

To: Chairman Tarwater and Members of the House Committee on Commerce,

Labor and Economic Development

From: Kevin Walker, Executive Vice President and Chief Policy Officer

Overland Park Chamber of Commerce

Date: 5 February 2024

Chairman Tarwater and members of the committee, thank you for the opportunity to submit testimony in support of HB 2570.

Over the past couple of sessions, this committee has expended a considerable amount of time and energy working to improve the state's unemployment system and trust fund. The COVID pandemic exposed flaws in our system that needed attention for years. We are grateful to this committee for the work you put in to improve our unemployment system. Improved security to protect the trust fund from bad actors, improved efficiencies making interacting with the unemployment system less burdensome, and revised rate tables ensure employers are not saddled with huge increases on UI premiums are all due to your efforts.

As a result of your efforts, employer payments are 27% below the national average. We are one of only 16 states with a solvent UI trust fund and we are ranked eighth most solvent in the country. HB 2570 will allow Kansas to continue improving the system and trust fund and we ask for your support.

The proposed changes include rewarding our most highly rated employers with a new rate group. It better aligns taxable wage base schedules with the maximum weekly benefits schedule, clarifies temporary unemployment benefits, and offers provisions for additional weeks of benefits based on an employer's earned rating.

We think these changes continue to improve our system, which will benefit employers and employees alike. We encourage the committee to act favorably on HB 2570.