

CONFERENCE COMMITTEE REPORT

MR. SPEAKER and MR. PRESIDENT: Your committee on conference on Senate amendments to **HB 2196** submits the following report:

The House accedes to all Senate amendments to the bill, and your committee on conference further agrees to amend the bill as printed as Senate Substitute for Substitute for House Bill No. 2196, as printed with Senate Committee of the Whole amendments, as follows:

On page 2, in line 30, by striking "other" and inserting "non-legislative"; in line 43, by striking "rules and regulations" and inserting "policies";

On page 3, in line 7, by striking "committee" and inserting "council"; in line 11, by striking "committee" and inserting "council";

On page 4, in line 35, by striking all after "(i)"; by striking all in lines 36 through 43;

On page 5, by striking all in lines 1 through 3; in line 4, by striking all before the period and inserting "The staff of the legislative research department, the office of revisor of statutes and the division of legislative administrative services shall provide such assistance as may be requested by the chairperson"; in line 12, by striking "30" and inserting "14";

On page 7, in line 2, by striking all after "labor"; by striking all in lines 3 and 4; in line 5, by striking all before the period and inserting "not later than December 31, 2022"; in line 6, after "council" by inserting ", upon consultation with the unemployment compensation modernization and improvement council established by section 1, and amendments thereto,";

On page 9, in line 38, after the period by inserting "The program shall be implemented on or before June 1, 2021."; in line 41, by striking "four" and inserting "three";

On page 10, in line 2, after the period by inserting "The claimant shall have seven days to respond to the secretary of commerce. The secretary of commerce shall report any failure to respond by the claimant to the secretary of labor."; in line 20, after "secretary" by inserting "of

commerce and the secretary of labor"; in line 21, by striking ", including" and inserting "and share"; in line 24, after "secretary" by inserting "of commerce"; in line 25, by striking the second "claimant" and inserting "contact";

On page 11, by striking all in lines 24 through 43;

By striking all on page 12;

On page 13, by striking all in lines 1 through 4 and inserting:

"New Sec. 6. Notwithstanding the provisions of chapter 1 of the 2020 Special Session Laws of Kansas, any other statute, any appropriation act or any other provision of this act: (a) For the fiscal years ending June 30, 2021, and June 30, 2022, on or before July 15, 2021, the director of the budget shall determine the amount of moneys received by the state that are identified as moneys from the federal government for aid to the state of Kansas for coronavirus relief as appropriated in the following acts that are eligible to be used for employment security, may be expended at the discretion of the state, in compliance with the office of management and budget's uniform administrative requirements, cost principles and audit requirements for federal awards, and are unencumbered: (1) The federal CARES act, public law 116-136, the federal coronavirus preparedness and response supplemental appropriation act, 2020, public law 116-123, the federal families first coronavirus response act, public law 116-127, and the federal paycheck protection program and health care enhancement act, public law 116-139; (2) the federal consolidated appropriations act, 2021, public law 116-260; (3) the American rescue plan act of 2021, public law 117-2; and (4) any other federal law that appropriates moneys to the state for aid for coronavirus relief. If the state receives any such moneys from the federal government for aid to the state of Kansas for coronavirus relief after July 15, 2021, the director of the budget shall also identify such moneys for the purposes of fulfilling the transfers required by this section.

(b) Of such identified moneys, the director of the budget shall determine in the aggregate an amount equal to \$250,000,000 available in special revenue funds. If such identified moneys in the aggregate are less than \$250,000,000, the director of the budget shall determine the maximum amount available. The director of the budget shall certify the amount so determined from each fund to the director of accounts and reports and, at the same time as such certification is transmitted to the director of accounts and reports, shall transmit a copy of such certification to the director of legislative research. Upon receipt of each such certification, or as soon thereafter as moneys are available, the director of accounts and reports shall immediately transfer an aggregate amount equal to such certification and in the aggregate, an amount equal to \$250,000,000 if available from such funds to the employment security fund (296-00-7056-7200) of the department of labor for the purpose of funding the employment security fund.

(c) Of such identified moneys, the director of the budget shall further determine in the aggregate an additional amount equal to \$250,000,000 available in special revenue funds. If such identified moneys in the aggregate are less than \$250,000,000, the director of the budget shall determine the maximum additional amount available. The director of the budget shall certify the amount so determined from each fund to the director of accounts and reports and, at the same time as such certification is transmitted to the director of accounts and reports, shall transmit a copy of such certification to the director of legislative research. Upon receipt of each such certification, or as soon thereafter as moneys are available, the director of accounts and reports shall immediately transfer an aggregate amount equal to such certification and in the aggregate, an amount equal to \$250,000,000 if available from such funds to the legislature employment security fund of the legislative coordinating council.

(d) Upon a determination of the dollar amount of improper payments by the audit of the department of labor in accordance with section 1(g), and amendments thereto, the unemployment

compensation modernization and improvement council shall report such dollar amount immediately in writing to the division of the budget. Upon receipt of such report, the director of the budget shall certify the dollar amount identified by the audit and transmit a copy of such report and certification to members of the legislative coordinating council and the director of legislative research.

(e) If the amount of improper payments determined by such audit or the amount of any improper payments made during April 1, 2022, through December 31, 2022, as determined by the secretary following the review of the information as provided in K.S.A. 44-710b(e), and amendments thereto, or both such amounts added together, exceed the amounts transferred pursuant to subsections (b) and (c), the secretary shall certify such amount to the director of the budget. The director of the budget shall certify the amount of additional moneys identified under subsection (a) determined to be available from each fund to the director of accounts and reports and, at the same time as such certification is transmitted to the director of accounts and reports, shall transmit a copy of such certification to members of the legislative coordinating council and the director of legislative research. Upon receipt of each such certification, or as soon thereafter as moneys are available, the director of accounts and reports shall immediately transfer an aggregate amount equal to such certification if available from such funds to the legislature employment security fund of the legislative coordinating council.

(f) Upon receipt of any reports or certifications, the legislative coordinating council shall notify the legislative budget committee and forward a copy of such information to the committee. The legislative budget committee shall meet and review such information and shall report such committee's recommendation to the legislative coordinating council. After receiving recommendations from the legislative budget committee, the legislative coordinating council may authorize the transfer moneys in an amount not to exceed the amounts certified of improper

payments from the legislature employment security fund to the employment security fund of the department of labor. Such transfers may be approved by the members of the legislative coordinating council, as provided in K.S.A. 46-1202, and amendments thereto, acting on this matter, which is hereby characterized as a matter of legislative delegation, except that such transfers may also be approved while the legislature is in session.

(g) There is hereby established in the state treasury the legislature employment security fund which shall be administered by the legislative coordinating council. All expenditures from the legislature employment security fund shall be for the purposes of funding the employment security fund for improper payments. All expenditures from the legislature employment security fund shall be made in accordance with appropriation acts upon warrants of the director of accounts and reports issued pursuant to vouchers approved by the chairperson of the legislative coordinating council or the designee of the chairperson.

(h) As used in this act, "improper payment amounts" or "improper payments" means any payment that should not have been made or that was made in an incorrect amount under statutory, contractual, administrative or other legally applicable requirements and includes any payment to an ineligible recipient.";

Also on page 13, following line 42, by inserting:

"New Sec. 8. During the fiscal years ending June 30, 2021, and June 30, 2022, on the effective date of this act, no state agency named in this or other appropriation act of the 2021 regular session of the legislature shall expend any moneys appropriated from the state general fund or from any special revenue fund or funds for fiscal years 2021 and 2022 as authorized by chapter 5 of the 2020 Session Laws of Kansas or any appropriation act of the 2021 regular session of the legislature for the purposes of entering into a contract or agreement with any party to make any changes, improvements or upgrades to the technology infrastructure for claims,

benefits and system integrity or to the methods for information and data sharing concerning Kansas unemployment benefits unless and until: (a) The unemployment compensation modernization and improvement council, created by section 1, and amendments thereto, has reviewed the information technology system, technology and platform specifications pursuant to the provisions of section 2, and amendments thereto, and made a recommendation to the legislative coordinating council; and (b) the legislative coordinating council has reviewed any such specifications and any such recommendations. Such legislative coordinating council review shall take place within 60 days of the last date of accepting bids on the modernization project. After the requesting state agency receives a report from the legislative coordinating council regarding such council's review, such state agency is authorized to expend all approved moneys lawfully credited to and available in such fund or funds during the fiscal years ending June 30, 2021, and June 30, 2022.

New Sec. 9. Notwithstanding the provisions of K.S.A. 75-37,102(b), and amendments thereto, for the purposes of selecting a vendor to perform the unemployment insurance modernization project authorized by section 2, and amendments thereto, the procurement negotiating committee shall be composed of: (a) The director of purchases, or a person designated by the director; (b) the chairperson of the joint committee on information technology pursuant to the provisions of K.S.A. 46-2101, and amendments thereto; and (c) the secretary of administration, or a person designated by the secretary or, if a procurement involves information technology or services, the executive chief information technology officer or a person designated by the executive chief information technology officer.

New Sec. 10. (a) The secretary of labor shall develop a form for use by claimants to establish their identity before a law enforcement officer of a Kansas law enforcement agency for the purpose of facilitating the receipt of unemployment insurance benefits. The form may be in

electronic or paper format and may be transmitted or processed in electronic format if safeguards are made to protect any confidential information of the claimant. Use of the form by a claimant shall not be a requirement to receive unemployment benefits. The form shall be distributed to participating law enforcement agencies upon request and shall be provided to claimants at the time a claim for benefits is submitted. The form shall also be made readily available on the department of labor's website. The form shall be no more than one page in length, include space for the claimant's name, address, phone number if any, email address if any, date of birth and social security number and include instructions for the use of the form for the claimant and the law enforcement agency. The form shall specify permitted identity verification documentation that may be submitted to the law enforcement officer by the claimant to establish the claimant's identity. The permitted forms of identity verification documentation shall be documents to establish identity or documents to establish both identity and employment authorization acceptable for federal form I-9, employment eligibility verification, pursuant to 8 C.F.R. 274a.2 as in effect on the effective date of this act. The form shall be developed and made available within seven days of the effective date of this act. Law enforcement agencies shall not be required to participate in the provisions of this section.

(b) Upon receipt of the form, a claimant may present the form to a participating law enforcement agency with jurisdiction over the location of the claimant's residence or last known place of employment in Kansas and submit documentation as required by the form for verification by the law enforcement agency. The claimant may present the form to a participating law enforcement agency that does not have jurisdiction over the location of the claimant's residence or last known place of employment if no law enforcement agency with such jurisdiction has agreed to participate and the secretary has approved such submission. If a law enforcement officer of the law enforcement agency examines and finds the documentation

submitted by the claimant valid and sufficient to establish the claimant's identity, the law enforcement officer shall complete or verify the form and the law enforcement agency shall submit the form to the department of labor as provided by the instructions.

(c) The secretary shall presume a claimant's identity has been confirmed for purposes of the employment security law upon submission of a properly completed form to the secretary by the law enforcement agency on behalf of the claimant. The presumption may be overcome by direct and credible information to the contrary.

(d) The law enforcement officer, law enforcement agency, the state or any political subdivision of the state that employs a law enforcement officer providing identity verification as provided by this section for the department of labor, shall have immunity from any civil or criminal liability for such verification action if the law enforcement officer acts in good faith and exercises due care. Participation and verification of a claimant's identity as provided by this section by a law enforcement agency or law enforcement officer shall constitute a discretionary function or duty for purposes of the Kansas tort claims act.

(e) This section shall be a part of and supplemental to the employment security law.";

On page 51, in line 9, after the first "for" by inserting "a";

On page 83, in line 15, after "(b)" by inserting "(1)"; in line 20, by striking "(c)" and inserting "(2)"; in line 21, after the second comma by inserting "to";

On page 91, in line 12, after "were" by inserting "an improper payment or";

On page 92, in line 37, by striking "unemployment insurance" and inserting "employment security";

On page 100, in line 17, by striking "2" and inserting "5"; in line 20, by striking all after "person"; in line 21, by striking "nation,";

And by renumbering sections accordingly;

On page 1, in the title, in line 4, after the semicolon by inserting "membership of the procurement negotiating committee for such system;"; in line 21, after the semicolon by inserting "providing for voluntary identity verification by claimants through participating law enforcement agencies; creating the legislative employment security fund;";

And your committee on conference recommends the adoption of this report.

---

---

---

Conferees on part of Senate

---

---

---

Conferees on part of House