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## MEMORANDUM

To:Chairperson Erickson and Members of the Senate Committee on CommerceFrom:Charles Reimer, Assistant Revisor of StatutesDate:3/14/2022Subject:HB 2703

HB 2703 makes several technical changes to the employment security law, primarily as a followup to certain changes made last year in HB 2196.

First, section 1 of the bill amends the definition section of the employment security law, K.S.A. 44-703(i)(3)(E), at page 7, lines 14-15. Current law provides that the definition of "employment" includes "services performed by an individual in the employ of this state or any instrumentality thereof, any political subdivision of this state or any instrumentality thereof . . ." The bill changes the language from "this state" to "a state."

This change was proposed by the Kansas department of labor to meet requirements of conformity with federal law. A governmental entity, Indian tribe or tribal unit for which services are performed as described above in K.S.A. 44-703(i)(3)(E) may elect to finance unemployment compensation contribution liabilities as a reimbursing employer under K.S.A. 44-710(e). By referencing "this state," current law would not include any such non-Kansas entities that have employees performing services in Kansas as eligible to make that election.

Second, in section 2, starting on page 21, amending K.S.A. 44-710a, the bill makes two technical changes to the tables used to determine contributions to the employment security fund to be made by employers. On page 25, negative signs are added to the fund control table. On pages 27-30, the rate schedules are rounded down to two decimal places as requested by the department of labor to accommodate mainframe computer processing.

Third, in section 3, page 34, amending K.S.A. 44-775, the bill makes changes to the My Reemployment Program enacted in HB 2196 last year. These changes include:

1. Adding language to make clear the program is a requirement;

2. Changing language regarding who the program applies to by making the program a requirement for all claimants who are not exempt from work search requirements or no longer

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reside in Kansas instead of the current language that excludes persons who are exempt from such requirements because they are in programs that are specifically listed--the shared work program, trade readjustment assistance program, and claimants on a temporary layoff with a return-to-work date.

3. Providing that the secretary of labor is to provide the secretary of commerce with names of claimants who have claimed a third week of benefits instead of those who have claimed three continuous weeks of benefits.

4. Providing that the secretary of labor, instead of the secretary of commerce, is to request a resume from the claimant, and further specifies that the resume is to be uploaded or created within the Kansasworks system. In addition, a job search plan with a skills assessment component must be completed.

5. Extending the time that claimants have to respond to the secretary of commerce from seven days to 14 days.

6. Changing certain responsibilities of the department of commerce. The bill removes language providing that the secretary of commerce is to oversee and facilitate the claimant and employer interview process. The bill also removes language that required the secretary of commerce to develop and implement a work skills and retraining program. Instead, the department of commerce is to refer claimants to such programs as appropriate. The bill strikes language providing that the secretary of commerce is to monitor compliance, attendance and progress. The educational institution attended by claimants for the works skills training or retraining are assigned that responsibility and are to report to the department of commerce.

HB 2703 is the product of discussions among representatives of the Kansas Society of Human Resources Professionals, the Kansas Chamber, the Kansas Department of Labor and the Kansas Department of Commerce.

The bill passed the House 121 to 0.

If enacted, the bill would become effective July 1, 2022.