
19 benefit year shall be the benefit year of the paying state. Following the  
20 termination of a benefit year, a subsequent benefit year shall commence on  
21 the ~~first day~~ *Sunday* of the first week with respect to which an individual  
22 next files a claim for benefits. ~~When such filing occurs with respect to a~~  
23 ~~week that overlaps the preceding benefit year, the subsequent benefit year~~  
24 ~~shall commence on the first day immediately following the expiration date~~  
25 ~~of the preceding benefit year.~~ Any claim for benefits made in accordance  
26 with K.S.A. 44-709(a), and amendments thereto, shall be deemed to be a  
27 "valid claim" for the purposes of this subsection if the individual has been  
28 paid wages for insured work as required under K.S.A. 44-705(e), and  
29 amendments thereto. ~~Whenever a week of unemployment overlaps two~~  
30 ~~benefit years, such week shall, for the purpose of granting waiting period~~  
31 ~~credit or benefit payment with respect thereto, be deemed to be a week of~~  
32 ~~unemployment within that benefit year in which the greater part of such~~  
33 ~~week occurs.~~

34 (e) "Commissioner" or "secretary" means the secretary of labor.

35 (f) (1) "Contributions" means the money payments to the state  
36 employment security fund that are required to be made by employers on  
37 account of employment under K.S.A. 44-710, and amendments thereto,  
38 and voluntary payments made by employers pursuant to such statute.

39 (2) "Payments in lieu of contributions" means the money payments to  
40 the state employment security fund from employers that are required to  
41 make or that elect to make such payments under K.S.A. 44-710(e), and  
42 amendments thereto.

43 (g) "Employing unit" means any individual or type of organization,

1 including any partnership, association, limited liability company, agency  
2 or department of the state of Kansas and political subdivisions thereof,  
3 trust, estate, joint-stock company, insurance company or corporation,  
4 whether domestic or foreign including nonprofit corporations, or the  
5 receiver, trustee in bankruptcy, trustee or successor thereof, or the legal  
6 representatives of a deceased person, that has in its employ one or more  
7 individuals performing services for it within this state. All individuals  
8 performing services within this state for any employing unit that maintains  
9 two or more separate establishments within this state shall be deemed to be  
10 employed by a single employing unit for all the purposes of this act. Each  
11 individual employed to perform or to assist in performing the work of any  
12 agent or employee of an employing unit shall be deemed to be employed  
13 by such employing unit for all the purposes of this act, whether such  
14 individual was hired or paid directly by such employing unit or by such  
15 agent or employee, provided the employing unit had actual or constructive  
16 knowledge of the employment.

17 (h) "Employer" means:

18 (1) (A) Any employing unit for which agricultural labor as defined in  
19 subsection (w) is performed and during any calendar quarter in either the  
20 current or preceding calendar year paid remuneration in cash of \$20,000 or  
21 more to individuals employed in agricultural labor or for some portion of a  
22 day in each of 20 different calendar weeks, whether or not such weeks  
23 were consecutive, in either the current or the preceding calendar year,  
24 employed in agricultural labor 10 or more individuals, regardless of  
25 whether they were employed at the same moment of time.

26 (B) For the purpose of this subsection (h)(1), any individual who is a  
27 member of a crew furnished by a crew leader to perform services in  
28 agricultural labor for any other person shall be treated as an employee of  
29 such crew leader if:

30 (i) Such crew leader holds a valid certificate of registration under the  
31 federal migrant and seasonal agricultural workers protection act or  
32 substantially all the members of such crew operate or maintain tractors,  
33 mechanized harvesting or cropdusting equipment or any other mechanized  
34 equipment, that is provided by such crew leader; and

35 (ii) such individual is not in the employment of such other person  
36 within the meaning of subsection (i).

37 (C) For the purpose of this subsection (h)(1), in the case of any  
38 individual who is furnished by a crew leader to perform services in  
39 agricultural labor for any other person and who is not treated as an  
40 employee of such crew leader:

41 (i) Such other person and not the crew leader shall be treated as the  
42 employer of such individual; and

43 (ii) such other person shall be treated as having paid cash

1 remuneration to such individual in an amount equal to the amount of cash  
2 remuneration paid to such individual by the crew leader, either on the crew  
3 leader's own behalf or on behalf of such other person, for the services in  
4 agricultural labor performed for such other person.

5 (D) For the purposes of this subsection (h)(1) "crew leader" means an  
6 individual who:

7 (i) Furnishes individuals to perform services in agricultural labor for  
8 any other person;

9 (ii) pays, either on such individual's own behalf or on behalf of such  
10 other person, the individuals so furnished by such individual for the  
11 services in agricultural labor performed by them; and

12 (iii) has not entered into a written agreement with such other person  
13 under which such individual is designated as an employee of such other  
14 person.

15 (2) (A) Any employing unit that for calendar year 2007 and each  
16 calendar year thereafter: (i) In any calendar quarter in either the current or  
17 preceding calendar year paid for services in employment wages of \$1,500  
18 or more; (ii) for some portion of a day in each of 20 different calendar  
19 weeks, whether or not such weeks were consecutive, in either the current  
20 or preceding calendar year, had in employment at least one individual,  
21 whether or not the same individual was in employment in each such day;  
22 or (iii) elects to have an unemployment tax account established at the time  
23 of initial registration in accordance with K.S.A. 44-711(c), and  
24 amendments thereto.

25 (B) Employment of individuals to perform domestic service or  
26 agricultural labor and wages paid for such service or labor shall not be  
27 considered in determining whether an employing unit meets the criteria of  
28 this subsection (h)(2).

29 (3) Any employing unit for which service is employment as defined  
30 in subsection (i)(3)(E).

31 (4) (A) Any employing unit, whether or not it is an employing unit  
32 under subsection (g), that acquires or in any manner succeeds to: (i)  
33 Substantially all of the employing enterprises, organization, trade or  
34 business; or (ii) substantially all the assets, of another employing unit that  
35 at the time of such acquisition was an employer subject to this act;

36 (B) any employing unit that is controlled substantially, either directly  
37 or indirectly by legally enforceable means or otherwise, by the same  
38 interest or interests, whether or not such interest or interests are an  
39 employing unit under subsection (g), acquires or in any manner succeeds  
40 to a portion of an employer's annual payroll, is less than 100% of such  
41 employer's annual payroll, and intends to continue the acquired portion as  
42 a going business.

43 (5) Any employing unit that paid cash remuneration of \$1,000 or

1 more in any calendar quarter in the current or preceding calendar year to  
2 individuals employed in domestic service as defined in subsection (aa).

3 (6) Any employing unit that having become an employer under this  
4 subsection (h) has not, under K.S.A. 44-711(b), and amendments thereto,  
5 ceased to be an employer subject to this act.

6 (7) Any employing unit that has elected to become fully subject to  
7 this act in accordance with K.S.A. 44-711(c), and amendments thereto.

8 (8) Any employing unit not an employer by reason of any other  
9 paragraph of this subsection (h), for which within either the current or  
10 preceding calendar year services in employment are or were performed  
11 with respect to which such employing unit is liable for any federal tax  
12 against which credit may be taken for contributions required to be paid  
13 into a state unemployment compensation fund; or that, as a condition for  
14 approval of this act for full tax credit against the tax imposed by the  
15 federal unemployment tax act, is required, pursuant to such act, to be an  
16 "employer" under this act.

17 (9) Any employing unit described in section 501(c)(3) of the federal  
18 internal revenue code of 1986 that is exempt from income tax under  
19 section 501(a) of the code that had four or more individuals in  
20 employment for some portion of a day in each of 20 different weeks,  
21 whether or not such weeks were consecutive, within either the current or  
22 preceding calendar year, regardless of whether they were employed at the  
23 same moment of time.

24 (i) "Employment" means:

25 (1) Subject to the other provisions of this subsection, service,  
26 including services in interstate commerce, performed by:

27 (A) Any active officer of a corporation; ~~or~~

28 (B) any individual who, under the usual common law rules applicable  
29 in determining the employer-employee relationship, has the status of an  
30 employee subject to the provisions of subsection (i)(3)(D); or

31 (C) any individual other than an individual who is an employee under  
32 subsection (i)(1)(A) or subsection (i)(1)(B) above who performs services  
33 for remuneration for any person:

34 (i) As an agent-driver or commission-driver engaged in distributing  
35 meat products, vegetable products, fruit products, bakery products,  
36 beverages, other than milk, or laundry or dry-cleaning services, for such  
37 individual's principal; or

38 (ii) as a traveling or city salesman, other than as an agent-driver or  
39 commission-driver, engaged upon a full-time basis in the solicitation on  
40 behalf of, and the transmission to, a principal, except for side-line sales  
41 activities on behalf of some other person, of orders from wholesalers,  
42 retailers, contractors, or operators of hotels, restaurants, or other similar  
43 establishments for merchandise for resale or supplies for use in their

1 business operations.

2 For purposes of subsection (i)(1)(C), the term "employment" includes  
3 services described in paragraphs (i) and (ii) above only if:

4 (a) The contract of service contemplates that substantially all of the  
5 services are to be performed personally by such individual;

6 (b) the individual does not have a substantial investment in facilities  
7 used in connection with the performance of the services, other than in  
8 facilities for transportation; and

9 (c) the services are not in the nature of a single transaction that is not  
10 part of a continuing relationship with the person for whom the services are  
11 performed.

12 (2) The term "employment" includes an individual's entire service  
13 within the United States, even though performed entirely outside this state  
14 if:

15 (A) The service is not localized in any state;

16 (B) the individual is one of a class of employees who are required to  
17 travel outside this state in performance of their duties; and

18 (C) the individual's base of operations is in this state, or if there is no  
19 base of operations, then the place where service is directed or controlled is  
20 in this state.

21 (3) The term "employment" also includes:

22 (A) Services performed within this state but not covered by the  
23 provisions of subsection (i)(1) or subsection (i)(2) shall be deemed to be  
24 employment subject to this act if contributions are not required and paid  
25 with respect to such services under an unemployment compensation law of  
26 any other state or of the federal government.

27 (B) Services performed entirely without this state, with respect to no  
28 part of which contributions are required and paid under an unemployment  
29 compensation law of any other state or of the federal government, shall be  
30 deemed to be employment subject to this act only if the individual  
31 performing such services is a resident of this state and the secretary  
32 approved the election of the employing unit for whom such services are  
33 performed that the entire service of such individual shall be deemed to be  
34 employment subject to this act.

35 (C) Services covered by an arrangement pursuant to K.S.A. 44-  
36 714(j), and amendments thereto, between the secretary and the agency  
37 charged with the administration of any other state or federal  
38 unemployment compensation law, pursuant to which all services  
39 performed by an individual for an employing unit are deemed to be  
40 performed entirely within this state, shall be deemed to be employment if  
41 the secretary has approved an election of the employing unit for whom  
42 such services are performed, pursuant to which the entire service of such  
43 individual during the period covered by such election is deemed to be

1 insured work.

2 (D) Services performed by an individual for wages or under any  
3 contract of hire shall be deemed to be employment subject to this act if the  
4 business for which activities of the individual are performed retains not  
5 only the right to control the end result of the activities performed, but the  
6 manner and means by which the end result is accomplished.

7 (E) Services performed by an individual in the employ of a state or  
8 any instrumentality thereof, any political subdivision of a state or any  
9 instrumentality thereof, or in the employ of an Indian tribe, as defined  
10 pursuant to section 3306(u) of the federal unemployment tax act, any  
11 instrumentality of more than one of the foregoing or any instrumentality  
12 that is jointly owned by this state or a political subdivision thereof or  
13 Indian tribes and one or more other states or political subdivisions of this  
14 or other states, provided that such service is excluded from "employment"  
15 as defined in the federal unemployment tax act by reason of section  
16 3306(c)(7) of that act and is not excluded from "employment" under  
17 subsection (i)(4)(A) of this section. For purposes of this section, the  
18 exclusions from employment in subsections (i)(4)(A) and (i)(4)(L) shall  
19 also be applicable to services performed in the employ of an Indian tribe.

20 (F) Services performed by an individual in the employ of a religious,  
21 charitable, educational or other organization that is excluded from the term  
22 "employment" as defined in the federal unemployment tax act solely by  
23 reason of section 3306(c)(8) of that act, and is not excluded from  
24 employment under subsection (i)(4)(I) through (M).

25 (G) The term "employment" includes the services of an individual  
26 who is a citizen of the United States, performed outside the United States  
27 except in Canada, in the employ of an American employer, other than  
28 service that is deemed "employment" under the provisions of subsection (i)  
29 (2) or subsection (i)(3) or the parallel provisions of another state's law, if:

30 (i) The employer's principal place of business in the United States is  
31 located in this state; or

32 (ii) the employer has no place of business in the United States, but:

33 (a) The employer is an individual who is a resident of this state;

34 (b) the employer is a corporation which is organized under the laws  
35 of this state; or

36 (c) the employer is a partnership or a trust and the number of the  
37 partners or trustees who are residents of this state is greater than the  
38 number who are residents of any other state; or

39 (iii) none of the criteria of (i)(3)(G)(i) and (ii) are met but the  
40 employer has elected coverage in this state or, the employer having failed  
41 to elect coverage in any state, the individual has filed a claim for benefits,  
42 based on such service, under the law of this state.

43 (H) An "American employer," for purposes of subsection (i)(3)(G),



1 means a person who is:

2 (i) An individual who is a resident of the United States;

3 (ii) a partnership if  $\frac{2}{3}$  or more of the partners are residents of the  
4 United States;

5 (iii) a trust, if all of the trustees are residents of the United States; or

6 (iv) a corporation organized under the laws of the United States or of  
7 any state.

8 (I) Notwithstanding subsection (i)(2), all services performed by an  
9 officer or member of the crew of an American vessel or American aircraft  
10 on or in connection with such vessel or aircraft, if the operating office,  
11 from which the operations of such vessel or aircraft operating within, or  
12 within and without, the United States are ordinarily and regularly  
13 supervised, managed, directed and controlled is within this state.

14 (J) Notwithstanding any other provisions of this subsection (i),  
15 services with respect to which a tax is required to be paid under any  
16 federal law imposing a tax against which credit may be taken for  
17 contributions required to be paid into a state unemployment compensation  
18 fund or that as a condition for full tax credit against the tax imposed by the  
19 federal unemployment tax act is required to be covered under this act.

20 (K) Domestic service in a private home, local college club or local  
21 chapter of a college fraternity or sorority performed for a person who paid  
22 cash remuneration of \$1,000 or more in any calendar quarter in the current  
23 calendar year or the preceding calendar year to individuals employed in  
24 such domestic service.

25 (4) The term "employment" does not include: (A) Services performed  
26 in the employ of an employer specified in subsection (h)(3) if such service  
27 is performed by an individual in the exercise of duties:

28 (i) As an elected official;

29 (ii) as a member of a legislative body, or a member of the judiciary, of  
30 a state, political subdivision or of an Indian tribe;

31 (iii) as a member of the state national guard or air national guard;

32 (iv) as an employee serving on a temporary basis in case of fire,  
33 storm, snow, earthquake, flood or similar emergency;

34 (v) in a position that, under or pursuant to the laws of this state or  
35 tribal law, is designated as a major nontenured policymaking or advisory  
36 position or as a policymaking or advisory position the performance of the  
37 duties of which ordinarily does not require more than eight hours per  
38 week;

39 (B) services with respect to which unemployment compensation is  
40 payable under an unemployment compensation system established by an  
41 act of congress;

42 (C) services performed by an individual in the employ of such  
43 individual's son, daughter or spouse, and services performed by a child

1 under the age of 21 years in the employ of such individual's father or  
2 mother;

3 (D) services performed in the employ of the United States  
4 government or an instrumentality of the United States exempt under the  
5 constitution of the United States from the contributions imposed by this  
6 act, except that to the extent that the congress of the United States shall  
7 permit states to require any instrumentality of the United States to make  
8 payments into an unemployment fund under a state unemployment  
9 compensation law, all of the provisions of this act shall be applicable to  
10 such instrumentalities, and to services performed for such  
11 instrumentalities, in the same manner, to the same extent and on the same  
12 terms as to all other employers, employing units, individuals and services.  
13 If this state shall not be certified for any year by the federal security  
14 agency under section 3304(c) of the federal internal revenue code of 1986,  
15 the payments required of such instrumentalities with respect to such year  
16 shall be refunded by the secretary from the fund in the same manner and  
17 within the same period as is provided in K.S.A. 44-717(h), and  
18 amendments thereto, with respect to contributions erroneously collected;

19 (E) services covered by an arrangement between the secretary and the  
20 agency charged with the administration of any other state or federal  
21 unemployment compensation law pursuant to which all services performed  
22 by an individual for an employing unit during the period covered by such  
23 employing unit's duly approved election, are deemed to be performed  
24 entirely within the jurisdiction of such other state or federal agency;

25 (F) services performed by an individual under the age of 18 in the  
26 delivery or distribution of newspapers or shopping news, not including  
27 delivery or distribution to any point for subsequent delivery or  
28 distribution;

29 (G) services performed by an individual for an employing unit as an  
30 insurance agent or as an insurance solicitor, if all such service performed  
31 by such individual for such employing unit is performed for remuneration  
32 solely by way of commission;

33 (H) services performed in any calendar quarter in the employ of any  
34 organization exempt from income tax under section 501(a) of the federal  
35 internal revenue code of 1986, other than an organization described in  
36 section 401(a) or under section 521 of such code, if the remuneration for  
37 such service is less than \$50. In construing the application of the term  
38 "employment," if services performed during  $\frac{1}{2}$  or more of any pay period  
39 by an individual for the person employing such individual constitute  
40 employment, all the services of such individual for such period shall be  
41 deemed to be employment; but if the services performed during more than  
42  $\frac{1}{2}$  of any such pay period by an individual for the person employing such  
43 individual do not constitute employment, then none of the services of such

1 individual for such period shall be deemed to be employment. As used in  
2 this subsection (i)(4)(H) the term "pay period" means a period, of not more  
3 than 31 consecutive days, for which a payment of remuneration is  
4 ordinarily made to the individual by the person employing such individual.  
5 This subsection (i)(4)(H) shall not be applicable with respect to services  
6 with respect to which unemployment compensation is payable under an  
7 unemployment compensation system established by an act of congress;

8 (I) services performed in the employ of a church or convention or  
9 association of churches, or an organization which is operated primarily for  
10 religious purposes and which is operated, supervised, controlled, or  
11 principally supported by a church or convention or association of  
12 churches;

13 (J) services performed by a duly ordained, commissioned, or licensed  
14 minister of a church in the exercise of such individual's ministry or by a  
15 member of a religious order in the exercise of duties required by such  
16 order;

17 (K) services performed in a facility conducted for the purpose of  
18 carrying out a program of:

19 (i) Rehabilitation for individuals whose earning capacity is impaired  
20 by age or physical or mental deficiency or injury; or

21 (ii) providing remunerative work for individuals who because of their  
22 impaired physical or mental capacity cannot be readily absorbed in the  
23 competitive labor market, by an individual receiving such rehabilitation or  
24 remunerative work;

25 (L) services performed as part of an employment work-relief or  
26 work-training program assisted or financed in whole or in part by any  
27 federal agency or an agency of a state or political subdivision thereof or of  
28 an Indian tribe, by an individual receiving such work relief or work  
29 training;

30 (M) services performed by an inmate of a custodial or correctional  
31 institution;

32 (N) services performed, in the employ of a school, college, or  
33 university, if such service is performed by a student who is enrolled and is  
34 regularly attending classes at such school, college or university;

35 (O) services performed by an individual who is enrolled at a  
36 nonprofit or public educational institution that normally maintains a  
37 regular faculty and curriculum and normally has a regularly organized  
38 body of students in attendance at the place where its educational activities  
39 are carried on as a student in a full-time program, taken for credit at such  
40 institution, that combines academic instruction with work experience, if  
41 such service is an integral part of such program, and such institution has so  
42 certified to the employer, except that this subsection (i)(4)(O) shall not  
43 apply to service performed in a program established for or on behalf of an

1 employer or group of employers;

2 (P) services performed in the employ of a hospital licensed, certified  
3 or approved by the secretary of health and environment, if such service is  
4 performed by a patient of the hospital;

5 (Q) services performed as a qualified real estate agent. As used in this  
6 subsection (i)(4)(Q) the term "qualified real estate agent" means any  
7 individual who is licensed by the Kansas real estate commission as a  
8 salesperson under the real estate brokers' and salespersons' license act and  
9 for whom:

10 (i) Substantially all of the remuneration, whether or not paid in cash,  
11 for the services performed by such individual as a real estate salesperson is  
12 directly related to sales or other output, including the performance of  
13 services, rather than to the number of hours worked; and

14 (ii) the services performed by the individual are performed pursuant  
15 to a written contract between such individual and the person for whom the  
16 services are performed and such contract provides that the individual will  
17 not be treated as an employee with respect to such services for state tax  
18 purposes;

19 (R) services performed for an employer by an extra in connection  
20 with any phase of motion picture or television production or television  
21 commercials for less than 14 days during any calendar year. As used in this  
22 subsection, the term "extra" means an individual who pantomimes in the  
23 background, adds atmosphere to the set and performs such actions without  
24 speaking and "employer" shall not include any employer that is a  
25 governmental entity or any employer described in section 501(c)(3) of the  
26 federal internal revenue code of 1986 that is exempt from income taxation  
27 under section 501(a) of the code;

28 (S) services performed by an oil and gas contract pumper. As used in  
29 this subsection (i)(4)(S), "oil and gas contract pumper" means a person  
30 performing pumping and other services on one or more oil or gas leases, or  
31 on both oil and gas leases, relating to the operation and maintenance of  
32 such oil and gas leases, on a contractual basis for the operators of such oil  
33 and gas leases and "services" shall not include services performed for a  
34 governmental entity or any organization described in section 501(c)(3) of  
35 the federal internal revenue code of 1986 that is exempt from income  
36 taxation under section 501(a) of the code;

37 (T) service not in the course of the employer's trade or business  
38 performed in any calendar quarter by an employee, unless the cash  
39 remuneration paid for such service is \$200 or more and such service is  
40 performed by an individual who is regularly employed by such employer  
41 to perform such service. For purposes of this paragraph, an individual shall  
42 be deemed to be regularly employed by an employer during a calendar  
43 quarter only if:

1 (i) On each of some 24 days during such quarter such individual  
2 performs for such employer for some portion of the day service not in the  
3 course of the employer's trade or business; or

4 (ii) such individual was regularly employed, as determined under  
5 subparagraph (i), by such employer in the performance of such service  
6 during the preceding calendar quarter.

7 Such excluded service shall not include any services performed for an  
8 employer that is a governmental entity or any employer described in  
9 section 501(c)(3) of the federal internal revenue code of 1986 that is  
10 exempt from income taxation under section 501(a) of the code;

11 (U) service which is performed by any person who is a member of a  
12 limited liability company and that is performed as a member or manager of  
13 that limited liability company; and

14 (V) services performed as a qualified direct seller. The term "direct  
15 seller" means any person if:

16 (i) Such person:

17 (a) Is engaged in the trade or business of selling or soliciting the sale  
18 of consumer products to any buyer on a buy-sell basis or a deposit-  
19 commission basis for resale, by the buyer or any other person, in the home  
20 or otherwise rather than in a permanent retail establishment; or

21 (b) is engaged in the trade or business of selling or soliciting the sale  
22 of consumer products in the home or otherwise than in a permanent retail  
23 establishment;

24 (ii) substantially all the remuneration whether or not paid in cash for  
25 the performance of the services described in subparagraph (i) is directly  
26 related to sales or other output including the performance of services rather  
27 than to the number of hours worked;

28 (iii) the services performed by the person are performed pursuant to a  
29 written contract between such person and the person for whom the services  
30 are performed and such contract provides that the person will not be  
31 treated as an employee for federal and state tax purposes;

32 (iv) for purposes of this act, a sale or a sale resulting exclusively from  
33 a solicitation made by telephone, mail, or other telecommunications  
34 method, or other nonpersonal method does not satisfy the requirements of  
35 this subsection;

36 (W) services performed as an election official or election worker, if  
37 the amount of remuneration received by the individual during the calendar  
38 year for services as an election official or election worker is less than  
39 \$1,000;

40 (X) services performed by agricultural workers who are aliens  
41 admitted to the United States to perform labor pursuant to section 1101(a)  
42 (15)(H)(ii)(a) of the immigration and nationality act;

43 (Y) services performed by an owner-operator of a motor vehicle that

1 is leased or contracted to a licensed motor carrier with the services of a  
2 driver and is not treated under the terms of the lease agreement or contract  
3 with the licensed motor carrier as an employee for purposes of the federal  
4 insurance contribution act, 26 U.S.C. § 3101 et seq., the federal social  
5 security act, 42 U.S.C. § 301 et seq., the federal unemployment tax act, 26  
6 U.S.C. § 3301 et seq., and the federal statutes prescribing income tax  
7 withholding at the source, 26 U.S.C. § 3401 et seq. Employees or agents of  
8 the owner-operator shall not be considered employees of the licensed  
9 motor carrier for purposes of employment security taxation or  
10 compensation. As used in this subsection (Y), the following definitions  
11 apply: (i) "Motor vehicle" means any automobile, truck-trailer, semitrailer,  
12 tractor, motor bus or any other self-propelled or motor-driven vehicle used  
13 upon any of the public highways of Kansas for the purpose of transporting  
14 persons or property; (ii) "licensed motor carrier" means any person, firm,  
15 corporation or other business entity that holds a certificate of convenience  
16 and necessity or a certificate of public service from the state corporation  
17 commission or is required to register motor carrier equipment pursuant to  
18 49 U.S.C. § 14504; and (iii) "owner-operator" means a person, firm,  
19 corporation or other business entity that is the owner of a single motor  
20 vehicle that is driven exclusively by the owner under a lease agreement or  
21 contract with a licensed motor carrier; and

22 (Z) services performed by a petroleum landman on a contractual  
23 basis. As used in this subparagraph, "petroleum landman" means an  
24 individual performing services on a contractual basis who is not an  
25 individual who is an active officer of a corporation as described in  
26 subsection (i)(1)(A) that may include:

- 27 (i) Negotiating for the acquisition or divestiture of mineral rights;
- 28 (ii) negotiating business agreements that provide exploration for or  
29 development of minerals;
- 30 (iii) determining ownership in minerals through the research of public  
31 and private records;
- 32 (iv) reviewing the status of title, curing title defects, providing title  
33 due diligence and otherwise reducing title risk associated with ownership  
34 in minerals or the acquisition and divestiture of mineral properties;
- 35 (v) managing rights or obligations derived from ownership of  
36 interests in minerals; or
- 37 (vi) unitizing or pooling of interests in minerals. For purposes of this  
38 subparagraph, "minerals" includes oil, natural gas or petroleum. "Services"  
39 does not include services performed for a governmental entity or any  
40 organization described in section 501(c)(3) of the federal internal revenue  
41 code of 1986, or a federally recognized Indian tribe that is exempt from  
42 income taxation under section 501(a) of the code.
- 43 (j) "Employment office" means any office operated by this state and

1 maintained by the secretary of labor for the purpose of assisting persons to  
2 become employed.

3 (k) "Fund" means the employment security fund established by this  
4 act, to which all contributions and reimbursement payments required and  
5 from which all benefits provided under this act shall be paid and including  
6 all money received from the federal government as reimbursements  
7 pursuant to section 204 of the federal-state extended compensation act of  
8 1970, and amendments thereto.

9 (l) "State" includes, in addition to the states of the United States of  
10 America, any dependency of the United States, the Commonwealth of  
11 Puerto Rico, the District of Columbia and the Virgin Islands.

12 (m) "Unemployment." An individual shall be deemed "unemployed"  
13 with respect to any week during which such individual performs no  
14 services and with respect to which no wages are payable to such  
15 individual, or with respect to any week of less than full-time work if the  
16 wages payable to such individual with respect to such week are less than  
17 such individual's weekly benefit amount.

18 (n) "Employment security administration fund" means the fund  
19 established by this act, from which administrative expenses under this act  
20 shall be paid.

21 (o) "Wages" means all compensation for services, including  
22 commissions, bonuses, back pay and the cash value of all remuneration,  
23 including benefits, paid in any medium other than cash. The reasonable  
24 cash value of remuneration in any medium other than cash, shall be  
25 estimated and determined in accordance with rules and regulations  
26 prescribed by the secretary. Compensation payable to an individual that  
27 has not been actually received by that individual within 21 days after the  
28 end of the pay period in which the compensation was earned shall be  
29 considered to have been paid on the 21<sup>st</sup> day after the end of that pay  
30 period. Effective January 1, 1986, gratuities, including tips received from  
31 persons other than the employing unit, shall be considered wages when  
32 reported in writing to the employer by the employee. Employees must  
33 furnish a written statement to the employer, reporting all tips received if  
34 they total \$20 or more for a calendar month whether the tips are received  
35 directly from a person other than the employer or are paid over to the  
36 employee by the employer. This includes amounts designated as tips by a  
37 customer who uses a credit card to pay the bill. Notwithstanding the other  
38 provisions of this subsection (o), wages paid in back pay awards or  
39 settlements shall be allocated to the week or weeks and reported in the  
40 manner as specified in the award or agreement, or, in the absence of such  
41 specificity in the award or agreement, such wages shall be allocated to the  
42 week or weeks in which such wages, in the judgment of the secretary,  
43 would have been paid. The term "wages" shall not include:

1 (1) *For calendar years 2016 through 2025*, that part of the  
2 remuneration that has been paid in a calendar year to an individual by an  
3 employer or such employer's predecessor in excess of ~~\$3,000 for all~~  
4 ~~calendar years prior to 1972, in excess of \$4,200 for the calendar years~~  
5 ~~1972 to 1977, inclusive, in excess of \$6,000 for calendar years 1978 to~~  
6 ~~1982, inclusive, in excess of \$7,000 for the calendar year 1983, in excess~~  
7 ~~of \$8,000 for the calendar years 1984 to 2014, inclusive, and in excess of~~  
8 ~~\$12,000 with respect to employment during calendar year 2015, and in~~  
9 ~~excess of \$14,000 with respect to all calendar years thereafter~~, except that  
10 if the definition of the term "wages" as contained in the federal  
11 unemployment tax act is amended to include remuneration paid to an  
12 individual by an employer under the federal act in excess of ~~\$8,000 for the~~  
13 ~~calendar years 1984-2014, inclusive, and in excess of \$12,000 with respect~~  
14 ~~to employment during calendar year 2015, and in excess of \$14,000 with~~  
15 ~~respect to all calendar years thereafter~~ *employment during calendar years*  
16 *2016 through 2025*, wages shall include remuneration paid in a calendar  
17 year to an individual by an employer subject to this act or such employer's  
18 predecessor with respect to employment during any calendar year up to an  
19 amount equal to the dollar limitation specified in the federal  
20 unemployment tax act. For the purposes of this subsection (o)(1), the term  
21 "employment" shall include service constituting employment under any  
22 employment security law of another state or of the federal government;

23 (2) (A) *For the calendar year as set forth below, except as provided*  
24 *by subparagraph (B), for contributing rated employers assigned rate*  
25 *groups 0-N11, that part of the remuneration that has been paid in a*  
26 *calendar year to an individual by an employer or such employer's*  
27 *predecessor in excess of the specified percentage of the statewide average*  
28 *annual wage paid to employees in insured work during the previous*  
29 *calendar year and rounded to the nearest multiple of \$100:*

- 30 (i) *Calendar years 2026 through 2030, 50%; and*  
31 (ii) *calendar year 2031 and all ensuing calendar years thereafter:*  
32 (a) *50% if employer contribution rate schedules 1-11 as provided in*  
33 *K.S.A. 44-710a(a)(4)(C), and amendments thereto, are in effect; and*  
34 (b) *45% if employer contribution rate schedules 12-13 as provided in*  
35 *K.S.A. 44-710a(a)(4)(C), and amendments thereto, are in effect.*

36 (B) *If the definition of the term "wages" as contained in the federal*  
37 *unemployment tax act is amended to include the remuneration paid to an*  
38 *individual by an employer under the federal act in excess of the amount*  
39 *calculated pursuant to subparagraph (A)(i) through (vii), then with respect*  
40 *to employment during all calendar years thereafter, wages shall include*  
41 *the remuneration paid in a calendar year to an individual by an employer*  
42 *subject to this act or such employer's predecessor with respect to*  
43 *employment during any calendar year up to an amount equal to the dollar*



1 *limitation specified in the federal unemployment tax act.*

2 *(C) For purposes of subparagraphs (A) and (B):*

3 *(i) "Employment" includes service constituting employment under*  
 4 *any employment security law of another state or of the federal*  
 5 *government; and*

6 *(ii) "statewide average annual wage" means the statewide average*  
 7 *annual wage as defined by subsection (jj) and computed by the secretary*  
 8 *on July 1 each year, as provided by K.S.A. 44-704, and amendments*  
 9 *thereto;*

10 ~~(2)~~(3) the amount of any payment, including any amount paid by an  
 11 employing unit for insurance or annuities, or into a fund, to provide for  
 12 any such payment, made to, or on behalf of, an employee or any of such  
 13 employee's dependents under a plan or system established by an employer  
 14 that makes provisions for employees generally, for a class or classes of  
 15 employees or for such employees or a class or classes of employees and  
 16 their dependents, on account of:

17 (A) Sickness or accident disability, except in the case of any payment  
 18 made to an employee or such employee's dependents, this subparagraph  
 19 shall exclude from the term "wages" only payments that are received under  
 20 a workers compensation law. Any third party that makes a payment  
 21 included as wages by reason of this subparagraph ~~(2)(A)~~ shall be treated as  
 22 the employer with respect to such wages; ~~or~~

23 (B) medical and hospitalization expenses in connection with sickness  
 24 or accident disability; or

25 (C) death;

26 ~~(3)~~(4) any payment on account of sickness or accident disability, or  
 27 medical or hospitalization expenses in connection with sickness or  
 28 accident disability, made by an employer to, or on behalf of, an employee  
 29 after the expiration of six calendar months following the last calendar  
 30 month in which the employee worked for such employer;

31 ~~(4)~~(5) any payment made to, or on behalf of, an employee or such  
 32 employee's beneficiary:

33 (A) From or to a trust described in section 401(a) of the federal  
 34 internal revenue code of 1986 that is exempt from tax under section 501(a)  
 35 of the federal internal revenue code of 1986 at the time of such payment  
 36 unless such payment is made to an employee of the trust as remuneration  
 37 for services rendered as such employee and not as a beneficiary of the  
 38 trust;

39 (B) under or to an annuity plan that, at the time of such payment, is a  
 40 plan described in section 403(a) of the federal internal revenue code of  
 41 1986;

42 (C) under a simplified employee pension as defined in section 408(k)  
 43 (1) of the federal internal revenue code of 1986, other than any

1 contribution described in section 408(k)(6) of the federal internal revenue  
2 code of 1986;

3 (D) under or to an annuity contract described in section 403(b) of the  
4 federal internal revenue code of 1986, other than a payment for the  
5 purchase of such contract that was made by reason of a salary reduction  
6 agreement whether evidenced by a written instrument or otherwise;

7 (E) under or to an exempt governmental deferred compensation plan  
8 as defined in section 3121(v)(3) of the federal internal revenue code of  
9 1986;

10 (F) to supplement pension benefits under a plan or trust described in  
11 any of the foregoing provisions of this subparagraph to take into account  
12 some portion or all of the increase in the cost of living, as determined by  
13 the secretary of labor, since retirement but only if such supplemental  
14 payments are under a plan that is treated as a welfare plan under section  
15 3(2)(B)(ii) of the federal employee retirement income security act of 1974;  
16 or

17 (G) under a cafeteria plan within the meaning of section 125 of the  
18 federal internal revenue code of 1986;

19 ~~(5)~~(6) the payment by an employing unit, without deduction from the  
20 remuneration of the employee, of the tax imposed upon an employee under  
21 section 3101 of the federal internal revenue code of 1986 with respect to  
22 remuneration paid to an employee for domestic service in a private home  
23 of the employer or for agricultural labor;

24 ~~(6)~~(7) remuneration paid in any medium other than cash to an  
25 employee for service not in the course of the employer's trade or business;

26 ~~(7)~~(8) remuneration paid to or on behalf of an employee if and to the  
27 extent that at the time of the payment of such remuneration it is reasonable  
28 to believe that a corresponding deduction is allowable under section 217 of  
29 the federal internal revenue code of 1986 relating to moving expenses;

30 ~~(8)~~(9) any payment or series of payments by an employer to an  
31 employee or any of such employee's dependents that is paid:

32 (A) Upon or after the termination of an employee's employment  
33 relationship because of (i) death or (ii) retirement for disability; and

34 (B) under a plan established by the employer that makes provisions  
35 for employees generally, a class or classes of employees or for such  
36 employees or a class or classes of employees and their dependents, other  
37 than any such payment or series of payments that would have been paid if  
38 the employee's employment relationship had not been so terminated;

39 ~~(9)~~(10) remuneration for agricultural labor paid in any medium other  
40 than cash;

41 ~~(10)~~(11) any payment made, or benefit furnished, to or for the benefit  
42 of an employee if at the time of such payment or such furnishing it is  
43 reasonable to believe that the employee will be able to exclude such

1 payment or benefit from income under section 129 of the federal internal  
2 revenue code of 1986 that relates to dependent care assistance programs;

3 ~~(H)~~(12) the value of any meals or lodging furnished by or on behalf  
4 of the employer if at the time of such furnishing it is reasonable to believe  
5 that the employee will be able to exclude such items from income under  
6 section 119 of the federal internal revenue code of 1986;

7 ~~(I)~~(13) any payment made by an employer to a survivor or the estate  
8 of a former employee after the calendar year in which such employee died;

9 ~~(J)~~(14) any benefit provided to or on behalf of an employee if at the  
10 time such benefit is provided it is reasonable to believe that the employee  
11 will be able to exclude such benefit from income under section 74(c), 117  
12 or 132 of the federal internal revenue code of 1986;

13 ~~(K)~~(15) any payment made, or benefit furnished, to or for the benefit  
14 of an employee, if at the time of such payment or such furnishing it is  
15 reasonable to believe that the employee will be able to exclude such  
16 payment or benefit from income under section 127 of the federal internal  
17 revenue code of 1986 relating to educational assistance to the employee; or

18 ~~(L)~~(16) any payment made to or for the benefit of an employee if at  
19 the time of such payment it is reasonable to believe that the employee will  
20 be able to exclude such payment from income under section 106(d) of the  
21 federal internal revenue code of 1986 relating to health savings accounts.

22 Nothing in any paragraph of subsection (o), other than ~~paragraph~~  
23 *paragraphs* (1) and (2), shall exclude from the term "wages": (1) Any  
24 employer contribution under a qualified cash or deferred arrangement, as  
25 defined in section 401(k) of the federal internal revenue code of 1986, to  
26 the extent that such contribution is not included in gross income by reason  
27 of section 402(a)(8) of the federal internal revenue code of 1986; or (2)  
28 any amount treated as an employer contribution under section 414(h)(2) of  
29 the federal internal revenue code of 1986.

30 Any amount deferred under a nonqualified deferred compensation plan  
31 shall be taken into account for purposes of this section as of the later of  
32 when the services are performed or when there is no substantial risk of  
33 forfeiture of the rights to such amount. Any amount taken into account as  
34 wages by reason of this paragraph, and the income attributable thereto,  
35 shall not thereafter be treated as wages for purposes of this section. For  
36 purposes of this paragraph, the term "nonqualified deferred compensation  
37 plan" means any plan or other arrangement for deferral of compensation  
38 other than a plan described in subsection ~~(e)(4)~~ (o)(5).

39 (p) "Week" means such period or periods of seven consecutive  
40 calendar days, as the secretary may by rules and regulations prescribe.

41 (q) "Calendar quarter" means the period of three consecutive calendar  
42 months ending March 31, June 30, September 30 or December 31, or the  
43 equivalent thereof as the secretary may by rules and regulations prescribe.

1 (r) "Insured work" means employment for employers.

2 (s) "Approved training" means any vocational training course or  
3 course in basic education skills, including a job training program  
4 authorized under the federal workforce investment act of 1998, approved  
5 by the secretary or a person or persons designated by the secretary.

6 (t) "American vessel" or "American aircraft" means any vessel or  
7 aircraft documented or numbered or otherwise registered under the laws of  
8 the United States; and any vessel or aircraft that is neither documented or  
9 numbered or otherwise registered under the laws of the United States nor  
10 documented under the laws of any foreign country, if its crew performs  
11 service solely for one or more citizens or residents of the United States or  
12 corporations organized under the laws of the United States or of any state.

13 (u) "Institution of higher education," for the purposes of this section,  
14 means an educational institution that:

15 (1) Admits as regular students only individuals having a certificate of  
16 graduation from a high school, or the recognized equivalent of such a  
17 certificate;

18 (2) is legally authorized in this state to provide a program of  
19 education beyond high school;

20 (3) provides an educational program for which it awards a bachelor's  
21 or higher degree, or provides a program that is acceptable for full credit  
22 toward such a degree, a program of postgraduate or postdoctoral studies,  
23 or a program of training to prepare students for gainful employment in a  
24 recognized occupation; and

25 (4) is a public or other nonprofit institution.

26 Notwithstanding any of the foregoing provisions of this subsection (u),  
27 all colleges and universities in this state are institutions of higher education  
28 for purposes of this section, except that no college, university, junior  
29 college or other postsecondary school or institution that is operated by the  
30 federal government or any agency thereof shall be an institution of higher  
31 education for purposes of the employment security law.

32 (v) "Educational institution" means any institution of higher  
33 education, as defined in subsection (u), or any institution, except private  
34 for profit institutions, in which participants, trainees or students are offered  
35 an organized course of study or training designed to transfer to them  
36 knowledge, skills, information, doctrines, attitudes or abilities from, by or  
37 under the guidance of an instructor or teacher and that is approved,  
38 licensed or issued a permit to operate as a school by the state department  
39 of education or other government agency that is authorized within the state  
40 to approve, license or issue a permit for the operation of a school or to an  
41 Indian tribe in the operation of an educational institution. The courses of  
42 study or training that an educational institution offers may be academic,  
43 technical, trade or preparation for gainful employment in a recognized

1 occupation.

2 (w) (1) "Agricultural labor" means any remunerated service:

3 (A) On a farm, in the employ of any person, in connection with  
4 cultivating the soil, or in connection with raising or harvesting any  
5 agricultural or horticultural commodity, including the raising, shearing,  
6 feeding, caring for, training, and management of livestock, bees, poultry,  
7 and furbearing animals and wildlife.

8 (B) In the employ of the owner or tenant or other operator of a farm,  
9 in connection with the operating, management, conservation,  
10 improvement, or maintenance of such farm and its tools and equipment, or  
11 in salvaging timber or clearing land of brush and other debris left by a  
12 hurricane, if the major part of such service is performed on a farm.

13 (C) In connection with the production or harvesting of any  
14 commodity defined as an agricultural commodity in section (15)(g) of the  
15 agricultural marketing act, as amended, 46 Stat. 1500, sec. 3; 12 U.S.C. §  
16 1141j, or in connection with the ginning of cotton, or in connection with  
17 the operation or maintenance of ditches, canals, reservoirs or waterways,  
18 not owned or operated for profit, used exclusively for supplying and  
19 storing water for farming purposes.

20 (D) (i) In the employ of the operator of a farm in handling, planting,  
21 drying, packing, packaging, processing, freezing, grading, storing, or  
22 delivering to storage or to market or to a carrier for transportation to  
23 market, in its unmanufactured state, any agricultural or horticultural  
24 commodity; but only if such operator produced more than ½ of the  
25 commodity with respect to which such service is performed;

26 (ii) in the employ of a group of operators of farms, or a cooperative  
27 organization of which such operators are members, in the performance of  
28 services described in paragraph (i), but only if such operators produced  
29 more than ½ of the commodity with respect to which such service is  
30 performed;

31 (iii) the provisions of paragraphs (i) and (ii) shall not be deemed to be  
32 applicable with respect to services performed in connection with  
33 commercial canning or commercial freezing or in connection with any  
34 agricultural or horticultural commodity after its delivery to a terminal  
35 market for distribution for consumption.

36 (E) On a farm operated for profit if such service is not in the course  
37 of the employer's trade or business.

38 (2) "Agricultural labor" does not include services performed prior to  
39 January 1, 1980, by an individual who is an alien admitted to the United  
40 States to perform service in agricultural labor pursuant to sections 214(c)  
41 and 101(a)(15)(H) of the federal immigration and nationality act.

42 (3) As used in this subsection, the term "farm" includes stock, dairy,  
43 poultry, fruit, fur-bearing animal, and truck farms, plantations, ranches,

1 nurseries, ranges, greenhouses, or other similar structures used primarily  
2 for the raising of agricultural or horticultural commodities, and orchards.

3 (4) For the purpose of this section, if an employing unit does not  
4 maintain sufficient records to separate agricultural labor from other  
5 employment, all services performed during any pay period by an  
6 individual for the person employing such individual shall be deemed to be  
7 agricultural labor if services performed during  $\frac{1}{2}$  or more of such pay  
8 period constitute agricultural labor; but if the services performed during  
9 more than  $\frac{1}{2}$  of any such pay period by an individual for the person  
10 employing such individual do not constitute agricultural labor, then none  
11 of the services of such individual for such period shall be deemed to be  
12 agricultural labor. As used in this subsection, the term "pay period" means  
13 a period of not more than 31 consecutive days for which a payment of  
14 remuneration is ordinarily made to the individual by the person employing  
15 such individual.

16 (x) "Reimbursing employer" means any employer who makes  
17 payments in lieu of contributions to the employment security fund as  
18 provided in K.S.A. 44-710(e), and amendments thereto.

19 (y) "Contributing employer" means any employer other than a  
20 reimbursing employer or rated governmental employer.

21 (z) "Wage combining plan" means a uniform national arrangement  
22 approved by the United States secretary of labor in consultation with the  
23 state unemployment compensation agencies and in which this state shall  
24 participate, whereby wages earned in one or more states are transferred to  
25 another state, called the "paying state," and combined with wages in the  
26 paying state, if any, for the payment of benefits under the laws of the  
27 paying state and as provided by an arrangement so approved by the United  
28 States secretary of labor.

29 (aa) "Domestic service" means any services for a person in the  
30 operation and maintenance of a private household, local college club or  
31 local chapter of a college fraternity or sorority, as distinguished from  
32 service as an employee in the pursuit of an employer's trade, occupation,  
33 profession, enterprise or vocation.

34 (bb) "Rated governmental employer" means any governmental entity  
35 that elects to make payments as provided by K.S.A. 44-710d, and  
36 amendments thereto.

37 (cc) "Benefit cost payments" means payments made to the  
38 employment security fund by a governmental entity electing to become a  
39 rated governmental employer.

40 (dd) "Successor employer" means any employer, as described in  
41 subsection (h), that acquires or in any manner succeeds to: (1)  
42 Substantially all of the employing enterprises, organization, trade or  
43 business of another employer; or (2) substantially all the assets of another

1 employer.

2 (ee) "Predecessor employer" means an employer, as described in  
3 subsection (h), who has previously operated a business or portion of a  
4 business with employment to which another employer has succeeded.

5 (ff) "Lessor employing unit" means any independently established  
6 business entity that engages in the business of providing leased employees  
7 to a client lessee.

8 (gg) "Client lessee" means any individual, organization, partnership,  
9 corporation or other legal entity leasing employees from a lessor  
10 employing unit.

11 (hh) "Qualifying injury" means a personal injury by accident arising  
12 out of and in the course of employment within the coverage of the Kansas  
13 workers compensation act, K.S.A. 44-501 et seq., and amendments.

14 (ii) *"Temporary unemployment," "temporarily unemployed" or*  
15 *"temporary layoff" means that the individual has been laid off due to lack*  
16 *of work by an employing unit for which the individual has most recently*  
17 *worked full time and for which the individual reasonably expects to*  
18 *resume full-time work at a future date within eight weeks, and that the*  
19 *individual's employment with the employing unit, although temporarily*  
20 *suspended, has not been terminated. Except as otherwise provided by*  
21 *K.S.A. 44-775(a)(3), and amendments thereto, "temporary unemployment"*  
22 *shall not exceed eight consecutive weeks. An extension of additional weeks*  
23 *of temporary unemployment at the request of an employer for an*  
24 *individual may be granted by the secretary as provided by K.S.A. 44-*  
25 *775(a)(3), and amendments thereto. The maximum amount of temporary*  
26 *unemployment for an individual in a benefit year, including any extension*  
27 *granted by the secretary, shall be as provided by K.S.A. 44-775(a)(3), and*  
28 *amendments thereto.*

29 (jj) *"Statewide average annual wage" or "SAAW" means the quotient,*  
30 *obtained by dividing gross wages by average monthly covered employment*  
31 *for the same determination period, rounded to the nearest cent.*

32 (kk) *"Statewide average weekly wage" or "SAWW" means the*  
33 *quotient, obtained by dividing the statewide average annual wage by 52,*  
34 *rounded to the nearest cent.*

35 Sec. 2. K.S.A. 44-704 is hereby amended to read as follows: 44-704.

36 (a) *Payment of benefits.* All benefits provided herein shall be payable from  
37 the fund. All benefits shall be paid through the secretary of labor, in  
38 accordance with such rules and regulations as the secretary may adopt.  
39 Benefits based on service in employment defined in K.S.A. 44-703(i)(3)  
40 (E) and (i)(3)(F), and amendments thereto, shall be payable in the same  
41 amount, on the same terms and subject to the same conditions as  
42 compensation payable on the basis of other service subject to this act  
43 except as provided in K.S.A. 44-705(e) and 44-711(e), and amendments

1 thereto.

2 (b) *Determined weekly benefit amount.* An individual's determined  
3 weekly benefit amount shall be an amount equal to 4.25% of the  
4 individual's total wages for insured work paid during that calendar quarter  
5 of the individual's base period that such total wages were highest, subject  
6 to the following limitations:

7 (1) If an individual's determined weekly benefit amount is less than  
8 the minimum weekly benefit amount, it shall be raised to such minimum  
9 weekly benefit amount;

10 (2) if the individual's determined weekly benefit amount is more than  
11 the maximum weekly benefit amount, it shall be reduced to the maximum  
12 weekly benefit amount; and

13 (3) if the individual's determined weekly benefit amount is not a  
14 multiple of \$1, it shall be reduced to the next lower multiple of \$1.

15 (c) *Maximum weekly benefit amount.* ~~(1) For initial claims effective~~  
16 ~~prior to July 1, 2015, the maximum weekly benefit amount shall be~~  
17 ~~determined as follows: On July 1 of each year, the secretary shall~~  
18 ~~determine the maximum weekly benefit amount by computing 60% of the~~  
19 ~~average weekly wages paid to employees in insured work during the~~  
20 ~~previous calendar year and shall, prior to that date, announce the~~  
21 ~~maximum weekly benefit amount so determined, by publication in the~~  
22 ~~Kansas register. Such computation shall be made by dividing the gross~~  
23 ~~wages reported as paid for insured work during the previous calendar year~~  
24 ~~by the product of the average of mid-month employment during such~~  
25 ~~calendar year multiplied by 52. The maximum weekly benefit amount so~~  
26 ~~determined and announced for the twelve-month period shall apply only to~~  
27 ~~those claims filed in that period qualifying for maximum payment under~~  
28 ~~the foregoing formula. All claims qualifying for payment at the maximum~~  
29 ~~weekly benefit amount shall be paid at the maximum weekly benefit~~  
30 ~~amount in effect when the benefit year to which the claim relates was first~~  
31 ~~established, notwithstanding a change in the maximum benefit amount for~~  
32 ~~a subsequent twelve-month period. If the computed maximum weekly~~  
33 ~~benefit amount is not a multiple of \$1, then the computed maximum~~  
34 ~~weekly benefit amount shall be reduced to the next lower multiple of \$1.~~

35 ~~(2) For initial claims effective on or after July 1, 2015~~ 2024, the  
36 maximum weekly benefit amount shall be determined as follows: On July  
37 1 of each year, the secretary shall determine the maximum weekly benefit  
38 amount by computing 55% of the *statewide* average weekly wages paid to  
39 employees in insured work during the previous calendar year, ~~but not to be~~  
40 ~~less than \$474~~, and shall, prior to that date, announce the maximum  
41 weekly benefit amount so determined by publication in the Kansas  
42 register. Such computation *of the statewide average weekly wage* shall be  
43 made by dividing the gross wages reported as paid for insured work during



1 ~~the previous calendar year by the product of the average of mid-month~~  
2 ~~employment during such calendar year multiplied statewide average~~  
3 ~~annual wage, as defined in K.S.A. 44-703(jj), and amendments thereto,~~  
4 ~~determined for the period of the previous calendar year, by 52, as set forth~~  
5 ~~by K.S.A. 44-703(kk), and amendments thereto.~~ The maximum weekly  
6 benefit amount so determined and announced for the 12-month period  
7 shall apply only to those claims filed in that period qualifying for  
8 maximum payment under the foregoing formula. All claims qualifying for  
9 payment at the maximum weekly benefit amount shall be paid at the  
10 maximum weekly benefit amount in effect when the benefit year to which  
11 the claim relates was first established, notwithstanding a change in the  
12 maximum benefit amount for a subsequent 12-month period. If the  
13 computed maximum weekly benefit amount is not a multiple of \$1, then  
14 the computed maximum weekly benefit amount shall be reduced to the  
15 next lower multiple of \$1.

16 (d) *Minimum weekly benefit amount.* The minimum weekly benefit  
17 amount payable to any individual shall be 25% of the maximum weekly  
18 benefit amount effective as of the beginning of the individual's benefit  
19 year. If the minimum weekly benefit amount is not a multiple of \$1 it shall  
20 be reduced to the next lower multiple of \$1. The minimum weekly benefit  
21 amount shall apply through the benefit year, notwithstanding a change in  
22 the minimum weekly benefit amount.

23 (e) All claims qualifying for payment at the maximum weekly benefit  
24 amount shall be paid at the maximum weekly benefit amount in effect  
25 when the benefit year to which the claim relates was first established,  
26 notwithstanding a subsequent change in the maximum weekly benefit  
27 amount.

28 (f) *Weekly benefit payable.* Each eligible individual who is  
29 unemployed with respect to any week, except as to final payment, shall be  
30 paid with respect to such week a benefit in an amount equal to such  
31 individual's determined weekly benefit amount, less that part of the wage,  
32 if any, payable to such individual with respect to such week that is in  
33 excess of the amount that is equal to 25% of such individual's determined  
34 weekly benefit amount, and if the resulting amount is not a multiple of \$1,  
35 it shall be reduced to the next lower multiple of \$1.

36 (1) For the purposes of this section, remuneration received under the  
37 following circumstances shall be construed as wages:

38 (A) Vacation or holiday pay that was attributable to a week that the  
39 individual claimed benefits; and

40 (B) severance pay, if paid as scheduled, and all other employment  
41 benefits within the employer's control, as defined in subsection (f)(3), if  
42 continued as though the severance had not occurred, except as set out in  
43 subsection (f)(2)(C).

1 (2) For the purposes of this section, remuneration received under the  
2 following circumstances shall not be construed as wages:

3 (A) Remuneration received for services performed on a public  
4 assistance work project;

5 (B) severance pay, in lieu of notice, under the provisions of public  
6 law 100-379, the federal worker adjustment and retraining notification act,  
7 29 U.S.C. §§ 2101 through 2109;

8 (C) all other severance pay, separation pay, bonuses, wages in lieu of  
9 notice or remuneration of a similar nature that is payable after the  
10 severance of the employment relationship, except as set out in subsection  
11 (f)(1)(B); and

12 (D) moneys received as federal social security payments.

13 (3) For the purposes of this subsection, "employment benefits within  
14 the employer's control" means benefits offered by the employer to  
15 employees that are employee benefit plans as defined by section 3 of the  
16 federal employee retirement income security act of 1974, as amended, 29  
17 U.S.C. § 1002, and that the employer has the option to continue to provide  
18 to the employee after the last day that the employee worked for that  
19 employer.

20 (g) *Duration of benefits.* Any otherwise eligible individual shall be  
21 entitled during any benefit year to a total amount of benefits equal to  
22 whichever is the lesser of 26 times such individual's weekly benefit  
23 amount, or  $\frac{1}{3}$  of such individual's wages for insured work paid during such  
24 individual's base period. Such total amount of benefits, if not a multiple of  
25 \$1, shall be reduced to the next lower multiple of \$1.

26 (h) For the purposes of this section, wages shall be counted as "wages  
27 for insured work" for benefit purposes with respect to any benefit year  
28 only if such benefit year begins subsequent to the date when the  
29 employing unit by whom such wages were paid has satisfied the  
30 conditions of K.S.A. 44-703(h), and amendments thereto, with respect to  
31 becoming an employer.

32 (i) Notwithstanding any other provisions of this section to the  
33 contrary, any benefit otherwise payable for any week shall be reduced by  
34 the amount of any separation, termination, severance or other similar  
35 payment paid to a claimant at the time of or after the claimant's separation  
36 from employment during the benefit year.

37 (1) If any payment pursuant to this subsection is paid with respect to  
38 a month, then the amount deemed to be received with respect to any week  
39 during such month shall be computed by multiplying such monthly  
40 amount by 12 and dividing the product by 52. If there is no designation of  
41 the period with respect to which payments to an individual are made under  
42 this section, then an amount equal to such individual's normal weekly  
43 wage shall be attributed to and deemed paid with respect to the first and

1 each succeeding week following payment of the separation pay to the  
2 individual until such amount so paid is exhausted.

3 (2) If benefits for any week, when reduced as provided in this  
4 subsection, result in an amount that is not a multiple of \$1, such benefits  
5 shall be rounded to the next lower multiple of \$1.

6 (3) Notwithstanding the reemployment provisions of K.S.A. 44-  
7 705(e), and amendments thereto, any individual whose benefit amount is  
8 completely reduced under this subsection for 52 or more weeks shall, upon  
9 exhaustion of the separation pay, be entitled to a new benefit year based  
10 upon entitlement from the base period of the claim that was reduced.

11 ~~(j) Except as provided in subsection (k), for weeks commencing on~~  
12 ~~and after January 1, 2014, and ending before September 5, 2021, if at the~~  
13 ~~beginning of the benefit year, the three-month seasonally adjusted average~~  
14 ~~unemployment rate for the state of Kansas is: (1) Less than 4.5%, a~~  
15 ~~claimant shall be eligible for a maximum of 16 weeks of benefits; (2) at~~  
16 ~~least 4.5% but less than 6%, a claimant shall be eligible for a maximum of~~  
17 ~~20 weeks of benefits; or (3) at least 6%, a claimant shall be eligible for a~~  
18 ~~maximum of 26 weeks of benefits.~~

19 ~~(k) On and after the effective date of this act, a claimant shall be~~  
20 ~~eligible for a maximum of 26 weeks of benefits. A claimant who filed a~~  
21 ~~new claim on or after January 1, 2020, and before the effective date of this~~  
22 ~~act shall be eligible for a maximum of 26 weeks of benefits including the~~  
23 ~~number of weeks of benefits received after January 1, 2020, and before the~~  
24 ~~effective date of this act. This subsection shall not apply to initial claims~~  
25 ~~effective on and after September 5, 2021.~~

26 ~~(j)(1)~~ For weeks commencing on and after September 5, 2021, if at  
27 the beginning of the benefit year, the three-month seasonally adjusted  
28 average unemployment rate for the state of Kansas is: (1) Less than 5%, a  
29 claimant shall be eligible for a maximum of 16 weeks of benefits; (2) at  
30 least 5% but less than 6%, a claimant shall be eligible for a maximum of  
31 20 weeks of benefits; or (3) at least 6%, a claimant shall be eligible for a  
32 maximum of 26 weeks of benefits.

33 (2) *The maximum number of weeks of benefits in a benefit year shall*  
34 *be determined by any combination of traditional or temporary*  
35 *unemployment.*

36 ~~(m)(k)~~ Upon the secretary of labor's receipt of notification that the  
37 claimant has become employed, the secretary shall notify the secretary of  
38 the department for children and families in order that the secretary for  
39 children and families may determine the claimant's eligibility for state or  
40 federal benefits provided or facilitated by the department for children and  
41 families. The department of labor and the department for children and  
42 families shall enter into a memorandum of understanding that shall  
43 provide for the transfer of information as provided in this subsection.

1       Sec. 3. K.S.A. 44-705 is hereby amended to read as follows: 44-705.  
2 Except as provided by K.S.A. 44-757, and amendments thereto, an  
3 unemployed individual shall be eligible to receive benefits with respect to  
4 any week only if the secretary, or a person or persons designated by the  
5 secretary, finds that:

6       (a) The claimant has registered for work at and thereafter continued  
7 to report at an employment office in accordance with rules and regulations  
8 adopted by the secretary, except that, subject to the provisions of K.S.A.  
9 44-704(a), and amendments thereto, the secretary may adopt rules and  
10 regulations that waive or alter either or both of the requirements of this  
11 subsection.

12       (b) The claimant has made a claim for benefits with respect to such  
13 week in accordance with rules and regulations adopted by the secretary.

14       (c) (1) The claimant is able to perform the duties of such claimant's  
15 customary occupation or the duties of other occupations that the claimant  
16 is reasonably fitted by training or experience, and is available for work, as  
17 demonstrated by the claimant's pursuit of the full course of action most  
18 reasonably calculated to result in the claimant's reemployment except that,  
19 notwithstanding any other provisions of this section, an unemployed  
20 claimant otherwise eligible for benefits shall not become ineligible for  
21 benefits:

22       (A) Because of the claimant's enrollment in and satisfactory pursuit  
23 of approved training, including training approved under section 236(a)(1)  
24 of the trade act of 1974;

25       (B) solely because such individual is seeking only part-time  
26 employment if the individual is available for a number of hours per week  
27 that are comparable to the individual's part-time work experience in the  
28 base period; or

29       (C) because a claimant is not actively seeking work:

30       (i) During a state of disaster emergency proclaimed by the governor  
31 pursuant to K.S.A. 48-924 and 48-925, and amendments thereto;

32       (ii) in response to the spread of the public health emergency of  
33 COVID-19; and

34       (iii) the state's temporary waiver of the work search requirement  
35 under the employment security law for such claimant is in compliance  
36 with the families first coronavirus response act, public law 116-127.

37       (2) The secretary shall develop and implement procedures to address  
38 claimants who refuse to return to suitable work or refuse to accept an offer  
39 of suitable work without good cause. Such procedures shall include the  
40 receipt and processing of job refusal reports from employers, the  
41 evaluation of such reports in consideration of the claimant's work history  
42 and skills and suitability of the offered employment and guidelines for a  
43 determination of whether the claimant shall remain eligible for

1 unemployment benefits or has failed to meet the work search requirements  
2 of this subsection or the requirements of K.S.A. 44-706(c), and  
3 amendments thereto. In determining whether the employment offered is  
4 suitable, the secretary's considerations shall include whether the  
5 employment offers wages comparable to the claimant's recent employment  
6 and work duties that correspond to the claimant's education level and  
7 previous work experience. The secretary shall also consider whether the  
8 employment offers wages of at least the amount of the claimant's  
9 maximum weekly benefits.

10 (3) To facilitate the requirements of paragraph (2), the secretary shall  
11 provide readily accessible means for employers to notify the department  
12 when a claimant refuses to return to work or refuses an offer of  
13 employment, including by telephone, email or an online web portal. *The*  
14 *secretary shall create or cause to be created in the new unemployment*  
15 *insurance information technology system as provided by K.S.A. 44-772,*  
16 *and amendments thereto, an audit process for employers to submit reports*  
17 *regarding activities related to the work search requirement or to the my*  
18 *reemployment plan, established by K.S.A. 44-775, and amendments*  
19 *thereto, and applicants that accept interview appointments but do not*  
20 *participate or notify the interviewing employer of their inability to*  
21 *participate in the scheduled interview. The secretary shall not be required*  
22 *to implement such audit process prior to January 1, 2026.* Nothing in this  
23 subsection shall be construed as to require an employer to ~~report~~ *notify the*  
24 *department of such job refusals or such failures to appear for a scheduled*  
25 *interview without notifying the interviewing employer to the department.*

26 (4) At the time of receipt of notice from an employer pursuant to  
27 paragraph (3), the secretary shall, within 10 business days of receipt of  
28 such notice from the employer, provide a notice to the claimant who has  
29 refused to return to work or to accept an offer of suitable work without  
30 good cause. The method of providing the notice to the claimant shall be  
31 consistent with other correspondence from the department to the claimant  
32 and may include mail, telephone, email or through an online web portal.  
33 The notice shall, at minimum, include the following information:

34 (A) A summary of state employment security law regarding a  
35 claimant's duties to return to work or accept suitable work;

36 (B) a statement that the claimant has been or may be disqualified and  
37 the claimant's right to collect benefits has been or may be terminated for  
38 refusal to return to work or accept suitable work without good cause, as  
39 provided by this subsection and K.S.A. 44-706(c), and amendments  
40 thereto;

41 (C) an explanation of what constitutes suitable work under the  
42 employment security law; and

43 (D) instructions for contesting a denial of a claim if the denial is

1 based upon a report by an employer that the claimant has refused to return  
2 to work or has refused to accept an offer of suitable work.

3 (5) *The secretary shall include notices to all active employers*  
4 *regarding work search noncompliance reporting options provided in*  
5 *paragraph (3) in the department of labor's annual summary of benefit*  
6 *charges pursuant to K.S.A. 44-710b(d), and amendments thereto, and in*  
7 *the rate notices to employers pursuant to K.S.A. 44-710b(a), and*  
8 *amendments thereto. The secretary shall not be required to implement*  
9 *such notice requirements prior to the completion of the new unemployment*  
10 *insurance information technology system, as provided by K.S.A. 44-772,*  
11 *and amendments thereto.*

12 (5)(6) For the purposes of this subsection, an inmate of a custodial or  
13 correctional institution shall be deemed to be unavailable for work and not  
14 eligible to receive unemployment compensation while incarcerated.

15 (d) (1) Except as provided further, the claimant has been unemployed  
16 for a waiting period of one week or the claimant is unemployed and has  
17 satisfied the requirement for a waiting period of one week under the shared  
18 work unemployment compensation program as provided in K.S.A. 44-  
19 757(k)(4), and amendments thereto, and that period of one week, in either  
20 case, occurs within the benefit year that includes the week for which the  
21 claimant is claiming benefits. No week shall be counted as a week of  
22 unemployment for the purposes of this subsection:

23 (A) If benefits have been paid for such week;

24 (B) if the individual fails to meet with the other eligibility  
25 requirements of this section; or

26 (C) if an individual is seeking unemployment benefits under the  
27 unemployment compensation law of any other state or of the United  
28 States, except that if the appropriate agency of such state or of the United  
29 States finally determines that the claimant is not entitled to unemployment  
30 benefits under such other law, this subparagraph shall not apply.

31 (2) (A) The waiting week requirement of paragraph (1) shall not  
32 apply to:

33 (i) New claims by claimants who become unemployed as a result of  
34 an employer terminating business operations within this state, declaring  
35 bankruptcy or initiating a work force reduction pursuant to public law 100-  
36 379, the federal worker adjustment and retraining notification act, 29  
37 U.S.C. §§ 2101 through 2109, as amended; or

38 (ii) new claims filed on or after April 5, 2020, through December 26,  
39 2020, in accordance with the families first coronavirus response act, public  
40 law 116-127 and the federal CARES act, public law 116-136.

41 (B) The secretary shall adopt rules and regulations to administer the  
42 provisions of this paragraph.

43 (3) If the waiting week requirement of paragraph (1) applies, a

1 claimant shall become eligible to receive compensation for the waiting  
2 period of one week, pursuant to paragraph (1), upon completion of three  
3 weeks of unemployment consecutive to such waiting period. This  
4 paragraph shall not apply to initial claims effective on and after April 1,  
5 2021.

6 (e) For benefit years established on and after the effective date of this  
7 act, the claimant has been paid total wages for insured work in the  
8 claimant's base period of not less than 30 times the claimant's weekly  
9 benefit amount and has been paid wages in more than one quarter of the  
10 claimant's base period, except that the wage credits of an individual earned  
11 during the period commencing with the end of a prior base period and  
12 ending on the date that such individual filed a valid initial claim shall not  
13 be available for benefit purposes in a subsequent benefit year unless, in  
14 addition thereto, such individual has returned to work and subsequently  
15 earned wages for insured work in an amount equal to at least eight times  
16 the claimant's current weekly benefit amount.

17 (f) The claimant participates in reemployment services, such as job  
18 search assistance services, if the individual has been determined to be  
19 likely to exhaust regular benefits and needs reemployment services  
20 pursuant to a profiling system established by the secretary, unless the  
21 secretary determines that: (1) The individual has completed such services;  
22 or (2) there is justifiable cause for the claimant's failure to participate in  
23 such services.

24 (g) The claimant is returning to work after a qualifying injury and has  
25 been paid total wages for insured work in the claimant's alternative base  
26 period of not less than 30 times the claimant's weekly benefit amount and  
27 has been paid wages in more than one quarter of the claimant's alternative  
28 base period if:

29 (1) The claimant has filed for benefits within four weeks of being  
30 released to return to work by a licensed and practicing health care  
31 provider;

32 (2) the claimant files for benefits within 24 months of the date the  
33 qualifying injury occurred; and

34 (3) the claimant attempted to return to work with the employer where  
35 the qualifying injury occurred, but the individual's regular work or  
36 comparable and suitable work was not available.

37 Sec. 4. K.S.A. 44-706 is hereby amended to read as follows: 44-706.  
38 The secretary shall examine whether an individual has separated from  
39 employment for each week claimed. The secretary shall apply the  
40 provisions of this section to the individual's most recent employment prior  
41 to the week claimed. An individual shall be disqualified for benefits:

42 (a) If the individual left work voluntarily without good cause  
43 attributable to the work or the employer, subject to the other provisions of

1 this subsection. For purposes of this subsection, "good cause" is cause of  
2 such gravity that would impel a reasonable, not supersensitive, individual  
3 exercising ordinary common sense to leave employment. Good cause  
4 requires a showing of good faith of the individual leaving work, including  
5 the presence of a genuine desire to work. Failure to return to work after  
6 expiration of approved personal or medical leave, or both, shall be  
7 considered a voluntary resignation. After a temporary job assignment,  
8 failure of an individual to affirmatively request an additional assignment  
9 on the next succeeding workday, if required by the employment  
10 agreement, after completion of a given work assignment, shall constitute  
11 leaving work voluntarily. The disqualification shall begin the day  
12 following the separation and shall continue until after the individual has  
13 become reemployed and has had earnings from insured work of at least  
14 three times the individual's weekly benefit amount. An individual shall not  
15 be disqualified under this subsection if:

16 (1) The individual was forced to leave work because of illness or  
17 injury upon the advice of a licensed and practicing health care provider  
18 and, upon learning of the necessity for absence, immediately notified the  
19 employer thereof, or the employer consented to the absence, and after  
20 recovery from the illness or injury, when recovery was certified by a  
21 practicing health care provider, the individual returned to the employer and  
22 offered to perform services and the individual's regular work or  
23 comparable and suitable work was not available. As used in this paragraph  
24 "health care provider" means any person licensed by the proper licensing  
25 authority of any state to engage in the practice of medicine and surgery,  
26 osteopathy, chiropractic, dentistry, optometry, podiatry or psychology;

27 (2) the individual left temporary work to return to the regular  
28 employer;

29 (3) the individual left work to enlist in the armed forces of the United  
30 States, but was rejected or delayed from entry;

31 (4) the spouse of an individual who is a member of the armed forces  
32 of the United States who left work because of the voluntary or involuntary  
33 transfer of the individual's spouse from one job to another job, which is for  
34 the same employer or for a different employer, at a geographic location  
35 which makes it unreasonable for the individual to continue work at the  
36 individual's job. For the purposes of this provision the term "armed forces"  
37 means active duty in the army, navy, marine corps, air force, coast guard or  
38 any branch of the military reserves of the United States;

39 (5) the individual left work because of hazardous working conditions;  
40 in determining whether or not working conditions are hazardous for an  
41 individual, the degree of risk involved to the individual's health, safety and  
42 morals, the individual's physical fitness and prior training and the working  
43 conditions of workers engaged in the same or similar work for the same



1 and other employers in the locality shall be considered; as used in this  
2 paragraph, "hazardous working conditions" means working conditions that  
3 could result in a danger to the physical or mental well-being of the  
4 individual; each determination as to whether hazardous working  
5 conditions exist shall include, but shall not be limited to, a consideration  
6 of: (A) The safety measures used or the lack thereof; and (B) the condition  
7 of equipment or lack of proper equipment; no work shall be considered  
8 hazardous if the working conditions surrounding the individual's work are  
9 the same or substantially the same as the working conditions generally  
10 prevailing among individuals performing the same or similar work for  
11 other employers engaged in the same or similar type of activity;

12 (6) the individual left work to enter training approved under section  
13 236(a)(1) of the federal trade act of 1974, provided the work left is not of a  
14 substantially equal or higher skill level than the individual's past adversely  
15 affected employment, as defined for purposes of the federal trade act of  
16 1974, and wages for such work are not less than 80% of the individual's  
17 average weekly wage as determined for the purposes of the federal trade  
18 act of 1974;

19 (7) the individual left work because of unwelcome harassment of the  
20 individual by the employer or another employee of which the employing  
21 unit had knowledge and that would impel the average worker to give up  
22 such worker's employment;

23 (8) the individual left work to accept better work; each determination  
24 as to whether or not the work accepted is better work shall include, but  
25 shall not be limited to, consideration of: (A) The rate of pay, the hours of  
26 work and the probable permanency of the work left as compared to the  
27 work accepted; (B) the cost to the individual of getting to the work left in  
28 comparison to the cost of getting to the work accepted; and (C) the  
29 distance from the individual's place of residence to the work accepted in  
30 comparison to the distance from the individual's residence to the work left;

31 (9) the individual left work as a result of being instructed or requested  
32 by the employer, a supervisor or a fellow employee to perform a service or  
33 commit an act in the scope of official job duties which is in violation of an  
34 ordinance or statute;

35 (10) the individual left work because of a substantial violation of the  
36 work agreement by the employing unit and, before the individual left, the  
37 individual had exhausted all remedies provided in such agreement for the  
38 settlement of disputes before terminating. For the purposes of this  
39 paragraph, a demotion based on performance does not constitute a  
40 violation of the work agreement;

41 (11) after making reasonable efforts to preserve the work, the  
42 individual left work due to a personal emergency of such nature and  
43 compelling urgency that it would be contrary to good conscience to

1 impose a disqualification; or

2 (12) (A) the individual left work due to circumstances resulting from  
3 domestic violence, including:

4 (i) The individual's reasonable fear of future domestic violence at or  
5 en route to or from the individual's place of employment;

6 (ii) the individual's need to relocate to another geographic area in  
7 order to avoid future domestic violence;

8 (iii) the individual's need to address the physical, psychological and  
9 legal impacts of domestic violence;

10 (iv) the individual's need to leave employment as a condition of  
11 receiving services or shelter from an agency which provides support  
12 services or shelter to victims of domestic violence; or

13 (v) the individual's reasonable belief that termination of employment  
14 is necessary to avoid other situations which may cause domestic violence  
15 and to provide for the future safety of the individual or the individual's  
16 family.

17 (B) An individual may prove the existence of domestic violence by  
18 providing one of the following:

19 (i) A restraining order or other documentation of equitable relief by a  
20 court of competent jurisdiction;

21 (ii) a police record documenting the abuse;

22 (iii) documentation that the abuser has been convicted of one or more  
23 of the offenses enumerated in articles 34 and 35 of chapter 21 of the  
24 Kansas Statutes Annotated, prior to their repeal, or articles 54 or 55 of  
25 chapter 21 of the Kansas Statutes Annotated, or K.S.A. 21-6104, 21-6325,  
26 21-6326 or 21-6418 through 21-6422, and amendments thereto, where the  
27 victim was a family or household member;

28 (iv) medical documentation of the abuse;

29 (v) a statement provided by a counselor, social worker, health care  
30 provider, clergy, shelter worker, legal advocate, domestic violence or  
31 sexual assault advocate or other professional who has assisted the  
32 individual in dealing with the effects of abuse on the individual or the  
33 individual's family; or

34 (vi) a sworn statement from the individual attesting to the abuse.

35 (C) No evidence of domestic violence experienced by an individual,  
36 including the individual's statement and corroborating evidence, shall be  
37 disclosed by the department of labor unless consent for disclosure is given  
38 by the individual.

39 (b) If the individual has been discharged or suspended for misconduct  
40 connected with the individual's work. The disqualification shall begin the  
41 day following the separation and shall continue until after the individual  
42 becomes reemployed and in cases where the disqualification is due to  
43 discharge for misconduct has had earnings from insured work of at least

1 three times the individual's determined weekly benefit amount, except that  
2 if an individual is discharged for gross misconduct connected with the  
3 individual's work, such individual shall be disqualified for benefits until  
4 such individual again becomes employed and has had earnings from  
5 insured work of at least eight times such individual's determined weekly  
6 benefit amount. In addition, all wage credits attributable to the  
7 employment from which the individual was discharged for gross  
8 misconduct connected with the individual's work shall be canceled. No  
9 such cancellation of wage credits shall affect prior payments made as a  
10 result of a prior separation.

11 (1) For the purposes of this subsection, "misconduct" is defined as a  
12 violation of a duty or obligation reasonably owed the employer as a  
13 condition of employment including, but not limited to, a violation of a  
14 company rule, including a safety rule, if: (A) The individual knew or  
15 should have known about the rule; (B) the rule was lawful and reasonably  
16 related to the job; and (C) the rule was fairly and consistently enforced.

17 (2) (A) Failure of the employee to notify the employer of an absence  
18 and an individual's leaving work prior to the end of such individual's  
19 assigned work period without permission shall be considered prima facie  
20 evidence of a violation of a duty or obligation reasonably owed the  
21 employer as a condition of employment.

22 (B) For the purposes of this subsection, misconduct shall include, but  
23 not be limited to, violation of the employer's reasonable attendance  
24 expectations if the facts show:

25 (i) The individual was absent or tardy without good cause;

26 (ii) the individual had knowledge of the employer's attendance  
27 expectation; and

28 (iii) the employer gave notice to the individual that future absence or  
29 tardiness may or will result in discharge.

30 (C) For the purposes of this subsection, if an employee disputes being  
31 absent or tardy without good cause, the employee shall present evidence  
32 that a majority of the employee's absences or tardiness were for good  
33 cause. If the employee alleges that the employee's repeated absences or  
34 tardiness were the result of health related issues, such evidence shall  
35 include documentation from a licensed and practicing health care provider  
36 as defined in subsection (a)(1).

37 (3) (A) The term "gross misconduct" as used in this subsection shall  
38 be construed to mean conduct evincing extreme, willful or wanton  
39 misconduct as defined by this subsection. Gross misconduct shall include,  
40 but not be limited to: (i) Theft; (ii) fraud; (iii) intentional damage to  
41 property; (iv) intentional infliction of personal injury; or (v) any conduct  
42 that constitutes a felony.

43 (B) For the purposes of this subsection, the following shall be

1 conclusive evidence of gross misconduct:

2 (i) The use of alcoholic liquor, cereal malt beverage or a  
3 nonprescribed controlled substance by an individual while working;

4 (ii) the impairment caused by alcoholic liquor, cereal malt beverage  
5 or a nonprescribed controlled substance by an individual while working;

6 (iii) a positive breath alcohol test or a positive chemical test,  
7 provided:

8 (a) The test was either:

9 (1) Required by law and was administered pursuant to the drug free  
10 workplace act, 41 U.S.C. § 701 et seq.;

11 (2) administered as part of an employee assistance program or other  
12 drug or alcohol treatment program in which the employee was  
13 participating voluntarily or as a condition of further employment;

14 (3) requested pursuant to a written policy of the employer of which  
15 the employee had knowledge and was a required condition of  
16 employment;

17 (4) required by law and the test constituted a required condition of  
18 employment for the individual's job; or

19 (5) there was reasonable suspicion to believe that the individual used,  
20 had possession of, or was impaired by alcoholic liquor, cereal malt  
21 beverage or a nonprescribed controlled substance while working;

22 (b) the test sample was collected either:

23 (1) As prescribed by the drug free workplace act, 41 U.S.C. § 701 et  
24 seq.;

25 (2) as prescribed by an employee assistance program or other drug or  
26 alcohol treatment program in which the employee was participating  
27 voluntarily or as a condition of further employment;

28 (3) as prescribed by the written policy of the employer of which the  
29 employee had knowledge and which constituted a required condition of  
30 employment;

31 (4) as prescribed by a test which was required by law and which  
32 constituted a required condition of employment for the individual's job; or

33 (5) at a time contemporaneous with the events establishing probable  
34 cause;

35 (c) the collecting and labeling of a chemical test sample was  
36 performed by a licensed health care professional or any other individual  
37 certified pursuant to paragraph (b)(3)(A)(iii)(f) or authorized to collect or  
38 label test samples by federal or state law, or a federal or state rule or  
39 regulation having the force or effect of law, including law enforcement  
40 personnel;

41 (d) the chemical test was performed by a laboratory approved by the  
42 United States department of health and human services or licensed by the  
43 department of health and environment, except that a blood sample may be

1 tested for alcohol content by a laboratory commonly used for that purpose  
2 by state law enforcement agencies;

3 (e) the chemical test was confirmed by gas chromatography, gas  
4 chromatography-mass spectroscopy or other comparably reliable  
5 analytical method, except that no such confirmation is required for a blood  
6 alcohol sample or a breath alcohol test;

7 (f) the breath alcohol test was administered by an individual trained  
8 to perform breath tests, the breath testing instrument used was certified  
9 and operated strictly according to a description provided by the  
10 manufacturers and the reliability of the instrument performance was  
11 assured by testing with alcohol standards; and

12 (g) the foundation evidence establishes, beyond a reasonable doubt,  
13 that the test results were from the sample taken from the individual;

14 (iv) an individual's refusal to submit to a chemical test or breath  
15 alcohol test, provided:

16 (a) The test meets the standards of the drug free workplace act, 41  
17 U.S.C. § 701 et seq.;

18 (b) the test was administered as part of an employee assistance  
19 program or other drug or alcohol treatment program in which the  
20 employee was participating voluntarily or as a condition of further  
21 employment;

22 (c) the test was otherwise required by law and the test constituted a  
23 required condition of employment for the individual's job;

24 (d) the test was requested pursuant to a written policy of the employer  
25 of which the employee had knowledge and was a required condition of  
26 employment; or

27 (e) there was reasonable suspicion to believe that the individual used,  
28 possessed or was impaired by alcoholic liquor, cereal malt beverage or a  
29 nonprescribed controlled substance while working;

30 (v) an individual's dilution or other tampering of a chemical test.

31 (C) For purposes of this subsection:

32 (i) "Alcohol concentration" means the number of grams of alcohol  
33 per 210 liters of breath;

34 (ii) "alcoholic liquor" means the same as provided in K.S.A. 41-102,  
35 and amendments thereto;

36 (iii) "cereal malt beverage" means the same as provided in K.S.A. 41-  
37 2701, and amendments thereto;

38 (iv) "chemical test" includes, but is not limited to, tests of urine,  
39 blood or saliva;

40 (v) "controlled substance" means the same as provided in K.S.A. 21-  
41 5701, and amendments thereto;

42 (vi) "required by law" means required by a federal or state law, a  
43 federal or state rule or regulation having the force and effect of law, a

1 county resolution or municipal ordinance, or a policy relating to public  
2 safety adopted in an open meeting by the governing body of any special  
3 district or other local governmental entity;

4 (vii) "positive breath test" means a test result showing an alcohol  
5 concentration of 0.04 or greater, or the levels listed in 49 C.F.R. part 40, if  
6 applicable, unless the test was administered as part of an employee  
7 assistance program or other drug or alcohol treatment program in which  
8 the employee was participating voluntarily or as a condition of further  
9 employment, in which case "positive chemical test" shall mean a test result  
10 showing an alcohol concentration at or above the levels provided for in the  
11 assistance or treatment program;

12 (viii) "positive chemical test" means a chemical result showing a  
13 concentration at or above the levels listed in K.S.A. 44-501, and  
14 amendments thereto, or 49 C.F.R. part 40, as applicable, for the drugs or  
15 abuse listed therein, unless the test was administered as part of an  
16 employee assistance program or other drug or alcohol treatment program  
17 in which the employee was participating voluntarily or as a condition of  
18 further employment, in which case "positive chemical test" means a  
19 chemical result showing a concentration at or above the levels provided for  
20 in the assistance or treatment program.

21 (4) An individual shall not be disqualified under this subsection if the  
22 individual is discharged under the following circumstances:

23 (A) The employer discharged the individual after learning the  
24 individual was seeking other work or when the individual gave notice of  
25 future intent to quit, except that the individual shall be disqualified after  
26 the time at which such individual intended to quit and any individual who  
27 commits misconduct after such individual gives notice to such individual's  
28 intent to quit shall be disqualified;

29 (B) the individual was making a good-faith effort to do the assigned  
30 work but was discharged due to:

- 31 (i) Inefficiency;
- 32 (ii) unsatisfactory performance due to inability, incapacity or lack of  
33 training or experience;
- 34 (iii) isolated instances of ordinary negligence or inadvertence;
- 35 (iv) ~~good-faith~~ *good faith* errors in judgment or discretion; or
- 36 (v) unsatisfactory work or conduct due to circumstances beyond the  
37 individual's control; or

38 (C) the individual's refusal to perform work in excess of the contract  
39 of hire.

40 (c) If the individual has failed, without good cause, to either apply for  
41 suitable work when so directed by the employment office of the secretary  
42 of labor, or to accept suitable work when offered to the individual by the  
43 employment office, the secretary of labor, or an employer, such

1 disqualification shall begin with the week in which such failure occurred  
2 and shall continue until the individual becomes reemployed and has had  
3 earnings from insured work of at least three times such individual's  
4 determined weekly benefit amount. In determining whether or not any  
5 work is suitable for an individual, the secretary of labor, or a person or  
6 persons designated by the secretary, shall consider the degree of risk  
7 involved to health, safety and morals, physical fitness and prior training,  
8 experience and prior earnings, length of unemployment and prospects for  
9 securing local work in the individual's customary occupation or work for  
10 which the individual is reasonably fitted by training or experience, and the  
11 distance of the available work from the individual's residence.  
12 Notwithstanding any other provisions of this act, an otherwise eligible  
13 individual shall not be disqualified for refusing an offer of suitable  
14 employment, or failing to apply for suitable employment when notified by  
15 an employment office, or for leaving the individual's most recent work  
16 accepted during approved training, including training approved under  
17 section 236(a)(1) of the trade act of 1974, if the acceptance of or applying  
18 for suitable employment or continuing such work would require the  
19 individual to terminate approved training and no work shall be deemed  
20 suitable and benefits shall not be denied under this act to any otherwise  
21 eligible individual for refusing to accept new work under any of the  
22 following conditions: (1) If the position offered is vacant due directly to a  
23 strike, lockout or other labor dispute; (2) if the remuneration, hours or  
24 other conditions of the work offered are substantially less favorable to the  
25 individual than those prevailing for similar work in the locality; (3) if as a  
26 condition of being employed, the individual would be required to join or to  
27 resign from or refrain from joining any labor organization; and (4) if the  
28 individual left employment as a result of domestic violence, and the  
29 position offered does not reasonably accommodate the individual's  
30 physical, psychological, safety, or legal needs relating to such domestic  
31 violence.

32 (d) For any week with respect to which the secretary of labor, or a  
33 person or persons designated by the secretary, finds that the individual's  
34 unemployment is due to a stoppage of work which exists because of a  
35 labor dispute or there would have been a work stoppage had normal  
36 operations not been maintained with other personnel previously and  
37 currently employed by the same employer at the factory, establishment or  
38 other premises at which the individual is or was last employed, except that  
39 this subsection (d) shall not apply if it is shown to the satisfaction of the  
40 secretary of labor, or a person or persons designated by the secretary, that:  
41 (1) The individual is not participating in or financing or directly interested  
42 in the labor dispute which caused the stoppage of work; and (2) the  
43 individual does not belong to a grade or class of workers of which,

1 immediately before the commencement of the stoppage, there were  
2 members employed at the premises at which the stoppage occurs any of  
3 whom are participating in or financing or directly interested in the dispute.  
4 If in any case separate branches of work which are commonly conducted  
5 as separate businesses in separate premises are conducted in separate  
6 departments of the same premises, each such department shall, for the  
7 purpose of this subsection be deemed to be a separate factory,  
8 establishment or other premises. For the purposes of this subsection,  
9 failure or refusal to cross a picket line or refusal for any reason during the  
10 continuance of such labor dispute to accept the individual's available and  
11 customary work at the factory, establishment or other premises where the  
12 individual is or was last employed shall be considered as participation and  
13 interest in the labor dispute.

14 (e) For any week with respect to which or a part of which the  
15 individual has received or is seeking unemployment benefits under the  
16 unemployment compensation law of any other state or of the United  
17 States, except that if the appropriate agency of such other state or the  
18 United States finally determines that the individual is not entitled to such  
19 unemployment benefits, this disqualification shall not apply.

20 (f) For any week with respect to which the individual is entitled to  
21 receive any unemployment allowance or compensation granted by the  
22 United States under an act of congress to ex-service men and women in  
23 recognition of former service with the military or naval services of the  
24 United States.

25 (g) If the individual, or another in such individual's behalf with the  
26 knowledge of the individual, has knowingly made a false statement or  
27 representation, or has knowingly failed to disclose a material fact to obtain  
28 or increase benefits under this act or any other unemployment  
29 compensation law administered by the secretary of labor, unless the  
30 individual has repaid the full amount of the overpayment as determined by  
31 the secretary or the secretary's designee, including, but not limited to, the  
32 total amount of money erroneously paid as benefits or unlawfully  
33 obtained, interest, penalties and any other costs or fees provided by law. If  
34 the individual has made such repayment, the individual shall be  
35 disqualified for a period of one year for the first occurrence or five years  
36 for any subsequent occurrence, beginning with the first day following the  
37 date the department of labor confirmed the individual has successfully  
38 repaid the full amount of the overpayment. In addition to the penalties set  
39 forth in K.S.A. 44-719, and amendments thereto, an individual who has  
40 knowingly made a false statement or representation or who has knowingly  
41 failed to disclose a material fact to obtain or increase benefits under this  
42 act or any other unemployment compensation law administered by the  
43 secretary of labor shall be liable for a penalty in the amount equal to 25%



1 of the amount of benefits unlawfully received. Notwithstanding any other  
2 provision of law, such penalty shall be deposited into the employment  
3 security trust fund. No person who is a victim of identify theft shall be  
4 subject to the provisions of this subsection. The secretary shall investigate  
5 all cases of an alleged false statement or representation or failure to  
6 disclose a material fact to ensure no victim of identity theft is disqualified,  
7 required to repay or subject to any penalty as provided by this subsection  
8 as a result of identity theft.

9 (h) For any week with respect to which the individual is receiving  
10 compensation for temporary total disability or permanent total disability  
11 under the workmen's compensation law of any state or under a similar law  
12 of the United States.

13 (i) For any week of unemployment on the basis of service in an  
14 instructional, research or principal administrative capacity for an  
15 educational institution as defined in K.S.A. 44-703(v), and amendments  
16 thereto, if such week begins during the period between two successive  
17 academic years or terms or, when an agreement provides instead for a  
18 similar period between two regular but not successive terms during such  
19 period or during a period of paid sabbatical leave provided for in the  
20 individual's contract, if the individual performs such services in the first of  
21 such academic years or terms and there is a contract or a reasonable  
22 assurance that such individual will perform services in any such capacity  
23 for any educational institution in the second of such academic years or  
24 terms.

25 (j) For any week of unemployment on the basis of service in any  
26 capacity other than service in an instructional, research, or administrative  
27 capacity in an educational institution, as defined in K.S.A. 44-703(v), and  
28 amendments thereto, if such week begins during the period between two  
29 successive academic years or terms if the individual performs such  
30 services in the first of such academic years or terms and there is a  
31 reasonable assurance that the individual will perform such services in the  
32 second of such academic years or terms, except that if benefits are denied  
33 to the individual under this subsection and the individual was not offered  
34 an opportunity to perform such services for the educational institution for  
35 the second of such academic years or terms, such individual shall be  
36 entitled to a retroactive payment of benefits for each week for which the  
37 individual filed a timely claim for benefits and for which benefits were  
38 denied solely by reason of this subsection.

39 (k) For any week of unemployment on the basis of service in any  
40 capacity for an educational institution as defined in K.S.A. 44-703(v), and  
41 amendments thereto, if such week begins during an established and  
42 customary vacation period or holiday recess, if the individual performs  
43 services in the period immediately before such vacation period or holiday

1 recess and there is a reasonable assurance that such individual will perform  
2 such services in the period immediately following such vacation period or  
3 holiday recess.

4 (l) For any week of unemployment on the basis of any services,  
5 substantially all of which consist of participating in sports or athletic  
6 events or training or preparing to so participate, if such week begins during  
7 the period between two successive sport seasons or similar period if such  
8 individual performed services in the first of such seasons or similar periods  
9 and there is a reasonable assurance that such individual will perform such  
10 services in the later of such seasons or similar periods.

11 (m) For any week on the basis of services performed by an alien  
12 unless such alien is an individual who was lawfully admitted for  
13 permanent residence at the time such services were performed, was  
14 lawfully present for purposes of performing such services, or was  
15 permanently residing in the United States under color of law at the time  
16 such services were performed, including an alien who was lawfully present  
17 in the United States as a result of the application of the provisions of  
18 section 212(d)(5) of the federal immigration and nationality act. Any data  
19 or information required of individuals applying for benefits to determine  
20 whether benefits are not payable to them because of their alien status shall  
21 be uniformly required from all applicants for benefits. In the case of an  
22 individual whose application for benefits would otherwise be approved, no  
23 determination that benefits to such individual are not payable because of  
24 such individual's alien status shall be made except upon a preponderance  
25 of the evidence.

26 (n) For any week in which an individual is receiving a governmental  
27 or other pension, retirement or retired pay, annuity or other similar  
28 periodic payment under a plan maintained by a base period employer and  
29 to which the entire contributions were provided by such employer, except  
30 that: (1) If the entire contributions to such plan were provided by the base  
31 period employer but such individual's weekly benefit amount exceeds such  
32 governmental or other pension, retirement or retired pay, annuity or other  
33 similar periodic payment attributable to such week, the weekly benefit  
34 amount payable to the individual shall be reduced, but not below zero, by  
35 an amount equal to the amount of such pension, retirement or retired pay,  
36 annuity or other similar periodic payment which is attributable to such  
37 week; or (2) if only a portion of contributions to such plan were provided  
38 by the base period employer, the weekly benefit amount payable to such  
39 individual for such week shall be reduced, but not below zero, by the  
40 prorated weekly amount of the pension, retirement or retired pay, annuity  
41 or other similar periodic payment after deduction of that portion of the  
42 pension, retirement or retired pay, annuity or other similar periodic  
43 payment that is directly attributable to the percentage of the contributions

1 made to the plan by such individual; or (3) if the entire contributions to the  
2 plan were provided by such individual, or by the individual and an  
3 employer, or any person or organization, who is not a base period  
4 employer, no reduction in the weekly benefit amount payable to the  
5 individual for such week shall be made under this subsection; or (4)  
6 whatever portion of contributions to such plan were provided by the base  
7 period employer, if the services performed for the employer by such  
8 individual during the base period, or remuneration received for the  
9 services, did not affect the individual's eligibility for, or increased the  
10 amount of, such pension, retirement or retired pay, annuity or other similar  
11 periodic payment, no reduction in the weekly benefit amount payable to  
12 the individual for such week shall be made under this subsection. No  
13 reduction shall be made for payments made under the social security act or  
14 railroad retirement act of 1974.

15 (o) For any week of unemployment on the basis of services  
16 performed in any capacity and under any of the circumstances described in  
17 subsection (i), (j) or (k) that an individual performed in an educational  
18 institution while in the employ of an educational service agency. For the  
19 purposes of this subsection, the term "educational service agency" means a  
20 governmental agency or entity which is established and operated  
21 exclusively for the purpose of providing such services to one or more  
22 educational institutions.

23 (p) For any week of unemployment on the basis of service as a school  
24 bus or other motor vehicle driver employed by a private contractor to  
25 transport pupils, students and school personnel to or from school-related  
26 functions or activities for an educational institution, as defined in K.S.A.  
27 44-703(v), and amendments thereto, if such week begins during the period  
28 between two successive academic years or during a similar period between  
29 two regular terms, whether or not successive, if the individual has a  
30 contract or contracts, or a reasonable assurance thereof, to perform  
31 services in any such capacity with a private contractor for any educational  
32 institution for both such academic years or both such terms. An individual  
33 shall not be disqualified for benefits as provided in this subsection for any  
34 week of unemployment:

35 (1) *That the individual is a participating employee in a short-term*  
36 *compensation program established pursuant to K.S.A. 44-757, and*  
37 *amendments thereto; or*

38 (2) on the basis of service as a bus or other motor vehicle driver  
39 employed by a private contractor to transport persons to or from  
40 nonschool-related functions or activities.

41 (q) For any week of unemployment on the basis of services  
42 performed by the individual in any capacity and under any of the  
43 circumstances described in subsection (i), (j), (k) or (o) which are provided

1 to or on behalf of an educational institution, as defined in K.S.A. 44-  
2 703(v), and amendments thereto, while the individual is in the employ of  
3 an employer which is a governmental entity, Indian tribe or any employer  
4 described in section 501(c)(3) of the federal internal revenue code of 1986  
5 which is exempt from income under section 501(a) of the code.

6 (r) For any week in which an individual is registered at and attending  
7 an established school, training facility or other educational institution, or is  
8 on vacation during or between two successive academic years or terms. An  
9 individual shall not be disqualified for benefits as provided in this  
10 subsection provided:

11 (1) The individual was engaged in full-time employment concurrent  
12 with the individual's school attendance;

13 (2) the individual is attending approved training as defined in K.S.A.  
14 44-703(s), and amendments thereto; or

15 (3) the individual is attending evening, weekend or limited day time  
16 classes, which would not affect availability for work, and is otherwise  
17 eligible under K.S.A. 44-705(c), and amendments thereto.

18 (s) For any week with respect to which an individual is receiving or  
19 has received remuneration in the form of a back pay award or settlement.  
20 The remuneration shall be allocated to the week or weeks in the manner as  
21 specified in the award or agreement, or in the absence of such specificity  
22 in the award or agreement, such remuneration shall be allocated to the  
23 week or weeks in which such remuneration, in the judgment of the  
24 secretary, would have been paid.

25 (1) For any such weeks that an individual receives remuneration in  
26 the form of a back pay award or settlement, an overpayment will be  
27 established in the amount of unemployment benefits paid and shall be  
28 collected from the claimant.

29 (2) If an employer chooses to withhold from a back pay award or  
30 settlement, amounts paid to a claimant while they claimed unemployment  
31 benefits, such employer shall pay the department the amount withheld.  
32 With respect to such amount, the secretary shall have available all of the  
33 collection remedies authorized or provided in K.S.A. 44-717, and  
34 amendments thereto.

35 (t) (1) Any applicant for or recipient of unemployment benefits who  
36 tests positive for unlawful use of a controlled substance or controlled  
37 substance analog shall be required to complete a substance abuse treatment  
38 program approved by the secretary of labor, secretary of commerce or  
39 secretary for children and families, and a job skills program approved by  
40 the secretary of labor, secretary of commerce or the secretary for children  
41 and families. Subject to applicable federal laws, any applicant for or  
42 recipient of unemployment benefits who fails to complete or refuses to  
43 participate in the substance abuse treatment program or job skills program

1 as required under this subsection shall be ineligible to receive  
2 unemployment benefits until completion of such substance abuse  
3 treatment and job skills programs. Upon completion of both substance  
4 abuse treatment and job skills programs, such applicant for or recipient of  
5 unemployment benefits may be subject to periodic drug screening, as  
6 determined by the secretary of labor. Upon a second positive test for  
7 unlawful use of a controlled substance or controlled substance analog, an  
8 applicant for or recipient of unemployment benefits shall be ordered to  
9 complete again a substance abuse treatment program and job skills  
10 program, and shall be terminated from unemployment benefits for a period  
11 of 12 months, or until such applicant for or recipient of unemployment  
12 benefits completes both substance abuse treatment and job skills programs,  
13 whichever is later. Upon a third positive test for unlawful use of a  
14 controlled substance or controlled substance analog, an applicant for or a  
15 recipient of unemployment benefits shall be terminated from receiving  
16 unemployment benefits, subject to applicable federal law.

17 (2) Any individual who has been discharged or refused employment  
18 for failing a preemployment drug screen required by an employer may  
19 request that the drug screening specimen be sent to a different drug testing  
20 facility for an additional drug screening. Any such individual who requests  
21 an additional drug screening at a different drug testing facility shall be  
22 required to pay the cost of drug screening.

23 (u) If the individual was found not to have a disqualifying  
24 adjudication or conviction under K.S.A. 39-970 or 65-5117, and  
25 amendments thereto, was hired and then was subsequently convicted of a  
26 disqualifying felony under K.S.A. 39-970 or 65-5117, and amendments  
27 thereto, and discharged pursuant to K.S.A. 39-970 or 65-5117, and  
28 amendments thereto. The disqualification shall begin the day following the  
29 separation and shall continue until after the individual becomes  
30 reemployed and has had earnings from insured work of at least three times  
31 the individual's determined weekly benefit amount.

32 (v) Notwithstanding the provisions of any subsection, an individual  
33 shall not be disqualified for such week of part-time employment in a  
34 substitute capacity for an educational institution if such individual's most  
35 recent employment prior to the individual's benefit year begin date was for  
36 a non-educational institution and such individual demonstrates application  
37 for work in such individual's customary occupation or for work for which  
38 the individual is reasonably fitted by training or experience.

39 Sec. 5. K.S.A. 44-709 is hereby amended to read as follows: 44-709.

40 (a) *Filing*. Claims for benefits shall be made in accordance with rules and  
41 regulations adopted by the secretary. The secretary shall furnish a copy of  
42 such rules and regulations to any individual requesting them. Each  
43 employer shall: (1) Post and maintain printed statements furnished by the

1 secretary without cost to the employer in places readily accessible to  
2 individuals in the service of the employer; and (2) provide any other  
3 notification to individuals in the service of the employer as required by the  
4 secretary pursuant to the families first coronavirus response act, public law  
5 116-127.

6 (b) *Determination.* (1) Except as otherwise provided in this  
7 paragraph, a representative designated by the secretary, and hereinafter  
8 referred to as an examiner, shall promptly examine the claim and, on the  
9 basis of the facts found by the examiner, shall determine whether or not  
10 the claim is valid. If the examiner determines that the claim is valid, the  
11 examiner shall determine the first day of the benefit year, the weekly  
12 benefit amount and the total amount of benefits payable with respect to the  
13 benefit year. If the claim is determined to be valid, the examiner shall send  
14 a notice to the last employing unit who shall respond within 10 days by  
15 providing the examiner all requested information including all information  
16 required for a decision under K.S.A. 44-706, and amendments thereto. The  
17 information may be submitted by the employing unit in person at an  
18 employment office of the secretary or by mail, by telefacsimile machine or  
19 by electronic mail. If the required information is not submitted or  
20 postmarked within a response time limit of 10 days after the examiner's  
21 notice was sent, the employing unit shall be deemed to have waived its  
22 standing as a party to the proceedings arising from the claim and shall be  
23 barred from protesting any subsequent decisions about the claim by the  
24 secretary, a referee, the employment security board of review or any court,  
25 except that the employing unit's response time limit may be waived or  
26 extended by the examiner or upon appeal, if timely response was  
27 impossible due to excusable neglect. In any case in which the payment or  
28 denial of benefits will be determined by the provisions of K.S.A. 44-  
29 706(d), and amendments thereto, the examiner shall promptly transmit the  
30 claim to a special examiner designated by the secretary to make a  
31 determination on the claim after the investigation as the special examiner  
32 deems necessary. The parties shall be promptly notified of the special  
33 examiner's decision and any party aggrieved by the decision may appeal to  
34 the referee as provided in subsection (c). The claimant and the claimant's  
35 most recent employing unit shall be promptly notified of the examiner's or  
36 special examiner's decision.

37 (2) The examiner may for good cause reconsider the examiner's  
38 decision and shall promptly notify the claimant and the most recent  
39 employing unit of the claimant, that the decision of the examiner is to be  
40 reconsidered, except that no reconsideration shall be made after the  
41 termination of the benefit year.

42 (3) Notwithstanding the provisions of any other statute, a decision of  
43 an examiner or special examiner shall be final unless the claimant or the

1 most recent employing unit of the claimant files an appeal from the  
2 decision as provided in subsection (c), except that the time limit for appeal  
3 may be waived or extended by the referee or board of review if a timely  
4 response was impossible due to excusable neglect. The appeal must be  
5 filed within 16 calendar days after the mailing of notice to the last known  
6 addresses of the claimant and employing unit or, if notice is not by mail,  
7 within 16 calendar days after the delivery of the notice to the parties.

8 (c) *Appeals*. Unless the appeal is withdrawn, a referee, after affording  
9 the parties reasonable opportunity for fair hearing, shall affirm or modify  
10 the findings of fact and decision of the examiner or special examiner. The  
11 parties shall be duly notified of the referee's decision, together with the  
12 reasons for the decision. The decision shall be final, notwithstanding the  
13 provisions of any other statute, unless a further appeal to the employment  
14 security board of review is filed within 16 calendar days after the mailing  
15 of the decision to the parties' last known addresses or, if notice is not by  
16 mail, within 16 calendar days after the delivery of the decision, except that  
17 the time limit for appeal may be waived or extended by the referee or  
18 board of review if a timely response was impossible due to excusable  
19 neglect.

20 (d) *Referees*. The secretary shall appoint, in accordance with K.S.A.  
21 44-714(c), and amendments thereto, one or more referees to hear and  
22 decide disputed claims.

23 (e) *Time, computation and extension*. In computing the period of time  
24 for an employing unit response or for appeals under this section from the  
25 examiner's or the special examiner's determination or from the referee's  
26 decision, the day of the act, event or default from which the designated  
27 period of time begins to run shall not be included. The last day of the  
28 period shall be included unless it is a Saturday, Sunday or legal holiday, in  
29 which event the period runs until the end of the next day that is not a  
30 Saturday, Sunday or legal holiday.

31 (f) *Board of review*. There is hereby created an employment security  
32 board of review, hereinafter referred to as the board.

33 (1) (A) Except as provided in subparagraph (B), the board shall  
34 consist of three members. Each member of the board shall be appointed for  
35 a term of four years as provided in this subsection. Not more than two  
36 members of the board shall belong to the same political party.

37 ~~(B) On the effective date of this act,~~ The board shall consist of six  
38 members. The six-member board shall consist of the following: (i) Three  
39 members appointed under subparagraph (A); and (ii) three members  
40 appointed for a term that shall expire upon the expiration of this  
41 subparagraph. Each member of the board appointed under subparagraph  
42 (B)(ii) shall be appointed as provided in this subsection. Not more than  
43 four members of the six-member board shall belong to the same political

1 party. The provisions of this subparagraph shall expire on June 30, 2024.

2 (2) (A) When a vacancy on the employment security board of review  
3 occurs, the workers compensation and employment security boards  
4 nominating committee established under K.S.A. 44-551, and amendments  
5 thereto, shall convene and submit a *qualified* nominee to the governor for  
6 appointment to each vacancy on the employment security board of review,  
7 subject to confirmation by the senate as provided by K.S.A. 75-4315b, and  
8 amendments thereto. *Minimum qualifications for qualified candidates for  
9 appointment to the employment security board of review, in order of  
10 priority, shall be:*

11 (i) *At least eight years direct experience with human resources  
12 processes, polices, guidelines or employee relations;*

13 (ii) *at least three years direct experience with employment security  
14 laws and processes; and*

15 (iii) *knowledge of unemployment and labor laws.*

16 (B) *Applications for employment security board of review positions  
17 shall be submitted to the director of unemployment. The director shall  
18 determine if an applicant meets the qualifications for an employment  
19 security review board member as prescribed in paragraph (A). Qualified  
20 applicants for a position of employment security review board member  
21 shall be submitted by the director to the workers compensation and  
22 employment security boards nominating committee for consideration. The  
23 workers compensation and employment security boards nominating  
24 committee may nominate the candidate for consideration by the governor.*

25 (C) The governor shall either: ~~(A)~~ accept and submit to the senate for  
26 confirmation the person nominated by the nominating committee; or ~~(B)~~  
27 reject the nomination and request the nominating committee to nominate  
28 another person for that position. Except as provided by K.S.A. 46-2601,  
29 and amendments thereto, no person appointed to the employment security  
30 board of review, whose appointment is subject to confirmation by the  
31 senate, shall exercise any power, duty or function as a member until  
32 confirmed by the senate.

33 (3) No member of the employment security board of review shall  
34 serve more than two consecutive terms. This paragraph shall not apply to  
35 members of the board appointed under subsection (f)(1)(B)(ii). The service  
36 of a board member appointed under subsection (f)(1)(B)(ii) shall not  
37 constitute a term as contemplated in this paragraph.

38 (4) Each member of the employment security board shall serve until a  
39 successor has been appointed and confirmed. Any vacancy in the  
40 membership of the board occurring prior to expiration of a term shall be  
41 filled by appointment for the unexpired term in the same manner as  
42 provided for original appointment of the member.

43 (5) Each member of the employment security board of review shall



1 be entitled to receive as compensation for the member's services at the rate  
2 of \$15,000 per year, together with the member's travel and other necessary  
3 expenses actually incurred in the performance of the member's official  
4 duties in accordance with rules and regulations adopted by the secretary.  
5 Members' compensation and expenses shall be paid from the employment  
6 security administration fund.

7 (6) The employment security board of review shall organize annually  
8 by the election of a chairperson from among its members. The chairperson  
9 shall serve in that capacity for a term of one year and until a successor is  
10 elected. For the purpose of hearing and determining cases, the board  
11 members may sit in panels. A board panel shall consist of three members  
12 with not more than two members belonging to the same political party.  
13 The chairperson may sit as a member of a panel and shall preside over  
14 such panel. When the chairperson is not a member of a hearing panel, the  
15 chairperson shall appoint a member of the panel to preside. The board or  
16 board panel shall meet on the first Monday of each month or on the call of  
17 the chairperson or any two members of the board at the place designated.  
18 The secretary of labor shall appoint an executive secretary of the board  
19 and the executive secretary or the executive secretary's designee shall  
20 attend the meetings of the board and board panels.

21 (7) The employment security board of review or board panel, on its  
22 own motion, may affirm, modify or set aside any decision of a referee on  
23 the basis of the evidence previously submitted in the case; may direct the  
24 taking of additional evidence; or may permit any of the parties to initiate  
25 further appeal before it. The board or board panel shall permit such further  
26 appeal by any of the parties interested in a decision of a referee that  
27 overrules or modifies the decision of an examiner. The board or board  
28 panel may remove to itself the proceedings on any claim pending before a  
29 referee. Any proceedings so removed to the board or board panel shall be  
30 heard in accordance with the requirements of subsection (c). The board or  
31 board panel shall promptly notify the interested parties of its findings and  
32 decision.

33 (8) A simple majority of the members of the employment security  
34 board of review or board panel shall constitute a quorum and no action of  
35 the board or board panel shall be valid unless it has the concurrence of a  
36 majority of its members. A vacancy on the board shall not impair the right  
37 of a quorum to exercise all the rights and perform all the duties of the  
38 board.

39 (g) *Procedure.* The manner that disputed claims are presented, the  
40 reports on claims required from the claimant and from employers and the  
41 conduct of hearings and appeals shall be in accordance with rules of  
42 procedure prescribed by the employment security board of review for  
43 determining the rights of the parties, whether or not such rules conform to

1 common law or statutory rules of evidence and other technical rules of  
2 procedure. A full and complete record shall be kept of all proceedings and  
3 decisions in connection with a disputed claim. All testimony at any hearing  
4 upon a disputed claim shall be recorded, but need not be transcribed unless  
5 the disputed claim is further appealed. In the performance of its official  
6 duties, the board or board panel shall have access to all of the records that  
7 pertain to the disputed claim and are in the custody of the secretary of  
8 labor and shall receive the assistance of the secretary upon request.

9 (h) *Witness fees.* Witnesses subpoenaed pursuant to this section shall  
10 be allowed fees and necessary travel expenses at rates fixed by the board.  
11 Such fees and expenses shall be deemed a part of the expense of  
12 administering this act.

13 (i) *Review of board action.* Any action of the employment security  
14 board of review including that of a board panel, may not be reconsidered  
15 after the mailing of the decision. An action of the board or board panel  
16 shall become final unless a petition for review in accordance with the  
17 Kansas judicial review act is filed within 16 calendar days after the date of  
18 the mailing of the decision. If an appeal has not been filed within 16  
19 calendar days of the date of the mailing of the decision, the decision  
20 becomes final. No bond shall be required for commencing an action for  
21 such review. In addition to those persons having standing pursuant to  
22 K.S.A. 77-611, and amendments thereto, the examiner shall have standing  
23 to obtain judicial review of an action of such board or board panel. The  
24 review proceeding, and the questions of law certified, shall be heard in a  
25 summary manner and shall be given precedence over all other civil cases  
26 except cases arising under the workers compensation act.

27 (j) Any finding of fact or law, judgment, determination, conclusion or  
28 final order made by the employment security board of review or board  
29 panel or any examiner, special examiner, referee or other person with  
30 authority to make findings of fact or law pursuant to the employment  
31 security law is not admissible or binding in any separate or subsequent  
32 action or proceeding, between a person and a present or previous employer  
33 brought before an arbitrator, court or judge of the state or the United  
34 States, regardless of whether the prior action was between the same or  
35 related parties or involved the same facts.

36 (k) In any proceeding or hearing conducted under this section, a party  
37 to the proceeding or hearing may appear before a referee or the  
38 employment security board of review or board panel either personally or  
39 by means of a designated representative to present evidence and to state  
40 the position of the party. Hearings may be conducted in person, by  
41 telephone or other means of electronic communication. The hearing shall  
42 be conducted by telephone or other means of electronic communication if  
43 none of the parties requests an in-person hearing. If a party requests an in-

1 person hearing, the referee or board or board panel shall have the  
2 discretion to deny the request in the absence of good cause shown for the  
3 request by the requesting party. If a request for an in-person hearing is  
4 granted, the referee or board or board panel shall have the discretion to  
5 require all parties to appear in person or allow the party not requesting an  
6 in-person hearing to appear by telephone or other means of electronic  
7 communication. The notice of hearing shall include notice to the parties of  
8 their right to request an in-person hearing and instructions on how to make  
9 the request.

10 Sec. 6. K.S.A. 44-710 is hereby amended to read as follows: 44-710.

11 (a) *Payment.* Contributions shall accrue and become payable by each  
12 contributing employer for each calendar year that the contributing  
13 employer is subject to the employment security law with respect to wages  
14 paid for employment. Such contributions shall become due and be paid by  
15 each contributing employer to the secretary for the employment security  
16 fund in accordance with such rules and regulations as the secretary may  
17 adopt and shall not be deducted, in whole or in part, from the wages of  
18 individuals in such employer's employ. In the payment of any  
19 contributions, a fractional part of \$.01 shall be disregarded unless it  
20 amounts to \$.005 or more, in which case it shall be increased to \$.01.  
21 Should contributions for any calendar quarter be less than \$5, no payment  
22 shall be required.

23 (b) *Rates and base of contributions.* (1) Except as provided in  
24 paragraph (2), each contributing employer shall pay contributions on  
25 wages paid by the contributing employer during each calendar year with  
26 respect to employment as provided in K.S.A. 44-710a, and amendments  
27 thereto. ~~Except that, notwithstanding the federal law requiring the~~  
28 ~~secretary of labor to annually recalculate the contribution rate, for calendar~~  
29 ~~years 2010, 2011, 2012, 2013 and 2014, the secretary shall charge each~~  
30 ~~contributing employer in rate groups 1 through 32 the contribution rate in~~  
31 ~~the 2010 original tax rate computation table, with contributing employers~~  
32 ~~in rate groups 33 through 51 being capped at a 5.4% contribution rate. For~~  
33 ~~calendar year 2021, unemployment tax rates for eligible employers shall~~  
34 ~~be limited to the standard rate schedule in K.S.A. 44-710a, and~~  
35 ~~amendments thereto. Therefore, no additional solvency adjustment shall be~~  
36 ~~applied.~~

37 (2) (A) If the congress of the United States either amends or repeals  
38 the Wagner-Peyser act, the federal unemployment tax act, the federal  
39 social security act, or subtitle C of chapter 23 of the federal internal  
40 revenue code of 1986, or any act or acts supplemental to or in lieu thereof,  
41 or any part or parts of any such law, or if any such law, or any part or parts  
42 thereof, are held invalid with the effect that appropriations of funds by  
43 congress and grants thereof to the state of Kansas for the payment of costs

1 of administration of the employment security law are no longer available  
2 for such purposes; or (B) if employers in Kansas subject to the payment of  
3 tax under the federal unemployment tax act are granted full credit against  
4 such tax for contributions or taxes paid to the secretary of labor, then, and  
5 in either such case, beginning with the year that the unavailability of  
6 federal appropriations and grants for such purpose occurs or that such  
7 change in liability for payment of such federal tax occurs and for each year  
8 thereafter, the rate of contributions of each contributing employer shall be  
9 equal to the total of 0.5% and the rate of contributions as determined for  
10 such contributing employer under K.S.A. 44-710a, and amendments  
11 thereto. The amount of contributions that each contributing employer  
12 becomes liable to pay under this paragraph—(2) over the amount of  
13 contributions that such contributing employer would be otherwise liable to  
14 pay shall be credited to the employment security administration fund to be  
15 disbursed and paid out under the same conditions and for the same  
16 purposes as other moneys are authorized to be paid from the employment  
17 security administration fund, except that, if the secretary determines that as  
18 of the first day of January of any year there is an excess in the employment  
19 security administration fund over the amount required to be disbursed  
20 during such year, an amount equal to such excess as determined by the  
21 secretary shall be transferred to the employment security fund.

22 (c) *Charging of benefit payments.* (1) The secretary shall maintain a  
23 separate account for each contributing employer, and shall credit the  
24 contributing employer's account with all the contributions paid on the  
25 contributing employer's own behalf. Nothing in the employment security  
26 law shall be construed to grant any employer or individuals in such  
27 employer's service prior claims or rights to the amounts paid by such  
28 employer into the employment security fund either on such employer's  
29 own behalf or on behalf of such individuals. Benefits paid shall be charged  
30 against the accounts of each base period employer in the proportion that  
31 the base period wages paid to an eligible individual by each such employer  
32 bears to the total wages in the base period. Benefits shall be charged to  
33 contributing employers' accounts and rated governmental employers'  
34 accounts upon the basis of benefits paid during each ~~twelve-month period~~  
35 ~~ending on the computation date~~ *calendar quarter.*

36 (2) (A) Benefits paid in benefit years established by valid new claims  
37 shall not be charged to the account of a contributing employer or rated  
38 governmental employer who is a base period employer if the examiner  
39 finds that claimant was separated from the claimant's most recent  
40 employment with such employer under any of the following conditions: (i)  
41 Discharged for misconduct or gross misconduct connected with the  
42 individual's work; (ii) leaving work voluntarily without good cause  
43 attributable to the claimant's work or the employer; or (iii) discharged from

1 an employer directly impacted by COVID-19 in accordance with the  
2 families first coronavirus response act, public law 116-127.

3 (B) Where base period wage credits of a contributing employer or  
4 rated governmental employer represent part-time employment and the  
5 claimant continues in that part-time employment with that employer  
6 during the period for which benefits are paid, then that employer's account  
7 shall not be charged with any part of the benefits paid if the employer  
8 provides the secretary with information as required by rules and  
9 regulations. For the purposes of this ~~subsection (e)(2)(B)~~ *subparagraph*,  
10 "part-time employment" means any employment when an individual works  
11 less than full-time because the individual's services are not required for the  
12 customary, scheduled full-time hours prevailing at the work place or the  
13 individual does not customarily work the regularly scheduled full-time  
14 hours due to personal choice or circumstances.

15 (C) No contributing employer or rated governmental employer's  
16 account shall be charged with any extended benefits paid in accordance  
17 with the employment security law, except for weeks of unemployment  
18 beginning after December 31, 1978, all contributing governmental  
19 employers and governmental rated employers shall be charged an amount  
20 equal to all extended benefits paid.

21 ~~(D) No contributing employer, rated governmental employer or~~  
22 ~~reimbursing employer's account shall be charged for any additional~~  
23 ~~benefits paid during the period July 1, 2003 through June 30, 2004.~~

24 (E) No contributing employer or rated governmental employer's  
25 account will be charged for benefits paid a claimant while pursuing an  
26 approved training course as defined in K.S.A. 44-703(s), and amendments  
27 thereto.

28 ~~(F)~~(E) No contributing employer or rated governmental employer's  
29 account shall be charged with respect to the benefits paid to any individual  
30 whose base period wages include wages for services not covered by the  
31 employment security law prior to January 1, 1978, to the extent that the  
32 employment security fund is reimbursed for such benefits pursuant to  
33 section 121 of public law 94-566-~~90 Stat. 2673~~.

34 ~~(G)~~(F) With respect to weeks of unemployment beginning after  
35 December 31, 1977, wages for insured work shall include wages paid for  
36 previously uncovered services. For the purposes of this ~~subsection (e)(2)~~  
37 ~~(G)~~ *subparagraph*, the term "previously uncovered services" means  
38 services that were not covered employment, at any time during the one-  
39 year period ending December 31, 1975, except to the extent that assistance  
40 under title II of the federal emergency jobs and unemployment assistance  
41 act of 1974 was paid on the basis of such services, and that:

42 (i) Are agricultural labor as defined in K.S.A. 44-703(w), and  
43 amendments thereto, or domestic service as defined in K.S.A. 44-703(aa),

1 and amendments thereto;

2 (ii) are services performed by an employee of this state or a political  
3 subdivision thereof, as provided in K.S.A. 44-703(i)(3)(E), and  
4 amendments thereto; or

5 (iii) are services performed by an employee of a nonprofit educational  
6 institution that is not an institution of higher education.

7 ~~(H) No contributing employer or rated governmental employer's~~  
8 ~~account shall be charged with respect to their pro rata share of benefit~~  
9 ~~charges if such charges are of \$100 or less.~~

10 ~~(H)(G)~~ (G) Contributing employers, rated governmental employers and  
11 reimbursing employers shall be held harmless for and shall not be required  
12 to reimburse the state for claims or benefits paid that have been reported  
13 by the employer to the secretary and determined by the secretary as  
14 fraudulent or as an improper payment, unless the secretary determines the  
15 claims are not fraudulent or improper as provided by K.S.A. 44-710b(b)(2)  
16 (A), and amendments thereto. The time limitation for disputing a claim or  
17 an appeal of a claim as provided by this section, or by any other provision  
18 of the employment security law, shall not apply to identifications of fraud  
19 reported to the secretary for claims or benefits paid during the period  
20 beginning on March 15, 2020, through December 31, 2022. Contributing  
21 employers, rated governmental employers and reimbursing employers  
22 shall be refunded or credited, in the discretion of the employer, as provided  
23 by K.S.A. 44-710b, and amendments thereto, for any claims or benefits  
24 paid that have been reported as fraudulent.

25 (3) An employer's account shall not be relieved of charges relating to  
26 a payment that was made erroneously if the secretary determines that:

27 (A) The erroneous payment was made because the employer, or the  
28 agent of the employer, was at fault for failing to respond timely or  
29 adequately to a written request from the secretary for information relating  
30 to the claim for unemployment compensation; and

31 (B) the employer or agent has established a pattern of failing to  
32 respond timely or adequately to requests for information.

33 (C) For purposes of this paragraph:

34 (i) "Erroneous payment" means a payment that but for the failure by  
35 the employer or the employer's agent with respect to the claim for  
36 unemployment compensation, would not have been made; and

37 (ii) "pattern of failure" means repeated documented failure on the part  
38 of the employer or the agent of the employer to respond, taking into  
39 consideration the number of instances of failure in relation to the total  
40 volume of requests. An employer or employer's agent failing to respond as  
41 described in ~~(e)(3)(A)~~ *subparagraph (A)* shall not be determined to have  
42 engaged in a "pattern of failure" if the number of such failures during the  
43 year prior to such request is fewer than two, or less than 2%, of such

1 requests, whichever is greater.

2 (D) Determinations of the secretary prohibiting the relief of charges  
3 pursuant to this section shall be subject to appeal or protest as other  
4 determinations of the agency with respect to the charging of employer  
5 accounts.

6 ~~(E) This paragraph shall apply to erroneous payments established on  
7 and after the effective date of this act.~~

8 (4) The examiner shall notify any base period employer whose  
9 account will be charged with benefits paid following the filing of a valid  
10 new claim and a determination by the examiner based on all information  
11 relating to the claim contained in the records of the division of  
12 employment security. Such notice shall become final and benefits charged  
13 to the base period employer's account in accordance with the claim unless  
14 within 10 calendar days from the date the notice was sent, the base period  
15 employer requests in writing that the examiner reconsider the  
16 determination and furnishes any required information in accordance with  
17 the secretary's rules and regulations. In a similar manner, a notice of an  
18 additional claim followed by the first payment of benefits with respect to  
19 the benefit year, filed by an individual during a benefit year after a period  
20 in such year during which such individual was employed, shall be given to  
21 any base period employer of the individual who has requested such a  
22 notice within 10 calendar days from the date the notice of the valid new  
23 claim was sent to such base period employer. For purposes of this  
24 ~~subsection (e)(3) paragraph~~, if the required information is not submitted  
25 or postmarked within a response time limit of 10 days after the base period  
26 employer notice was sent, the base period employer shall be deemed to  
27 have waived its standing as a party to the proceedings arising from the  
28 claim and shall be barred from protesting any subsequent decisions about  
29 the claim by the secretary, a referee, the board of review or any court,  
30 except that the base period employer's response time limit may be waived  
31 or extended by the examiner or upon appeal, if timely response was  
32 impossible due to excusable neglect. The examiner shall notify the  
33 employer of the reconsidered determination, which shall be subject to  
34 appeal or further reconsideration, in accordance with the provisions of  
35 K.S.A. 44-709, and amendments thereto.

36 (5) *Time, computation and extension.* In computing the period of time  
37 for a base period employer response or appeals under this section from the  
38 examiner's or the special examiner's determination or from the referee's  
39 decision, the day of the act, event or default from which the designated  
40 period of time begins to run shall not be included. The last day of the  
41 period shall be included unless it is a Saturday, Sunday or legal holiday, in  
42 which event the period runs until the end of the next day that is not a  
43 Saturday, Sunday or legal holiday.

1 (d) *Pooled fund.* All contributions and payments in lieu of  
2 contributions and benefit cost payments to the employment security fund  
3 shall be pooled and available to pay benefits to any individual entitled  
4 thereto under the employment security law, regardless of the source of  
5 such contributions or payments in lieu of contributions or benefit cost  
6 payments.

7 (e) *Election to become reimbursing employer; payment in lieu of*  
8 *contributions.* (1) Any governmental entity, Indian tribes or tribal units,  
9 (subdivisions, subsidiaries or business enterprises wholly owned by such  
10 Indian tribes), for which services are performed as described in K.S.A. 44-  
11 703(i)(3)(E), and amendments thereto, or any nonprofit organization or  
12 group of nonprofit organizations described in section 501(c)(3) of the  
13 federal internal revenue code of 1986 that is exempt from income tax  
14 under section 501(a) of such code, that becomes subject to the  
15 employment security law may elect to become a reimbursing employer  
16 under this subsection (e)(1) and agree to pay the secretary for the  
17 employment security fund an amount equal to the amount of regular  
18 benefits and  $\frac{1}{2}$  of the extended benefits paid that are attributable to service  
19 in the employ of such reimbursing employer, except that each reimbursing  
20 governmental employer, Indian tribes or tribal units shall pay an amount  
21 equal to the amount of regular benefits and extended benefits paid for  
22 weeks of unemployment beginning after December 31, 1978, for  
23 governmental employers and December 21, 2000, for Indian tribes or  
24 tribal units to individuals for weeks of unemployment that begin during the  
25 effective period of such election.

26 (A) Any employer identified in this ~~subsection (e)(1) paragraph~~ may  
27 elect to become a reimbursing employer for a period encompassing not  
28 less than four complete calendar years if such employer files with the  
29 secretary a written notice of such election within the 30-day period  
30 immediately following January 1 of any calendar year or within the 30-day  
31 period immediately following the date when a determination of  
32 subjectivity to the employment security law is issued, whichever occurs  
33 later.

34 (B) Any employer that makes an election to become a reimbursing  
35 employer in accordance with subparagraph (A) will continue to be liable  
36 for payments in lieu of contributions until such employer files with the  
37 secretary a written notice terminating its election not later than 30 days  
38 prior to the beginning of the calendar year for which such termination shall  
39 first be effective.

40 (C) Any employer identified in this ~~subsection (e)(1) paragraph~~ that  
41 has remained a contributing employer and has been paying contributions  
42 under the employment security law for a period subsequent to January 1,  
43 1972, may change to a reimbursing employer by filing with the secretary



1 not later than 30 days prior to the beginning of any calendar year a written  
2 notice of election to become a reimbursing employer. Such election shall  
3 not be terminable by the employer for four complete calendar years.

4 (D) The secretary may for good cause extend the period within which  
5 a notice of election, or a notice of termination, must be filed and may  
6 permit an election to be retroactive but not any earlier than with respect to  
7 benefits paid after January 1 of the year such election is received.

8 (E) The secretary, in accordance with such rules and regulations as  
9 the secretary may adopt, shall notify each employer identified in  
10 ~~subsection (e)(1)~~ *this paragraph* of any determination that the secretary  
11 may make of its status as an employer and of the effective date of any  
12 election that it makes to become a reimbursing employer and of any  
13 termination of such election. Such determinations shall be subject to  
14 reconsideration, appeal and review in accordance with the provisions of  
15 K.S.A. 44-710b, and amendments thereto.

16 (2) *Reimbursement reports and payments.* Payments in lieu of  
17 contributions shall be made in accordance with the provisions of  
18 subparagraph (A) by all reimbursing employers except the state of Kansas.  
19 Each reimbursing employer shall report total wages paid during each  
20 calendar quarter by filing quarterly wage reports with the secretary that  
21 shall be filed by the last day of the month following the close of each  
22 calendar quarter. Wage reports are deemed filed as of the date they are  
23 placed in the United States mail.

24 (A) At the end of each calendar quarter, or at the end of any other  
25 period as determined by the secretary, the secretary shall bill each  
26 reimbursing employer, except the state of Kansas: (i) An amount to be paid  
27 that is equal to the full amount of regular benefits plus  $\frac{1}{2}$  of the amount of  
28 extended benefits paid during such quarter or other prescribed period that  
29 is attributable to service in the employ of such reimbursing employer; and  
30 (ii) for weeks of unemployment beginning after December 31, 1978, each  
31 reimbursing governmental employer and December 21, 2000, for Indian  
32 tribes or tribal units shall be certified an amount to be paid that is equal to  
33 the full amount of regular benefits and extended benefits paid during such  
34 quarter or other prescribed period that is attributable to service in the  
35 employ of such reimbursing governmental employer.

36 (B) Payment of any bill rendered under subparagraph (A) shall be  
37 made not later than 30 days after such bill was mailed to the last known  
38 address of the reimbursing employer, or otherwise was delivered to such  
39 reimbursing employer, unless there has been an application for review and  
40 redetermination in accordance with subparagraph (D).

41 (C) Payments made by any reimbursing employer under the  
42 provisions of this ~~subsection (e)(2)~~ *paragraph* shall not be deducted or  
43 deductible, in whole or in part, from the remuneration of individuals in the

1 employ of such employer.

2 (D) The amount due specified in any bill from the secretary shall be  
3 conclusive on the reimbursing employer, unless, not later than 15 days  
4 after the bill was mailed to the last known address of such employer, or  
5 was otherwise delivered to such employer, the reimbursing employer files  
6 an application for redetermination in accordance with K.S.A. 44-710b, and  
7 amendments thereto.

8 (E) Past due payments of amounts certified by the secretary under  
9 this section shall be subject to the same interest, penalties and actions  
10 required by K.S.A. 44-717, and amendments thereto. ~~(1)~~ If any nonprofit  
11 organization or group of nonprofit organizations described in section  
12 501(c)(3) of the federal internal revenue code of 1986 or governmental  
13 reimbursing employer is delinquent in making payments of amounts  
14 certified by the secretary under this section, the secretary may terminate  
15 such employer's election to make payments in lieu of contributions as of  
16 the beginning of the next calendar year and such termination shall be  
17 effective for such next calendar year and the calendar year thereafter so  
18 that the termination is effective for two complete calendar years. ~~(2)~~  
19 Failure of the Indian tribe or tribal unit to make required payments,  
20 including assessment of interest and penalty within 90 days of receipt of  
21 the bill will cause the Indian tribe to lose the option to make payments in  
22 lieu of contributions as described pursuant to paragraph (e)(1) for the  
23 following tax year unless payment in full is received before contribution  
24 rates for the next tax year are calculated. ~~(3)~~ Any Indian tribe that loses the  
25 option to make payments in lieu of contributions due to late payment or  
26 nonpayment, as described in *this* paragraph ~~(2)~~, shall have such option  
27 reinstated, if after a period of one year, all contributions have been made  
28 on time and no contributions, payments in lieu of contributions for benefits  
29 paid, penalties or interest remain outstanding.

30 (F) Failure of the Indian tribe or any tribal unit thereof to make  
31 required payments, including assessments of interest and penalties, after  
32 all collection activities deemed necessary by the secretary have been  
33 exhausted, will cause services performed by such tribe to not be treated as  
34 employment for purposes of K.S.A. 44-703(i)(3)(E), and amendments  
35 thereto. If an Indian tribe fails to make payments required under this  
36 section, including assessments of interest and penalties, within 90 days of  
37 a final notice of delinquency, the secretary shall immediately notify the  
38 United States internal revenue service and the United States department of  
39 labor. The secretary may determine that any Indian tribe that loses  
40 coverage pursuant to this paragraph may have services performed on  
41 behalf of such tribe again deemed "employment" if all contributions,  
42 payments in lieu of contributions, penalties and interest have been paid.

43 (G) In the discretion of the secretary, any employer who elects to

1 become liable for payments in lieu of contributions and any nonprofit  
2 organization or group of nonprofit organizations described in section  
3 501(c)(3) of the federal internal revenue code of 1986 or governmental  
4 reimbursing employer or Indian tribe or tribal unit who is delinquent in  
5 filing reports or in making payments of amounts certified by the secretary  
6 under this section shall be required within 60 days after the effective date  
7 of such election, in the case of an eligible employer so electing, or after the  
8 date of notification to the delinquent employer under this ~~subsection (e)(2)~~  
9 ~~(G) subparagraph~~, in the case of a delinquent employer, to execute and  
10 file with the secretary a surety bond, except that the employer may elect, in  
11 lieu of a surety bond, to deposit with the secretary money or securities as  
12 approved by the secretary or to purchase and deliver to an escrow agent a  
13 certificate of deposit to guarantee payment. The amount of the bond,  
14 deposit or escrow agreement required by this ~~subsection (e)(2)(G)~~ shall not  
15 exceed 5.4% of the organization's taxable wages paid for employment by  
16 the eligible employer during the four calendar quarters immediately  
17 preceding the effective date of the election or the date of notification, in  
18 the case of a delinquent employer. If the employer did not pay wages in  
19 each of such four calendar quarters, the amount of the bond or deposit  
20 shall be as determined by the secretary. Upon the failure of an employer to  
21 comply with *the provisions of this* ~~subsection (e)(2)(G) subparagraph~~  
22 *within the time limits imposed or to maintain the required bond or deposit,*  
23 *the secretary may terminate the election of such eligible employer or*  
24 *delinquent employer, as the case may be, to make payments in lieu of*  
25 *contributions, and such termination shall be effective for the current and*  
26 *next calendar year.*

27 (H) The state of Kansas shall make reimbursement payments  
28 quarterly at a fiscal year rate that shall be based upon: (i) The available  
29 balance in the state's reimbursing account as of December 31 of each  
30 calendar year; (ii) the historical unemployment experience of all covered  
31 state agencies during prior years; (iii) the estimate of total covered wages  
32 to be paid during the ensuing calendar year; (iv) the applicable fiscal year  
33 rate of the claims processing and auditing fee under K.S.A. 75-3798, and  
34 amendments thereto; and (v) actuarial and other information furnished to  
35 the secretary by the secretary of administration. In accordance with K.S.A.  
36 75-3798, and amendments thereto, the claims processing and auditing fees  
37 charged to state agencies shall be deducted from the amounts collected for  
38 the reimbursement payments under this paragraph ~~(H)~~ prior to making the  
39 quarterly reimbursement payments for the state of Kansas. The fiscal year  
40 rate shall be expressed as a percentage of covered total wages and shall be  
41 the same for all covered state agencies. The fiscal year rate for each fiscal  
42 year will be certified in writing by the secretary to the secretary of  
43 administration on July 15 of each year and such certified rate shall become

1 effective on the July 1 immediately following the date of certification. A  
2 detailed listing of benefit charges applicable to the state's reimbursing  
3 account shall be furnished quarterly by the secretary to the secretary of  
4 administration and the total amount of charges deducted from previous  
5 reimbursing payments made by the state. On January 1 of each year, if it is  
6 determined that benefit charges exceed the amount of prior reimbursing  
7 payments, an upward adjustment shall be made therefor in the fiscal year  
8 rate to be certified on the ensuing July 15. If total payments exceed benefit  
9 charges, all or part of the excess may be refunded, at the discretion of the  
10 secretary, from the fund or retained in the fund as part of the payments that  
11 may be required for the next fiscal year.

12 (3) *Allocation of benefit costs.* The reimbursing account of each  
13 reimbursing employer shall be charged the full amount of regular benefits  
14 and ½ of the amount of extended benefits paid except that each  
15 reimbursing governmental employer's account shall be charged the full  
16 amount of regular benefits and extended benefits paid for weeks of  
17 unemployment beginning after December 31, 1978, to individuals whose  
18 entire base period wage credits are from such employer. When benefits  
19 received by an individual are based upon base period wage credits from  
20 more than one employer then the reimbursing employer's or reimbursing  
21 governmental employer's account shall be charged in the same ratio as  
22 base period wage credits from such employer bear to the individual's total  
23 base period wage credits. Notwithstanding any other provision of the  
24 employment security law, no reimbursing employer's or reimbursing  
25 governmental employer's account shall be charged for payments of  
26 extended benefits that are wholly reimbursed to the state by the federal  
27 government. ~~Payments of unemployment compensation that are wholly~~  
28 ~~reimbursed to the reimbursing employer by the federal government shall~~  
29 ~~be charged for the purpose of such reimbursement under the federal~~  
30 ~~CARES act, public law 116-136.~~

31 (A) *Proportionate allocation {when fewer than all reimbursing base*  
32 *period employers are liable}.* If benefits paid to an individual are based on  
33 wages paid by one or more reimbursing employers and on wages paid by  
34 one or more contributing employers or rated governmental employers, the  
35 amount of benefits payable by each reimbursing employer shall be an  
36 amount that bears the same ratio to the total benefits paid to the individual  
37 as the total base period wages paid to the individual by such employer  
38 bears to the total base period wages paid to the individual by all of such  
39 individual's base period employers.

40 (B) *Proportionate allocation {when all base period employers are*  
41 *reimbursing employers}.* If benefits paid to an individual are based on  
42 wages paid by two or more reimbursing employers, the amount of benefits  
43 payable by each such employer shall be an amount that bears the same

1 ratio to the total benefits paid to the individual as the total base period  
2 wages paid to the individual by such employer bear to the total base period  
3 wages paid to the individual by all of such individual's base period  
4 employers.

5 (4) *Group accounts.* Two or more reimbursing employers may file a  
6 joint application to the secretary for the establishment of a group account  
7 for the purpose of sharing the cost of benefits paid that are attributable to  
8 service in the employment of such reimbursing employers. Each such  
9 application shall identify and authorize a group representative to act as the  
10 group's agent for the purposes of this paragraph. Upon approval of the  
11 application, the secretary shall establish a group account for such  
12 employers effective as of the beginning of the calendar quarter in which  
13 the secretary receives the application and shall notify the group's  
14 representative of the effective date of the account. Such account shall  
15 remain in effect for not less than four years and thereafter such account  
16 shall remain in effect until terminated at the discretion of the secretary or  
17 upon application by the group. Upon establishment of the account, each  
18 member of the group shall be liable for payments in lieu of contributions  
19 with respect to each calendar quarter in the amount that bears the same  
20 ratio to the total benefits paid in such quarter that are attributable to service  
21 performed in the employ of all members of the group as the total wages  
22 paid for service in employment by such member in such quarter bear to the  
23 total wages paid during such quarter for service performed in the employ  
24 of all members of the group. The secretary shall adopt such rules and  
25 regulations as the secretary deems necessary with respect to applications  
26 for establishment, maintenance and termination of group accounts that are  
27 authorized by this paragraph, for addition of new members to, and  
28 withdrawal of active members from such accounts, and for the  
29 determination of the amounts that are payable under this paragraph by  
30 members of the group and the time and manner of such payments.

31 Sec. 7. K.S.A. 2023 Supp. 44-710a is hereby amended to read as  
32 follows: 44-710a. (a) *Classification of employers by the secretary.* The  
33 term "employer" as used in this section refers to contributing employers.  
34 The secretary shall classify employers in accordance with their actual  
35 experience in the payment of contributions on their own behalf and with  
36 respect to benefits charged against their accounts with a view of fixing  
37 such contribution rates as will reflect such experience. If, as of the date  
38 such classification of employers is made, the secretary finds that any  
39 employing unit has failed to file any report required in connection  
40 therewith, or has filed a report which the secretary finds incorrect or  
41 insufficient, the secretary shall make an estimate of the information  
42 required from such employing unit on the basis of the best evidence  
43 reasonably available to the secretary at the time, and notify the employing

1 unit thereof by mail addressed to its last known address. Unless such  
2 employing unit shall file the report or a corrected or sufficient report as the  
3 case may be, within 15 days after the mailing of such notice, the secretary  
4 shall compute such employing unit's rate of contributions on the basis of  
5 such estimates, and the rate as so determined shall be subject to increase  
6 but not to reduction on the basis of subsequently ascertained information.  
7 The secretary shall determine the contribution rate of each employer in  
8 accordance with the requirements of this section.

9 (1) *New employers.* (A) No employer will be eligible for a rate  
10 computation until there have been 24 consecutive calendar months  
11 immediately preceding the computation date throughout which benefits  
12 could have been charged against such employer's account.

13 (B) (i) (a) Each employer who is not eligible for a rate contribution  
14 shall pay contributions equal to 2.7% of wages paid during each calendar  
15 year with regard to employment, except such employers engaged in the  
16 construction industry shall pay a rate equal to 6%.

17 (b) (1) An employer who was not doing business in Kansas prior to  
18 July 1, 2014, shall be eligible for either the new employer rate under  
19 subsection (a)(1)(B)(i)(a) or the rate associated with the reserve ratio such  
20 employer experienced in the state which such employer was formerly  
21 located, but in no event less than 1% if such:

22 (A) Employer has been in operation in the other state or states for at  
23 least the three years immediately preceding the date such employer  
24 becomes a liable employer in Kansas;

25 (B) employer provides the authenticated account history from  
26 information accumulated from operations of such employer in the other  
27 state or all the other states necessary to compute a current Kansas rate; and

28 (C) employer's business operations established in Kansas are of the  
29 same nature, as defined by the North American industrial classification  
30 system, as conducted by such employer in the other state or states.

31 (2) The election authorized in subsection (a)(1)(B)(i)(b) of this  
32 section must be made in writing within 30 days after notice of Kansas  
33 liability. A rate in accordance with subsection (a)(1)(B)(i)(a) will be  
34 assigned unless a timely election has been made.

35 (3) If the election is made timely, the employer's account will receive  
36 the rate elected for the remainder of that rate year. The rate assigned for  
37 the next and subsequent years will be determined by the condition of the  
38 account on the computation date.

39 (ii) For purposes of this subsection (a), employers shall be classified  
40 by industrial activity in accordance with standard procedures as set forth in  
41 rules and regulations adopted by the secretary. Employers engaged in more  
42 than one type of industrial activity shall be classified by principal activity.  
43 All rates assigned will remain in effect for a complete calendar year. If the

1 sale or acquisition of a new establishment would require reclassification of  
2 the employer to a different industry sector, the employer would be  
3 promptly notified, and the contribution rate applicable to the new industry  
4 sector would become effective the following January 1.

5 (C) "Computation date" means June 30 of each calendar year with  
6 respect to rates of contribution applicable to the calendar year beginning  
7 with the following January 1. In arriving at contribution rates for each  
8 calendar year, contributions paid on or before July 31 following the  
9 computation date for employment occurring on or prior to the computation  
10 date shall be considered for each contributing employer who has been  
11 subject to this act for a sufficient period of time to have such employer's  
12 rate computed under this subsection (a).

13 (2) *Eligible employers.* (A) A reserve ratio shall be computed for each  
14 eligible employer by the following method: Total benefits charged to the  
15 employer's account for all past years shall be deducted from all  
16 contributions paid by such employer for all such years. The balance,  
17 positive or negative, shall be divided by the employer's average annual  
18 payroll, and the result shall constitute the employer reserve ratio.

19 (B) (i) Negative account balance employers, as defined in subsection  
20 (d), shall pay contributions at the rate referenced in subsection ~~(a)(4)(B)~~  
21 ~~(a)(4)(C)~~.

22 (ii) *On or after August 21, 2025, and not later than August 31, 2025,*  
23 *the secretary shall forgive the negative reserve account balance as of*  
24 *August 21, 2025, of any active or inactive negative account balance*  
25 *employer and reset such employer's account to a zero balance. This write*  
26 *off of negative reserve account balance debt by the secretary shall be*  
27 *limited to one-time only relief and negative account balance employers*  
28 *with a negative reserve account balance as of August 21, 2025.*

29 (C) Eligible employers, other than negative account balance  
30 employers, who do not meet the average annual payroll requirements as  
31 stated in K.S.A. 44-703(a)(2), and amendments thereto, will be issued the  
32 maximum rate indicated by the maximum rate group of standard rate  
33 schedule—standard schedule 7 in subsection (a)(4)(B)(ii) until such  
34 employer establishes a new period of 24 consecutive calendar months  
35 immediately preceding the computation date throughout which benefits  
36 could have been charged against such employer's account by resuming the  
37 payment of wages. Contribution rates effective for each calendar year  
38 thereafter shall be determined as prescribed below.

39 ~~(D) If the amounts collected from negative account balance~~  
40 ~~employers and paid into the employment security interest assessment fund~~  
41 ~~for the purpose of paying interest due and owing on funds received from~~  
42 ~~the federal unemployment account under title XII of the social security act~~  
43 ~~are in excess of the amounts needed to pay interest due, the amounts in~~

1 excess shall remain in the employment security interest assessment fund to  
2 be used to pay interest in future years. Whenever the secretary certifies all  
3 interest payments have been paid, any excess funds remaining in the  
4 employment security interest assessment fund shall be transferred to the  
5 employment security trust fund for the purpose of paying any remaining  
6 principal amount due for advances described in this section. In the event  
7 that the amount transferred from the employment security interest  
8 assessment fund exceeds such remaining amount of principal due, the  
9 balance shall be used for the purposes of the employment security trust  
10 fund.

11 (3) *Entering and expanding employer.* (A) The secretary, as a method  
12 of providing for a reduced rate of contributions to an employer shall verify  
13 the qualifications in this statute that bear a direct relation to unemployment  
14 risk for that employer.

15 (B) If, as of the computation date, an eligible, positive balance  
16 employer's reserve ratio is significantly affected due to an increase in the  
17 employer's taxable payroll of at least 100% and such increase is  
18 attributable to a growth in employment, and not to a change in the taxable  
19 wage base from the previous year, the secretary shall assign a reduced rate  
20 of contributions for a period of three years.

21 (i) Such reduced rate of contributions shall be the new employer rate  
22 described in subsection (a)(1)(B)(i)(a), or a rate based on the employer's  
23 demonstrated risk as reflected in the employer's reserve fund ratio history.

24 (ii) To be eligible for such reduced rate, the employer must maintain a  
25 positive account balance throughout the reduced-rate period and must have  
26 an increase in account balance for each year.

27 (4) (A) For each rate year, the contribution schedule in effect shall be  
28 determined by the applicable fund control table and rate schedule table of  
29 subsection ~~(a)(4)(B)~~ (a)(4)(C).

30 (B) *The secretary shall prepare contribution rate tables showing the*  
31 *calculated maximum annual cost to contributing rated employers per*  
32 *employee for the previous, current and ensuing rate year. Such*  
33 *contribution rate tables shall be published each calendar year, not less*  
34 *than 30 days prior to the end of such calendar year, on a publicly*  
35 *accessible website maintained by the secretary.*

36 (C) *Effective rates.* (i) Employer contribution rates to be effective for  
37 each calendar year shall be determined by the applicable rate schedule in  
38 clause (ii) and the fund control table for the rate year as specified  
39 contained in this clause. The average high cost multiple of the trust fund as  
40 of the computation date shall determine the contribution schedule in effect  
41 for the next rate year. For purposes of subsection ~~(a)(4)(B)(i)~~ (a)(4)(C)(i),  
42 the average high cost multiple is the reserve fund ratio divided by the  
43 average high benefit cost rate. The average high benefit cost rate shall be



1 determined by averaging the three highest benefit cost rates over the last  
 2 20 years from the preceding fiscal year which ended June 30. The high  
 3 benefit cost rate is defined by dividing total benefits paid in the fiscal year  
 4 by total payrolls for covered employers in the fiscal year. The reserve fund  
 5 ratio shall be determined by dividing total assets in the employment  
 6 security fund provided for in K.S.A. 44-712(a), and amendments thereto,  
 7 excluding all moneys credited to the account of this state pursuant to  
 8 section 903 of the federal social security act, as amended, that have been  
 9 appropriated by the legislature, whether or not withdrawn from the trust  
 10 fund, and excluding contributions not yet paid on July 31, by total payrolls  
 11 for contributing employers for the preceding fiscal year that ended on June  
 12 30.

13 **Fund Control Table A**  
 14 **For Rate Years 2016-2021**

15 Lower AHCM 16 Threshold	Upper AHCM 16 Threshold	Solvency Adjustment 16 to Rate per 17 Standard Rate Schedule
18 -1,000.00000	0.19999	1.60%
19 0.20000	0.44999	1.40%
20 0.45000	0.59999	1.20%
21 0.60000	0.74999	1.00%
22 0.75000	1.14999	0.00%
23 1.15000	1,000.00000	-0.50%

24 **Fund Control Table B A**  
 25 **For Contributing Employers with a POSITIVE Account Balance**  
 26 **For Rate Year 2022 2025 and Ensuing Calendar Years**  
 27 *Proportional*

28 KS SUTA 29 Solvency/Credit	Lower 29 Solvency/Credit	Upper	Solvency/Credit	Solvency/Credit
30 Tax Rate	AHCM	AHCM	Adjustment to	Adjustment as a
31 as	Threshold	Threshold	Maximum	Rate Group
32 Schedules	Threshold	Threshold	Standard Rate	Multiplier to
33			Standard, Earned	Employer's
34			Standard, Earned	Standard,
35 Earned			Rate Group	Rate Group
37 1	-1,000.00000	-0.00001	2.00%	1.50%
38 2	0.00000	0.24999	1.80%	1.35%
39 Solvency	3 0.25000	0.44999	1.60%	1.20%
40 Schedules	4 0.45000	0.59999	1.40%	1.05%
41 (1-6)	5 0.60000	0.69999	1.20%	0.90%
42 6	0.70000	0.74999	1.00%	0.75%
43 Standard				

1	Schedule 7	0.75000	1.24999	0.00%	0.00000%	0.00%
2	(7)					
3	8	1.25000	1.29999	-1.00%	-0.75%	-0.02632%
4						-0.02679%
5	Credit 9	1.30000	1.39999	-1.20%	-0.90%	-0.03158%
6						-0.03214%
7	Schedules 10	1.40000	1.54999	-1.40%	-1.05%	-0.03684%
8						-0.03750%
9	(8-13) 11	1.55000	1.74999	-1.60%	-1.20%	-0.04211%
10						-0.04286%
11	12	1.75000	1.99999	-1.80%	-1.35%	-0.04737%
12						-0.04821%
13	13	2.00000	1,000.00000	-2.00%	-1.50%	-0.05263%
14						-0.05357%

*Fund Control Table B*

*For Contributing Employers with a NEGATIVE Account Balance  
For Rate Year 2025 and Ensuing Calendar Years*

				<i>Proportional</i>		
<i>KS SUTA</i>	<i>Lower</i>	<i>Upper</i>	<i>Solvency/Credit</i>	<i>Solvency/Credit</i>		
<i>Tax Rate</i>	<i>AHCM</i>	<i>AHCM</i>	<i>Adjustment</i>	<i>Adjustment</i>		
<i>Schedules</i>	<i>Threshold</i>	<i>Threshold</i>				
	1-1,000.00000	0.00001	0.00%	0.00000%		
	2	0.00000	0.24999	0.00%	0.00000%	
<i>Solvency</i>	3	0.25000	0.44999	0.00%	0.00000%	
<i>Schedules</i>	4	0.45000	0.59999	0.00%	0.00000%	0.00000%
(1-6)	5	0.60000	0.69999	0.00%	0.00000%	
	6	0.70000	0.74999	0.00%	0.00000%	
<i>Standard</i>						
<i>Schedule</i>	7	0.75000	1.24999	0.00%	0.00000%	
(7)						
	8	1.25000	1.29999	0.00%	0.00000%	
<i>Credit</i>	9	1.30000	1.39999	0.00%	0.00000%	
<i>Schedules</i>	10	1.40000	1.54999	0.00%	0.00000%	0.00000%
(8-13)	11	1.55000	1.74999	0.00%	0.00000%	
	12	1.75000	1.99999	0.00%	0.00000%	
	13	2.00000	1,000.00000	0.00%	0.00000%	

(ii)-(a) Eligible employers shall be classified by rate group according to the standard rate schedule - standard rate schedule 7 in this section clause, for that rate year. Except as provided in subclause (b), for rate years 2016 through 2021, the rate pursuant to the standard rate schedule as adjusted by fund control table A shall apply. Except as provided in subclause (b), For rate year 2022 2025 and ensuing calendar years, the rate pursuant to standard rate schedule 7, solvency schedules 1 through 6 or

1 credit schedules 8 through 13 shall apply to contributing employers with  
 2 a:

3 (a) Positive account balance, as provided by fund control table A;  
 4 and

5 (b) negative account balance, as provided by fund control table B.

6 ~~(b) (1) In the event the full transfer of \$250,000,000 is not made as~~  
 7 ~~provided in K.S.A. 2022 Supp. 75-5745, and amendments thereto, to the~~  
 8 ~~employment security fund on or before July 15, 2021, all contributing~~  
 9 ~~employers shall pay the rate as set forth in standard rate schedule --~~  
 10 ~~standard rate schedule 7 for the 2022 calendar year.~~

11 (2) ~~In the event the second transfer of up to \$250,000,000 is not made~~  
 12 ~~as provided in K.S.A. 2022 Supp. 75-5745, and amendments thereto, to the~~  
 13 ~~employment security fund on or before July 15, 2022, all contributing~~  
 14 ~~employers shall pay the rate as set forth in standard rate schedules --~~  
 15 ~~standard rate schedule 7 for the 2023 calendar year, unless it is determined~~  
 16 ~~by actual calculation pursuant to fund control table B that credit rate~~  
 17 ~~schedules (8-13) would apply based on the health of the unemployment~~  
 18 ~~insurance trust fund.~~

19 STANDARD RATE SCHEDULE -

20 STANDARD RATE SCHEDULE 7

21	Rate	Lower Reserve	Upper Reserve	Standard	Rate
22	Group	Ratio Limit	Ratio Limit	Ratio Limit	Rate
23	+0	100.000	1,000,000.000	1,000,000.000	0.00%
24	1	18.590	1,000,000.000	99.999	0.20% 0.10%
25	2	17.875		18.589	0.40% 0.20%
26	3	17.160		17.874	0.60% 0.30%
27	4	16.445		17.159	0.80% 0.40%
28	5	15.730		16.444	1.00% 0.50%
29	6	15.015		15.729	1.20% 0.60%
30	7	14.300		15.014	1.40% 0.70%
31	8	13.585		14.299	1.60% 0.80%
32	9	12.870		13.584	1.80% 0.90%
33	10	12.155		12.869	2.00% 1.00%
34	11	11.440		12.154	2.20% 1.10%
35	12	10.725		11.439	2.40% 1.20%
36	13	10.010		10.724	2.60% 1.30%
37	14	9.295		10.009	2.80% 1.40%
38	15	8.580		9.294	3.00% 1.50%
39	16	7.865		8.579	3.20% 1.60%
40	17	7.150		7.864	3.40% 1.70%
41	18	6.435		7.149	3.60% 1.80%
42	19	5.720		6.434	3.80% 1.90%
43	20	5.005		5.719	4.00% 2.00%

1	21	4.290	5.004	4.20%	2.10%
2	22	3.575	4.289	4.40%	2.20%
3	23	2.860	3.574	4.60%	2.30%
4	24	2.145	2.859	4.80%	2.40%
5	25	1.430	2.144	5.00%	2.50%
6	26	0.715	1.429	5.20%	2.60%
7	27	0.000	0.714	5.40%	2.70%
8	N1	-0.714	-0.001	5.60%	
9	N2	-1.429	-0.715	5.80%	
10	N3	-2.144	-1.430	6.00%	
11	N4	-2.859	-2.145	6.20%	
12	N5	-3.574	-2.860	6.40%	
13	N6	-4.289	-3.575	6.60%	
14	N7	-5.004	-4.290	6.80%	
15	N8	-5.719	-5.005	7.00%	
16	N9	-6.434	-5.720	7.20%	
17	N10	-7.149	-6.435	7.40%	
18	N11	-1,000,000.000	-7.150	7.60%	

SOLVENCY RATE SCHEDULES (1-6)

19	Rate						
20	Group	1	2	3	4	5	6
21	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
22	1	0.25%	0.25%	0.24%	0.24%	0.23%	0.23%
23		0.21%	0.20%	0.19%	0.18%	0.16%	0.15%
24	2	0.51%	0.49%	0.48%	0.47%	0.46%	0.45%
25		0.36%	0.34%	0.33%	0.31%	0.30%	0.28%
26	3	0.76%	0.74%	0.73%	0.71%	0.69%	0.68%
27		0.51%	0.49%	0.47%	0.45%	0.43%	0.41%
28	4	1.01%	0.99%	0.97%	0.95%	0.93%	0.91%
29		0.67%	0.64%	0.61%	0.59%	0.56%	0.53%
30	5	1.26%	1.24%	1.21%	1.18%	1.16%	1.13%
31		0.82%	0.79%	0.76%	0.73%	0.69%	0.66%
32	6	1.52%	1.48%	1.45%	1.42%	1.39%	1.36%
33		0.98%	0.94%	0.90%	0.86%	0.83%	0.79%
34	7	1.77%	1.73%	1.69%	1.66%	1.62%	1.58%
35		1.13%	1.09%	1.04%	1.00%	0.96%	0.91%
36	8	2.02%	1.98%	1.94%	1.89%	1.85%	1.81%
37		1.28%	1.23%	1.19%	1.14%	1.09%	1.04%
38	9	2.27%	2.23%	2.18%	2.13%	2.08%	2.04%
39		1.44%	1.38%	1.33%	1.28%	1.22%	1.17%
40	10	2.53%	2.47%	2.42%	2.37%	2.32%	2.26%
41		1.59%	1.53%	1.47%	1.41%	1.35%	1.29%
42	11	2.78%	2.72%	2.66%	2.61%	2.55%	2.49%
43		1.74%	1.68%	1.61%	1.55%	1.49%	1.42%
44							

1	12	<del>3.03%</del>	<del>2.97%</del>	<del>2.91%</del>	<del>2.84%</del>	<del>2.78%</del>	<del>2.72%</del>
2		<del>1.90%</del>	<del>1.83%</del>	<del>1.76%</del>	<del>1.69%</del>	<del>1.62%</del>	<del>1.55%</del>
3	13	<del>3.28%</del>	<del>3.22%</del>	<del>3.15%</del>	<del>3.08%</del>	<del>3.01%</del>	<del>2.94%</del>
4		<del>2.05%</del>	<del>1.98%</del>	<del>1.90%</del>	<del>1.83%</del>	<del>1.75%</del>	<del>1.68%</del>
5	14	<del>3.54%</del>	<del>3.46%</del>	<del>3.39%</del>	<del>3.32%</del>	<del>3.24%</del>	<del>3.17%</del>
6		<del>2.20%</del>	<del>2.12%</del>	<del>2.04%</del>	<del>1.96%</del>	<del>1.88%</del>	<del>1.80%</del>
7	15	<del>3.79%</del>	<del>3.71%</del>	<del>3.63%</del>	<del>3.55%</del>	<del>3.47%</del>	<del>3.39%</del>
8		<del>2.36%</del>	<del>2.27%</del>	<del>2.19%</del>	<del>2.10%</del>	<del>2.01%</del>	<del>1.93%</del>
9	16	<del>4.04%</del>	<del>3.96%</del>	<del>3.87%</del>	<del>3.79%</del>	<del>3.71%</del>	<del>3.62%</del>
10		<del>2.51%</del>	<del>2.42%</del>	<del>2.33%</del>	<del>2.24%</del>	<del>2.15%</del>	<del>2.06%</del>
11	17	<del>4.29%</del>	<del>4.21%</del>	<del>4.12%</del>	<del>4.03%</del>	<del>3.94%</del>	<del>3.85%</del>
12		<del>2.66%</del>	<del>2.57%</del>	<del>2.47%</del>	<del>2.38%</del>	<del>2.28%</del>	<del>2.18%</del>
13	18	<del>4.55%</del>	<del>4.45%</del>	<del>4.36%</del>	<del>4.26%</del>	<del>4.17%</del>	<del>4.07%</del>
14		<del>2.82%</del>	<del>2.72%</del>	<del>2.61%</del>	<del>2.51%</del>	<del>2.41%</del>	<del>2.31%</del>
15	19	<del>4.80%</del>	<del>4.70%</del>	<del>4.60%</del>	<del>4.50%</del>	<del>4.40%</del>	<del>4.30%</del>
16		<del>2.97%</del>	<del>2.86%</del>	<del>2.76%</del>	<del>2.65%</del>	<del>2.54%</del>	<del>2.44%</del>
17	20	<del>5.05%</del>	<del>4.95%</del>	<del>4.84%</del>	<del>4.74%</del>	<del>4.63%</del>	<del>4.53%</del>
18		<del>3.13%</del>	<del>3.01%</del>	<del>2.90%</del>	<del>2.79%</del>	<del>2.68%</del>	<del>2.56%</del>
19	21	<del>5.31%</del>	<del>5.19%</del>	<del>5.08%</del>	<del>4.97%</del>	<del>4.86%</del>	<del>4.75%</del>
20		<del>3.28%</del>	<del>3.16%</del>	<del>3.04%</del>	<del>2.93%</del>	<del>2.81%</del>	<del>2.69%</del>
21	22	<del>5.56%</del>	<del>5.44%</del>	<del>5.33%</del>	<del>5.21%</del>	<del>5.09%</del>	<del>4.98%</del>
22		<del>3.43%</del>	<del>3.31%</del>	<del>3.19%</del>	<del>3.06%</del>	<del>2.94%</del>	<del>2.82%</del>
23	23	<del>5.81%</del>	<del>5.69%</del>	<del>5.57%</del>	<del>5.45%</del>	<del>5.33%</del>	<del>5.21%</del>
24		<del>3.59%</del>	<del>3.46%</del>	<del>3.33%</del>	<del>3.20%</del>	<del>3.07%</del>	<del>2.94%</del>
25	24	<del>6.06%</del>	<del>5.94%</del>	<del>5.81%</del>	<del>5.68%</del>	<del>5.56%</del>	<del>5.43%</del>
26		<del>3.74%</del>	<del>3.61%</del>	<del>3.47%</del>	<del>3.34%</del>	<del>3.20%</del>	<del>3.07%</del>
27	25	<del>6.32%</del>	<del>6.18%</del>	<del>6.05%</del>	<del>5.92%</del>	<del>5.79%</del>	<del>5.66%</del>
28		<del>3.89%</del>	<del>3.75%</del>	<del>3.61%</del>	<del>3.48%</del>	<del>3.34%</del>	<del>3.20%</del>
29	26	<del>6.57%</del>	<del>6.43%</del>	<del>6.29%</del>	<del>6.16%</del>	<del>6.02%</del>	<del>5.88%</del>
30		<del>4.05%</del>	<del>3.90%</del>	<del>3.76%</del>	<del>3.61%</del>	<del>3.47%</del>	<del>3.32%</del>
31	27	<del>6.82%</del>	<del>6.68%</del>	<del>6.54%</del>	<del>6.39%</del>	<del>6.25%</del>	<del>6.11%</del>
32		<del>4.20%</del>	<del>4.05%</del>	<del>3.90%</del>	<del>3.75%</del>	<del>3.60%</del>	<del>3.45%</del>
33	N1	<del>7.07%</del>	<del>6.93%</del>	<del>6.78%</del>	<del>6.63%</del>	<del>6.48%</del>	<del>6.34%</del>
34		<del>5.60%</del>	<del>5.60%</del>	<del>5.60%</del>	<del>5.60%</del>	<del>5.60%</del>	<del>5.60%</del>
35	N2	<del>7.33%</del>	<del>7.17%</del>	<del>7.02%</del>	<del>6.87%</del>	<del>6.72%</del>	<del>6.56%</del>
36		<del>5.80%</del>	<del>5.80%</del>	<del>5.80%</del>	<del>5.80%</del>	<del>5.80%</del>	<del>5.80%</del>
37	N3	<del>7.58%</del>	<del>7.42%</del>	<del>7.26%</del>	<del>7.11%</del>	<del>6.95%</del>	<del>6.79%</del>
38		<del>6.00%</del>	<del>6.00%</del>	<del>6.00%</del>	<del>6.00%</del>	<del>6.00%</del>	<del>6.00%</del>
39	N4	<del>7.83%</del>	<del>7.67%</del>	<del>7.51%</del>	<del>7.34%</del>	<del>7.18%</del>	<del>7.02%</del>
40		<del>6.20%</del>	<del>6.20%</del>	<del>6.20%</del>	<del>6.20%</del>	<del>6.20%</del>	<del>6.20%</del>
41	N5	<del>8.08%</del>	<del>7.92%</del>	<del>7.75%</del>	<del>7.58%</del>	<del>7.41%</del>	<del>7.24%</del>
42		<del>6.40%</del>	<del>6.40%</del>	<del>6.40%</del>	<del>6.40%</del>	<del>6.40%</del>	<del>6.40%</del>
43	N6	<del>8.34%</del>	<del>8.16%</del>	<del>7.99%</del>	<del>7.82%</del>	<del>7.64%</del>	<del>7.47%</del>

1		<del>6.60%</del>	<del>6.60%</del>	<del>6.60%</del>	<del>6.60%</del>	<del>6.60%</del>	<del>6.60%</del>
2	N7	<del>8.59%</del>	<del>8.41%</del>	<del>8.23%</del>	<del>8.05%</del>	<del>7.87%</del>	<del>7.69%</del>
3		<del>6.80%</del>	<del>6.80%</del>	<del>6.80%</del>	<del>6.80%</del>	<del>6.80%</del>	<del>6.80%</del>
4	N8	<del>8.84%</del>	<del>8.66%</del>	<del>8.47%</del>	<del>8.29%</del>	<del>8.11%</del>	<del>7.92%</del>
5		<del>7.00%</del>	<del>7.00%</del>	<del>7.00%</del>	<del>7.00%</del>	<del>7.00%</del>	<del>7.00%</del>
6	N9	<del>9.09%</del>	<del>8.91%</del>	<del>8.72%</del>	<del>8.53%</del>	<del>8.34%</del>	<del>8.15%</del>
7		<del>7.20%</del>	<del>7.20%</del>	<del>7.20%</del>	<del>7.20%</del>	<del>7.20%</del>	<del>7.20%</del>
8	N10	<del>9.35%</del>	<del>9.15%</del>	<del>8.96%</del>	<del>8.76%</del>	<del>8.57%</del>	<del>8.37%</del>
9		<del>7.40%</del>	<del>7.40%</del>	<del>7.40%</del>	<del>7.40%</del>	<del>7.40%</del>	<del>7.40%</del>
10	N11	<del>9.60%</del>	<del>9.40%</del>	<del>9.20%</del>	<del>9.00%</del>	<del>8.80%</del>	<del>8.60%</del>
11		<del>7.60%</del>	<del>7.60%</del>	<del>7.60%</del>	<del>7.60%</del>	<del>7.60%</del>	<del>7.60%</del>

CREDIT RATE SCHEDULES (8-13)

Rate Group	8	9	10	11	12	13
13						
14						
15	<del>0</del>	<del>0.00%</del>	<del>0.00%</del>	<del>0.00%</del>	<del>0.00%</del>	<del>0.00%</del>
16	<del>1</del>	<del>0.17%</del>	<del>0.17%</del>	<del>0.16%</del>	<del>0.16%</del>	<del>0.15%</del>
17		<del>0.05%</del>	<del>0.04%</del>	<del>0.03%</del>	<del>0.01%</del>	<del>0.00%</del>
18	<del>2</del>	<del>0.35%</del>	<del>0.34%</del>	<del>0.33%</del>	<del>0.32%</del>	<del>0.31%</del>
19		<del>0.12%</del>	<del>0.10%</del>	<del>0.09%</del>	<del>0.07%</del>	<del>0.06%</del>
20	<del>3</del>	<del>0.52%</del>	<del>0.51%</del>	<del>0.49%</del>	<del>0.47%</del>	<del>0.44%</del>
21		<del>0.19%</del>	<del>0.17%</del>	<del>0.15%</del>	<del>0.13%</del>	<del>0.11%</del>
22	<del>4</del>	<del>0.69%</del>	<del>0.67%</del>	<del>0.65%</del>	<del>0.63%</del>	<del>0.61%</del>
23		<del>0.27%</del>	<del>0.24%</del>	<del>0.21%</del>	<del>0.19%</del>	<del>0.16%</del>
24	<del>5</del>	<del>0.87%</del>	<del>0.84%</del>	<del>0.82%</del>	<del>0.79%</del>	<del>0.76%</del>
25		<del>0.34%</del>	<del>0.31%</del>	<del>0.28%</del>	<del>0.24%</del>	<del>0.21%</del>
26	<del>6</del>	<del>1.04%</del>	<del>1.01%</del>	<del>0.98%</del>	<del>0.95%</del>	<del>0.92%</del>
27		<del>0.41%</del>	<del>0.38%</del>	<del>0.34%</del>	<del>0.30%</del>	<del>0.26%</del>
28	<del>7</del>	<del>1.22%</del>	<del>1.18%</del>	<del>1.14%</del>	<del>1.11%</del>	<del>1.07%</del>
29		<del>0.49%</del>	<del>0.44%</del>	<del>0.40%</del>	<del>0.36%</del>	<del>0.31%</del>
30	<del>8</del>	<del>1.39%</del>	<del>1.35%</del>	<del>1.31%</del>	<del>1.26%</del>	<del>1.22%</del>
31		<del>0.56%</del>	<del>0.51%</del>	<del>0.46%</del>	<del>0.41%</del>	<del>0.37%</del>
32	<del>9</del>	<del>1.56%</del>	<del>1.52%</del>	<del>1.47%</del>	<del>1.42%</del>	<del>1.37%</del>
33		<del>0.63%</del>	<del>0.58%</del>	<del>0.53%</del>	<del>0.47%</del>	<del>0.42%</del>
34	<del>10</del>	<del>1.74%</del>	<del>1.68%</del>	<del>1.63%</del>	<del>1.58%</del>	<del>1.53%</del>
35		<del>0.71%</del>	<del>0.65%</del>	<del>0.59%</del>	<del>0.53%</del>	<del>0.47%</del>
36	<del>11</del>	<del>1.91%</del>	<del>1.85%</del>	<del>1.79%</del>	<del>1.74%</del>	<del>1.68%</del>
37		<del>0.78%</del>	<del>0.71%</del>	<del>0.65%</del>	<del>0.59%</del>	<del>0.52%</del>
38	<del>12</del>	<del>2.08%</del>	<del>2.02%</del>	<del>1.96%</del>	<del>1.89%</del>	<del>1.83%</del>
39		<del>0.85%</del>	<del>0.78%</del>	<del>0.71%</del>	<del>0.64%</del>	<del>0.57%</del>
40	<del>13</del>	<del>2.26%</del>	<del>2.19%</del>	<del>2.12%</del>	<del>2.05%</del>	<del>1.98%</del>
41		<del>0.93%</del>	<del>0.85%</del>	<del>0.78%</del>	<del>0.70%</del>	<del>0.63%</del>
42	<del>14</del>	<del>2.43%</del>	<del>2.36%</del>	<del>2.28%</del>	<del>2.21%</del>	<del>2.14%</del>
43		<del>1.00%</del>	<del>0.92%</del>	<del>0.84%</del>	<del>0.76%</del>	<del>0.68%</del>
44	<del>15</del>	<del>2.61%</del>	<del>2.53%</del>	<del>2.45%</del>	<del>2.37%</del>	<del>2.29%</del>



1	N10	<del>6.43%</del>	<del>6.23%</del>	<del>6.04%</del>	<del>5.84%</del>	<del>5.65%</del>	<del>5.45%</del>
2		7.40%	7.40%	7.40%	7.40%	7.40%	7.40%
3	N11	<del>6.60%</del>	<del>6.40%</del>	<del>6.20%</del>	<del>6.00%</del>	<del>5.80%</del>	<del>5.60%</del>
4		7.60%	7.60%	7.60%	7.60%	7.60%	7.60%

5 (b) *Successor classification.* (1) (A) For the purposes of this  
6 subsection, whenever an employing unit, whether or not it is an  
7 "employing unit" within the meaning of K.S.A. 44-703(g), and  
8 amendments thereto, becomes an employer pursuant to K.S.A. 44-703(h)  
9 (4), and amendments thereto, or is an employer at the time of acquisition  
10 and meets the definition of a "successor employer" as defined by K.S.A.  
11 44-703(dd), and amendments thereto, and thereafter transfers its trade or  
12 business, or any portion thereof, to another employer and, at the time of  
13 the transfer, there is substantially common ownership, management or  
14 control of the two employers, then the unemployment experience  
15 attributable to the transferred trade or business shall be transferred to the  
16 employer to whom such business is so transferred. These experience  
17 factors consist of all contributions paid, benefit experience and annual  
18 payrolls of the predecessor employer. The transfer of some or all of an  
19 employer's workforce to another employer shall be considered a transfer of  
20 trade or business when, as the result of such transfer, the transferring  
21 employer no longer performs trade or business with respect to the  
22 transferred workforce, and such trade or business is performed by the  
23 employer to whom the workforce is transferred.

24 (B) If, following a transfer of experience under subparagraph (A), the  
25 secretary determines that a substantial purpose of the transfer or business  
26 was to obtain a reduced liability for contributions, then the experience  
27 rating accounts of the employers involved shall be combined into a single  
28 account and a single rate assigned to such account.

29 (2) A successor employer as defined by K.S.A. 44-703(h)(4) or (dd),  
30 and amendments thereto, may receive the experience rating factors of the  
31 predecessor employer if an application is made to the secretary or the  
32 secretary's designee in writing within 120 days of the date of the transfer.

33 (3) Whenever an employing unit, whether or not it is an "employing  
34 unit" within the meaning of K.S.A. 44-703(g), and amendments thereto,  
35 acquires or in any manner succeeds to a percentage of an employer's  
36 annual payroll which is less than 100% and intends to continue the  
37 acquired percentage as a going business, the employing unit may acquire  
38 the same percentage of the predecessor's experience factors if: (A) The  
39 predecessor employer and successor employing unit make an application  
40 in writing on the form prescribed by the secretary; (B) the application is  
41 submitted within 120 days of the date of the transfer; (C) the successor  
42 employing unit is or becomes an employer subject to this act immediately  
43 after the transfer; (D) the percentage of the experience rating factors



1 transferred shall not be thereafter used in computing the contribution rate  
2 for the predecessor employer; and (E) the secretary finds that such transfer  
3 will not tend to defeat or obstruct the object and purposes of this act.

4 (4) (A) The rate of both employers in a full or partial successorship  
5 under paragraph (1) shall be recalculated and made effective on the first  
6 day of the next calendar-~~quarter~~ *year* following the date of transfer of trade  
7 or business.

8 (B) If a successor employer is determined to be qualified under  
9 paragraph (2) or (3) to receive the experience rating factors of the  
10 predecessor employer, the rate assigned to the successor employer for the  
11 remainder of the contributions year shall be determined by the following:

12 (i) If the acquiring employing unit was an employer subject to this act  
13 prior to the date of the transfer, the rate of contribution shall be the same as  
14 the contribution rate of the acquiring employer on the date of the transfer.

15 (ii) If the acquiring employing unit was not an employer subject to  
16 this act prior to the date of the transfer, the successor employer shall have a  
17 newly computed rate for the remainder of the contribution year which shall  
18 be based on the transferred experience rating factors as they existed on the  
19 most recent computation date immediately preceding the date of  
20 acquisition. These experience rating factors consist of all contributions  
21 paid, benefit experience and annual payrolls.

22 (5) Whenever an employing unit is not an employer at the time it  
23 acquires the trade or business of an employer, the unemployment  
24 experience factors of the acquired business shall not be transferred to such  
25 employing unit if the secretary finds that such employing unit acquired the  
26 business solely or primarily for the purpose of obtaining a lower rate of  
27 contributions. Instead, such employing unit shall be assigned the  
28 applicable industry rate for a "new employer" as described in subsection  
29 (a)(1). In determining whether the business was acquired solely or  
30 primarily for the purpose of obtaining a lower rate of contributions, the  
31 secretary shall use objective factors which may include the cost of  
32 acquiring the business, whether the employer continued the business  
33 enterprise of the acquired business, how long such business enterprise was  
34 continued, or whether a substantial number of new employees were hired  
35 for performance of duties unrelated to the business activity conducted  
36 prior to acquisition.

37 (6) Whenever an employer's account has been terminated as provided  
38 in K.S.A. 44-711(d) and (e), and amendments thereto, and the employer  
39 continues with employment to liquidate the business operations, that  
40 employer shall continue to be an "employer" subject to the employment  
41 security law as provided in K.S.A. 44-703(h)(8), and amendments thereto.  
42 The rate of contribution from the date of transfer to the end of the then  
43 current calendar year shall be the same as the contribution rate prior to the

1 date of the transfer. At the completion of the then current calendar year, the  
2 rate of contribution shall be that of a "new employer" as described in  
3 subsection (a)(1).

4 (7) No rate computation will be permitted an employing unit  
5 succeeding to the experience of another employing unit pursuant to this  
6 section for any period subsequent to such succession except in accordance  
7 with rules and regulations adopted by the secretary. Any such regulations  
8 shall be consistent with federal requirements for additional credit  
9 allowance in section 3303 of the federal internal revenue code of 1986,  
10 and consistent with the provisions of this act.

11 (c) *Voluntary contributions.* Notwithstanding any other provision of  
12 the employment security law, any employer may make voluntary payments  
13 for the purpose of reducing or maintaining a reduced rate in addition to the  
14 contributions required under this section. Such voluntary payments may be  
15 made only during the ~~thirty-day~~ 90-day period immediately following the  
16 date of mailing of experience rating notices for a calendar year. All such  
17 voluntary contribution payments shall be paid prior to the expiration of  
18 120 days after the beginning of the year for which such rates are effective.  
19 The amount of voluntary contributions shall be credited to the employer's  
20 account as of the next preceding computation date and the employer's rate  
21 shall be computed accordingly. Under no circumstances shall voluntary  
22 payments be refunded in whole or in part.

23 (d) As used in this section, "negative account balance employer"  
24 means an eligible employer whose total benefits charged to such  
25 employer's account for all past years have exceeded all contributions paid  
26 by such employer for all such years.

27 (e) ~~There is hereby established in the state treasury, separate and apart~~  
28 ~~from all public moneys or funds of this state, an employment security~~  
29 ~~interest assessment fund, which shall be administered by the secretary as~~  
30 ~~provided in this act. Moneys in the employment security fund established~~  
31 ~~by K.S.A. 44-712, and amendments thereto, and employment security~~  
32 ~~interest assessment fund established by K.S.A. 44-710, and amendments~~  
33 ~~thereto, shall not be invested in the pooled money investment portfolio~~  
34 ~~established under K.S.A. 75-4234, and amendments thereto.~~  
35 ~~Notwithstanding the provisions of K.S.A. 44-712(a), 44-716, 44-717 and~~  
36 ~~75-4234, and amendments thereto, or any like provision the secretary shall~~  
37 ~~remit all moneys received from employers pursuant to the interest payment~~  
38 ~~pursuant to law, to the state treasurer in accordance with the provisions of~~  
39 ~~K.S.A. 75-4215, and amendments thereto. Upon receipt of each such~~  
40 ~~remittance, the state treasurer shall deposit the entire amount in the~~  
41 ~~employment security interest assessment fund. All moneys in this fund~~  
42 ~~which are received from employers pursuant to the interest payment~~  
43 ~~assessments shall be expended solely for the purposes and in the amounts~~

1 found by the secretary necessary to pay any principal and interest due and  
2 owing the United States department of labor resulting from any  
3 advancements made to the Kansas employment security fund pursuant to  
4 the provisions of title XII of the social security act (42 U.S.C. §§ 1321 to  
5 1324) except as may be otherwise provided under subsection (a)(2)(D).  
6 Notwithstanding any provision of this section, all moneys received and  
7 credited to this fund shall remain part of the employment security interest  
8 assessment fund and shall be used only in accordance with the conditions  
9 specified.

10 (f)—The secretary of labor shall annually prepare and submit a  
11 certification as to the solvency and adequacy of the amount credited to the  
12 state of Kansas' account in the federal employment security trust fund to  
13 the governor and the legislative coordinating council. The certification  
14 shall be submitted on or before December 1 of each calendar year and  
15 shall be for the 12-month period ending on June 30 of that calendar year.  
16 In arriving at the certification contributions paid on or before July 31  
17 following the 12-month period ending date of June 30 shall be considered.

18 (f) *On July 1, 2024, the director of accounts and reports shall*  
19 *transfer all moneys in the employment security interest assessment fund to*  
20 *the employment security trust fund. On July 1, 2024, all liabilities of the*  
21 *employment security interest assessment fund are hereby transferred to*  
22 *and imposed on the state general fund, and the employment security*  
23 *interest assessment fund is hereby abolished.*

24 Sec. 8. K.S.A. 44-710b is hereby amended to read as follows: 44-  
25 710b. (a) *By the secretary of labor.* The secretary of labor shall promptly  
26 notify each contributing employer of its rate of contributions, each rated  
27 governmental employer of its benefit cost rate and each reimbursing  
28 employer of its benefit liability as determined for any calendar year  
29 pursuant to K.S.A. 44-710 and 44-710a, and amendments thereto, on or  
30 before November 30 of the calendar year immediately preceding the  
31 calendar year in which such rate takes effect. Such determination shall  
32 become conclusive and binding upon the employer unless, within 15 days  
33 after the mailing of notice thereof to the employer's last known address or  
34 in the absence of mailing, within 15 days after the delivery of such notice,  
35 the employer files an application for review and redetermination, setting  
36 forth the reasons therefor. If the secretary of labor grants such review, the  
37 employer shall be promptly notified thereof and shall be granted an  
38 opportunity for a fair hearing, but no employer shall have standing, in any  
39 proceeding involving the employer's rate of contributions or benefit  
40 liability, to contest the chargeability to the employer's account of any  
41 benefits paid in accordance with a determination, redetermination or  
42 decision pursuant to K.S.A. 44-710(c), and amendments thereto, except  
43 upon the ground that the services on the basis of which such benefits were

1 found to be chargeable did not constitute services performed in  
2 employment for the employer and only in the event that the employer was  
3 not a party to such determination, redetermination or decision or to any  
4 other proceedings under this act in which the character of such services  
5 was determined. Any such hearing conducted pursuant to this section shall  
6 be heard in the county where the contributing employer maintains its  
7 principle place of business. The hearing officer shall render a decision  
8 concerning all matters at issue in the hearing within 90 days.

9 (b) (1) The secretary shall, without necessity of a request by an  
10 employer or a hearing, immediately and fully credit any contributing  
11 employer's, governmental rated employer's or reimbursing employer's  
12 account for any benefits paid upon a determination by the secretary that  
13 such benefits were an improper payment or paid to any person who  
14 received such benefits: (A) By fraud; or (B) in error where any conditions  
15 imposed by this act for the receipt of benefits were not fulfilled or where  
16 the recipient was not qualified to or disqualified from receiving such  
17 benefits.

18 (2) (A) Contributing employers, rated governmental employers and  
19 reimbursing employers shall be held harmless for and shall not be required  
20 to reimburse the state for any benefits paid that have been identified by the  
21 employer and reported to and determined by the secretary as fraudulent or  
22 as an improper payment, unless the secretary determines that such benefits  
23 were received properly and not: (i) By fraud; or (ii) in error where any  
24 conditions imposed by this act for the receipt of benefits were not fulfilled  
25 or where the recipient was not qualified to or disqualified from receiving  
26 such benefits. Any such determination by the secretary shall be subject to  
27 appeal as provided by the employment security law.

28 (B) Reimbursing employers shall be refunded for reimbursements  
29 made to the state for any claims or benefits paid on or after March 15,  
30 2020, that are or have been reported to the secretary and determined by the  
31 secretary as fraudulent. Amounts refunded shall become due, subject to  
32 appeal as provided by the employment security law, upon a determination  
33 by the secretary, as provided by subparagraph (A), that the benefits were  
34 paid properly and not by fraud or in error.

35 (C) For the time period of March 15, 2020, through December 31,  
36 2022, identifications of fraud reported to the secretary pursuant to  
37 subparagraphs (A) and (B) shall not be subject to any time limitation for  
38 disputing a claim or for appeal pursuant to K.S.A. 44-710, and  
39 amendments thereto, or pursuant to any other provision of the employment  
40 security law.

41 (3) The secretary shall review all reimbursing employer accounts and  
42 shall apply credit for any benefits previously paid by fraud or in error, as  
43 provided by paragraph (1), that have been charged against a reimbursing

1 employer's account and have not yet been recovered through normal  
2 recovery efforts.

3 (c) *Judicial review.* Any action of the secretary upon an employer's  
4 timely request for a review and redetermination of its rate of contributions  
5 or benefit liability, in accordance with subsection (a), is subject to review  
6 in accordance with the Kansas judicial review act. Any action for such  
7 review shall be heard in a summary manner and shall be given precedence  
8 over all other civil cases except cases arising under K.S.A. 44-709(i), and  
9 amendments thereto, and the workmen's compensation act.

10 (d) *Periodic notification of benefits charged.* The secretary of labor  
11 may provide by rules and regulations for periodic notification to  
12 employers of benefits paid and chargeable to their accounts or of the status  
13 of such accounts, and any such notification, in the absence of an  
14 application for redetermination filed in such manner and within such  
15 period as the secretary of labor may prescribe, shall become conclusive  
16 and binding upon the employer for all purposes. Such redeterminations,  
17 made after notice and opportunity for hearing, and the secretary's findings  
18 of facts in connection therewith may be introduced in any subsequent  
19 administrative or judicial proceedings involving the determination of the  
20 rate of contributions of any employer for any calendar year and shall be  
21 entitled to the same finality as is provided in this subsection with respect to  
22 the findings of fact made by the secretary of labor in proceedings to  
23 redetermine the contribution rate of an employer. The review or any other  
24 proceedings relating thereto as provided for in this section may be heard  
25 by any duly authorized employee of the secretary of labor and such action  
26 shall have the same effect as if heard by the secretary.

27 (e) The secretary shall review the information reported by the United  
28 States department of labor pursuant to the payment integrity information  
29 act of 2019, public law 116-117, and any other relevant information  
30 available from the United States department of labor and any relevant  
31 information held by the department of labor available to the secretary  
32 regarding improper payment amounts for the state of Kansas for the period  
33 beginning on March 15, 2020, through December 31, 2022.

34 (f) Any federal unemployment insurance benefit program established  
35 as a result of COVID-19 or any pandemic shall not be continued after the  
36 ending date of the federal program through the use of Kansas state  
37 employment security fund contributions made by Kansas employers.

38 (g) *The secretary shall review benefit claims at the time a claim is*  
39 *made and as necessary to timely determine whether any claimant is*  
40 *eligible for unemployment benefits pursuant to any federal unemployment*  
41 *program. To the extent authorized under federal law, if an individual is*  
42 *eligible for an equal or greater weekly benefit amount under a federal*  
43 *unemployment program than the weekly benefit amount for which such*

1 individual is eligible under the employment security law, the secretary  
2 shall suspend the payment of state unemployment benefits to such  
3 individual while such individual is receiving the federal unemployment  
4 benefits. Such suspension of benefits shall terminate upon the individual's  
5 exhaustion of benefits available under the federal unemployment program.  
6 An individual shall not be eligible to receive the federal unemployment  
7 weekly benefit and the state unemployment weekly benefit during the same  
8 week. The provisions of this subsection shall not apply to any federal  
9 unemployment benefit that is paid in addition to the state weekly benefit  
10 amount.

11 Sec. 9. K.S.A. 44-717 is hereby amended to read as follows: 44-717.

12 (a) (1) *Penalties on past-due reports, interest on past-due contributions,*  
13 *payments in lieu of contributions; and benefit cost payments*~~and interest~~  
14 ~~assessments made under K.S.A. 44-710a, and amendments thereto.~~ Any  
15 employer or any officer or agent of an employer, who fails to file any wage  
16 report or contribution return by the last day of the month following the  
17 close of each calendar quarter to which they are related shall pay a penalty  
18 as provided by this subsection for each month or fraction of a month until  
19 the report or return is received by the secretary of labor ~~except that for~~  
20 ~~calendar years 2010 and 2011 an employer or any officer or agent of the~~  
21 ~~employer shall have up to 90 days past the due date for any of the first~~  
22 ~~three calendar quarters in a calendar year to pay such employer's~~  
23 ~~contribution without being charged any interest, however, when the 90 day~~  
24 ~~period has passed, the provisions of this section shall apply.~~ The penalty  
25 for each month or fraction of a month shall be an amount equal to .05% of  
26 the total wages paid by the employer during the quarter, except that no  
27 penalty shall be less than \$25 nor more than \$200 for each such report or  
28 return not timely filed. Contributions; *and benefit cost payments*~~and~~  
29 ~~interest assessments made pursuant to K.S.A. 44-710a, and amendments~~  
30 ~~thereto;~~ unpaid by the last day of the month following the last calendar  
31 quarter to which they are related and payments in lieu of contributions  
32 unpaid 30 days after the mailing of the statement of benefit charges, shall  
33 bear interest at the rate of 1% per month or fraction of a month until  
34 payment is received by the secretary of labor ~~except that.~~ An employing  
35 unit, ~~which is not theretofore~~ *that has not previously been* subject to this  
36 law and ~~which~~ *that* becomes an employer and does not refuse to make the  
37 reports, returns and contributions, payments in lieu of contributions and  
38 benefit cost payments required under this law, shall not be liable for such  
39 penalty or interest if the wage reports and contribution returns required are  
40 filed and the contributions, payments in lieu of contributions or benefit  
41 cost payments required are paid within 10 days following notification by  
42 the secretary of labor that a determination has been made fixing its status  
43 as an employer subject to this law. Upon written request and good cause

1 shown, the secretary of labor may abate any penalty or interest or portion  
2 thereof provided for by this subsection. Interest amounting to less than \$5  
3 shall be waived by the secretary of labor and shall not be collected.  
4 Penalties and interest collected pursuant to this subsection shall be paid  
5 into the special employment security fund. For all purposes under this  
6 section, amounts assessed as surcharges under subsection (j) or under  
7 K.S.A. 44-710a, and amendments thereto, shall be considered to be  
8 contributions and shall be subject to penalties and interest imposed under  
9 this section and to collection in the manner provided by this section. ~~For~~  
10 ~~all purposes under this section, amounts assessed under K.S.A. 44-710a,~~  
11 ~~and amendments thereto, shall be subject to penalties and interest imposed~~  
12 ~~under this section and to collection in the manner provided in this section.~~  
13 For purposes of this subsection, a wage report, a contribution return, a  
14 contribution, a payment in lieu of contribution; *or* a benefit cost payment  
15 ~~or an interest assessment made pursuant to K.S.A. 44-710a, and~~  
16 ~~amendments thereto, is deemed to be filed or paid as of the date it is~~  
17 placed in the United States mail.

18 (2) Notices of payment and reporting delinquency to Indian tribes or  
19 their tribal units shall include information that failure to make full payment  
20 within the prescribed time frame:

21 (i) Will cause the Indian tribe to be liable for taxes under FUTA;

22 (ii) will cause the Indian tribe to lose the option to make payments in  
23 lieu of contributions;

24 (iii) could cause the Indian tribe to be excepted from the definition of  
25 "employer," as provided in ~~paragraph (h)(3) of K.S.A. 44-703(h)(3), and~~  
26 ~~amendments thereto, and services in the employ of the Indian tribe, as~~  
27 ~~provided in paragraph (i)(3)(E) of K.S.A. 44-703(i)(3)(E), and~~  
28 ~~amendments thereto, to be excepted from "employment."~~

29 (b) *Collection.* (1) If, after due notice, any employer defaults in  
30 payment of any penalty, contributions, payments in lieu of contributions;  
31 *or* benefit cost payments, ~~interest assessments made pursuant to K.S.A.~~  
32 ~~44-710a, and amendments thereto, or interest thereon the amount due may~~  
33 be collected by civil action in the name of the secretary of labor and the  
34 employer adjudged in default shall pay the cost of such action. Civil  
35 actions brought under this section to collect *such* contributions, payments  
36 in lieu of contributions; *or* benefit cost payments, ~~interest assessments~~  
37 ~~made pursuant to K.S.A. 44-710a, and amendments thereto, penalties; or~~  
38 ~~interest thereon from an employer shall be heard by the district court at the~~  
39 ~~earliest possible date and shall be entitled to preference upon the calendar~~  
40 ~~of the court over all other civil actions except petitions for judicial review~~  
41 ~~under this act and cases arising under the workmen's compensation act. All~~  
42 ~~liability determinations of contributions due, payments in lieu of~~  
43 ~~contributions; or benefit cost payments and interest assessments made~~

1 pursuant to K.S.A. 44-710a, and amendments thereto, due shall be made  
2 within a period of five years from the date such contributions, payments in  
3 lieu of contributions, *or* benefit cost payments ~~and interest assessments~~  
4 ~~made pursuant to K.S.A. 44-710a, and amendments thereto,~~ were due  
5 except such determinations may be made for any time when an employer  
6 has filed fraudulent reports with intent to evade liability.

7 (2) Any employing unit ~~which~~ *that* is not a resident of this state and  
8 ~~which~~ exercises the privilege of having one or more individuals perform  
9 service for it within this state and any resident employing unit ~~which~~ *that*  
10 exercises that privilege and thereafter ~~removes from~~ *leaves* this state, shall  
11 be deemed ~~thereby to appoint~~ *have appointed* the secretary of state as its  
12 agent and attorney for the acceptance of process in any civil action under  
13 this subsection. In instituting such an action against any such employing  
14 unit the secretary of labor shall cause such process or notice to be filed  
15 with the secretary of state and such service shall be sufficient service upon  
16 such employing unit and shall be of the same force and validity as if  
17 served upon ~~it~~ *the employing unit* personally within this state. The  
18 secretary of labor shall send notice immediately of the service of such  
19 process or notice, together with a copy thereof, by registered or certified  
20 mail, return receipt requested, to such employing unit at its last-known  
21 address and such return receipt, the affidavit of compliance of the secretary  
22 of labor with the provisions of this section; and a copy of the notice of  
23 service; shall be appended to the original of the process filed in the court ~~in~~  
24 ~~which~~ *where* such civil action is pending.

25 (3) The district courts of this state shall ~~entertain~~ *hear*, in the manner  
26 provided in subsections (b)(1) and (b)(2), actions to collect contributions,  
27 payments in lieu of contributions, ~~interest assessments made pursuant to~~  
28 ~~K.S.A. 44-710a, and amendments thereto,~~ *benefit cost payments* and other  
29 amounts owed including interest thereon for which liability has accrued  
30 under the employment security law of any other state or of the federal  
31 government.

32 (c) *Priorities under legal dissolutions or distributions.* In the event of  
33 any distribution of employer's assets pursuant to an order of any court  
34 under the laws of this state, including but not limited to any probate  
35 proceeding, interpleader, receivership, assignment for benefit of creditors,  
36 adjudicated insolvency, composition or similar proceedings, contributions  
37 payments in lieu of contributions or ~~interest assessments made under~~  
38 ~~K.S.A. 44-710a, and amendments thereto~~ *benefit cost payments*, then or  
39 thereafter due shall be paid in full from the moneys which shall first come  
40 into the estate, prior to all other claims, except claims for wages of not  
41 more than \$250 to each claimant, earned within six months of the  
42 commencement of the proceedings. In the event of an employer's  
43 adjudication in bankruptcy, judicially confirmed extension proposal; or



1 composition; under the federal bankruptcy act of 1898, as amended *federal*  
2 *bankruptcy law*, contributions then or thereafter due shall be entitled to  
3 such priority as is provided ~~in that act~~ *by federal bankruptcy law* for taxes  
4 due any state of the United States.

5 (d) *Assessments*. If any employer fails to file a report or return  
6 required by the secretary of labor for the determination of contributions, ~~or~~  
7 payments in lieu of contributions, or benefit cost payments, the secretary  
8 of labor may make such reports or returns or cause the same to be made,  
9 on the basis of such information as the secretary may be able to obtain and  
10 shall collect the contributions, payments in lieu of contributions or benefit  
11 cost payments as determined together with any interest due under this act.  
12 The secretary of labor shall immediately forward to the employer a copy  
13 of the assessment by registered or certified mail to the employer's address  
14 as it appears on the records of the agency, ~~and~~. Such assessment shall be  
15 final unless the employer protests such assessment and files a corrected  
16 report or return for the period covered by the assessment within 15 days  
17 after the mailing of the copy of assessment. Failure to receive such notice  
18 shall not invalidate the assessment. Notice in writing shall be presumed to  
19 have been given when deposited as certified or registered ~~matter~~ *mail* in  
20 the United States mail, addressed to the person to be charged with notice at  
21 such person's address as it appears on the records of the agency.

22 (e) (1) *Lien*. If any employer or person who is liable to pay  
23 contributions, payments in lieu of contributions; *or* benefit cost payments  
24 ~~and interest assessments made pursuant to K.S.A. 44-710a, and~~  
25 ~~amendments thereto~~; neglects or refuses to pay the same after demand, the  
26 amount, including interest and penalty, shall be a lien in favor of the state  
27 of Kansas, secretary of labor, upon all property and rights to property,  
28 whether real or personal, belonging to such employer or person. Such lien  
29 shall not be valid as against any mortgagee, pledgee, purchaser or  
30 judgment creditor until notice thereof has been filed by the secretary of  
31 labor in the office of register of deeds in any county in the state of Kansas;  
32 ~~in which~~ *where* such property is located, and when so filed shall be notice  
33 to all persons claiming an interest in the property of the employer or  
34 person against whom filed. The register of deeds shall enter such notices in  
35 the financing statement record and shall also record the same in full in  
36 miscellaneous record and index the same against the name of the  
37 delinquent employer. The register of deeds shall accept, file, and record  
38 such notice without prepayment of any fee, but lawful fees shall be added  
39 to the amount of such lien and collected when satisfaction is presented for  
40 entry. Such lien shall be satisfied of record upon the presentation of a  
41 certificate of discharge by the state of Kansas, secretary of labor. Nothing  
42 contained in this subsection shall be construed as an invalidation of any  
43 lien or notice filed in the name of the unemployment compensation

1 division or the employment security division and such liens shall be and  
2 remain in full force and effect until satisfied as provided by this  
3 subsection.

4 (2) *Authority of secretary or authorized representative.* If any  
5 employer or person who is liable to pay any contributions, payments in  
6 lieu of contributions; ~~or benefit cost payments and interest assessments~~  
7 ~~made pursuant to K.S.A. 44-710a, and amendments thereto,~~ including  
8 interest and penalty, neglects or refuses to pay the same within 10 days  
9 after notice and demand therefor, the secretary or the secretary's authorized  
10 representative may collect such contributions, payments in lieu of  
11 contributions; ~~or benefit cost payments and interest assessments made~~  
12 ~~pursuant to K.S.A. 44-710a, and amendments thereto,~~ including interest  
13 and penalty, and such further amount as is sufficient to cover the expenses  
14 of the levy, by levy upon all property and rights to property ~~which that~~  
15 belong to the employer or person or ~~which that~~ have a lien created thereon  
16 by this subsection for the payment of such contributions, payments in lieu  
17 of contributions; ~~or benefit cost payments and interest assessments made~~  
18 ~~pursuant to K.S.A. 44-710a, and amendments thereto,~~ including interest  
19 and penalty. As used in this subsection, "property" includes all real  
20 property and personal property, whether tangible or intangible, except such  
21 property ~~which that~~ is exempt under K.S.A. 60-2301 et seq., and  
22 amendments thereto. Levy may be made upon the accrued salary or wages  
23 of any officer, employee or elected official of any state or local  
24 governmental entity which is subject to K.S.A. 60-723, and amendments  
25 thereto, by serving a notice of levy as provided in ~~subsection (d) of K.S.A.~~  
26 ~~60-304(d),~~ and amendments thereto. If the secretary or the secretary's  
27 authorized representative makes a finding that the collection of the amount  
28 of such contributions, payments in lieu of contributions; ~~or benefit cost~~  
29 ~~payments and interest assessments made pursuant to K.S.A. 44-710a, and~~  
30 ~~amendments thereto,~~ including interest and penalty, is in jeopardy, notice  
31 and demand for immediate payment of such amount may be made by the  
32 secretary or the secretary's authorized representative ~~and~~. Upon *the* failure  
33 or refusal to pay such amount, immediate collection of such amount by  
34 levy shall be lawful without regard to the 10-day period provided in this  
35 subsection.

36 (3) *Seizure and sale of property.* The authority to levy granted under  
37 this subsection includes the power of seizure by any means. A levy shall  
38 extend only to property possessed and obligations existing at the time  
39 thereof. In any case in which the secretary or the secretary's authorized  
40 representative may levy upon property or rights to property, the secretary  
41 or the secretary's authorized representative may seize and sell such  
42 property or rights to property.

43 (4) *Successive seizures.* Whenever any property or right to property

1 ~~upon which levy that~~ has been ~~made~~ levied upon under this subsection is  
2 not sufficient to satisfy the claim of the secretary ~~for which that the levy is~~  
3 ~~was made for~~; the secretary or the secretary's authorized representative  
4 may proceed thereafter and as often as may be necessary, to levy ~~in like~~  
5 ~~the same~~ manner upon any other property or rights to property ~~which that~~  
6 belongs to the employer or person against whom such claim exists or upon  
7 which a lien is created by this subsection until the amount due from the  
8 employer or person, together with all expenses, is fully paid.

9 (f) *Warrant.* In addition or as an alternative to any other remedy  
10 provided by this section ~~and provided that, if no appeal or other proceeding~~  
11 ~~for review permitted by this law shall then be~~ *is* pending and the time for  
12 ~~taking thereof shall have an appeal or other proceeding for review has~~  
13 expired, the secretary of labor or an authorized representative of the  
14 secretary may issue a warrant certifying the amount of contributions,  
15 payments in lieu of contributions, benefit cost payments, interest or  
16 penalty; and the name of the employer liable for ~~same such amount~~ after  
17 giving 15 days prior notice. Upon request, service of final notices shall be  
18 made by the sheriff within the sheriff's county, by the sheriff's deputy or  
19 some person specially appointed by the secretary for that purpose, or by  
20 the secretary's designee. A person specially appointed by the secretary or  
21 the secretary's designee to serve final notices may make service any place  
22 in the state. Final notices shall be served as follows:

23 (1) *Individual.* Service upon an individual, other than a minor or  
24 incapacitated person, shall be made by delivering a copy of the final notice  
25 to the individual personally or by leaving a copy at such individual's  
26 dwelling house or usual place of abode with some person of suitable age  
27 and discretion then residing therein, by leaving a copy at the business  
28 establishment of the employer with an officer or employee of the  
29 establishment; or by delivering a copy to an agent authorized by  
30 appointment or by law to receive service of process; ~~but~~. If the agent is ~~one~~  
31 designated by a statute to receive service, such further notice as the statute  
32 requires shall *also* be given. If service as prescribed above cannot be made  
33 with due diligence, the secretary or the secretary's designee may order  
34 service to be made by leaving a copy of the final notice at the employer's  
35 dwelling house, usual place of abode or business establishment.

36 (2) *Corporations and partnerships.* Service upon a domestic or  
37 foreign corporation or upon a partnership or other unincorporated  
38 association, when by law it may be sued as such, shall be made by  
39 delivering a copy of the final notice to an officer, partner or resident  
40 managing or general agent thereof. *Delivery shall be accomplished* by  
41 leaving a copy at any business office of the employer with the person  
42 having charge thereof or by delivering a copy to any other agent  
43 authorized by appointment or required by law to receive service of

1 process, if the agent is one authorized by law to receive service ~~and~~. If the  
2 law so requires, ~~by also mailing~~ a copy *shall be mailed* to the employer.

3 (3) *Refusal to accept service.* In all cases when the person to be  
4 served, or an agent authorized by such person to accept service of petitions  
5 and summonses, ~~shall refuse~~ *refuses* to receive copies of the final notice,  
6 the offer of the duly authorized process server to deliver copies thereof and  
7 such refusal shall be sufficient service of such notice.

8 (4) *Proof of service.* (A) Every officer to whom a final notice or other  
9 process shall be delivered for service within or without the state, shall  
10 make return thereof in writing stating the time, place and manner of  
11 service ~~of such writ~~, and ~~shall~~ sign such officer's name to such return.

12 (B) If service of the notice is made by a person appointed by the  
13 secretary or the secretary's designee to make service, such person shall  
14 make an affidavit as to the time, place and manner of service thereof in a  
15 form prescribed by the secretary or the secretary's designee.

16 (5) *Time for return.* The officer or other person receiving a final  
17 notice shall make a return of service promptly and shall send such return to  
18 the secretary or the secretary's designee ~~in any event~~ within 10 days after  
19 the service is effected. If the final notice cannot be served it shall be  
20 returned to the secretary or the secretary's designee within 30 days after  
21 the date of issue with a statement of the reason for ~~the~~ *such* failure to serve  
22 ~~the same~~. The original return shall be attached to ~~and filed with~~ any  
23 warrant thereafter filed.

24 (6) *Service by mail.* (A) Upon direction of the secretary or the  
25 secretary's designee, service by mail may be effected by forwarding a copy  
26 of the notice to the employer by registered or certified mail to the  
27 employer's address as it appears on the records of the agency. A copy of  
28 the return receipt shall be attached to ~~and filed with~~ any warrant thereafter  
29 filed.

30 (B) The secretary of labor or an authorized representative of the  
31 secretary may file the warrant for record in the office of the clerk of the  
32 district court in the county in which the employer owing such  
33 contributions, payments in lieu of contributions, benefit cost payments,  
34 ~~interest assessments made pursuant to K.S.A. 44-710a, and amendments~~  
35 ~~thereto~~, interest, or penalty has business property. The warrant shall certify  
36 the amount of contributions, payments in lieu of contributions, benefit cost  
37 payments, interest and penalty due, and the name of the employer liable  
38 for such amount. It shall be the duty of the clerk of the district court to file  
39 such warrant of record and enter the warrant in the records of the district  
40 court for judgment and decrees under the procedure prescribed for filing  
41 transcripts of judgment.

42 (C) ~~The clerk shall enter~~. On the day the warrant is filed, *the clerk*  
43 *shall enter* the case on the appearance docket, ~~together~~ with the amount

1 and the time of filing the warrant. From the time of filing such warrant, the  
2 amount of the contributions, payments in lieu of contributions, benefit cost  
3 payments, ~~interest assessments made pursuant to K.S.A. 44-710a, and~~  
4 ~~amendments thereto~~, interest, and penalty, certified therein, shall have the  
5 force and effect of a judgment of the district court until the same is  
6 satisfied by the secretary of labor or an authorized representative or  
7 attorney for the secretary. Execution shall be issuable at the request of the  
8 secretary of labor; *or* an authorized representative or attorney for the  
9 secretary; ~~as is provided in the case of other judgments.~~

10 (D) Postjudgment procedures shall be the same as for judgments  
11 according to the code of civil procedure.

12 (E) Warrants shall be satisfied of record by payment to the clerk of  
13 the district court of the contributions, payments in lieu of contributions,  
14 benefit cost payments, ~~interest assessments made pursuant to K.S.A. 44-~~  
15 ~~710a, and amendments thereto~~, penalty, interest to date, and court costs.  
16 Warrants may also be satisfied of record by payment to the clerk of the  
17 district court of all court costs accrued in the case and by filing a  
18 certificate by the secretary of labor, certifying that ~~the~~ *such* contributions,  
19 payments in lieu of contributions, benefit cost payments, ~~interest~~  
20 ~~assessments made pursuant to K.S.A. 44-710a, and amendments thereto,~~  
21 interest and penalty have been paid.

22 (g) *Remedies cumulative.* The foregoing remedies shall be cumulative  
23 and no action taken shall be construed as an election on the part of the  
24 state or any of its officers to pursue any remedy or action under this  
25 section to the exclusion of any other remedy or action ~~for which provision~~  
26 ~~is made.~~

27 (h) *Refunds.* If any individual, governmental entity or organization  
28 makes application for refund or adjustment of any amount paid as  
29 contributions, benefit cost payments, ~~interest assessments made pursuant~~  
30 ~~to K.S.A. 44-710a, and amendments thereto~~, or interest under this law and  
31 the secretary of labor determines that such amount or any portion thereof  
32 was erroneously collected, except for amounts less than \$5, the secretary  
33 of labor shall allow such individual or organization to make an adjustment  
34 thereof, in connection with subsequent contribution payments, ~~or~~. If such  
35 adjustment cannot be made the secretary of labor shall refund the amount,  
36 except for amounts less than \$5, from the employment security fund,  
37 except that all interest erroneously collected which has been paid into the  
38 special employment security fund shall be refunded out of the special  
39 employment security fund. No adjustment or refund shall be allowed with  
40 respect to a payment as contributions, ~~interest assessments made pursuant~~  
41 ~~to K.S.A. 44-710a, and amendments thereto~~, *benefit cost payments or*  
42 interest unless an application therefor is made *by the individual,*  
43 *governmental entity or organization or the adjustment or refund is made*

1 *on the initiative of the secretary* on or before whichever of the following  
2 dates is later: (1) One year from the date on which such payment was  
3 made; or (2) three years from the last day of the period with respect to  
4 which such payment was made. ~~For like cause and within the same period~~  
5 ~~adjustment or refund may be so made on the secretary's own initiative.~~ The  
6 secretary of labor shall not be required to refund any contributions,  
7 payments in lieu of contributions or benefit cost payments based upon  
8 wages paid which have been used as base-period wages in a determination  
9 of a claimant's benefit rights when justifiable and correct payments have  
10 been made to the claimant as the result of such determination. ~~For all~~  
11 ~~taxable years commencing after December 31, 1997,~~ Interest at the rate  
12 prescribed in K.S.A. 79-2968, and amendments thereto, shall be allowed  
13 on a contribution or benefit cost payment which the secretary has  
14 determined was erroneously collected pursuant to this section.

15 (i) (1) *Cash deposit or bond.* If any contributing employer is  
16 delinquent in making payments under the employment security law during  
17 any two quarters of the most recent four-quarter period, the secretary or  
18 the secretary's authorized representative ~~shall have the discretionary power~~  
19 ~~to~~ *may* require such contributing employer either to deposit cash or to file  
20 a bond with sufficient sureties to guarantee the payment of contributions,  
21 ~~interest assessments made pursuant to K.S.A. 44-710a, and amendments~~  
22 ~~thereto,~~ penalty and interest owed by such employer.

23 (2) The amount of such cash deposit or bond shall be not less than the  
24 largest total amount of contributions, ~~interest assessments made pursuant~~  
25 ~~to K.S.A. 44-710a, and amendments thereto,~~ penalty and interest reported  
26 by the employer in two of the four calendar quarters preceding any  
27 delinquency. Such cash deposit or bond shall be required until the  
28 employer has shown timely filing of *such* reports and payment of  
29 contributions ~~and interest assessments made pursuant to K.S.A. 44-710a,~~  
30 ~~and amendments thereto,~~ for four consecutive calendar quarters.

31 (3) Failure to file such cash deposit or bond shall subject the  
32 employer to a surcharge of 2.0% which shall be in addition to the rate of  
33 contributions assigned to the employer under K.S.A. 44-710a, and  
34 amendments thereto. Contributions paid as a result of this surcharge shall  
35 not be credited to the employer's experience rating account. This surcharge  
36 shall be effective during the next full calendar year after its imposition and  
37 during each full calendar year thereafter until the employer has filed the  
38 required cash deposit or bond or has shown timely filing of reports and  
39 payment of contributions for four consecutive calendar quarters.

40 (j) Any officer, major stockholder or other person who has charge of  
41 the affairs of an employer, ~~which that~~ is an employing unit described in  
42 section 501(c)(3) of the federal internal revenue code of 1954 or ~~which of~~  
43 *an employer that* is any other corporate organization or association, or any

1 member or manager of a limited liability company; or any public official,  
2 who willfully fails to pay the amount of contributions, payments in lieu of  
3 contributions; ~~or benefit cost payments and interest assessments made~~  
4 ~~pursuant to K.S.A. 44-710a, and amendments thereto,~~ required to be paid  
5 under the employment security law on the date on which such amount  
6 becomes delinquent, shall be personally liable for the total amount of ~~the~~  
7 *such* contributions, payments in lieu of contributions; ~~or benefit cost~~  
8 ~~payments and interest assessments made pursuant to K.S.A. 44-710a, and~~  
9 ~~amendments thereto,~~ and any penalties and interest due and unpaid by  
10 such employing unit. The secretary or the secretary's authorized  
11 representative may assess such person for the total amount of *such*  
12 contributions, payments in lieu of contributions; ~~or benefit cost payments~~  
13 ~~and interest assessments made pursuant to K.S.A. 44-710a, and~~  
14 ~~amendments thereto,~~ and any penalties; and interest computed as due and  
15 owing. With respect to such persons and such amounts assessed, the  
16 secretary ~~shall have available all~~ *may use any* of the collection remedies  
17 authorized or provided by this section.

18 (k) *Electronic filing of wage report and contribution return and*  
19 *electronic payment of contributions, benefit cost payments; or reimbursing*  
20 ~~payments or interest assessments under K.S.A. 44-710a, and amendments~~  
21 ~~thereto.~~ The following employers or ~~third party~~ *third-party* administrators  
22 shall file all wage reports and contribution returns and make payment of  
23 contributions, benefit cost payments or reimbursing payments  
24 electronically as follows:

25 (1) Wage reports, contribution returns and payments due after June  
26 30, 2008, for those employers with 250 or more employees or ~~third party~~  
27 *third-party* administrators with 250 or more client employees at the time  
28 such filing or payment is first due;

29 (2) wage reports, contribution returns and payments due after June  
30 30, 2009, for those employers with 100 or more employees or ~~third party~~  
31 *third-party* administrators with 100 or more client employees at the time  
32 such filing or payment is first due; ~~and~~

33 (3) wage reports, contribution returns; ~~and payments and interest~~  
34 ~~assessments made pursuant to K.S.A. 44-710a, and amendments thereto,~~  
35 due after June 30, 2010, for those employers with 50 or more employees  
36 and for those ~~third party~~ *third-party* administrators with 50 or more client  
37 employees at the time such filing or payment is first due; ~~and~~

38 (4) *wage reports, contribution returns and payments due after June*  
39 *30, 2024, for those employers with 25 or more employees and for those*  
40 *third-party administrators with 25 or more client employees at the time*  
41 *such filing or payment is first due.*

42 The requirements of this subsection may be waived by the secretary for  
43 an employer if the employer demonstrates a hardship in complying with

1 this subsection.

2 Sec. 10. K.S.A. 44-757 is hereby amended to read as follows: 44-757.  
3 *Shared work unemployment compensation program.* (a) As used in this  
4 section:

5 (1) "Affected unit" means a specified department, shift or other unit  
6 of two or more employees that is designated by an employer to participate  
7 in a shared work plan.

8 (2) "Fringe benefit" means health insurance, a retirement benefit  
9 received under a pension plan, a paid vacation day, a paid holiday, sick  
10 leave, and any other analogous employee benefit that is provided by an  
11 employer.

12 (3) "Fund" has the meaning ascribed thereto by K.S.A. 44-703(k),  
13 and amendments thereto.

14 (4) "Normal weekly hours of work" means the lesser of 40 hours or  
15 the average obtained by dividing the total number of hours worked per  
16 week during the preceding twelve-week period by the number 12.

17 (5) "Participating employee" means an employee who works a  
18 reduced number of hours under a shared work plan initiated by their  
19 employer and approved by the secretary.

20 (6) "Participating employer" means an employer who has applied to  
21 and been approved by the secretary for a shared work plan that is in effect.

22 (7) "Secretary" means the secretary of labor or the secretary's  
23 designee.

24 (8) "Shared work benefit" means an unemployment compensation  
25 benefit that is payable to an individual in an affected unit because the  
26 individual works reduced hours under an approved shared work plan.

27 (9) "Shared work plan" means a short-term compensation program.

28 (10) "Short-term compensation program" means a shared work plan  
29 program designed to provide an alternative to layoffs for employers  
30 experiencing a reduction in available work. A "short-term compensation  
31 program" preserves employees' jobs and an employer's trained workforce  
32 during times of lowered economic activity by allowing an employer to  
33 reduce hours of work for employees rather than laying off some employees  
34 while others continue to work full time. Under a "short-term compensation  
35 program," employees experiencing a reduction in hours are allowed to  
36 collect a pro-rata share of their unemployment compensation benefits to  
37 replace a portion of the employee's lost wages.

38 (b) The secretary shall establish a voluntary short-term compensation  
39 program as provided by this section. The secretary may adopt rules and  
40 regulations and establish procedures necessary to administer the short-term  
41 compensation program.

42 (c) The secretary shall create and manage an annual promotional  
43 campaign for the short-term compensation program to encourage and



1 improve business participation. The promotional campaign shall include  
2 the following elements:

3 (A) Engagement in proactive educational communications with other  
4 state agencies and stakeholders, including the governor's office, legislators,  
5 workforce investment boards, labor unions and local, regional or state  
6 chambers of commerce;

7 (B) a dedicated department of labor employee or team to efficiently  
8 and timely answer employer's questions about the short-term  
9 compensation program;

10 (C) presentation materials that provide consistency of messaging  
11 about the benefits of using a short-term compensation program to provide  
12 stakeholders for distribution to employer groups, workforce investment  
13 boards or other interested parties;

14 (D) proactive engagement with employers experiencing economic  
15 stress or layoffs to share the benefits of the short-term compensation  
16 program and to ensure such employers are aware of the program; and

17 (E) an automated application, claims and weekly certification process  
18 for participating employers designed to facilitate participation, reduce an  
19 employer's administrative burden and promote the use of the short-term  
20 compensation program.

21 (d) An employer who wishes to participate in the short-term  
22 compensation program must submit a written shared work plan to the  
23 secretary for the secretary's approval. As a condition for approval, a  
24 participating employer must agree to furnish the secretary with reports  
25 relating to the operation of the shared work plan as requested by the  
26 secretary. The employer shall monitor and evaluate the operation of the  
27 established shared work plan as requested by the secretary and shall report  
28 the findings to the secretary.

29 (e) The secretary may approve a shared work plan if:

30 (1) The shared work plan applies to and identifies a specific affected  
31 unit;

32 (2) the employees in the affected unit are identified by name and  
33 social security number;

34 (3) the shared work plan reduces the normal weekly hours of work  
35 for an employee, including regular part-time employees, in the affected  
36 unit by not less than 10% and not more than 50%;

37 (4) the shared work plan applies to at least 10% of the employees in  
38 the affected unit;

39 (5) the shared work plan describes the manner that the participating  
40 employer treats the fringe benefits of each employee in the affected unit  
41 and the employer certifies that if the employer provides health benefits and  
42 retirement benefits under a defined benefit plan, as defined in 26 U.S.C. §  
43 414(j), or contributions under a defined contribution plan, as defined in 26

1 U.S.C. § 414(i), to any employee whose workweek is reduced under the  
2 program that such benefits will continue to be provided to employees  
3 participating in the short-term compensation program under the same  
4 terms and conditions as though the workweek of such employee had not  
5 been reduced or to the same extent as other employees not participating in  
6 the short-term compensation program;

7 (6) the employer certifies that the implementation of a shared work  
8 plan and the resulting reduction in work hours is in lieu of layoffs that  
9 would affect at least 10% of the employees in the affected unit and that  
10 would result in an equivalent reduction in work hours;

11 (7) the employer has filed all reports required to be filed under the  
12 employment security law for all past and current periods and has paid all  
13 contributions, benefit cost payments, or if a reimbursing employer has  
14 made all payments in lieu of contributions due for all past and current  
15 periods;

16 (8) (A) a contributing employer must be eligible for a rate  
17 computation under K.S.A. 44-710a(a)(2), and amendments thereto, and the  
18 contributing employer, as determined by the secretary, does not adversely  
19 impact the state's eligibility under section 2108 of the federal CARES act,  
20 public law 116-136;

21 (B) if section 2108 of the federal CARES act, public law 116-136, is  
22 no longer in effect, a contributing employer eligible for a rate computation  
23 under K.S.A. 44-710(a)(2), and amendments thereto, that is a negative  
24 account employer as defined by K.S.A. 44-710a(d), and amendments  
25 thereto, may only be approved for a shared work application if the  
26 negative account employer's most recent calculated reserve ratio has  
27 improved from the previous reporting year's reserve ratio;

28 (C) a rated governmental employer must be eligible for a rate  
29 computation under K.S.A. 44-710d(g), and amendments thereto;

30 (9) eligible employees may participate, as appropriate, in training,  
31 including without limitation, employer-sponsored training or worker  
32 training funded under the workforce investment act of 1998, to enhance  
33 job skills if such program has been approved by the state of Kansas;

34 (10) the employer includes a plan for giving advance notice, where  
35 feasible, to an employee whose workweek is to be reduced together with  
36 an estimate of the number of layoffs that would have occurred absent the  
37 ability to participate in shared work compensation and such other  
38 information as the secretary of labor determines is appropriate; and

39 (11) the terms of the employer's written plan and implementation are  
40 consistent with employer obligations under applicable federal and Kansas  
41 laws.

42 (f) If any of the employees who participate in a shared work plan  
43 under this section are covered by a collective bargaining agreement, the

1 shared work plan must be approved in writing by the collective bargaining  
2 agent.

3 (g) A shared work plan may not be implemented to subsidize seasonal  
4 employers during the ~~off-season~~ *off season*. *This provision shall not be*  
5 *construed to apply to a shared work plan implemented for school bus*  
6 *drivers pursuant to K.S.A. 44-706(p), and amendments thereto.*

7 (h) The secretary shall approve or deny a shared work plan ~~no~~ *not*  
8 later than the 30<sup>th</sup> day after the day the shared work plan is received by the  
9 secretary. The secretary shall approve or deny a shared work plan in  
10 writing. If the secretary denies a shared work plan, the secretary shall  
11 notify the employer of the reasons for the denial.

12 (i) A shared work plan is effective on the date it is approved by the  
13 secretary, except for good cause a shared work plan may be effective at  
14 any time within a period of 14 days prior to the date such plan is approved  
15 by the secretary. The shared work plan expires on the last day of the 12<sup>th</sup>  
16 full calendar month after the effective date of the shared work plan.

17 (j) An employer may modify a shared work plan created under this  
18 section to meet changed conditions if the modification conforms to the  
19 basic provisions of the shared work plan as approved by the secretary. The  
20 employer must report the changes made to the shared work plan in writing to  
21 the secretary before implementing the changes. If the original shared  
22 work plan is substantially modified, the secretary shall reevaluate the  
23 shared work plan and may approve the modified shared work plan if it  
24 meets the requirements for approval under subsection (d). The approval of  
25 a modified shared work plan does not affect the expiration date originally  
26 set for that shared work plan. If substantial modifications cause the shared  
27 work plan to fail to meet the requirements for approval, the secretary shall  
28 deny approval to the modifications as provided by subsection (g).

29 (k) Notwithstanding any other provisions of the employment security  
30 law, an individual is unemployed and is eligible for shared work benefits  
31 in any week in which the individual, as an employee in an affected unit,  
32 works for less than the individual's normal weekly hours of work in  
33 accordance with an approved shared work plan in effect for that week. The  
34 secretary may not deny shared work benefits for any week to an otherwise  
35 eligible individual by reason of the application of any provision of the  
36 employment security law that relates to availability for work, active search  
37 for work or refusal to apply for or accept work with an employer other  
38 than the participating employer.

39 (l) An individual is eligible to receive shared work benefits with  
40 respect to any week in which the secretary finds that:

41 (1) The employee is determined to be eligible for unemployment  
42 compensation, except that while receiving shared work benefits, an  
43 employee shall not be required to meet work availability or work search

1 requirements but shall be required to be available for the employee's  
2 normal work week;

3 (2) the individual is employed as a member of an affected unit subject  
4 to a shared work plan that was approved before the week in question and is  
5 in effect for that week;

6 (3) the individual is able to work and is available for additional hours  
7 of work or full-time work with the participating employer;

8 (4) the individual's normal weekly hours of work have been reduced  
9 by at least 10% but not more than 50%, with a corresponding reduction in  
10 wages; and

11 (5) the individual's normal weekly hours of work and wages have  
12 been reduced as described in subsection (k)(4) for a waiting period of one  
13 week that occurs within the period the shared work plan is in effect, which  
14 period includes the week for which the individual is claiming shared work  
15 benefits.

16 (m) The secretary shall pay an individual who is eligible for shared  
17 work benefits under this section a weekly shared work benefit amount  
18 equal to the individual's regular weekly benefit amount for a period of total  
19 unemployment multiplied by the nearest full percentage of reduction of the  
20 individual's hours as set forth in the employer's shared work plan. If the  
21 shared benefit amount is not a multiple of \$1, the secretary shall reduce the  
22 amount to the next lowest multiple of \$1. All shared work benefits under  
23 this section shall be payable from the fund.

24 (n) An individual may not receive shared work benefits and regular  
25 unemployment compensation benefits in an amount that exceeds the  
26 maximum total amount of benefits payable to that individual in a benefit  
27 year as provided by K.S.A. 44-704(g), and amendments thereto.

28 (o) An individual who has received all of the shared work benefits  
29 and regular unemployment compensation benefits available in a benefit  
30 year is an exhaustee under K.S.A. 44-704a and 44-704b, and amendments  
31 thereto, and is entitled to receive extended benefits under such statutes if  
32 the individual is otherwise eligible under such statutes.

33 (p) The secretary may terminate a shared work plan for good cause if  
34 the secretary determines that the shared work plan is not being executed  
35 according to the terms and intent of the short-term compensation program.

36 (q) Notwithstanding any other provisions of this section, an  
37 individual shall not be eligible to receive shared work benefits for more  
38 than 52 calendar weeks during the 12-month period of the shared work  
39 plan. No week shall be counted as a week for which an individual is  
40 eligible for shared work benefits for the purposes of this section unless the  
41 week occurs within the 12-month period of the shared work plan.

42 ~~(r) No shared work benefit payment shall be made under any shared  
43 work plan or this section for any week that commences before April 1,~~

1 1989.

2 ~~(s)~~—This section shall be ~~constructed as a part of~~ *and supplemental to*  
3 the employment security law.

4 Sec. 11. K.S.A. 44-771 is hereby amended to read as follows: 44-771.

5 (a) (1) There is hereby created the unemployment compensation  
6 modernization and improvement council. The council shall consist of 13  
7 members appointed as follows:

8 (A) Three members who, on account of their vocation, employment  
9 or affiliations, may be classed as representative of employers, one of  
10 whom shall be selected by the governor, one by the speaker of the house of  
11 representatives and one by the president of the senate;

12 (B) three members who, on account of their vocation, employment or  
13 affiliation, may be classed as representative of employees, one of whom  
14 shall be selected by the governor, one by the speaker of the house of  
15 representatives and one by the president of the senate;

16 (C) the chairpersons of the standing committees of the senate and the  
17 house of representatives to which legislation pertaining to the employment  
18 security law is customarily referred, appointed by the president of the  
19 senate and the speaker of the house of representatives, respectively;

20 (D) two members of the senate, one of whom shall be a member of  
21 the majority party appointed by the president of the senate and one of  
22 whom shall be a member of the minority party appointed by the minority  
23 leader of the senate;

24 (E) two members of the house of representatives, one of whom shall  
25 be a member of the majority party appointed by the speaker of the house  
26 of representatives and one of whom shall be a member of the minority  
27 party appointed by the minority leader of the house of representatives; and

28 (F) the secretary of labor or a designee of the secretary who has  
29 administrative responsibilities with respect to the unemployment insurance  
30 compensation system of the department of labor.

31 (2) Legislative members shall serve during the legislative session in  
32 which they are appointed to the council and shall remain members of the  
33 legislature in order to retain membership on the council. Vacancies of  
34 legislative members during a term shall be filled in the same manner as the  
35 original appointment only for the unexpired part of the term. The  
36 appointing authority for the legislative member may remove the member,  
37 reappoint the member or substitute another appointee for the member at  
38 any time.

39 (3) The members of the council shall be appointed and the council  
40 shall hold its first meeting within 30 days of ~~the effective date of this act~~  
41 *May 13, 2021*.

42 (b) All ~~non-legislative~~ *nonlegislative* members shall serve for ~~three~~  
43 *six years or until the council is dissolved, whichever is shorter occurs first*.

1 Vacancies of ~~non-legislative~~ *nonlegislative* members shall be filled in the  
2 same manner as the original appointment only for the unexpired part of the  
3 term. The appointing authority for the member may remove the member,  
4 reappoint the member or substitute another appointee for the member at  
5 any time.

6 (c) The council shall be dissolved and the provisions of this section  
7 pertaining to the establishment, function and operation of the council shall  
8 no longer be in effect *on and after three years from the date of the*  
9 *council's first meeting December 31, 2026.*

10 (d) Each member of the council shall be entitled to receive  
11 compensation for the member's services, together with the member's travel  
12 and other necessary expenses actually incurred in the performance of the  
13 member's official duties, in accordance with policies adopted by the  
14 council. Members' compensation and expenses shall be paid from the  
15 employment security administration fund or any account of the state  
16 general fund of the department of labor, as designated by the secretary.

17 (e) The chairperson of the house of representatives standing  
18 committee on commerce, labor and economic development, or a successor  
19 committee to which legislation pertaining to employment security law is  
20 customarily referred, shall serve as the chairperson of the council when  
21 first organized and for the ensuing two years. The chairperson of the  
22 senate standing committee on commerce, or a successor committee to  
23 which legislation pertaining to employment security law is customarily  
24 referred, shall serve as the chairperson of the council for the next two  
25 years, and thereafter the office of chairperson shall continue to alternate  
26 between the chambers as provided ~~herein~~ *in this subsection.*

27 (f) The council shall examine and recommend changes to the  
28 unemployment compensation system to include current limitations, new  
29 features and benefits, system enhancements and dynamic, accurate  
30 reporting for the benefit of both employers and individuals. The council  
31 shall also examine the process by which an individual files a claim for and  
32 receives benefits and any changes made to that process after the effective  
33 date of this section. The scope of the council's examinations and  
34 recommendations shall include, but not be limited to, the following:

35 (1) The technological infrastructure used to file and process claims  
36 and pay benefits and the experience of individuals and employers  
37 participating in the process;

38 (2) system improvements or upgrades that will maximize  
39 responsiveness for individuals and employers;

40 (3) methods for information and data sharing across agency systems  
41 related to unemployment compensation to maximize efficiency; and

42 (4) system improvements or upgrades relating to system integrity by  
43 reporting vulnerabilities and recommended system enhancements to

1 include identity verification and protection, social security administration  
2 cross-match, systematic alien verification for entitlement, incarceration  
3 cross-matches, interstate connection network, internet protocol address and  
4 data mining and analytics to detect and prevent fraud. Such data mining  
5 and analytics shall include current and future recommendations by the  
6 United States department of labor and the national association of state  
7 workforce agencies, including suspicious actor repository, suspicious  
8 email domains, foreign IP addresses, multi-state cross-match, identity  
9 verification, fraud alert system, and other assets provided by the  
10 unemployment insurance integrity center.

11 (g) (1) The council shall conduct an audit that shall examine the  
12 effects on the department of labor and the unemployment insurance system  
13 of fraudulent claims and improper payments during the period of March  
14 15, 2020, through March 31, 2022, and the response by the department of  
15 labor to such fraudulent claims and improper payments during that period.  
16 The council shall select an independent firm to conduct the audit. The  
17 auditor shall have access to all confidential documents. The scope of the  
18 audit shall include, but not be limited to, the amounts and nature of  
19 improper payments and fraudulent claims, fraud processes and methods  
20 and the possibility of recovery of any improper payments. The audit shall  
21 also include, but not be limited to, an evaluation that provides likelihood  
22 of a data breach being a contributing factor to any fraudulent payments,  
23 improper network architecture allowing a potential breach to have  
24 occurred and a timeline of relevant events. The independent firm shall  
25 make a preliminary report to the council by May 1, 2022, and a final report  
26 by September 1, 2022, that shall be made publicly available by the council.  
27 The preliminary report should include, but not be limited to, an evaluation  
28 of systems with access to the payment and processing of claims, forensic  
29 endpoint images related to the claims and the external perimeter housing  
30 the claims systems, as well as an evaluation of the department of labor's  
31 response to claims. The council's report, and any subsequent report  
32 provided, shall also include information on the progress regarding the  
33 secretary's implementation of all program integrity elements and guidance  
34 issued by the United States department of labor and the national  
35 association of state workforce agencies as described in K.S.A. 44-772(e),  
36 and amendments thereto. Any confidential information shall be redacted  
37 and shall not be made public. The audit shall be paid for by the state,  
38 subject to appropriations therefor.

39 (2) The council may hold an executive session that shall not be public  
40 under the Kansas open meetings act for the purpose of hearing and  
41 discussing any confidential portions of the audit. The council shall follow  
42 the provisions of K.S.A. 75-4319, and amendments thereto, when  
43 conducting such an executive session.

1 (h) The council shall not examine the solvency of the unemployment  
2 compensation fund created by K.S.A. 44-710a, and amendments thereto,  
3 or changes that would either increase or reduce benefits paid from the  
4 fund.

5 (i) The staff of the legislative research department, the office of  
6 revisor of statutes and the division of legislative administrative services  
7 shall provide such assistance as may be requested by the chairperson.

8 (j) (1) The council shall only have access to records of the department  
9 of labor that are necessary for the administration and duties of the council.  
10 The council shall not have access to any confidential or personal  
11 identifying information. The council may request that the secretary of  
12 labor, department of labor employee or any private or public employer or  
13 employee with information of value to the council appear before the  
14 council and testify to matters within the council's purview.

15 (2) Not later than 14 days after the council's first meeting, the council  
16 shall issue an initial report that, at a minimum, describes the state of the  
17 process by which an individual files a claim for and receives benefits  
18 under the employment security law at the time the report is issued and  
19 planned improvements to the process. The council may address other  
20 matters within the council's purview in the report.

21 (3) The secretary of labor shall post all testimony and other relevant  
22 materials discussed, presented to or produced for the council on a publicly  
23 accessible website maintained by the secretary.

24 (k) The secretary of labor shall notify the chairperson of the council  
25 of any unauthorized third-party access to or acquisition of records  
26 maintained by the secretary that are necessary for the administration of the  
27 employment security law. The secretary shall provide the notice not more  
28 than five days after the secretary discovers or is notified of the  
29 unauthorized access or acquisition.

30 (l) The secretary of labor shall notify the members of the council of  
31 any substantial disruption in the process by which applications for  
32 determination of benefit rights and claims for benefits are filed with the  
33 secretary. The council shall, in cooperation with the secretary, adopt and  
34 periodically review a definition of substantial disruption for purposes of  
35 this subsection.

36 (m) (1) The secretary of labor shall, with the assistance of the  
37 council:

38 (A) Develop a written strategic staffing plan to be implemented  
39 whenever there is a substantial increase or a substantial decrease in the  
40 number of inquiries or claims for benefits and review the plan in  
41 accordance with the provisions of subsection (n);

42 (B) create, in a single place on the website maintained by the  
43 secretary, a list of all points of contact by which an applicant for or a



1 recipient of unemployment compensation benefits or an employer may  
2 submit inquiries related to the employment security law; and

3 (C) adopt rules and regulations creating a uniform process through  
4 which an applicant for or a recipient of benefits under the employment  
5 security law or an employer may submit a complaint related to the service  
6 the applicant, recipient or employer received.

7 (2) In the written strategic staffing plan required under paragraph (1)  
8 (A), the secretary shall include an explanation of whether and in what  
9 manner the secretary will utilize:

10 (A) Department employees who do not ordinarily perform services  
11 related to unemployment compensation;

12 (B) employees employed by other state agencies; and

13 (C) employees provided by private entities.

14 (n) For purposes of subsection (m)(1)(A), the secretary of labor shall  
15 develop the initial written strategic staffing plan and provide such plan to  
16 the council, the president of the senate, the speaker of the house of  
17 representatives and the governor. The secretary shall review the plan at  
18 least once per year. If, after reviewing the plan, the secretary determines  
19 that the plan should be revised, the secretary shall revise the plan. After  
20 each review of the plan as provided under this subsection, the secretary  
21 shall provide the most recent version of the plan to the council, the  
22 president of the senate, the speaker of the house of representatives and the  
23 governor. The secretary shall post the most recent version of the plan on a  
24 publicly accessible website maintained by the secretary.

25 (o) The council may suggest rules and regulations for adoption by the  
26 secretary as necessary to implement the provisions of this section.

27 (p) The secretary of labor or the secretary's designee shall provide  
28 status reports on or before the 15<sup>th</sup> day and the last day of each month to  
29 the council. The reports shall include, but not be limited to, the status of  
30 the new unemployment information technology system upgrade timeline,  
31 progress, budget and the overall project status. At such time that the new  
32 system becomes operational, the reports shall include, but not be limited  
33 to, system performance and process updates.

34 (q) This section shall be a part of and supplemental to the  
35 employment security law.

36 Sec. 12. K.S.A. 44-772 is hereby amended to read as follows: 44-772.

37 (a) It is the intent of the legislature that, in order to accomplish the mission  
38 of collecting state employment security taxes, processing unemployment  
39 insurance benefit claims and paying benefits, the department of labor's  
40 information technology system shall be continually developed,  
41 customized, enhanced and upgraded. The purpose of this section is to  
42 ensure the state's unemployment insurance program is utilizing current  
43 technology and features to protect the sensitive data required in the

1 unemployment insurance benefit and tax systems relating to program  
2 integrity, system efficiency and customer service experience.

3 (b) The legislature finds that, as a result of the vulnerabilities exposed  
4 in the legacy unemployment insurance system by the COVID-19 pandemic  
5 unemployment insurance crisis, a new system shall be fully designed,  
6 implemented and administered by the department of labor not later than  
7 December 31, 2022. The legislative coordinating council, upon  
8 consultation with the unemployment compensation modernization and  
9 improvement council established by K.S.A. 44-771, and amendments  
10 thereto, may extend the deadline to a date certain and may further extend  
11 ~~the deadline to another date certain at any time as often as the legislative~~  
12 *coordinating council deems appropriate. The secretary of labor shall*  
13 *provide written notice to the legislative coordinating council and the*  
14 *unemployment compensation modernization and improvement council at*  
15 *least 30 days prior to the expiration of a deadline advising whether the*  
16 *secretary seeks an extension of the deadline and, if so, the basis therefor.*  
17 *The failure of the secretary to provide such notice shall not affect the*  
18 *authority of the legislative coordinating council to act as provided by this*  
19 *subsection. For purposes of this subsection, "consultation" means an*  
20 *appearance before or written statement provided to the legislative*  
21 *coordinating council by the chairperson of the unemployment*  
22 *compensation modernization and improvement council or the*  
23 *chairperson's designee. Any member of the unemployment compensation*  
24 *modernization and improvement council may also provide a written*  
25 *statement. A report to the legislative coordinating council by the*  
26 *unemployment compensation modernization and improvement council may*  
27 *be provided but shall not be required. If any deadline expires before the*  
28 *legislative coordinating council extends that deadline, the council may*  
29 *subsequently meet as soon as reasonably possible and may retroactively*  
30 *extend any deadline as otherwise provided by this subsection.*

31 (c) The information technology system, technology and platform  
32 shall include, but not be limited to, any components as specified and  
33 defined by the unemployment compensation modernization and  
34 improvement council established by K.S.A. 44-771, and amendments  
35 thereto, in consultation with the secretary.

36 (d) The new system shall include, but not be limited to, any features  
37 and benefits as specified and defined by the unemployment compensation  
38 modernization and improvement council established by K.S.A. 44-771,  
39 and amendments thereto, in consultation with the secretary.

40 (e) The secretary shall implement and utilize all program integrity  
41 elements, as specified and defined by the unemployment compensation  
42 modernization and improvement council established by K.S.A. 44-771,  
43 and amendments thereto, in consultation with the secretary, including, but

1 not limited to:

- 2 (1) Social security administration cross-matching for the purpose of  
3 validating social security numbers supplied by a claimant;
- 4 (2) checking of new hire records against the national directorate of  
5 new hires to verify eligibility;
- 6 (3) verification of immigration status or citizenship and confirmation  
7 of benefit applicant information through the systematic alien verification  
8 for entitlement program;
- 9 (4) comparison of applicant information to local, state and federal  
10 prison databases through incarceration cross-matches;
- 11 (5) detection of duplicate claims by applicants filed in other states or  
12 other unemployment insurance programs through utilization of the  
13 interstate connection network, interstate benefits cross-match, the state  
14 identification inquiry state claims and overpayment file and the interstate  
15 benefits 8606 application for overpayment recoveries for Kansas claims  
16 filed from a state other than Kansas;
- 17 (6) identification of internet protocol addresses linked to multiple  
18 claims or to claims filed outside of the United States; and
- 19 (7) use of data mining and data analytics to detect and prevent fraud  
20 when a claim is filed, and on an ongoing basis throughout the lifecycle of a  
21 claim, by using current and future functionalities to include suspicious  
22 actor repository, suspicious email domains, foreign internet protocol  
23 addresses, multi-state cross-match, identity verification, fraud alert  
24 systems and other assets provided by the unemployment insurance  
25 integrity center.
- 26 (f) If the unemployment compensation modernization and  
27 improvement council becomes inactive or is dissolved and the new  
28 information technology system modernization project has been completed,  
29 the secretary shall implement and utilize all new program integrity  
30 elements and guidance issued by the United States department of labor and  
31 the national association of state workforce agencies, including the integrity  
32 data hub, within 60 days of the issuance of any such guidance.
- 33 (g) The secretary, on a scheduled basis, shall cross check new and  
34 active unemployment insurance claims against the cross-check programs  
35 described in subsection (e). If the secretary receives information  
36 concerning an individual approved for benefits that indicates a change in  
37 circumstances that may affect eligibility, the secretary shall review the  
38 individual's case and act in accordance with the law.
- 39 (h) The department of labor shall have the authority to execute a  
40 memorandum of understanding with any department, agency or agency  
41 division for information required to be shared between agencies pursuant  
42 to the provisions of this section.
- 43 (i) The secretary of labor shall adopt rules and regulations necessary

1 for the purposes of carrying out this section. Such rules and regulations  
2 shall be adopted ~~within 12 months of the effective date of this act~~ by May  
3 13, 2022.

4 (j) The secretary of labor shall provide an annual status update and  
5 progress report regarding the requirements of this section to the  
6 unemployment compensation modernization and improvement council and  
7 the legislative coordinating council.

8 (k) This section shall be a part of and supplemental to the  
9 employment security law.

10 Sec. 13. K.S.A. 44-774 is hereby amended to read as follows: 44-774.

11 (a) The secretary of labor shall post trust fund computations and data as  
12 required by subsection (b) on a publicly accessible website maintained by  
13 the secretary as follows:

14 (1) The secretary shall post and maintain certified computations and  
15 data for each of the most recent 20 fiscal years ~~within 120 days of the~~  
16 ~~effective date of this act~~; and

17 (2) for the fiscal year beginning on July 1, ~~2021~~ 2024, and each fiscal  
18 year thereafter, the secretary shall certify and post the trust fund  
19 computations and data for the fiscal year to the website on or before  
20 December 1 following the end of such fiscal year.

21 (b) The computations and data to be posted shall include:

22 (1) Distributions of taxable wages by experience factor for each state  
23 fiscal year including the following information:

24 (A) The rate group;

25 (B) the reserve ratio lower limit;

26 (C) the number of accounts;

27 (D) the taxable wages by fiscal year;

28 (E) a summary of active positive eligible accounts with the number of  
29 accounts and fiscal year taxable wages;

30 (F) a summary of active ineligible accounts with the number of  
31 accounts and fiscal year taxable wages;

32 (G) a summary of active negative accounts with the number of  
33 accounts and fiscal year taxable wages; and

34 (H) a summary of terminated and inactive accounts with the number  
35 of accounts and fiscal year taxable wages *including all*:

36 (i) *Terminated accounts with the number of accounts and fiscal year*  
37 *taxable wages; and*

38 (ii) *inactive accounts with the number of accounts and fiscal year*  
39 *taxable wages organized by regular rated, industry rated and negative*  
40 *rated accounts;* ~~and~~

41 (2) an average high cost benefit rate summary, including:

42 (A) The average high cost benefit rate currently in effect; and

43 (B) the benefit cost rate for the fiscal years used to calculate the

1 average high benefit cost rate;

2 (3) *the statewide wage data, including:*

3 (A) *Statewide average annual wage (SAAW) for the fiscal year; and*

4 (B) *statewide average weekly wage (SAWW) for the fiscal year.*

5 (c) (1) *The secretary of labor shall prepare and submit an annual*  
6 *certification memorandum regarding computations and data for*  
7 *contributing negative rated employers assigned to rate groups N1 through*  
8 *N11.*

9 (2) *Commencing in 2025 and each year thereafter, the secretary shall*  
10 *submit the certification memorandum on or before January 15 of each*  
11 *calendar year. The certification memorandum shall be for the 12-month*  
12 *period ending on June 30 of the preceding calendar year. In preparing the*  
13 *certification memorandum, the secretary shall consider contributions paid*  
14 *after such 12-month period ending on June 30 that are paid on or before*  
15 *the immediately following July 31.*

16 (3) *The secretary shall submit the certification memorandum to the*  
17 *chairpersons, vice chairpersons and ranking minority members of the*  
18 *standing committees of the senate and the house of representatives to*  
19 *which legislation pertaining to the employment security law is customarily*  
20 *referred, the president of the senate, the speaker of the house of*  
21 *representatives, the governor and the legislative coordinating council.*

22 (4) *The certification memorandum shall include for the current and*  
23 *most recent calculated three years:*

24 (A) *An employer identification number assigned to the employer by*  
25 *the secretary;*

26 (B) *NAICS code;*

27 (C) *the employer's account balance by fiscal year;*

28 (D) *the employer's taxable wages by fiscal year;*

29 (E) *the employer's calculated reserve ratio by fiscal year;*

30 (F) *the employer's taxable wage base by fiscal year;*

31 (G) *the benefits charged to the employer by fiscal year;*

32 (H) *the total number of temporary weeks requested by the employer,*  
33 *if any;*

34 (I) *the total number of temporary weeks approved for the employer, if*  
35 *any;*

36 (J) *the total number of temporary weeks claimed by the employer, if*  
37 *any;*

38 (K) *if workshare was requested by the employer; and*

39 (L) *if workshare was approved for the employer.*

40 (c) This section shall be a part of and supplemental to the  
41 employment security law.

42 Sec. 14. K.S.A. 2023 Supp. 44-775 is hereby amended to read as  
43 follows: 44-775. (a) (1) The secretary of labor and the secretary of

1 commerce shall jointly establish and implement the my reemployment  
2 plan as provided in this section. For purposes of this section, "my  
3 reemployment plan" means a program jointly established and implemented  
4 by the Kansas department of labor and the Kansas department of  
5 commerce that provides enhanced reemployment services, including  
6 workforce services provided by the department of commerce, to Kansans  
7 receiving unemployment insurance benefits.

8 (2) The program shall be required for all claimants except claimants  
9 that are:

10 (A) In the shared work program;;

11 (B) *in the* trade adjustment assistance and trade readjustment  
12 assistance program, ~~claimants on temporary layoff with a return-to-work~~  
13 ~~date but such claimants shall only be exempted during any first 8~~  
14 ~~consecutive weeks of benefits, claimants that are;~~

15 (C) *on temporary unemployment as defined in K.S.A. 44-703(ii), and*  
16 *amendments thereto;*

17 (D) currently employed, ~~claimants that are;~~

18 (E) current reemployment services and eligibility assessment  
19 participants, ~~claimants that are;~~

20 (F) active members in good standing of a placement union; or

21 (G) claimants that are engaged in a training program. ~~The program~~  
22 ~~shall be implemented on or before June 1, 2021.~~

23 ~~(2)(3)~~ (A) *The following shall apply to any request to the secretary*  
24 *for an extension of additional weeks of temporary unemployment, as*  
25 *defined by K.S.A. 44-703(ii), and amendments thereto:*

26 (i) *The request shall be made in writing by a rated contributing*  
27 *employer on behalf of an identified individual or individuals;*

28 (ii) *the request shall be submitted, with respect to each individual, for*  
29 *an increment of eight weeks of additional temporary unemployment*  
30 *allowed for the individual, as provided by subparagraph (C); and*

31 (iii) *the rated contributing employer shall agree to provide the*  
32 *secretary with reports relating to the temporary unemployment extension*  
33 *request as the secretary may require.*

34 (B) *The secretary may approve one temporary unemployment*  
35 *extension request for an individual of eight weeks up to the maximum total*  
36 *number of weeks permitted, as provided by subparagraph (C), if the*  
37 *secretary determines that the requesting employer has:*

38 (i) *Agreed to provide the secretary with all reports required as*  
39 *provided by subparagraph (A)(iii);*

40 (ii) *filed all reports required to be filed under the employment*  
41 *security law for all past and current periods; and*

42 (iii) *paid all contributions required to be paid under the employment*  
43 *security law.*

1       (C) (i) *The total amount of additional temporary unemployment*  
2 *benefits for an individual in a benefit year shall be limited to eight weeks if*  
3 *the requests for additional temporary unemployment are made by a*  
4 *requesting employer determined by the secretary to be primarily engaged*  
5 *in:*

6       (a) *Ready-mixed concrete production and distribution; or*

7       (b) *the construction of highways or elevated highways, streets, roads,*  
8 *airport runways, public sidewalks or bridges.*

9       (ii) *The total maximum amount of temporary unemployment for an*  
10 *individual in a benefit year pursuant to this subparagraph, including any*  
11 *extension of additional temporary unemployment granted by the secretary,*  
12 *shall be limited to 16 weeks.*

13       (4) The secretary of labor shall provide the secretary of commerce  
14 with the names and contact information of claimants that have claimed a  
15 third week of benefits in the current benefit year. The secretary of labor  
16 shall request the claimant to upload or create a complete resume in the  
17 Kansasworks workforce system, and complete a job search plan that  
18 includes a skills assessment component. The secretary of commerce shall  
19 offer and provide, when requested, assistance to the claimants in  
20 developing the documents or plan through collaboration by the secretary  
21 with the Kansasworks workforce system. The secretary of commerce may  
22 require claimants to participate in reemployment services. The claimant  
23 shall have 14 calendar days to respond to the secretary of commerce. The  
24 secretary of commerce shall report any failure to respond by the claimant  
25 to the secretary of labor.

26       ~~(3)~~(5) The secretary of labor shall share labor market information and  
27 current available job positions with the secretary of commerce. The  
28 secretary of labor may collaborate with Kansasworks or other state or  
29 federal agencies with job availability information in obtaining or sharing  
30 such information.

31       ~~(4)~~(6) The secretary of commerce shall match open job positions with  
32 claimants based on skills, work history and job location that is a  
33 reasonable commute from the claimant's residence and communicate the  
34 match information to the claimant and to the employer. The secretary of  
35 labor and the secretary of commerce shall consider whether the claimant or  
36 a Kansas employer would benefit from the claimant's participation in a  
37 work skills training or retraining program as provided by subsection (b)  
38 and, if so, provide such information to the employer, if applicable, and the  
39 claimant. Claimants who fail to respond within 14 calendar days after  
40 contact by Kansasworks or the department of commerce shall be reported  
41 by the secretary of commerce to the secretary of labor.

42       ~~(5)~~(7) The secretary of commerce and the secretary of labor shall  
43 monitor the result of job matches and share information regarding any

1 claimant who did not attend an interview or did not accept a position that  
2 was a reasonable match for the claimant's work history and skills and was  
3 within a reasonable commute from the claimant's residence. The secretary  
4 of commerce shall contact the claimant and report the contact to the  
5 secretary of labor. The secretary of labor shall consider whether the  
6 claimant has failed to meet work search requirements and if the claimant  
7 should continue to receive benefits.

8 (b) The secretary of commerce shall refer claimants to a work skills  
9 training or retraining program as appropriate. The secretary of commerce  
10 shall seek to obtain or utilize any available federal funds for the program,  
11 and to the extent feasible, may make current work skills training and  
12 retraining programs available to claimants. The secretary of labor may  
13 allow claimants to participate in such a program offered by the secretary of  
14 commerce or by another state or federal agency in lieu of requiring the  
15 claimant to meet job search requirements and the requirements of the my  
16 reemployment plan until the number of allowed benefit weeks has expired.  
17 A claimant shall participate in such a program for not less than 25 hours  
18 per week. The secretary of commerce shall monitor those my  
19 reemployment plan claimants participating in training managed by the  
20 workforce centers to ensure compliance.

21 (c) Claimants who participate in the my reemployment plan or the  
22 work skills training or retraining program shall meet attendance or  
23 progress requirements established by the secretary of commerce to  
24 continue eligibility for unemployment insurance benefits. Non - compliant  
25 claimants shall be reported by the secretary of commerce to the secretary  
26 of labor. The secretary of labor shall disqualify such claimants from further  
27 benefits within five business days of receiving the report, unless or until  
28 the claimant demonstrates compliance to the secretary of commerce, and  
29 shall communicate the disqualification and the reason for the  
30 disqualification to the claimant. The secretary of commerce shall report to  
31 the secretary of labor when the claimant has reestablished compliance. The  
32 secretary of labor may continue benefits or reinstate a claimant's eligibility  
33 for benefits upon a showing of good cause by the claimant for the failure  
34 to meet attendance or progress requirements or my reemployment plan  
35 participation requirements.

36 (d) The secretary of labor and the secretary of commerce shall  
37 provide an annual status update and progress report for the my  
38 reemployment plan to the standing committee on commerce, labor and  
39 economic development of the house of representatives and the standing  
40 committee on commerce of the senate during the first month of ~~the 2022~~  
41 ~~regular legislative session and the first month of each regular legislative~~  
42 ~~session thereafter.~~

43 (e) This section shall be a part of and supplemental to the



1 employment security law.

2 Sec. 15. K.S.A. 44-704, 44-705, 44-706, 44-709, 44-710, 44-710b,  
3 44-717, 44-757, 44-771, 44-772 and 44-774 and K.S.A. 2023 Supp. 44-  
4 703, 44-710a and 44-775 are hereby repealed.

5 Sec. 16. This act shall take effect and be in force from and after its  
6 publication in the statute book.