



Written Testimony in Support of HB2196
Mr. Daniel Murray
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Senate Commerce Committee
March 15-17, 2021

Chairman and members of the committee, I am pleased to submit written testimony in strong support of HB2196, on behalf of NFIB Kansas. NFIB Kansas is the leading small business organization in Kansas representing small and independent businesses. A non-profit, nonpartisan organization founded in 1943, NFIB Kansas represents the consensus views of its over 4,000 members in Kansas.

This committee is well aware of the strain the pandemic has placed on the UI trust fund and the subsequent fraudulent claims debacle. These unemployment insurance problems are hitting small business owners while they are fighting for the survival of their businesses during this unprecedented pandemic. Now confronted with the continued depletion of the UI trust fund and resulting increased UI taxes, owners need assurance that necessary actions are being taken to shore up the fund. We believe HB2196 provides the needed reforms which will alleviate small business fears and put the UI trust fund on a firm footing moving forward.

The bill makes several important changes to our unemployment insurance system, including the following critical items:

- Creation of an IT modernization and improvement council
- Increasing from 4.5% to 5% the definition of full employment as it relates to claimant benefit weeks
- Covid-related claim immunity and fraudulent claim protections
- Rate table adjustments which intend to spread the restoration impact more evenly across employers
- Assurance that federal relief dollars will flow to the UI trust fund to partially replace fraudulent claim payments

HB2196 was carefully drafted after extensive discussions and input from some of the leading experts on unemployment insurance in Kansas. NFIB believes the measures included in the bill will instill confidence in the system and help to mitigate the pending tax implications for small business owners. Thank you for the opportunity to provide comments on this critical piece of legislation. Again, we urge the committee to pass out HB2196 favorably.