AN ACT concerning employment security; creating the unemployment
compensation modernization and improvement council; providing for
an audit to be conducted by the council; providing for development of a
new unemployment insurance information technology system; claimant
tax information; website publication of trust fund data; maximum
benefit period; charging of employer accounts for benefits paid;
employment security board of review and emergency expansion
thereof; employer contribution rate determination and schedules;
abolishing the employment security interest assessment fund; crediting
employer accounts for fraudulent or erroneous payments; transferring
moneys from the state general fund to the unemployment insurance
trust fund for improper benefit payments; services performed by
petroleum landmen; lessor employment unit employee leasing
restrictions; shared work compensation program; establishing the my
reemployment plan; providing job search and job matching assistance
to claimants and employers; providing for workforce training program
availability for claimants; making and concerning appropriations for
the fiscal years ending June 30, 2021, and June 30, 2022 [2021
through 2028]; [changing the benefit disqualification period for
fraud]; amending K.S.A. 44-758 and K.S.A. 2020 Supp. 44-703, 44-
704, [44-706,] 44-705, 44-709, 44-710, 44-710a, 44-710b and 44-757
and repealing the existing sections.

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

New Section 1. (a) (1) There is hereby created the unemployment
compensation modernization and improvement council. The council shall
consist of {13} members appointed as follows:
(A) Two {Three} members who, on account of their vocation,
employment or affiliations, may be classed as representative of employers,
to {one of whom shall} be selected by the workers compensation and
employment security boards nominating committee established under
K.S.A. 44-551, and amendments thereto, and appointed by the governor,
one by the speaker of the house of representatives and one by the
president of the senate;
(B) Two {three} members who, on account of their vocation,
employment or affiliation, may be classed as representative of employees,
maintained by the secretary.

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

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

New Sec. 2. (a) It is the intent of the legislature that, in order to
accomplish the mission of collecting state employment security taxes,
processing unemployment insurance benefit claims and paying benefits,
the department of labor's information technology system shall be
continually developed, customized, enhanced and upgraded. The purpose
of this section is to ensure the state's unemployment insurance program is
utilizing current technology and features to protect the sensitive data
required in the unemployment insurance benefit and tax systems relating
to program integrity, system efficiency and customer service experience.

(b) The legislature finds that, as a result of the vulnerabilities exposed
in the legacy unemployment insurance system by the COVID-19 pandemic
unemployment insurance crisis, a new system shall be fully designed,
implemented and administered by the department of labor not later than
December 31, 2022.

(c) The information technology system, technology and platform
shall include, but not be limited to, the following components, as defined
by the unemployment compensation modernization and improvement
council established by section 1, and amendments thereto, in consultation
with the secretary:

(1) Component-centric architecture;
(2) configurability;
(3) results-driven customer empowerment;
(4) extensibility;
(5) reporting;
(6) adaptable and scalable platform;
(7) enterprise service bus;
(8) version control;
(9) change control;
(10) multi-speed information technology;
(11) data migration or data architecture; and
(12) legacy integration.

(d) The new system shall include, but not be limited to, the following
features and benefits, as defined by the unemployment compensation
modernization and improvement council established by section 1, and
amendments thereto, in consultation with the secretary:

(1) Benefit claims and payment management, including:
(A) Claims management;
(B) eligibility and payment processes;
(C) monetary and non-monetary determinations;
(D) overpayment and collections management;
(E) fraud prevention; and
(F) accounting and auditing;
(2) integrated tax management functionality, including:
(A) Account registration;
(B) tax and wage reports;
(C) adjustments and payments;
(D) delinquencies and collections; and
(E) tax audit assignments; and
(3) tax performance systems, including:
(A) Comprehensive appeals filing and tracking;
(B) appeal filing and management;
(C) hearings and decisions;
(D) correspondence and notices;
(E) integrated workflow;
(F) self-service features; and
(G) federal reporting; and
(1) automated work opportunity tax credit eligibility determination:
(e) The secretary shall implement and utilize all program integrity elements, as specified and defined by the unemployment compensation modernization and improvement council established by section 1, and amendments thereto, in consultation with the secretary including, but not limited to:
(1) Social security administration cross-matching for the purpose of validating social security numbers supplied by a claimant;
(2) checking of new hire records against the national directorate of new hires to verify eligibility;
(3) verification of immigration status or citizenship and confirmation of benefit applicant information through the systematic alien verification for entitlement program;
(4) comparison of applicant information to local, state and federal prison databases through incarceration cross-matches;
(5) detection of duplicate claims by applicants filed in other states or other unemployment insurance programs through utilization of the interstate connection network, interstate benefits cross-match, the state identification inquiry state claims and overpayment file and the interstate benefits 8606 application for overpayment recoveries for Kansas claims filed from a state other than Kansas;
(6) identification of internet protocol addresses linked to multiple claims or to claims filed outside of the United States; and
(7) use of data mining and data analytics to detect and prevent fraud when a claim is filed, and on an ongoing basis throughout the lifecycle of a claim, by using current and future functionalities to include suspicious actor repository, suspicious email domains, foreign internet protocol addresses, multi-state cross-match, identity verification, fraud alert systems and other assets provided by the unemployment insurance integrity center.

(f) If the unemployment compensation modernization and improvement council becomes inactive or is dissolved, the secretary shall implement and utilize all new program integrity elements and guidance issued by the United States department of labor and the national association of state workforce agencies, including the integrity data hub, within 60 days of the issuance of any such guidance.