## (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 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                          | 2/15/2024                                      |  |  |  |
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| HOUSE COMMITTEE ON COMMERCE                 | E, LABOR AND ECONOMIC DEVELOPMENT              |  |  |  |
| Striking language suspending state benefits | s while claimant is receiving federal benefits |  |  |  |
| Prepared by Office of Revisor of Statutes   |  |  |  |  |
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regarding improper payment amounts for the state of Kansas for the period beginning on March 15, 2020, through December 31, 2022.

- (f) Any federal unemployment insurance benefit program established as a result of COVID-19 or any pandemic shall not be continued after the ending date of the federal program through the use of Kansas state employment security fund contributions made by Kansas employers.
- (g) The secretary shall review benefit claims at the time a claim is made and as necessary to timely determine whether any claimant is eligible for unemployment benefits pursuant to any federal unemployment program. The secretary shall suspend state unemployment benefit payments to a claimant if the secretary determines that the claimant is eligible for federal unemployment benefits in an amount that is equal to or greater than the amount of state benefits that the claimant is eligible for under the employment security law.
- Sec. 8. K.S.A. 44-717 is hereby amended to read as follows: 44-717. (a) (1) Penalties on past-due reports, interest on past-due contributions, payments in lieu of contributions; and benefit cost payments-and interest assessments made under K.S.A. 44-710a, and amendments thereto. Any employer or any officer or agent of an employer, who fails to file any wage report or contribution return by the last day of the month following the close of each calendar quarter to which they are related shall pay a penalty as provided by this subsection for each month or fraction of a month until the report or return is received by the secretary of labor-except that for ealendar years 2010 and 2011 an employer or any officer or agent of the employer shall have up to 90 days past the due date for any of the first three ealendar quarters in a calendar year to pay such employer's contribution without being charged any interest, however, when the 90 day period has passed, the provisions of this section shall apply. The penalty for each month or fraction of a month shall be an amount equal to .05% of the total wages paid by the employer during the quarter, except that no penalty shall be less than \$25 nor more than \$200 for each such report or return not timely filed. Contributions; and benefit cost payments—and interest assessments made pursuant to K.S.A. 44-710a, and amendments thereto, unpaid by the last day of the month following the last calendar quarter to which they are related and payments in lieu of contributions unpaid 30 days after the mailing of the statement of benefit charges, shall bear interest at the rate of 1% per month or fraction of a month until payment is received by the secretary of labor-except that. An employing unit, which is not theretofore that has not previously been subject to this law and-which that becomes an employer and does not refuse to make the reports, returns and contributions, payments in lieu of contributions and benefit cost payments required under this law, shall not be liable for such penalty or interest if the wage reports and contribution returns required are

| Striking all | l new te | xt added | by co | mmittee |
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To the extent authorized under federal law, if an individual is eligible for an equal or greater weekly benefit amount under a federal unemployment program than the weekly benefit amount that the individual is eligible for under the employment security law, the secretary shall suspend the payment of state unemployment benefits to such individual while such individual is receiving the federal unemployment benefits. Such suspension shall terminate upon the individual's exhaustion of benefits available under the federal unemployment program. An individual shall not be eligible to receive the federal unemployment weekly benefit and the state unemployment weekly benefit during the same week. This subsection shall not apply to any federal unemployment benefit that is paid in addition to the state weekly benefit amount.