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House Committee on Appropriations February 4, 2021 Testimony in Support of HB 2195

Chairman Waymaster and Honorable Committee Members,

Thank you for the opportunity to be appear before you today in support of HB 2195. I am here on behalf of the Kansas Society for Human Resource Management (KS SHRM). For those unfamiliar with KS SHRM, it is a professional organization comprised of 2,300+ HR professionals in Kansas. KS SHRM serves the needs of HR professionals and advances the interests of the HR profession throughout the state. Our members are responsible for developing and implementing workplace policies and practices that comply with federal, state, and local laws and providing guidance to managers at all levels about fair and effective people management practices. Our members serve in the public and private sectors representing both employer and employee issues.

As many of you know, the Kansas Unemployment Insurance program has been under attack since the Covid 19 Pandemic began. Initially, the fraud was traditional in nature with claimants filing for benefits who were not entitled to receive them. However, in early June, claims through identity theft begin to tick up and by September were accruing at an alarming rate to only gain even greater momentum into the new year. KS SHRM, along with others from the employer community, reached out to KDOL numerous times seeking both guidance and assistance to address the ID theft claims. While KDOL guidance was provided on how to report the fraud claims, our assistance to stop the fraud was dismissed.

As a result, Kansas employers today find themselves in a very costly situation, both in time and money. Shortly, you will hear from several HR professionals from across Kansas who represent employers of all sectors and sizes, who have been our front-line workers dealing with the unprecedented number of fraudulent claims filed. You will also hear first-hand accounts of the many hours, days and weeks spent identifying, reporting and monitoring fraud claims, as well as countless stories needing to reassure employees they are not the cause of the identity theft. The newest triage they are performing is assisting employees who received 1099's for UI benefit income they never received. The costs to business for the fraudulent claims processed and paid by KDOL is costly for Kansas employers. If passed, HB 2195 will provide much needed relief for Kansas employers.

Thank you for the opportunity to appear before you today. I am happy to stand for questions at the appropriate time.