

Office of the Secretary
401 SW Topeka Boulevard
Topeka, KS 66603



Phone: 785-296-7474
Fax: 785-368-6294

Amber Shultz, Secretary

Laura Kelly, Governor

**Proponent Written Testimony on HB 2277
House Committee on Appropriations
Kansas Secretary of Labor, Amber Shultz
March 14, 2023**

Mr. Chairman & Committee Members,

Good morning. I am Secretary of Labor Amber Shultz, and I am submitting written, proponent testimony on House Bill 2277. HB 2277 would give state agencies a valuable tool to assist us in hiring, recruiting and retaining staff by allowing for bonuses that are currently prohibited.

Like all employers, our agency is struggling to recruit and hire new employees, and as a state agency, our salaries and benefits are often not competitive enough with the private sector to retain our valuable staff. Our agency is exploring several possible incentives to help our agency with the staffing issues, including those listed below.

Referral Bonus: These bonuses could be issued to existing KDOL employees who connect our agency to potential hires, increasing recruitment and hiring opportunities. A possible example of the referral bonus structure could be \$50 when hired, \$100 six months from the hire date if the new employee remains and \$100 a year from the hire date if the new hire remains with the agency. These amounts are just an example and would be determined by funds available for this incentive.

Sign-on Bonus: A sign-on bonus could increase hiring opportunities by drawing attention to our job postings for difficult to fill positions.

Exempt Employee Bonus: A bonus for exempt (salaried) employees could allow KDOL to offer bonuses to exempt employees who are consistently working additional hours to assist with backlogs or have been tasked with a special project that requires additional duties and time. Exempt employees often work long hours and weekends, but they are not eligible for overtime.

Reassignment Bonus: The reassignment bonus could provide bonuses to employees who are asked to return to former positions or duties in times of crisis and workload increases. For KDOL, we have had to do this several times to address increased call volumes at the call center. Having a structure for bonuses could motivate and improve morale for those staff who step up in times of crisis.

Retention Bonus: A retention bonus could provide incentives to remain at KDOL for employees in positions that have high turnover, such as IT or the UI Call Center.

Giving agencies more flexibility to offer employee bonuses as an incentive will boost morale and create a more positive work environment by motivating and rewarding hard-working employees. I thank you and the committee for your time. I urge your favorable consideration of HB 2277.