(Corrected)

Session of 2024

HOUSE BILL No. 2570

By Committee on Commerce, Labor and Economic Development

Requested by Representative Tarwater

1-23

AN ACT concerning employment security law; relating to the definition of 1 2 benefit year, temporary unemployment, wages, statewide average 3 annual wage and statewide average weekly wage; referencing certain 4 new definitions for purposes of the annual determination by the 5 secretary of the maximum weekly benefit amount; requiring electronic filing of wage reports, contribution returns and payments and interest 6 7 assessments for employers with 25 or more employees; establishing minimum qualifications for candidates for membership on the 8 employment security board of review and initial review of such 9 candidates by the director of unemployment; extending when the 10 mandatory combination of rates and the establishment of a new account 11 due to a business acquisition must occur from the beginning of the 12 following quarter to the beginning of the following year; making 13 certain changes to the schedules governing employer contribution rates; 14 15 removing obsolete language pertaining to the employment security interest assessment fund and abolishing such fund; requiring the 16 secretary to create an audit process within the new unemployment 17 insurance information technology system to permit employers to 18 submit reports regarding work search, the my reemployment plan and 19 claimants who do not provide notification or appear for scheduled 20 interviews; providing for notices by the secretary to active employers 21 regarding work search noncompliance reporting options; confirming 22 23 the legislative coordinating council's authority to extend the new information technology 24 unemployment insurance system's implementation date retroactively and as often as deemed appropriate 25 by the council; requiring the secretary to notify the council of the need 26 27 for an extension; authorizing the secretary to extend temporary unemployment for limited periods upon request by employers and 28 allowing for additional temporary unemployment when requested by 29 employers engaged in certain industries; requiring the secretary to 30 annually post on the secretary's website certain additional calculations 31 32 and data; changing the timing of employer benefit charge notices from annually to quarterly; removing the exemption for benefit charges less 33 than \$100; amending K.S.A. 44-704, 44-705, 44-709, 44-710, 44-710b, 34 44-717, 44-771, 44-772 and 44-774 and K.S.A. 2023 Supp. 44-703, 44-35

PROPOSED AMENDMENT HOUSE COMMERCE, LABOR AND ECONOMIC DEVELOPMENT 2/15/2024

Remove Ghosting provision

Prepared by Office of Revisor of Statutes.

adopted by the secretary, except that, subject to the provisions of K.S.A. 1

2 44-704(a), and amendments thereto, the secretary may adopt rules and regulations that waive or alter either or both of the requirements of this 3 4 subsection.

5 (b) The claimant has made a claim for benefits with respect to such 6 week in accordance with rules and regulations adopted by the secretary.

7 (c) (1) The claimant is able to perform the duties of such claimant's customary occupation or the duties of other occupations that the claimant 8 is reasonably fitted by training or experience, and is available for work, as 9 demonstrated by the claimant's pursuit of the full course of action most 10 reasonably calculated to result in the claimant's reemployment except that, 11 notwithstanding any other provisions of this section, an unemployed 12 13 claimant otherwise eligible for benefits shall not become ineligible for 14 benefits:

(A) Because of the claimant's enrollment in and satisfactory pursuit 15 of approved training, including training approved under section 236(a)(1)16 17 of the trade act of 1974:

18 (B) solely because such individual is seeking only part-time employment if the individual is available for a number of hours per week 19 20 that are comparable to the individual's part-time work experience in the 21 base period; or 22

(C) because a claimant is not actively seeking work:

23 (i) During a state of disaster emergency proclaimed by the governor pursuant to K.S.A. 48-924 and 48-925, and amendments thereto; 24

25 (ii) in response to the spread of the public health emergency of COVID-19; and 26

(iii) the state's temporary waiver of the work search requirement 27 under the employment security law for such claimant is in compliance 28 with the families first coronavirus response act, public law 116-127. 29

(2) The secretary shall develop and implement procedures to address 30 claimants who refuse to return to suitable work or refuse to accept an offer 31 of suitable work without good cause. Such procedures shall include the 32 33 receipt and processing of job refusal reports from employers, the evaluation of such reports in consideration of the claimant's work history 34 and skills and suitability of the offered employment and guidelines for a 35 36 determination of whether the claimant shall remain eligible for unemployment benefits or has failed to meet the work search requirements 37 of this subsection or the requirements of K.S.A. 44-706(c), and 38 amendments thereto. In determining whether the employment offered is 39 suitable, the secretary's considerations shall include whether the 40 employment offers wages comparable to the claimant's recent employment 41 and work duties that correspond to the claimant's education level and 42 previous work experience. The secretary shall also consider whether the 43

employment offers wages of at least the amount of the claimant's
 maximum weekly benefits.

(3) To facilitate the requirements of paragraph (2), the secretary shall 3 provide readily accessible means for employers to notify the department 4 when a claimant refuses to return to work or refuses an offer of 5 6 employment, including by telephone, email or an online web portal. The 7 secretary shall create or cause to be created in the new unemployment insurance information technology system as provided by K.S.A. 44-772, 8 and amendments thereto, an audit process for employers to submit reports 9 regarding activities related to the work search requirement or to the my 10 reemployment plan, established by K.S.A. 44-775, and amendments 11 thereto, and applicants that accept interview appointments but do not 12 participate or notify the interviewing employer of their inability to 13 participate in the scheduled interview. The secretary shall not be required 14 to implement such audit process prior to the completion of such new-15 unemployment insurance information technology system. Nothing in this 16 subsection shall be construed as to require an employer to report such job 17 refusals or such failures to appear for a scheduled interview without 18 19 *notifying the interviewing employer* to the department. 20 (4) At the time of receipt of notice from an employer pursuant to paragraph (3), the secretary shall, within 10 business days of receipt of 21 22 such notice from the employer, provide a notice to the claimant who has refused to return to work or to accept an offer of suitable work without 23 good cause. The method of providing the notice to the claimant shall be 24

consistent with other correspondence from the department to the claimant
and may include mail, telephone, email or through an online web portal.
The notice shall, at minimum, include the following information:

28 (A) A summary of state employment security law regarding a29 claimant's duties to return to work or accept suitable work;

(B) a statement that the claimant has been or may be disqualified and
the claimant's right to collect benefits has been or may be terminated for
refusal to return to work or accept suitable work without good cause, as
provided by this subsection and K.S.A. 44-706(c), and amendments
thereto;

35 (C) an explanation of what constitutes suitable work under the 36 employment security law; and

(D) instructions for contesting a denial of a claim if the denial is
based upon a report by an employer that the claimant has refused to return
to work or has refused to accept an offer of suitable work.

40 (5) The secretary shall include notices to all active employers 41 regarding work search noncompliance reporting options provided in 42 paragraph (3) in the department of labor's annual summary of benefit 43 charges pursuant to K.S.A. 44-710b(d), and amendments thereto, and in January 1, 2026

notify the department of

the rate notices to employers pursuant to K.S.A. 44-710b(a), and
 amendments thereto. The secretary shall not be required to implement
 such notice requirements prior to the completion of the new unemployment
 insurance information technology system, as provided by K.S.A. 44-772,
 and amendments thereto.

 $\begin{array}{ll}6 & (5)(6) & \text{For the purposes of this subsection, an inmate of a custodial or}\\7 & \text{correctional institution shall be deemed to be unavailable for work and not}\\8 & \text{eligible to receive unemployment compensation while incarcerated.}\end{array}$

(d) (1) Except as provided further, the claimant has been unemployed 9 for a waiting period of one week or the claimant is unemployed and has 10 satisfied the requirement for a waiting period of one week under the shared 11 work unemployment compensation program as provided in K.S.A. 44-12 757(k)(4), and amendments thereto, and that period of one week, in either 13 case, occurs within the benefit year that includes the week for which the 14 claimant is claiming benefits. No week shall be counted as a week of 15 unemployment for the purposes of this subsection: 16

17 (A) If benefits have been paid for such week;

(B) if the individual fails to meet with the other eligibilityrequirements of this section; or

(C) if an individual is seeking unemployment benefits under the
unemployment compensation law of any other state or of the United
States, except that if the appropriate agency of such state or of the United
States finally determines that the claimant is not entitled to unemployment
benefits under such other law, this subparagraph shall not apply.

25 (2) (A) The waiting week requirement of paragraph (1) shall not 26 apply to:

27 (i) New claims by claimants who become unemployed as a result of
28 an employer terminating business operations within this state, declaring
29 bankruptcy or initiating a work force reduction pursuant to public law 10030 379, the federal worker adjustment and retraining notification act, 29

31 U.S.C. §§ 2101 through 2109, as amended; or

(ii) new claims filed on or after April 5, 2020, through December 26,
2020, in accordance with the families first coronavirus response act, public
law 116-127 and the federal CARES act, public law 116-136.

35 (B) The secretary shall adopt rules and regulations to administer the 36 provisions of this paragraph.

(3) If the waiting week requirement of paragraph (1) applies, a
claimant shall become eligible to receive compensation for the waiting
period of one week, pursuant to paragraph (1), upon completion of three
weeks of unemployment consecutive to such waiting period. This
paragraph shall not apply to initial claims effective on and after April 1,
2021.

43 (e) For benefit years established on and after the effective date of this