



Mr. Daniel Murray
Kansas State Director, National Federation of Independent Business

Testimony in Support of HB2570
House Committee on Commerce, Labor & Economic Development
Tuesday, February 6, 2024

Chair and members of the committee, **I am pleased to testify on behalf of NFIB Kansas in strong support of House Bill 2570 which provides much-needed, reasonable and fair reforms to our state's unemployment insurance (UI) trust fund laws.** 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 nearly 4,000 members in Kansas.

House Bill 2570 would make important changes to our UI laws making the trust fund more equitable for nearly all small businesses and provide additional measures to ensure claimants are accountable to work search requirements without jeopardizing the fund's long-term solvency. Among its many positive reforms, the bill includes the following important changes:

- Incorporates appropriate guardrails around "temporary employment" to ensure its usage by some businesses does not unfairly and inordinately shift burdens to the vast number of businesses which do not use that program.
- Cuts in half the tax rate for 97% of ALL participating employers and preserves the credit tables for years to come.
- Addresses the problem of claimant "ghosting" by creating an audit process for employers to submit work search reports when applicants accept interview appointments by fail to show up or notify the employer.

This bill is the product of negotiations among multiple employer groups and the Department of Labor. While not every business, organization or particular constituency—including NFIB—got all that they wanted, **we believe this is a measured bill that will make the system fairer and reduce the tax burden for most Kansas small businesses.**

Thank you for the opportunity to provide comments today and we urge you to pass out HB2570 favorably.