

To: Senator Renee Erickson and Members of the Senate Commerce Committee

From: Kevin Walker, Senior Vice President of Public Policy

Overland Park Chamber of Commerce

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Chairman Erickson and members of the committee. Thank you for the opportunity to present testimony in support of House Bill 2703. Last year your committee spent a significant amount of time making changes to the state's unemployment system.

The COVID pandemic revealed significant shortcomings in our current system and exposed vulnerabilities that we never want to repeat. Your work to update our aging IT infrastructure, provide needed system enhancements and truly modernize the system will leave us with a system that will serve Kansas workers and employers quite well for many years to come. I want to thank you for your hard work that led to the passage of HB 2196.

Not surprisingly, legislation of that magnitude often leads to a few items that need some additional work. HB 2703 is intended to clean up a few technical issues that need to be addressed.

The legislation makes the following changes:

- Technical clean up to Fund Control Table B by adding "minus" signs in the appropriate places. This will accurately reflect the adjustments provided for in the legislation.
- Technical clean up to the Solvency and Credit Rate Schedules by reducing the number of decimal points used. This will avoid costly and unnecessary development work to the mainframe system being developed.

- Change language around the My Re-Employment Plan enhancements that were adopted last year to make clear that those exempted from work search requirements are dealt with accordingly.
- Provide clarity related to Out of State Reimbursing Employers to ensure conformity with the U.S. Department of Labor.

We believe these changes are necessary and largely technical in nature. Because of that we urge the Committee to act favorably on HB 2703.