

SENATE BILL No. 478

By Committee on Commerce

2-7

1 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
6 filing of wage reports, contribution returns and payments and interest
7 assessments for employers with 25 or more employees; establishing
8 minimum qualifications for candidates for membership on the
9 employment security board of review and initial review of such
10 candidates by the director of unemployment; extending when the
11 mandatory combination of rates and the establishment of a new account
12 due to a business acquisition must occur from the beginning of the
13 following quarter to the beginning of the following year; making
14 certain changes to the schedules governing employer contribution rates;
15 removing obsolete language pertaining to the employment security
16 interest assessment fund and abolishing such fund; requiring the
17 secretary to create an audit process within the new unemployment
18 insurance information technology system to permit employers to
19 submit reports regarding work search, the my reemployment plan and
20 claimants who do not provide notification or appear for scheduled
21 interviews; providing for notices by the secretary to active employers
22 regarding work search noncompliance reporting options; confirming
23 the legislative coordinating council's authority to extend the new
24 unemployment insurance information technology system's
25 implementation date retroactively and as often as deemed appropriate
26 by the council; requiring the secretary to notify the council of the need
27 for an extension; authorizing the secretary to extend temporary
28 unemployment for limited periods upon request by employers and
29 allowing for additional temporary unemployment when requested by
30 employers engaged in certain industries; requiring the secretary to
31 annually post on the secretary's website certain additional calculations
32 and data; changing the timing of employer benefit charge notices from
33 annually to quarterly; removing the exemption for benefit charges less
34 than \$100; amending K.S.A. 44-704, 44-705, 44-709, 44-710, 44-710b,
35 44-717, 44-771, 44-772 and 44-774 and K.S.A. 2023 Supp. 44-703, 44-
36 710a and 44-775 and repealing the existing sections.

1
2 WHEREAS, The amendments made to the employment security law by
3 this act shall be known as the Kansas unemployment insurance state trust
4 fund solvency, system integrity and tax credit preservation act of 2024.

5 Now, therefore:

6 *Be it enacted by the Legislature of the State of Kansas:*

7 Section 1. K.S.A. 2023 Supp. 44-703 is hereby amended to read as
8 follows: 44-703. As used in this act, unless the context clearly requires
9 otherwise:

10 (a) (1) "Annual payroll" means the total amount of wages paid or
11 payable by an employer during the calendar year.

12 (2) "Average annual payroll" means the average of the annual
13 payrolls of any employer for the last three calendar years immediately
14 preceding the computation date as hereinafter defined if the employer has
15 been continuously subject to contributions during those three calendar
16 years and has paid some wages for employment during each of such years.
17 In determining contribution rates for the calendar year, if an employer has
18 not been continuously subject to contribution for the three calendar years
19 immediately preceding the computation date but has paid wages subject to
20 contributions during only the two calendar years immediately preceding
21 the computation date, such employer's "average annual payroll" shall be
22 the average of the payrolls for those two calendar years.

23 (3) "Total wages" means the total amount of wages paid or payable
24 by an employer during the calendar year, including that part of
25 remuneration in excess of the limitation prescribed as provided in
26 subsection (o)(1).

27 (b) "Base period" means the first four of the last five completed
28 calendar quarters immediately preceding the first day of an individual's
29 benefit year, except that the base period in respect to combined wage
30 claims means the base period as defined in the law of the paying state.

31 (1) If an individual lacks sufficient base period wages in order to
32 establish a benefit year in the manner set forth above and satisfies the
33 requirements of *subsection (hh) and K.S.A. 44-705(g) and K.S.A. 44-*
34 ~~*703(hh)*~~, and amendments thereto, the claimant shall have an alternative
35 base period substituted for the current base period so as not to prevent
36 establishment of a valid claim. For the purposes of this subsection,
37 "alternative base period" means the last four completed quarters
38 immediately preceding the date the qualifying injury occurred. In the event
39 the wages in the alternative base period have been used on a prior claim,
40 then they shall be excluded from the new alternative base period.

41 (2) For the purposes of this chapter, the term "base period" includes
42 the alternative base period.

43 (c) (1) "Benefits" means the money payments payable to an

1 individual, as provided in this act, with respect to such individual's
2 unemployment.

3 (2) "Regular benefits" means benefits payable to an individual under
4 this act or under any other state law, including benefits payable to federal
5 civilian employees and to ex-servicemen pursuant to 5 U.S.C. chapter 85,
6 other than extended benefits.

7 (d) "Benefit year" with respect to any individual, means the period
8 beginning with the ~~first day~~ *Sunday* of the first week for which such
9 individual files a valid claim for benefits, and such benefit year shall
10 continue for one full year. In the case of a combined wage claim, the
11 benefit year shall be the benefit year of the paying state. Following the
12 termination of a benefit year, a subsequent benefit year shall commence on
13 the ~~first day~~ *Sunday* of the first week with respect to which an individual
14 next files a claim for benefits. ~~When such filing occurs with respect to a~~
15 ~~week that overlaps the preceding benefit year, the subsequent benefit year~~
16 ~~shall commence on the first day immediately following the expiration date~~
17 ~~of the preceding benefit year.~~ Any claim for benefits made in accordance
18 with K.S.A. 44-709(a), and amendments thereto, shall be deemed to be a
19 "valid claim" for the purposes of this subsection if the individual has been
20 paid wages for insured work as required under K.S.A. 44-705(e), and
21 amendments thereto. ~~Whenever a week of unemployment overlaps two~~
22 ~~benefit years, such week shall, for the purpose of granting waiting-period~~
23 ~~credit or benefit payment with respect thereto, be deemed to be a week of~~
24 ~~unemployment within that benefit year in which the greater part of such~~
25 ~~week occurs.~~

26 (e) "Commissioner" or "secretary" means the secretary of labor.

27 (f) (1) "Contributions" means the money payments to the state
28 employment security fund that are required to be made by employers on
29 account of employment under K.S.A. 44-710, and amendments thereto,
30 and voluntary payments made by employers pursuant to such statute.

31 (2) "Payments in lieu of contributions" means the money payments to
32 the state employment security fund from employers that are required to
33 make or that elect to make such payments under K.S.A. 44-710(e), and
34 amendments thereto.

35 (g) "Employing unit" means any individual or type of organization,
36 including any partnership, association, limited liability company, agency
37 or department of the state of Kansas and political subdivisions thereof,
38 trust, estate, joint-stock company, insurance company or corporation,
39 whether domestic or foreign including nonprofit corporations, or the
40 receiver, trustee in bankruptcy, trustee or successor thereof, or the legal
41 representatives of a deceased person, that has in its employ one or more
42 individuals performing services for it within this state. All individuals
43 performing services within this state for any employing unit that maintains

1 two or more separate establishments within this state shall be deemed to be
2 employed by a single employing unit for all the purposes of this act. Each
3 individual employed to perform or to assist in performing the work of any
4 agent or employee of an employing unit shall be deemed to be employed
5 by such employing unit for all the purposes of this act, whether such
6 individual was hired or paid directly by such employing unit or by such
7 agent or employee, provided the employing unit had actual or constructive
8 knowledge of the employment.

9 (h) "Employer" means:

10 (1) (A) Any employing unit for which agricultural labor as defined in
11 subsection (w) is performed and during any calendar quarter in either the
12 current or preceding calendar year paid remuneration in cash of \$20,000 or
13 more to individuals employed in agricultural labor or for some portion of a
14 day in each of 20 different calendar weeks, whether or not such weeks
15 were consecutive, in either the current or the preceding calendar year,
16 employed in agricultural labor 10 or more individuals, regardless of
17 whether they were employed at the same moment of time.

18 (B) For the purpose of this subsection (h)(1), any individual who is a
19 member of a crew furnished by a crew leader to perform services in
20 agricultural labor for any other person shall be treated as an employee of
21 such crew leader if:

22 (i) Such crew leader holds a valid certificate of registration under the
23 federal migrant and seasonal agricultural workers protection act or
24 substantially all the members of such crew operate or maintain tractors,
25 mechanized harvesting or cropdusting equipment or any other mechanized
26 equipment, that is provided by such crew leader; and

27 (ii) such individual is not in the employment of such other person
28 within the meaning of subsection (i).

29 (C) For the purpose of this subsection (h)(1), in the case of any
30 individual who is furnished by a crew leader to perform services in
31 agricultural labor for any other person and who is not treated as an
32 employee of such crew leader:

33 (i) Such other person and not the crew leader shall be treated as the
34 employer of such individual; and

35 (ii) such other person shall be treated as having paid cash
36 remuneration to such individual in an amount equal to the amount of cash
37 remuneration paid to such individual by the crew leader, either on the crew
38 leader's own behalf or on behalf of such other person, for the services in
39 agricultural labor performed for such other person.

40 (D) For the purposes of this subsection (h)(1) "crew leader" means an
41 individual who:

42 (i) Furnishes individuals to perform services in agricultural labor for
43 any other person;

1 (ii) pays, either on such individual's own behalf or on behalf of such
2 other person, the individuals so furnished by such individual for the
3 services in agricultural labor performed by them; and

4 (iii) has not entered into a written agreement with such other person
5 under which such individual is designated as an employee of such other
6 person.

7 (2) (A) Any employing unit that for calendar year 2007 and each
8 calendar year thereafter: (i) In any calendar quarter in either the current or
9 preceding calendar year paid for services in employment wages of \$1,500
10 or more; (ii) for some portion of a day in each of 20 different calendar
11 weeks, whether or not such weeks were consecutive, in either the current
12 or preceding calendar year, had in employment at least one individual,
13 whether or not the same individual was in employment in each such day;
14 or (iii) elects to have an unemployment tax account established at the time
15 of initial registration in accordance with K.S.A. 44-711(c), and
16 amendments thereto.

17 (B) Employment of individuals to perform domestic service or
18 agricultural labor and wages paid for such service or labor shall not be
19 considered in determining whether an employing unit meets the criteria of
20 this subsection (h)(2).

21 (3) Any employing unit for which service is employment as defined
22 in subsection (i)(3)(E).

23 (4) (A) Any employing unit, whether or not it is an employing unit
24 under subsection (g), that acquires or in any manner succeeds to: (i)
25 Substantially all of the employing enterprises, organization, trade or
26 business; or (ii) substantially all the assets, of another employing unit that
27 at the time of such acquisition was an employer subject to this act;

28 (B) any employing unit that is controlled substantially, either directly
29 or indirectly by legally enforceable means or otherwise, by the same
30 interest or interests, whether or not such interest or interests are an
31 employing unit under subsection (g), acquires or in any manner succeeds
32 to a portion of an employer's annual payroll, is less than 100% of such
33 employer's annual payroll, and intends to continue the acquired portion as
34 a going business.

35 (5) Any employing unit that paid cash remuneration of \$1,000 or
36 more in any calendar quarter in the current or preceding calendar year to
37 individuals employed in domestic service as defined in subsection (aa).

38 (6) Any employing unit that having become an employer under this
39 subsection (h) has not, under K.S.A. 44-711(b), and amendments thereto,
40 ceased to be an employer subject to this act.

41 (7) Any employing unit that has elected to become fully subject to
42 this act in accordance with K.S.A. 44-711(c), and amendments thereto.

43 (8) Any employing unit not an employer by reason of any other

1 paragraph of this subsection (h), for which within either the current or
2 preceding calendar year services in employment are or were performed
3 with respect to which such employing unit is liable for any federal tax
4 against which credit may be taken for contributions required to be paid
5 into a state unemployment compensation fund; or that, as a condition for
6 approval of this act for full tax credit against the tax imposed by the
7 federal unemployment tax act, is required, pursuant to such act, to be an
8 "employer" under this act.

9 (9) Any employing unit described in section 501(c)(3) of the federal
10 internal revenue code of 1986 that is exempt from income tax under
11 section 501(a) of the code that had four or more individuals in
12 employment for some portion of a day in each of 20 different weeks,
13 whether or not such weeks were consecutive, within either the current or
14 preceding calendar year, regardless of whether they were employed at the
15 same moment of time.

16 (i) "Employment" means:

17 (1) Subject to the other provisions of this subsection, service,
18 including services in interstate commerce, performed by:

19 (A) Any active officer of a corporation; ~~or~~

20 (B) any individual who, under the usual common law rules applicable
21 in determining the employer-employee relationship, has the status of an
22 employee subject to the provisions of subsection (i)(3)(D); or

23 (C) any individual other than an individual who is an employee under
24 subsection (i)(1)(A) or subsection (i)(1)(B) above who performs services
25 for remuneration for any person:

26 (i) As an agent-driver or commission-driver engaged in distributing
27 meat products, vegetable products, fruit products, bakery products,
28 beverages, other than milk, or laundry or dry-cleaning services, for such
29 individual's principal; or

30 (ii) as a traveling or city salesman, other than as an agent-driver or
31 commission-driver, engaged upon a full-time basis in the solicitation on
32 behalf of, and the transmission to, a principal, except for side-line sales
33 activities on behalf of some other person, of orders from wholesalers,
34 retailers, contractors, or operators of hotels, restaurants, or other similar
35 establishments for merchandise for resale or supplies for use in their
36 business operations.

37 For purposes of subsection (i)(1)(C), the term "employment" includes
38 services described in paragraphs (i) and (ii) above only if:

39 (a) The contract of service contemplates that substantially all of the
40 services are to be performed personally by such individual;

41 (b) the individual does not have a substantial investment in facilities
42 used in connection with the performance of the services, other than in
43 facilities for transportation; and

1 (c) the services are not in the nature of a single transaction that is not
2 part of a continuing relationship with the person for whom the services are
3 performed.

4 (2) The term "employment" includes an individual's entire service
5 within the United States, even though performed entirely outside this state
6 if:

7 (A) The service is not localized in any state;

8 (B) the individual is one of a class of employees who are required to
9 travel outside this state in performance of their duties; and

10 (C) the individual's base of operations is in this state, or if there is no
11 base of operations, then the place where service is directed or controlled is
12 in this state.

13 (3) The term "employment" also includes:

14 (A) Services performed within this state but not covered by the
15 provisions of subsection (i)(1) or subsection (i)(2) shall be deemed to be
16 employment subject to this act if contributions are not required and paid
17 with respect to such services under an unemployment compensation law of
18 any other state or of the federal government.

19 (B) Services performed entirely without this state, with respect to no
20 part of which contributions are required and paid under an unemployment
21 compensation law of any other state or of the federal government, shall be
22 deemed to be employment subject to this act only if the individual
23 performing such services is a resident of this state and the secretary
24 approved the election of the employing unit for whom such services are
25 performed that the entire service of such individual shall be deemed to be
26 employment subject to this act.

27 (C) Services covered by an arrangement pursuant to K.S.A. 44-
28 714(j), and amendments thereto, between the secretary and the agency
29 charged with the administration of any other state or federal
30 unemployment compensation law, pursuant to which all services
31 performed by an individual for an employing unit are deemed to be
32 performed entirely within this state, shall be deemed to be employment if
33 the secretary has approved an election of the employing unit for whom
34 such services are performed, pursuant to which the entire service of such
35 individual during the period covered by such election is deemed to be
36 insured work.

37 (D) Services performed by an individual for wages or under any
38 contract of hire shall be deemed to be employment subject to this act if the
39 business for which activities of the individual are performed retains not
40 only the right to control the end result of the activities performed, but the
41 manner and means by which the end result is accomplished.

42 (E) Services performed by an individual in the employ of a state or
43 any instrumentality thereof, any political subdivision of a state or any

1 instrumentality thereof, or in the employ of an Indian tribe, as defined
2 pursuant to section 3306(u) of the federal unemployment tax act, any
3 instrumentality of more than one of the foregoing or any instrumentality
4 that is jointly owned by this state or a political subdivision thereof or
5 Indian tribes and one or more other states or political subdivisions of this
6 or other states, provided that such service is excluded from "employment"
7 as defined in the federal unemployment tax act by reason of section
8 3306(c)(7) of that act and is not excluded from "employment" under
9 subsection (i)(4)(A) of this section. For purposes of this section, the
10 exclusions from employment in subsections (i)(4)(A) and (i)(4)(L) shall
11 also be applicable to services performed in the employ of an Indian tribe.

12 (F) Services performed by an individual in the employ of a religious,
13 charitable, educational or other organization that is excluded from the term
14 "employment" as defined in the federal unemployment tax act solely by
15 reason of section 3306(c)(8) of that act, and is not excluded from
16 employment under subsection (i)(4)(I) through (M).

17 (G) The term "employment" includes the services of an individual
18 who is a citizen of the United States, performed outside the United States
19 except in Canada, in the employ of an American employer, other than
20 service that is deemed "employment" under the provisions of subsection (i)
21 (2) or subsection (i)(3) or the parallel provisions of another state's law, if:

22 (i) The employer's principal place of business in the United States is
23 located in this state; or

24 (ii) the employer has no place of business in the United States, but:

25 (a) The employer is an individual who is a resident of this state;

26 (b) the employer is a corporation which is organized under the laws
27 of this state; or

28 (c) the employer is a partnership or a trust and the number of the
29 partners or trustees who are residents of this state is greater than the
30 number who are residents of any other state; or

31 (iii) none of the criteria of (i)(3)(G)(i) and (ii) are met but the
32 employer has elected coverage in this state or, the employer having failed
33 to elect coverage in any state, the individual has filed a claim for benefits,
34 based on such service, under the law of this state.

35 (H) An "American employer," for purposes of subsection (i)(3)(G),
36 means a person who is:

37 (i) An individual who is a resident of the United States;

38 (ii) a partnership if $\frac{2}{3}$ or more of the partners are residents of the
39 United States;

40 (iii) a trust, if all of the trustees are residents of the United States; or

41 (iv) a corporation organized under the laws of the United States or of
42 any state.

43 (I) Notwithstanding subsection (i)(2), all services performed by an

1 officer or member of the crew of an American vessel or American aircraft
2 on or in connection with such vessel or aircraft, if the operating office,
3 from which the operations of such vessel or aircraft operating within, or
4 within and without, the United States are ordinarily and regularly
5 supervised, managed, directed and controlled is within this state.

6 (J) Notwithstanding any other provisions of this subsection (i),
7 services with respect to which a tax is required to be paid under any
8 federal law imposing a tax against which credit may be taken for
9 contributions required to be paid into a state unemployment compensation
10 fund or that as a condition for full tax credit against the tax imposed by the
11 federal unemployment tax act is required to be covered under this act.

12 (K) Domestic service in a private home, local college club or local
13 chapter of a college fraternity or sorority performed for a person who paid
14 cash remuneration of \$1,000 or more in any calendar quarter in the current
15 calendar year or the preceding calendar year to individuals employed in
16 such domestic service.

17 (4) The term "employment" does not include: (A) Services performed
18 in the employ of an employer specified in subsection (h)(3) if such service
19 is performed by an individual in the exercise of duties:

- 20 (i) As an elected official;
21 (ii) as a member of a legislative body, or a member of the judiciary, of
22 a state, political subdivision or of an Indian tribe;
23 (iii) as a member of the state national guard or air national guard;
24 (iv) as an employee serving on a temporary basis in case of fire,
25 storm, snow, earthquake, flood or similar emergency;
26 (v) in a position that, under or pursuant to the laws of this state or
27 tribal law, is designated as a major nontenured policymaking or advisory
28 position or as a policymaking or advisory position the performance of the
29 duties of which ordinarily does not require more than eight hours per
30 week;

31 (B) services with respect to which unemployment compensation is
32 payable under an unemployment compensation system established by an
33 act of congress;

34 (C) services performed by an individual in the employ of such
35 individual's son, daughter or spouse, and services performed by a child
36 under the age of 21 years in the employ of such individual's father or
37 mother;

38 (D) services performed in the employ of the United States
39 government or an instrumentality of the United States exempt under the
40 constitution of the United States from the contributions imposed by this
41 act, except that to the extent that the congress of the United States shall
42 permit states to require any instrumentality of the United States to make
43 payments into an unemployment fund under a state unemployment

1 compensation law, all of the provisions of this act shall be applicable to
2 such instrumentalities, and to services performed for such
3 instrumentalities, in the same manner, to the same extent and on the same
4 terms as to all other employers, employing units, individuals and services.
5 If this state shall not be certified for any year by the federal security
6 agency under section 3304(c) of the federal internal revenue code of 1986,
7 the payments required of such instrumentalities with respect to such year
8 shall be refunded by the secretary from the fund in the same manner and
9 within the same period as is provided in K.S.A. 44-717(h), and
10 amendments thereto, with respect to contributions erroneously collected;

11 (E) services covered by an arrangement between the secretary and the
12 agency charged with the administration of any other state or federal
13 unemployment compensation law pursuant to which all services performed
14 by an individual for an employing unit during the period covered by such
15 employing unit's duly approved election, are deemed to be performed
16 entirely within the jurisdiction of such other state or federal agency;

17 (F) services performed by an individual under the age of 18 in the
18 delivery or distribution of newspapers or shopping news, not including
19 delivery or distribution to any point for subsequent delivery or
20 distribution;

21 (G) services performed by an individual for an employing unit as an
22 insurance agent or as an insurance solicitor, if all such service performed
23 by such individual for such employing unit is performed for remuneration
24 solely by way of commission;

25 (H) services performed in any calendar quarter in the employ of any
26 organization exempt from income tax under section 501(a) of the federal
27 internal revenue code of 1986, other than an organization described in
28 section 401(a) or under section 521 of such code, if the remuneration for
29 such service is less than \$50. In construing the application of the term
30 "employment," if services performed during $\frac{1}{2}$ or more of any pay period
31 by an individual for the person employing such individual constitute
32 employment, all the services of such individual for such period shall be
33 deemed to be employment; but if the services performed during more than
34 $\frac{1}{2}$ of any such pay period by an individual for the person employing such
35 individual do not constitute employment, then none of the services of such
36 individual for such period shall be deemed to be employment. As used in
37 this subsection (i)(4)(H) the term "pay period" means a period, of not more
38 than 31 consecutive days, for which a payment of remuneration is
39 ordinarily made to the individual by the person employing such individual.
40 This subsection (i)(4)(H) shall not be applicable with respect to services
41 with respect to which unemployment compensation is payable under an
42 unemployment compensation system established by an act of congress;

43 (I) services performed in the employ of a church or convention or

1 association of churches, or an organization which is operated primarily for
2 religious purposes and which is operated, supervised, controlled, or
3 principally supported by a church or convention or association of
4 churches;

5 (J) services performed by a duly ordained, commissioned, or licensed
6 minister of a church in the exercise of such individual's ministry or by a
7 member of a religious order in the exercise of duties required by such
8 order;

9 (K) services performed in a facility conducted for the purpose of
10 carrying out a program of:

11 (i) Rehabilitation for individuals whose earning capacity is impaired
12 by age or physical or mental deficiency or injury; or

13 (ii) providing remunerative work for individuals who because of their
14 impaired physical or mental capacity cannot be readily absorbed in the
15 competitive labor market, by an individual receiving such rehabilitation or
16 remunerative work;

17 (L) services performed as part of an employment work-relief or
18 work-training program assisted or financed in whole or in part by any
19 federal agency or an agency of a state or political subdivision thereof or of
20 an Indian tribe, by an individual receiving such work relief or work
21 training;

22 (M) services performed by an inmate of a custodial or correctional
23 institution;

24 (N) services performed, in the employ of a school, college, or
25 university, if such service is performed by a student who is enrolled and is
26 regularly attending classes at such school, college or university;

27 (O) services performed by an individual who is enrolled at a
28 nonprofit or public educational institution that normally maintains a
29 regular faculty and curriculum and normally has a regularly organized
30 body of students in attendance at the place where its educational activities
31 are carried on as a student in a full-time program, taken for credit at such
32 institution, that combines academic instruction with work experience, if
33 such service is an integral part of such program, and such institution has so
34 certified to the employer, except that this subsection (i)(4)(O) shall not
35 apply to service performed in a program established for or on behalf of an
36 employer or group of employers;

37 (P) services performed in the employ of a hospital licensed, certified
38 or approved by the secretary of health and environment, if such service is
39 performed by a patient of the hospital;

40 (Q) services performed as a qualified real estate agent. As used in this
41 subsection (i)(4)(Q) the term "qualified real estate agent" means any
42 individual who is licensed by the Kansas real estate commission as a
43 salesperson under the real estate brokers' and salespersons' license act and

1 for whom:

2 (i) Substantially all of the remuneration, whether or not paid in cash,
3 for the services performed by such individual as a real estate salesperson is
4 directly related to sales or other output, including the performance of
5 services, rather than to the number of hours worked; and

6 (ii) the services performed by the individual are performed pursuant
7 to a written contract between such individual and the person for whom the
8 services are performed and such contract provides that the individual will
9 not be treated as an employee with respect to such services for state tax
10 purposes;

11 (R) services performed for an employer by an extra in connection
12 with any phase of motion picture or television production or television
13 commercials for less than 14 days during any calendar year. As used in this
14 subsection, the term "extra" means an individual who pantomimes in the
15 background, adds atmosphere to the set and performs such actions without
16 speaking and "employer" shall not include any employer that is a
17 governmental entity or any employer described in section 501(c)(3) of the
18 federal internal revenue code of 1986 that is exempt from income taxation
19 under section 501(a) of the code;

20 (S) services performed by an oil and gas contract pumper. As used in
21 this subsection (i)(4)(S), "oil and gas contract pumper" means a person
22 performing pumping and other services on one or more oil or gas leases, or
23 on both oil and gas leases, relating to the operation and maintenance of
24 such oil and gas leases, on a contractual basis for the operators of such oil
25 and gas leases and "services" shall not include services performed for a
26 governmental entity or any organization described in section 501(c)(3) of
27 the federal internal revenue code of 1986 that is exempt from income
28 taxation under section 501(a) of the code;

29 (T) service not in the course of the employer's trade or business
30 performed in any calendar quarter by an employee, unless the cash
31 remuneration paid for such service is \$200 or more and such service is
32 performed by an individual who is regularly employed by such employer
33 to perform such service. For purposes of this paragraph, an individual shall
34 be deemed to be regularly employed by an employer during a calendar
35 quarter only if:

36 (i) On each of some 24 days during such quarter such individual
37 performs for such employer for some portion of the day service not in the
38 course of the employer's trade or business; or

39 (ii) such individual was regularly employed, as determined under
40 subparagraph (i), by such employer in the performance of such service
41 during the preceding calendar quarter.

42 Such excluded service shall not include any services performed for an
43 employer that is a governmental entity or any employer described in

1 section 501(c)(3) of the federal internal revenue code of 1986 that is
2 exempt from income taxation under section 501(a) of the code;

3 (U) service which is performed by any person who is a member of a
4 limited liability company and that is performed as a member or manager of
5 that limited liability company; and

6 (V) services performed as a qualified direct seller. The term "direct
7 seller" means any person if:

8 (i) Such person:

9 (a) Is engaged in the trade or business of selling or soliciting the sale
10 of consumer products to any buyer on a buy-sell basis or a deposit-
11 commission basis for resale, by the buyer or any other person, in the home
12 or otherwise rather than in a permanent retail establishment; or

13 (b) is engaged in the trade or business of selling or soliciting the sale
14 of consumer products in the home or otherwise than in a permanent retail
15 establishment;

16 (ii) substantially all the remuneration whether or not paid in cash for
17 the performance of the services described in subparagraph (i) is directly
18 related to sales or other output including the performance of services rather
19 than to the number of hours worked;

20 (iii) the services performed by the person are performed pursuant to a
21 written contract between such person and the person for whom the services
22 are performed and such contract provides that the person will not be
23 treated as an employee for federal and state tax purposes;

24 (iv) for purposes of this act, a sale or a sale resulting exclusively from
25 a solicitation made by telephone, mail, or other telecommunications
26 method, or other nonpersonal method does not satisfy the requirements of
27 this subsection;

28 (W) services performed as an election official or election worker, if
29 the amount of remuneration received by the individual during the calendar
30 year for services as an election official or election worker is less than
31 \$1,000;

32 (X) services performed by agricultural workers who are aliens
33 admitted to the United States to perform labor pursuant to section 1101(a)
34 (15)(H)(ii)(a) of the immigration and nationality act;

35 (Y) services performed by an owner-operator of a motor vehicle that
36 is leased or contracted to a licensed motor carrier with the services of a
37 driver and is not treated under the terms of the lease agreement or contract
38 with the licensed motor carrier as an employee for purposes of the federal
39 insurance contribution act, 26 U.S.C. § 3101 et seq., the federal social
40 security act, 42 U.S.C. § 301 et seq., the federal unemployment tax act, 26
41 U.S.C. § 3301 et seq., and the federal statutes prescribing income tax
42 withholding at the source, 26 U.S.C. § 3401 et seq. Employees or agents of
43 the owner-operator shall not be considered employees of the licensed

1 motor carrier for purposes of employment security taxation or
2 compensation. As used in this subsection (Y), the following definitions
3 apply: (i) "Motor vehicle" means any automobile, truck-trailer, semitrailer,
4 tractor, motor bus or any other self-propelled or motor-driven vehicle used
5 upon any of the public highways of Kansas for the purpose of transporting
6 persons or property; (ii) "licensed motor carrier" means any person, firm,
7 corporation or other business entity that holds a certificate of convenience
8 and necessity or a certificate of public service from the state corporation
9 commission or is required to register motor carrier equipment pursuant to
10 49 U.S.C. § 14504; and (iii) "owner-operator" means a person, firm,
11 corporation or other business entity that is the owner of a single motor
12 vehicle that is driven exclusively by the owner under a lease agreement or
13 contract with a licensed motor carrier; and

14 (Z) services performed by a petroleum landman on a contractual
15 basis. As used in this subparagraph, "petroleum landman" means an
16 individual performing services on a contractual basis who is not an
17 individual who is an active officer of a corporation as described in
18 subsection (i)(1)(A) that may include:

- 19 (i) Negotiating for the acquisition or divestiture of mineral rights;
- 20 (ii) negotiating business agreements that provide exploration for or
21 development of minerals;
- 22 (iii) determining ownership in minerals through the research of public
23 and private records;
- 24 (iv) reviewing the status of title, curing title defects, providing title
25 due diligence and otherwise reducing title risk associated with ownership
26 in minerals or the acquisition and divestiture of mineral properties;
- 27 (v) managing rights or obligations derived from ownership of
28 interests in minerals; or
- 29 (vi) unitizing or pooling of interests in minerals. For purposes of this
30 subparagraph, "minerals" includes oil, natural gas or petroleum. "Services"
31 does not include services performed for a governmental entity or any
32 organization described in section 501(c)(3) of the federal internal revenue
33 code of 1986, or a federally recognized Indian tribe that is exempt from
34 income taxation under section 501(a) of the code.

35 (j) "Employment office" means any office operated by this state and
36 maintained by the secretary of labor for the purpose of assisting persons to
37 become employed.

38 (k) "Fund" means the employment security fund established by this
39 act, to which all contributions and reimbursement payments required and
40 from which all benefits provided under this act shall be paid and including
41 all money received from the federal government as reimbursements
42 pursuant to section 204 of the federal-state extended compensation act of
43 1970, and amendments thereto.

1 (l) "State" includes, in addition to the states of the United States of
2 America, any dependency of the United States, the Commonwealth of
3 Puerto Rico, the District of Columbia and the Virgin Islands.

4 (m) "Unemployment." An individual shall be deemed "unemployed"
5 with respect to any week during which such individual performs no
6 services and with respect to which no wages are payable to such
7 individual, or with respect to any week of less than full-time work if the
8 wages payable to such individual with respect to such week are less than
9 such individual's weekly benefit amount.

10 (n) "Employment security administration fund" means the fund
11 established by this act, from which administrative expenses under this act
12 shall be paid.

13 (o) "Wages" means all compensation for services, including
14 commissions, bonuses, back pay and the cash value of all remuneration,
15 including benefits, paid in any medium other than cash. The reasonable
16 cash value of remuneration in any medium other than cash, shall be
17 estimated and determined in accordance with rules and regulations
18 prescribed by the secretary. Compensation payable to an individual that
19 has not been actually received by that individual within 21 days after the
20 end of the pay period in which the compensation was earned shall be
21 considered to have been paid on the 21st day after the end of that pay
22 period. Effective January 1, 1986, gratuities, including tips received from
23 persons other than the employing unit, shall be considered wages when
24 reported in writing to the employer by the employee. Employees must
25 furnish a written statement to the employer, reporting all tips received if
26 they total \$20 or more for a calendar month whether the tips are received
27 directly from a person other than the employer or are paid over to the
28 employee by the employer. This includes amounts designated as tips by a
29 customer who uses a credit card to pay the bill. Notwithstanding the other
30 provisions of this subsection (o), wages paid in back pay awards or
31 settlements shall be allocated to the week or weeks and reported in the
32 manner as specified in the award or agreement, or, in the absence of such
33 specificity in the award or agreement, such wages shall be allocated to the
34 week or weeks in which such wages, in the judgment of the secretary,
35 would have been paid. The term "wages" shall not include:

36 (1) *For calendar years 2016 through 2025*, that part of the
37 remuneration that has been paid in a calendar year to an individual by an
38 employer or such employer's predecessor in excess of ~~\$3,000 for all~~
39 ~~calendar years prior to 1972, in excess of \$4,200 for the calendar years~~
40 ~~1972 to 1977, inclusive, in excess of \$6,000 for calendar years 1978 to~~
41 ~~1982, inclusive, in excess of \$7,000 for the calendar year 1983, in excess~~
42 ~~of \$8,000 for the calendar years 1984 to 2014, inclusive, and in excess of~~
43 ~~\$12,000 with respect to employment during calendar year 2015, and in~~

1 ~~excess of \$14,000 with respect to all calendar years thereafter~~, except that
 2 if the definition of the term "wages" as contained in the federal
 3 unemployment tax act is amended to include remuneration paid to an
 4 individual by an employer under the federal act in excess of ~~\$8,000 for the~~
 5 ~~calendar years 1984-2014, inclusive, and in excess of \$12,000 with respect~~
 6 ~~to employment during calendar year 2015, and in excess of \$14,000 with~~
 7 ~~respect to all calendar years thereafter~~ *employment during calendar years*
 8 *2016 through 2025*, wages shall include remuneration paid in a calendar
 9 year to an individual by an employer subject to this act or such employer's
 10 predecessor with respect to employment during any calendar year up to an
 11 amount equal to the dollar limitation specified in the federal
 12 unemployment tax act. For the purposes of this subsection (o)(1), the term
 13 "employment" shall include service constituting employment under any
 14 employment security law of another state or of the federal government;

15 (2) (A) *For the calendar year as set forth below, except as provided*
 16 *by subparagraph (B), for contributing rated employers assigned rate*
 17 *groups 0-N11, that part of the remuneration that has been paid in a*
 18 *calendar year to an individual by an employer or such employer's*
 19 *predecessor in excess of the specified percentage of the statewide average*
 20 *annual wage paid to employees in insured work during the previous*
 21 *calendar year and rounded to the nearest multiple of \$100:*

- 22 (i) *Calendar year 2026, 30%;*
- 23 (ii) *calendar year 2027, 35%;*
- 24 (iii) *calendar year 2028, 40%;*
- 25 (iv) *calendar year 2029, 45%;*
- 26 (v) *calendar year 2030, 50%;*
- 27 (vi) *calendar year 2031, 55%; and*
- 28 (vii) *calendar year 2032 and all ensuing calendar years thereafter;*
 29 *60%.*

30 (B) *If the definition of the term "wages" as contained in the federal*
 31 *unemployment tax act is amended to include the remuneration paid to an*
 32 *individual by an employer under the federal act in excess of the amount*
 33 *calculated pursuant to subparagraph (A)(i) through (vii), then with respect*
 34 *to employment during all calendar years thereafter, wages shall include*
 35 *the remuneration paid in a calendar year to an individual by an employer*
 36 *subject to this act or such employer's predecessor with respect to*
 37 *employment during any calendar year up to an amount equal to the dollar*
 38 *limitation specified in the federal unemployment tax act.*

39 (C) *For purposes of subparagraphs (A) and (B):*

- 40 (i) *"Employment" includes service constituting employment under*
 41 *any employment security law of another state or of the federal*
 42 *government; and*
- 43 (ii) *"statewide average annual wage" means the statewide average*

1 *annual wage as defined by subsection (jj) and computed by the secretary*
2 *on July 1 each year, as provided by K.S.A. 44-704, and amendments*
3 *thereto;*

4 ~~(2)~~(3) the amount of any payment, including any amount paid by an
5 employing unit for insurance or annuities, or into a fund, to provide for
6 any such payment, made to, or on behalf of, an employee or any of such
7 employee's dependents under a plan or system established by an employer
8 that makes provisions for employees generally, for a class or classes of
9 employees or for such employees or a class or classes of employees and
10 their dependents, on account of:

11 (A) Sickness or accident disability, except in the case of any payment
12 made to an employee or such employee's dependents, this subparagraph
13 shall exclude from the term "wages" only payments that are received under
14 a workers compensation law. Any third party that makes a payment
15 included as wages by reason of this subparagraph ~~(2)~~(A) shall be treated as
16 the employer with respect to such wages; ~~or~~

17 (B) medical and hospitalization expenses in connection with sickness
18 or accident disability; or

19 (C) death;

20 ~~(3)~~(4) any payment on account of sickness or accident disability, or
21 medical or hospitalization expenses in connection with sickness or
22 accident disability, made by an employer to, or on behalf of, an employee
23 after the expiration of six calendar months following the last calendar
24 month in which the employee worked for such employer;

25 ~~(4)~~(5) any payment made to, or on behalf of, an employee or such
26 employee's beneficiary:

27 (A) From or to a trust described in section 401(a) of the federal
28 internal revenue code of 1986 that is exempt from tax under section 501(a)
29 of the federal internal revenue code of 1986 at the time of such payment
30 unless such payment is made to an employee of the trust as remuneration
31 for services rendered as such employee and not as a beneficiary of the
32 trust;

33 (B) under or to an annuity plan that, at the time of such payment, is a
34 plan described in section 403(a) of the federal internal revenue code of
35 1986;

36 (C) under a simplified employee pension as defined in section 408(k)
37 (1) of the federal internal revenue code of 1986, other than any
38 contribution described in section 408(k)(6) of the federal internal revenue
39 code of 1986;

40 (D) under or to an annuity contract described in section 403(b) of the
41 federal internal revenue code of 1986, other than a payment for the
42 purchase of such contract that was made by reason of a salary reduction
43 agreement whether evidenced by a written instrument or otherwise;

1 (E) under or to an exempt governmental deferred compensation plan
2 as defined in section 3121(v)(3) of the federal internal revenue code of
3 1986;

4 (F) to supplement pension benefits under a plan or trust described in
5 any of the foregoing provisions of this subparagraph to take into account
6 some portion or all of the increase in the cost of living, as determined by
7 the secretary of labor, since retirement but only if such supplemental
8 payments are under a plan that is treated as a welfare plan under section
9 3(2)(B)(ii) of the federal employee retirement income security act of 1974;
10 or

11 (G) under a cafeteria plan within the meaning of section 125 of the
12 federal internal revenue code of 1986;

13 ~~(5)~~(6) the payment by an employing unit, without deduction from the
14 remuneration of the employee, of the tax imposed upon an employee under
15 section 3101 of the federal internal revenue code of 1986 with respect to
16 remuneration paid to an employee for domestic service in a private home
17 of the employer or for agricultural labor;

18 ~~(6)~~(7) remuneration paid in any medium other than cash to an
19 employee for service not in the course of the employer's trade or business;

20 ~~(7)~~(8) remuneration paid to or on behalf of an employee if and to the
21 extent that at the time of the payment of such remuneration it is reasonable
22 to believe that a corresponding deduction is allowable under section 217 of
23 the federal internal revenue code of 1986 relating to moving expenses;

24 ~~(8)~~(9) any payment or series of payments by an employer to an
25 employee or any of such employee's dependents that is paid:

26 (A) Upon or after the termination of an employee's employment
27 relationship because of (i) death or (ii) retirement for disability; and

28 (B) under a plan established by the employer that makes provisions
29 for employees generally, a class or classes of employees or for such
30 employees or a class or classes of employees and their dependents, other
31 than any such payment or series of payments that would have been paid if
32 the employee's employment relationship had not been so terminated;

33 ~~(9)~~(10) remuneration for agricultural labor paid in any medium other
34 than cash;

35 ~~(10)~~(11) any payment made, or benefit furnished, to or for the benefit
36 of an employee if at the time of such payment or such furnishing it is
37 reasonable to believe that the employee will be able to exclude such
38 payment or benefit from income under section 129 of the federal internal
39 revenue code of 1986 that relates to dependent care assistance programs;

40 ~~(11)~~(12) the value of any meals or lodging furnished by or on behalf
41 of the employer if at the time of such furnishing it is reasonable to believe
42 that the employee will be able to exclude such items from income under
43 section 119 of the federal internal revenue code of 1986;

1 ~~(12)~~(13) any payment made by an employer to a survivor or the estate
2 of a former employee after the calendar year in which such employee died;

3 ~~(13)~~(14) any benefit provided to or on behalf of an employee if at the
4 time such benefit is provided it is reasonable to believe that the employee
5 will be able to exclude such benefit from income under section 74(c), 117
6 or 132 of the federal internal revenue code of 1986;

7 ~~(14)~~(15) any payment made, or benefit furnished, to or for the benefit
8 of an employee, if at the time of such payment or such furnishing it is
9 reasonable to believe that the employee will be able to exclude such
10 payment or benefit from income under section 127 of the federal internal
11 revenue code of 1986 relating to educational assistance to the employee; or

12 ~~(15)~~(16) any payment made to or for the benefit of an employee if at
13 the time of such payment it is reasonable to believe that the employee will
14 be able to exclude such payment from income under section 106(d) of the
15 federal internal revenue code of 1986 relating to health savings accounts.

16 Nothing in any paragraph of subsection (o), other than ~~paragraph~~
17 ~~paragraphs~~ (1) and (2), shall exclude from the term "wages": (1) Any
18 employer contribution under a qualified cash or deferred arrangement, as
19 defined in section 401(k) of the federal internal revenue code of 1986, to
20 the extent that such contribution is not included in gross income by reason
21 of section 402(a)(8) of the federal internal revenue code of 1986; or (2)
22 any amount treated as an employer contribution under section 414(h)(2) of
23 the federal internal revenue code of 1986.

24 Any amount deferred under a nonqualified deferred compensation plan
25 shall be taken into account for purposes of this section as of the later of
26 when the services are performed or when there is no substantial risk of
27 forfeiture of the rights to such amount. Any amount taken into account as
28 wages by reason of this paragraph, and the income attributable thereto,
29 shall not thereafter be treated as wages for purposes of this section. For
30 purposes of this paragraph, the term "nonqualified deferred compensation
31 plan" means any plan or other arrangement for deferral of compensation
32 other than a plan described in subsection (o)~~(4)~~(5).

33 (p) "Week" means such period or periods of seven consecutive
34 calendar days, as the secretary may by rules and regulations prescribe.

35 (q) "Calendar quarter" means the period of three consecutive calendar
36 months ending March 31, June 30, September 30 or December 31, or the
37 equivalent thereof as the secretary may by rules and regulations prescribe.

38 (r) "Insured work" means employment for employers.

39 (s) "Approved training" means any vocational training course or
40 course in basic education skills, including a job training program
41 authorized under the federal workforce investment act of 1998, approved
42 by the secretary or a person or persons designated by the secretary.

43 (t) "American vessel" or "American aircraft" means any vessel or

1 aircraft documented or numbered or otherwise registered under the laws of
2 the United States; and any vessel or aircraft that is neither documented or
3 numbered or otherwise registered under the laws of the United States nor
4 documented under the laws of any foreign country, if its crew performs
5 service solely for one or more citizens or residents of the United States or
6 corporations organized under the laws of the United States or of any state.

7 (u) "Institution of higher education," for the purposes of this section,
8 means an educational institution that:

9 (1) Admits as regular students only individuals having a certificate of
10 graduation from a high school, or the recognized equivalent of such a
11 certificate;

12 (2) is legally authorized in this state to provide a program of
13 education beyond high school;

14 (3) provides an educational program for which it awards a bachelor's
15 or higher degree, or provides a program that is acceptable for full credit
16 toward such a degree, a program of postgraduate or postdoctoral studies,
17 or a program of training to prepare students for gainful employment in a
18 recognized occupation; and

19 (4) is a public or other nonprofit institution.

20 Notwithstanding any of the foregoing provisions of this subsection (u),
21 all colleges and universities in this state are institutions of higher education
22 for purposes of this section, except that no college, university, junior
23 college or other postsecondary school or institution that is operated by the
24 federal government or any agency thereof shall be an institution of higher
25 education for purposes of the employment security law.

26 (v) "Educational institution" means any institution of higher
27 education, as defined in subsection (u), or any institution, except private
28 for profit institutions, in which participants, trainees or students are offered
29 an organized course of study or training designed to transfer to them
30 knowledge, skills, information, doctrines, attitudes or abilities from, by or
31 under the guidance of an instructor or teacher and that is approved,
32 licensed or issued a permit to operate as a school by the state department
33 of education or other government agency that is authorized within the state
34 to approve, license or issue a permit for the operation of a school or to an
35 Indian tribe in the operation of an educational institution. The courses of
36 study or training that an educational institution offers may be academic,
37 technical, trade or preparation for gainful employment in a recognized
38 occupation.

39 (w) (1) "Agricultural labor" means any remunerated service:

40 (A) On a farm, in the employ of any person, in connection with
41 cultivating the soil, or in connection with raising or harvesting any
42 agricultural or horticultural commodity, including the raising, shearing,
43 feeding, caring for, training, and management of livestock, bees, poultry,

1 and furbearing animals and wildlife.

2 (B) In the employ of the owner or tenant or other operator of a farm,
3 in connection with the operating, management, conservation,
4 improvement, or maintenance of such farm and its tools and equipment, or
5 in salvaging timber or clearing land of brush and other debris left by a
6 hurricane, if the major part of such service is performed on a farm.

7 (C) In connection with the production or harvesting of any
8 commodity defined as an agricultural commodity in section (15)(g) of the
9 agricultural marketing act, as amended, 46 Stat. 1500, sec. 3; 12 U.S.C. §
10 1141j, or in connection with the ginning of cotton, or in connection with
11 the operation or maintenance of ditches, canals, reservoirs or waterways,
12 not owned or operated for profit, used exclusively for supplying and
13 storing water for farming purposes.

14 (D) (i) In the employ of the operator of a farm in handling, planting,
15 drying, packing, packaging, processing, freezing, grading, storing, or
16 delivering to storage or to market or to a carrier for transportation to
17 market, in its unmanufactured state, any agricultural or horticultural
18 commodity; but only if such operator produced more than ½ of the
19 commodity with respect to which such service is performed;

20 (ii) in the employ of a group of operators of farms, or a cooperative
21 organization of which such operators are members, in the performance of
22 services described in paragraph (i), but only if such operators produced
23 more than ½ of the commodity with respect to which such service is
24 performed;

25 (iii) the provisions of paragraphs (i) and (ii) shall not be deemed to be
26 applicable with respect to services performed in connection with
27 commercial canning or commercial freezing or in connection with any
28 agricultural or horticultural commodity after its delivery to a terminal
29 market for distribution for consumption.

30 (E) On a farm operated for profit if such service is not in the course
31 of the employer's trade or business.

32 (2) "Agricultural labor" does not include services performed prior to
33 January 1, 1980, by an individual who is an alien admitted to the United
34 States to perform service in agricultural labor pursuant to sections 214(c)
35 and 101(a)(15)(H) of the federal immigration and nationality act.

36 (3) As used in this subsection, the term "farm" includes stock, dairy,
37 poultry, fruit, fur-bearing animal, and truck farms, plantations, ranches,
38 nurseries, ranges, greenhouses, or other similar structures used primarily
39 for the raising of agricultural or horticultural commodities, and orchards.

40 (4) For the purpose of this section, if an employing unit does not
41 maintain sufficient records to separate agricultural labor from other
42 employment, all services performed during any pay period by an
43 individual for the person employing such individual shall be deemed to be

1 agricultural labor if services performed during ½ or more of such pay
2 period constitute agricultural labor; but if the services performed during
3 more than ½ of any such pay period by an individual for the person
4 employing such individual do not constitute agricultural labor, then none
5 of the services of such individual for such period shall be deemed to be
6 agricultural labor. As used in this subsection, the term "pay period" means
7 a period of not more than 31 consecutive days for which a payment of
8 remuneration is ordinarily made to the individual by the person employing
9 such individual.

10 (x) "Reimbursing employer" means any employer who makes
11 payments in lieu of contributions to the employment security fund as
12 provided in K.S.A. 44-710(e), and amendments thereto.

13 (y) "Contributing employer" means any employer other than a
14 reimbursing employer or rated governmental employer.

15 (z) "Wage combining plan" means a uniform national arrangement
16 approved by the United States secretary of labor in consultation with the
17 state unemployment compensation agencies and in which this state shall
18 participate, whereby wages earned in one or more states are transferred to
19 another state, called the "paying state," and combined with wages in the
20 paying state, if any, for the payment of benefits under the laws of the
21 paying state and as provided by an arrangement so approved by the United
22 States secretary of labor.

23 (aa) "Domestic service" means any services for a person in the
24 operation and maintenance of a private household, local college club or
25 local chapter of a college fraternity or sorority, as distinguished from
26 service as an employee in the pursuit of an employer's trade, occupation,
27 profession, enterprise or vocation.

28 (bb) "Rated governmental employer" means any governmental entity
29 that elects to make payments as provided by K.S.A. 44-710d, and
30 amendments thereto.

31 (cc) "Benefit cost payments" means payments made to the
32 employment security fund by a governmental entity electing to become a
33 rated governmental employer.

34 (dd) "Successor employer" means any employer, as described in
35 subsection (h), that acquires or in any manner succeeds to: (1)
36 Substantially all of the employing enterprises, organization, trade or
37 business of another employer; or (2) substantially all the assets of another
38 employer.

39 (ee) "Predecessor employer" means an employer, as described in
40 subsection (h), who has previously operated a business or portion of a
41 business with employment to which another employer has succeeded.

42 (ff) "Lessor employing unit" means any independently established
43 business entity that engages in the business of providing leased employees

1 to a client lessee.

2 (gg) "Client lessee" means any individual, organization, partnership,
3 corporation or other legal entity leasing employees from a lessor
4 employing unit.

5 (hh) "Qualifying injury" means a personal injury by accident arising
6 out of and in the course of employment within the coverage of the Kansas
7 workers compensation act, K.S.A. 44-501 et seq., and amendments.

8 (ii) *"Temporary unemployment," "temporarily unemployed" or*
9 *"temporary layoff" means that the individual has been laid off due to lack*
10 *of work by an employing unit for which the individual has most recently*
11 *worked full time and for which the individual reasonably expects to*
12 *resume full-time work at a future date within four weeks, and that the*
13 *individual's employment with the employing unit, although temporarily*
14 *suspended, has not been terminated. Except as otherwise provided by*
15 *K.S.A. 44-775(a)(3), and amendments thereto, or by the employment*
16 *security law, "temporary unemployment" shall not exceed four consecutive*
17 *weeks. An extension or extensions of additional weeks of temporary*
18 *employment at the request of an employer for an individual may be*
19 *granted by the secretary as provided by K.S.A. 44-775(a)(3), and*
20 *amendments thereto. The maximum amount of temporary unemployment*
21 *for an individual in a benefit year, including any extensions granted by the*
22 *secretary, shall be as provided by K.S.A. 44-775(a)(3), and amendments*
23 *thereto.*

24 (jj) *"Statewide average annual wage" or "SAAW" means the quotient,*
25 *obtained by dividing gross wages by average monthly covered employment*
26 *for the same determination period, rounded to the nearest cent.*

27 (kk) *"Statewide average weekly wage" or "SAWW" means the*
28 *quotient, obtained by dividing the statewide average annual wage by 52,*
29 *rounded to the nearest cent.*

30 Sec. 2. K.S.A. 44-704 is hereby amended to read as follows: 44-704.

31 (a) *Payment of benefits.* All benefits provided herein shall be payable from
32 the fund. All benefits shall be paid through the secretary of labor, in
33 accordance with such rules and regulations as the secretary may adopt.
34 Benefits based on service in employment defined in K.S.A. 44-703(i)(3)
35 (E) and (i)(3)(F), and amendments thereto, shall be payable in the same
36 amount, on the same terms and subject to the same conditions as
37 compensation payable on the basis of other service subject to this act
38 except as provided in K.S.A. 44-705(e) and 44-711(e), and amendments
39 thereto.

40 (b) *Determined weekly benefit amount.* An individual's determined
41 weekly benefit amount shall be an amount equal to 4.25% of the
42 individual's total wages for insured work paid during that calendar quarter
43 of the individual's base period that such total wages were highest, subject

1 to the following limitations:

2 (1) If an individual's determined weekly benefit amount is less than
3 the minimum weekly benefit amount, it shall be raised to such minimum
4 weekly benefit amount;

5 (2) if the individual's determined weekly benefit amount is more than
6 the maximum weekly benefit amount, it shall be reduced to the maximum
7 weekly benefit amount; and

8 (3) if the individual's determined weekly benefit amount is not a
9 multiple of \$1, it shall be reduced to the next lower multiple of \$1.

10 (c) *Maximum weekly benefit amount.* ~~(1) For initial claims effective~~
11 ~~prior to July 1, 2015, the maximum weekly benefit amount shall be~~
12 ~~determined as follows: On July 1 of each year, the secretary shall~~
13 ~~determine the maximum weekly benefit amount by computing 60% of the~~
14 ~~average weekly wages paid to employees in insured work during the~~
15 ~~previous calendar year and shall, prior to that date, announce the~~
16 ~~maximum weekly benefit amount so determined, by publication in the~~
17 ~~Kansas register. Such computation shall be made by dividing the gross~~
18 ~~wages reported as paid for insured work during the previous calendar year~~
19 ~~by the product of the average of mid-month employment during such~~
20 ~~calendar year multiplied by 52. The maximum weekly benefit amount so~~
21 ~~determined and announced for the twelve-month period shall apply only to~~
22 ~~those claims filed in that period qualifying for maximum payment under~~
23 ~~the foregoing formula. All claims qualifying for payment at the maximum~~
24 ~~weekly benefit amount shall be paid at the maximum weekly benefit~~
25 ~~amount in effect when the benefit year to which the claim relates was first~~
26 ~~established, notwithstanding a change in the maximum benefit amount for~~
27 ~~a subsequent twelve-month period. If the computed maximum weekly~~
28 ~~benefit amount is not a multiple of \$1, then the computed maximum~~
29 ~~weekly benefit amount shall be reduced to the next lower multiple of \$1.~~

30 (2) ~~For initial claims effective on or after July 1, 2015~~ 2024, the
31 maximum weekly benefit amount shall be determined as follows: On July
32 1 of each year, the secretary shall determine the maximum weekly benefit
33 amount by computing 55% of the *statewide* average weekly wages paid to
34 employees in insured work during the previous calendar year, ~~but not to be~~
35 ~~less than \$474~~, and shall, prior to that date, announce the maximum
36 weekly benefit amount so determined by publication in the Kansas
37 register. Such computation *of the statewide average weekly wage* shall be
38 made by dividing the ~~gross wages reported as paid for insured work during~~
39 ~~the previous calendar year by the product of the average of mid-month~~
40 ~~employment during such calendar year multiplied~~ *statewide average*
41 *annual wage, as defined in K.S.A. 44-703(jj), and amendments thereto,*
42 *determined for the period of the previous calendar year, by 52, as set forth*
43 *by K.S.A. 44-703(kk), and amendments thereto.* The maximum weekly

1 benefit amount so determined and announced for the 12-month period
2 shall apply only to those claims filed in that period qualifying for
3 maximum payment under the foregoing formula. All claims qualifying for
4 payment at the maximum weekly benefit amount shall be paid at the
5 maximum weekly benefit amount in effect when the benefit year to which
6 the claim relates was first established, notwithstanding a change in the
7 maximum benefit amount for a subsequent 12-month period. If the
8 computed maximum weekly benefit amount is not a multiple of \$1, then
9 the computed maximum weekly benefit amount shall be reduced to the
10 next lower multiple of \$1.

11 (d) *Minimum weekly benefit amount.* The minimum weekly benefit
12 amount payable to any individual shall be 25% of the maximum weekly
13 benefit amount effective as of the beginning of the individual's benefit
14 year. If the minimum weekly benefit amount is not a multiple of \$1 it shall
15 be reduced to the next lower multiple of \$1. The minimum weekly benefit
16 amount shall apply through the benefit year, notwithstanding a change in
17 the minimum weekly benefit amount.

18 (e) All claims qualifying for payment at the maximum weekly benefit
19 amount shall be paid at the maximum weekly benefit amount in effect
20 when the benefit year to which the claim relates was first established,
21 notwithstanding a subsequent change in the maximum weekly benefit
22 amount.

23 (f) *Weekly benefit payable.* Each eligible individual who is
24 unemployed with respect to any week, except as to final payment, shall be
25 paid with respect to such week a benefit in an amount equal to such
26 individual's determined weekly benefit amount, less that part of the wage,
27 if any, payable to such individual with respect to such week that is in
28 excess of the amount that is equal to 25% of such individual's determined
29 weekly benefit amount, and if the resulting amount is not a multiple of \$1,
30 it shall be reduced to the next lower multiple of \$1.

31 (1) For the purposes of this section, remuneration received under the
32 following circumstances shall be construed as wages:

33 (A) Vacation or holiday pay that was attributable to a week that the
34 individual claimed benefits; and

35 (B) severance pay, if paid as scheduled, and all other employment
36 benefits within the employer's control, as defined in subsection (f)(3), if
37 continued as though the severance had not occurred, except as set out in
38 subsection (f)(2)(C).

39 (2) For the purposes of this section, remuneration received under the
40 following circumstances shall not be construed as wages:

41 (A) Remuneration received for services performed on a public
42 assistance work project;

43 (B) severance pay, in lieu of notice, under the provisions of public

1 law 100-379, the federal worker adjustment and retraining notification act,
2 29 U.S.C. §§ 2101 through 2109;

3 (C) all other severance pay, separation pay, bonuses, wages in lieu of
4 notice or remuneration of a similar nature that is payable after the
5 severance of the employment relationship, except as set out in subsection
6 (f)(1)(B); and

7 (D) moneys received as federal social security payments.

8 (3) For the purposes of this subsection, "employment benefits within
9 the employer's control" means benefits offered by the employer to
10 employees that are employee benefit plans as defined by section 3 of the
11 federal employee retirement income security act of 1974, as amended, 29
12 U.S.C. § 1002, and that the employer has the option to continue to provide
13 to the employee after the last day that the employee worked for that
14 employer.

15 (g) *Duration of benefits.* Any otherwise eligible individual shall be
16 entitled during any benefit year to a total amount of benefits equal to
17 whichever is the lesser of 26 times such individual's weekly benefit
18 amount, or $\frac{1}{3}$ of such individual's wages for insured work paid during such
19 individual's base period. Such total amount of benefits, if not a multiple of
20 \$1, shall be reduced to the next lower multiple of \$1.

21 (h) For the purposes of this section, wages shall be counted as "wages
22 for insured work" for benefit purposes with respect to any benefit year
23 only if such benefit year begins subsequent to the date when the
24 employing unit by whom such wages were paid has satisfied the
25 conditions of K.S.A. 44-703(h), and amendments thereto, with respect to
26 becoming an employer.

27 (i) Notwithstanding any other provisions of this section to the
28 contrary, any benefit otherwise payable for any week shall be reduced by
29 the amount of any separation, termination, severance or other similar
30 payment paid to a claimant at the time of or after the claimant's separation
31 from employment during the benefit year.

32 (1) If any payment pursuant to this subsection is paid with respect to
33 a month, then the amount deemed to be received with respect to any week
34 during such month shall be computed by multiplying such monthly
35 amount by 12 and dividing the product by 52. If there is no designation of
36 the period with respect to which payments to an individual are made under
37 this section, then an amount equal to such individual's normal weekly
38 wage shall be attributed to and deemed paid with respect to the first and
39 each succeeding week following payment of the separation pay to the
40 individual until such amount so paid is exhausted.

41 (2) If benefits for any week, when reduced as provided in this
42 subsection, result in an amount that is not a multiple of \$1, such benefits
43 shall be rounded to the next lower multiple of \$1.

1 (3) Notwithstanding the reemployment provisions of K.S.A. 44-
2 705(e), and amendments thereto, any individual whose benefit amount is
3 completely reduced under this subsection for 52 or more weeks shall, upon
4 exhaustion of the separation pay, be entitled to a new benefit year based
5 upon entitlement from the base period of the claim that was reduced.

6 ~~(j) Except as provided in subsection (k), for weeks commencing on
7 and after January 1, 2014, and ending before September 5, 2021, if at the
8 beginning of the benefit year, the three-month seasonally adjusted average
9 unemployment rate for the state of Kansas is: (1) Less than 4.5%, a
10 claimant shall be eligible for a maximum of 16 weeks of benefits; (2) at
11 least 4.5% but less than 6%, a claimant shall be eligible for a maximum of
12 20 weeks of benefits; or (3) at least 6%, a claimant shall be eligible for a
13 maximum of 26 weeks of benefits.~~

14 ~~(k) On and after the effective date of this act, a claimant shall be
15 eligible for a maximum of 26 weeks of benefits. A claimant who filed a
16 new claim on or after January 1, 2020, and before the effective date of this
17 act shall be eligible for a maximum of 26 weeks of benefits including the
18 number of weeks of benefits received after January 1, 2020, and before the
19 effective date of this act. This subsection shall not apply to initial claims
20 effective on and after September 5, 2021.~~

21 ~~(l)~~ For weeks commencing on and after September 5, 2021, if at the
22 beginning of the benefit year, the three-month seasonally adjusted average
23 unemployment rate for the state of Kansas is: (1) Less than 5%, a claimant
24 shall be eligible for a maximum of 16 weeks of benefits; (2) at least 5%
25 but less than 6%, a claimant shall be eligible for a maximum of 20 weeks
26 of benefits; or (3) at least 6%, a claimant shall be eligible for a maximum
27 of 26 weeks of benefits.

28 ~~(m)~~(k) Upon the secretary of labor's receipt of notification that the
29 claimant has become employed, the secretary shall notify the secretary of
30 the department for children and families in order that the secretary for
31 children and families may determine the claimant's eligibility for state or
32 federal benefits provided or facilitated by the department for children and
33 families. The department of labor and the department for children and
34 families shall enter into a memorandum of understanding that shall
35 provide for the transfer of information as provided in this subsection.

36 Sec. 3. K.S.A. 44-705 is hereby amended to read as follows: 44-705.
37 Except as provided by K.S.A. 44-757, and amendments thereto, an
38 unemployed individual shall be eligible to receive benefits with respect to
39 any week only if the secretary, or a person or persons designated by the
40 secretary, finds that:

41 (a) The claimant has registered for work at and thereafter continued
42 to report at an employment office in accordance with rules and regulations
43 adopted by the secretary, except that, subject to the provisions of K.S.A.

1 44-704(a), and amendments thereto, the secretary may adopt rules and
2 regulations that waive or alter either or both of the requirements of this
3 subsection.

4 (b) The claimant has made a claim for benefits with respect to such
5 week in accordance with rules and regulations adopted by the secretary.

6 (c) (1) The claimant is able to perform the duties of such claimant's
7 customary occupation or the duties of other occupations that the claimant
8 is reasonably fitted by training or experience, and is available for work, as
9 demonstrated by the claimant's pursuit of the full course of action most
10 reasonably calculated to result in the claimant's reemployment except that,
11 notwithstanding any other provisions of this section, an unemployed
12 claimant otherwise eligible for benefits shall not become ineligible for
13 benefits:

14 (A) Because of the claimant's enrollment in and satisfactory pursuit
15 of approved training, including training approved under section 236(a)(1)
16 of the trade act of 1974;

17 (B) solely because such individual is seeking only part-time
18 employment if the individual is available for a number of hours per week
19 that are comparable to the individual's part-time work experience in the
20 base period; or

21 (C) because a claimant is not actively seeking work:

22 (i) During a state of disaster emergency proclaimed by the governor
23 pursuant to K.S.A. 48-924 and 48-925, and amendments thereto;

24 (ii) in response to the spread of the public health emergency of
25 COVID-19; and

26 (iii) the state's temporary waiver of the work search requirement
27 under the employment security law for such claimant is in compliance
28 with the families first coronavirus response act, public law 116-127.

29 (2) The secretary shall develop and implement procedures to address
30 claimants who refuse to return to suitable work or refuse to accept an offer
31 of suitable work without good cause. Such procedures shall include the
32 receipt and processing of job refusal reports from employers, the
33 evaluation of such reports in consideration of the claimant's work history
34 and skills and suitability of the offered employment and guidelines for a
35 determination of whether the claimant shall remain eligible for
36 unemployment benefits or has failed to meet the work search requirements
37 of this subsection or the requirements of K.S.A. 44-706(c), and
38 amendments thereto. In determining whether the employment offered is
39 suitable, the secretary's considerations shall include whether the
40 employment offers wages comparable to the claimant's recent employment
41 and work duties that correspond to the claimant's education level and
42 previous work experience. The secretary shall also consider whether the
43 employment offers wages of at least the amount of the claimant's

1 maximum weekly benefits.

2 (3) To facilitate the requirements of paragraph (2), the secretary shall
3 provide readily accessible means for employers to notify the department
4 when a claimant refuses to return to work or refuses an offer of
5 employment, including by telephone, email or an online web portal. *The*
6 *secretary shall create or cause to be created in the new unemployment*
7 *insurance information technology system as provided by K.S.A. 44-772,*
8 *and amendments thereto, an audit process for employers to submit reports*
9 *regarding activities related to the work search requirement or to the my*
10 *reemployment plan, established by K.S.A. 44-775, and amendments*
11 *thereto, and applicants that accept interview appointments but do not*
12 *participate or notify the interviewing employer of their inability to*
13 *participate in the scheduled interview. The secretary shall not be required*
14 *to implement such audit process prior to the completion of such new*
15 *unemployment insurance information technology system. Nothing in this*
16 *subsection shall be construed as to require an employer to report such job*
17 *refusals or such failures to appear for a scheduled interview without*
18 *notifying the interviewing employer to the department.*

19 (4) At the time of receipt of notice from an employer pursuant to
20 paragraph (3), the secretary shall, within 10 business days of receipt of
21 such notice from the employer, provide a notice to the claimant who has
22 refused to return to work or to accept an offer of suitable work without
23 good cause. The method of providing the notice to the claimant shall be
24 consistent with other correspondence from the department to the claimant
25 and may include mail, telephone, email or through an online web portal.
26 The notice shall, at minimum, include the following information:

27 (A) A summary of state employment security law regarding a
28 claimant's duties to return to work or accept suitable work;

29 (B) a statement that the claimant has been or may be disqualified and
30 the claimant's right to collect benefits has been or may be terminated for
31 refusal to return to work or accept suitable work without good cause, as
32 provided by this subsection and K.S.A. 44-706(c), and amendments
33 thereto;

34 (C) an explanation of what constitutes suitable work under the
35 employment security law; and

36 (D) instructions for contesting a denial of a claim if the denial is
37 based upon a report by an employer that the claimant has refused to return
38 to work or has refused to accept an offer of suitable work.

39 (5) *The secretary shall include notices to all active employers*
40 *regarding work search noncompliance reporting options provided in*
41 *paragraph (3) in the department of labor's annual summary of benefit*
42 *charges pursuant to K.S.A. 44-710b(d), and amendments thereto, and in*
43 *the rate notices to employers pursuant to K.S.A. 44-710b(a), and*

1 *amendments thereto. The secretary shall not be required to implement*
2 *such notice requirements prior to the completion of the new unemployment*
3 *insurance information technology system, as provided by K.S.A. 44-772,*
4 *and amendments thereto.*

5 ~~(5)~~(6) For the purposes of this subsection, an inmate of a custodial or
6 correctional institution shall be deemed to be unavailable for work and not
7 eligible to receive unemployment compensation while incarcerated.

8 (d) (1) Except as provided further, the claimant has been unemployed
9 for a waiting period of one week or the claimant is unemployed and has
10 satisfied the requirement for a waiting period of one week under the shared
11 work unemployment compensation program as provided in K.S.A. 44-
12 757(k)(4), and amendments thereto, and that period of one week, in either
13 case, occurs within the benefit year that includes the week for which the
14 claimant is claiming benefits. No week shall be counted as a week of
15 unemployment for the purposes of this subsection:

16 (A) If benefits have been paid for such week;

17 (B) if the individual fails to meet with the other eligibility
18 requirements of this section; or

19 (C) if an individual is seeking unemployment benefits under the
20 unemployment compensation law of any other state or of the United
21 States, except that if the appropriate agency of such state or of the United
22 States finally determines that the claimant is not entitled to unemployment
23 benefits under such other law, this subparagraph shall not apply.

24 (2) (A) The waiting week requirement of paragraph (1) shall not
25 apply to:

26 (i) New claims by claimants who become unemployed as a result of
27 an employer terminating business operations within this state, declaring
28 bankruptcy or initiating a work force reduction pursuant to public law 100-
29 379, the federal worker adjustment and retraining notification act, 29
30 U.S.C. §§ 2101 through 2109, as amended; or

31 (ii) new claims filed on or after April 5, 2020, through December 26,
32 2020, in accordance with the families first coronavirus response act, public
33 law 116-127 and the federal CARES act, public law 116-136.

34 (B) The secretary shall adopt rules and regulations to administer the
35 provisions of this paragraph.

36 (3) If the waiting week requirement of paragraph (1) applies, a
37 claimant shall become eligible to receive compensation for the waiting
38 period of one week, pursuant to paragraph (1), upon completion of three
39 weeks of unemployment consecutive to such waiting period. This
40 paragraph shall not apply to initial claims effective on and after April 1,
41 2021.

42 (e) For benefit years established on and after the effective date of this
43 act, the claimant has been paid total wages for insured work in the

1 claimant's base period of not less than 30 times the claimant's weekly
2 benefit amount and has been paid wages in more than one quarter of the
3 claimant's base period, except that the wage credits of an individual earned
4 during the period commencing with the end of a prior base period and
5 ending on the date that such individual filed a valid initial claim shall not
6 be available for benefit purposes in a subsequent benefit year unless, in
7 addition thereto, such individual has returned to work and subsequently
8 earned wages for insured work in an amount equal to at least eight times
9 the claimant's current weekly benefit amount.

10 (f) The claimant participates in reemployment services, such as job
11 search assistance services, if the individual has been determined to be
12 likely to exhaust regular benefits and needs reemployment services
13 pursuant to a profiling system established by the secretary, unless the
14 secretary determines that: (1) The individual has completed such services;
15 or (2) there is justifiable cause for the claimant's failure to participate in
16 such services.

17 (g) The claimant is returning to work after a qualifying injury and has
18 been paid total wages for insured work in the claimant's alternative base
19 period of not less than 30 times the claimant's weekly benefit amount and
20 has been paid wages in more than one quarter of the claimant's alternative
21 base period if:

22 (1) The claimant has filed for benefits within four weeks of being
23 released to return to work by a licensed and practicing health care
24 provider;

25 (2) the claimant files for benefits within 24 months of the date the
26 qualifying injury occurred; and

27 (3) the claimant attempted to return to work with the employer where
28 the qualifying injury occurred, but the individual's regular work or
29 comparable and suitable work was not available.

30 Sec. 4. K.S.A. 44-709 is hereby amended to read as follows: 44-709.

31 (a) *Filing*. Claims for benefits shall be made in accordance with rules and
32 regulations adopted by the secretary. The secretary shall furnish a copy of
33 such rules and regulations to any individual requesting them. Each
34 employer shall: (1) Post and maintain printed statements furnished by the
35 secretary without cost to the employer in places readily accessible to
36 individuals in the service of the employer; and (2) provide any other
37 notification to individuals in the service of the employer as required by the
38 secretary pursuant to the families first coronavirus response act, public law
39 116-127.

40 (b) *Determination*. (1) Except as otherwise provided in this
41 paragraph, a representative designated by the secretary, and hereinafter
42 referred to as an examiner, shall promptly examine the claim and, on the
43 basis of the facts found by the examiner, shall determine whether or not

1 the claim is valid. If the examiner determines that the claim is valid, the
2 examiner shall determine the first day of the benefit year, the weekly
3 benefit amount and the total amount of benefits payable with respect to the
4 benefit year. If the claim is determined to be valid, the examiner shall send
5 a notice to the last employing unit who shall respond within 10 days by
6 providing the examiner all requested information including all information
7 required for a decision under K.S.A. 44-706, and amendments thereto. The
8 information may be submitted by the employing unit in person at an
9 employment office of the secretary or by mail, by telefacsimile machine or
10 by electronic mail. If the required information is not submitted or
11 postmarked within a response time limit of 10 days after the examiner's
12 notice was sent, the employing unit shall be deemed to have waived its
13 standing as a party to the proceedings arising from the claim and shall be
14 barred from protesting any subsequent decisions about the claim by the
15 secretary, a referee, the employment security board of review or any court,
16 except that the employing unit's response time limit may be waived or
17 extended by the examiner or upon appeal, if timely response was
18 impossible due to excusable neglect. In any case in which the payment or
19 denial of benefits will be determined by the provisions of K.S.A. 44-
20 706(d), and amendments thereto, the examiner shall promptly transmit the
21 claim to a special examiner designated by the secretary to make a
22 determination on the claim after the investigation as the special examiner
23 deems necessary. The parties shall be promptly notified of the special
24 examiner's decision and any party aggrieved by the decision may appeal to
25 the referee as provided in subsection (c). The claimant and the claimant's
26 most recent employing unit shall be promptly notified of the examiner's or
27 special examiner's decision.

28 (2) The examiner may for good cause reconsider the examiner's
29 decision and shall promptly notify the claimant and the most recent
30 employing unit of the claimant, that the decision of the examiner is to be
31 reconsidered, except that no reconsideration shall be made after the
32 termination of the benefit year.

33 (3) Notwithstanding the provisions of any other statute, a decision of
34 an examiner or special examiner shall be final unless the claimant or the
35 most recent employing unit of the claimant files an appeal from the
36 decision as provided in subsection (c), except that the time limit for appeal
37 may be waived or extended by the referee or board of review if a timely
38 response was impossible due to excusable neglect. The appeal must be
39 filed within 16 calendar days after the mailing of notice to the last known
40 addresses of the claimant and employing unit or, if notice is not by mail,
41 within 16 calendar days after the delivery of the notice to the parties.

42 (c) *Appeals.* Unless the appeal is withdrawn, a referee, after affording
43 the parties reasonable opportunity for fair hearing, shall affirm or modify

1 the findings of fact and decision of the examiner or special examiner. The
2 parties shall be duly notified of the referee's decision, together with the
3 reasons for the decision. The decision shall be final, notwithstanding the
4 provisions of any other statute, unless a further appeal to the employment
5 security board of review is filed within 16 calendar days after the mailing
6 of the decision to the parties' last known addresses or, if notice is not by
7 mail, within 16 calendar days after the delivery of the decision, except that
8 the time limit for appeal may be waived or extended by the referee or
9 board of review if a timely response was impossible due to excusable
10 neglect.

11 (d) *Referees*. The secretary shall appoint, in accordance with K.S.A.
12 44-714(c), and amendments thereto, one or more referees to hear and
13 decide disputed claims.

14 (e) *Time, computation and extension*. In computing the period of time
15 for an employing unit response or for appeals under this section from the
16 examiner's or the special examiner's determination or from the referee's
17 decision, the day of the act, event or default from which the designated
18 period of time begins to run shall not be included. The last day of the
19 period shall be included unless it is a Saturday, Sunday or legal holiday, in
20 which event the period runs until the end of the next day that is not a
21 Saturday, Sunday or legal holiday.

22 (f) *Board of review*. There is hereby created an employment security
23 board of review, hereinafter referred to as the board.

24 (1) (A) Except as provided in subparagraph (B), the board shall
25 consist of three members. Each member of the board shall be appointed for
26 a term of four years as provided in this subsection. Not more than two
27 members of the board shall belong to the same political party.

28 (B) ~~On the effective date of this act,~~ The board shall consist of six
29 members. The six-member board shall consist of the following: (i) Three
30 members appointed under subparagraph (A); and (ii) three members
31 appointed for a term that shall expire upon the expiration of this
32 subparagraph. Each member of the board appointed under subparagraph
33 (B)(ii) shall be appointed as provided in this subsection. Not more than
34 four members of the six-member board shall belong to the same political
35 party. The provisions of this subparagraph shall expire on June 30, 2024.

36 (2) (A) When a vacancy on the employment security board of review
37 occurs, the workers compensation and employment security boards
38 nominating committee established under K.S.A. 44-551, and amendments
39 thereto, shall convene and submit a *qualified* nominee to the governor for
40 appointment to each vacancy on the employment security board of review,
41 subject to confirmation by the senate as provided by K.S.A. 75-4315b, and
42 amendments thereto. *Minimum qualifications for qualified candidates for*
43 *appointment to the employment security board of review, in order of*

1 *priority, shall be:*

2 *(i) At least 10 years direct experience with human resources*
3 *processes, polices, guidelines or employee relations;*

4 *(ii) at least seven years direct experience with employment security*
5 *laws and processes; and*

6 *(iii) knowledge of unemployment and labor laws.*

7 *(B) Applications for employment security board of review positions*
8 *shall be submitted to the director of unemployment. The director shall*
9 *determine if an applicant meets the qualifications for an employment*
10 *security review board member as prescribed in paragraph (A). Qualified*
11 *applicants for a position of employment security review board member*
12 *shall be submitted by the director to the workers compensation and*
13 *employment security boards nominating committee for consideration. The*
14 *workers compensation and employment security boards nominating*
15 *committee may nominate the candidate for consideration by the governor.*

16 *(C) The governor shall either: ~~(A)~~ accept and submit to the senate for*
17 *confirmation the person nominated by the nominating committee; or ~~(B)~~*
18 *reject the nomination and request the nominating committee to nominate*
19 *another person for that position. Except as provided by K.S.A. 46-2601,*
20 *and amendments thereto, no person appointed to the employment security*
21 *board of review, whose appointment is subject to confirmation by the*
22 *senate, shall exercise any power, duty or function as a member until*
23 *confirmed by the senate.*

24 *(3) No member of the employment security board of review shall*
25 *serve more than two consecutive terms. This paragraph shall not apply to*
26 *members of the board appointed under subsection (f)(1)(B)(ii). The service*
27 *of a board member appointed under subsection (f)(1)(B)(ii) shall not*
28 *constitute a term as contemplated in this paragraph.*

29 *(4) Each member of the employment security board shall serve until a*
30 *successor has been appointed and confirmed. Any vacancy in the*
31 *membership of the board occurring prior to expiration of a term shall be*
32 *filled by appointment for the unexpired term in the same manner as*
33 *provided for original appointment of the member.*

34 *(5) Each member of the employment security board of review shall*
35 *be entitled to receive as compensation for the member's services at the rate*
36 *of \$15,000 per year, together with the member's travel and other necessary*
37 *expenses actually incurred in the performance of the member's official*
38 *duties in accordance with rules and regulations adopted by the secretary.*
39 *Members' compensation and expenses shall be paid from the employment*
40 *security administration fund.*

41 *(6) The employment security board of review shall organize annually*
42 *by the election of a chairperson from among its members. The chairperson*
43 *shall serve in that capacity for a term of one year and until a successor is*

1 elected. For the purpose of hearing and determining cases, the board
2 members may sit in panels. A board panel shall consist of three members
3 with not more than two members belonging to the same political party.
4 The chairperson may sit as a member of a panel and shall preside over
5 such panel. When the chairperson is not a member of a hearing panel, the
6 chairperson shall appoint a member of the panel to preside. The board or
7 board panel shall meet on the first Monday of each month or on the call of
8 the chairperson or any two members of the board at the place designated.
9 The secretary of labor shall appoint an executive secretary of the board
10 and the executive secretary or the executive secretary's designee shall
11 attend the meetings of the board and board panels.

12 (7) The employment security board of review or board panel, on its
13 own motion, may affirm, modify or set aside any decision of a referee on
14 the basis of the evidence previously submitted in the case; may direct the
15 taking of additional evidence; or may permit any of the parties to initiate
16 further appeal before it. The board or board panel shall permit such further
17 appeal by any of the parties interested in a decision of a referee that
18 overrules or modifies the decision of an examiner. The board or board
19 panel may remove to itself the proceedings on any claim pending before a
20 referee. Any proceedings so removed to the board or board panel shall be
21 heard in accordance with the requirements of subsection (c). The board or
22 board panel shall promptly notify the interested parties of its findings and
23 decision.

24 (8) A simple majority of the members of the employment security
25 board of review or board panel shall constitute a quorum and no action of
26 the board or board panel shall be valid unless it has the concurrence of a
27 majority of its members. A vacancy on the board shall not impair the right
28 of a quorum to exercise all the rights and perform all the duties of the
29 board.

30 (g) *Procedure.* The manner that disputed claims are presented, the
31 reports on claims required from the claimant and from employers and the
32 conduct of hearings and appeals shall be in accordance with rules of
33 procedure prescribed by the employment security board of review for
34 determining the rights of the parties, whether or not such rules conform to
35 common law or statutory rules of evidence and other technical rules of
36 procedure. A full and complete record shall be kept of all proceedings and
37 decisions in connection with a disputed claim. All testimony at any hearing
38 upon a disputed claim shall be recorded, but need not be transcribed unless
39 the disputed claim is further appealed. In the performance of its official
40 duties, the board or board panel shall have access to all of the records that
41 pertain to the disputed claim and are in the custody of the secretary of
42 labor and shall receive the assistance of the secretary upon request.

43 (h) *Witness fees.* Witnesses subpoenaed pursuant to this section shall

1 be allowed fees and necessary travel expenses at rates fixed by the board.
2 Such fees and expenses shall be deemed a part of the expense of
3 administering this act.

4 (i) *Review of board action.* Any action of the employment security
5 board of review including that of a board panel, may not be reconsidered
6 after the mailing of the decision. An action of the board or board panel
7 shall become final unless a petition for review in accordance with the
8 Kansas judicial review act is filed within 16 calendar days after the date of
9 the mailing of the decision. If an appeal has not been filed within 16
10 calendar days of the date of the mailing of the decision, the decision
11 becomes final. No bond shall be required for commencing an action for
12 such review. In addition to those persons having standing pursuant to
13 K.S.A. 77-611, and amendments thereto, the examiner shall have standing
14 to obtain judicial review of an action of such board or board panel. The
15 review proceeding, and the questions of law certified, shall be heard in a
16 summary manner and shall be given precedence over all other civil cases
17 except cases arising under the workers compensation act.

18 (j) Any finding of fact or law, judgment, determination, conclusion or
19 final order made by the employment security board of review or board
20 panel or any examiner, special examiner, referee or other person with
21 authority to make findings of fact or law pursuant to the employment
22 security law is not admissible or binding in any separate or subsequent
23 action or proceeding, between a person and a present or previous employer
24 brought before an arbitrator, court or judge of the state or the United
25 States, regardless of whether the prior action was between the same or
26 related parties or involved the same facts.

27 (k) In any proceeding or hearing conducted under this section, a party
28 to the proceeding or hearing may appear before a referee or the
29 employment security board of review or board panel either personally or
30 by means of a designated representative to present evidence and to state
31 the position of the party. Hearings may be conducted in person, by
32 telephone or other means of electronic communication. The hearing shall
33 be conducted by telephone or other means of electronic communication if
34 none of the parties requests an in-person hearing. If a party requests an in-
35 person hearing, the referee or board or board panel shall have the
36 discretion to deny the request in the absence of good cause shown for the
37 request by the requesting party. If a request for an in-person hearing is
38 granted, the referee or board or board panel shall have the discretion to
39 require all parties to appear in person or allow the party not requesting an
40 in-person hearing to appear by telephone or other means of electronic
41 communication. The notice of hearing shall include notice to the parties of
42 their right to request an in-person hearing and instructions on how to make
43 the request.

1 Sec. 5. K.S.A. 44-710 is hereby amended to read as follows: 44-710.

2 (a) *Payment.* Contributions shall accrue and become payable by each
3 contributing employer for each calendar year that the contributing
4 employer is subject to the employment security law with respect to wages
5 paid for employment. Such contributions shall become due and be paid by
6 each contributing employer to the secretary for the employment security
7 fund in accordance with such rules and regulations as the secretary may
8 adopt and shall not be deducted, in whole or in part, from the wages of
9 individuals in such employer's employ. In the payment of any
10 contributions, a fractional part of \$.01 shall be disregarded unless it
11 amounts to \$.005 or more, in which case it shall be increased to \$.01.
12 Should contributions for any calendar quarter be less than \$5, no payment
13 shall be required.

14 (b) *Rates and base of contributions.* (1) Except as provided in
15 paragraph (2), each contributing employer shall pay contributions on
16 wages paid by the contributing employer during each calendar year with
17 respect to employment as provided in K.S.A. 44-710a, and amendments
18 thereto. ~~Except that, notwithstanding the federal law requiring the~~
19 ~~secretary of labor to annually recalculate the contribution rate, for calendar~~
20 ~~years 2010, 2011, 2012, 2013 and 2014, the secretary shall charge each~~
21 ~~contributing employer in rate groups 1 through 32 the contribution rate in~~
22 ~~the 2010 original tax rate computation table, with contributing employers~~
23 ~~in rate groups 33 through 51 being capped at a 5.4% contribution rate. For~~
24 ~~calendar year 2021, unemployment tax rates for eligible employers shall~~
25 ~~be limited to the standard rate schedule in K.S.A. 44-710a, and~~
26 ~~amendments thereto. Therefore, no additional solvency adjustment shall be~~
27 ~~applied.~~

28 (2) (A) If the congress of the United States either amends or repeals
29 the Wagner-Peyser act, the federal unemployment tax act, the federal
30 social security act, or subtitle C of chapter 23 of the federal internal
31 revenue code of 1986, or any act or acts supplemental to or in lieu thereof,
32 or any part or parts of any such law, or if any such law, or any part or parts
33 thereof, are held invalid with the effect that appropriations of funds by
34 congress and grants thereof to the state of Kansas for the payment of costs
35 of administration of the employment security law are no longer available
36 for such purposes; or (B) if employers in Kansas subject to the payment of
37 tax under the federal unemployment tax act are granted full credit against
38 such tax for contributions or taxes paid to the secretary of labor, then, and
39 in either such case, beginning with the year that the unavailability of
40 federal appropriations and grants for such purpose occurs or that such
41 change in liability for payment of such federal tax occurs and for each year
42 thereafter, the rate of contributions of each contributing employer shall be
43 equal to the total of 0.5% and the rate of contributions as determined for

1 such contributing employer under K.S.A. 44-710a, and amendments
2 thereto. The amount of contributions that each contributing employer
3 becomes liable to pay under this paragraph—(2) over the amount of
4 contributions that such contributing employer would be otherwise liable to
5 pay shall be credited to the employment security administration fund to be
6 disbursed and paid out under the same conditions and for the same
7 purposes as other moneys are authorized to be paid from the employment
8 security administration fund, except that, if the secretary determines that as
9 of the first day of January of any year there is an excess in the employment
10 security administration fund over the amount required to be disbursed
11 during such year, an amount equal to such excess as determined by the
12 secretary shall be transferred to the employment security fund.

13 (c) *Charging of benefit payments.* (1) The secretary shall maintain a
14 separate account for each contributing employer, and shall credit the
15 contributing employer's account with all the contributions paid on the
16 contributing employer's own behalf. Nothing in the employment security
17 law shall be construed to grant any employer or individuals in such
18 employer's service prior claims or rights to the amounts paid by such
19 employer into the employment security fund either on such employer's
20 own behalf or on behalf of such individuals. Benefits paid shall be charged
21 against the accounts of each base period employer in the proportion that
22 the base period wages paid to an eligible individual by each such employer
23 bears to the total wages in the base period. Benefits shall be charged to
24 contributing employers' accounts and rated governmental employers'
25 accounts upon the basis of benefits paid during each ~~twelve-month period~~
26 ~~ending on the computation date~~ *calendar quarter.*

27 (2) (A) Benefits paid in benefit years established by valid new claims
28 shall not be charged to the account of a contributing employer or rated
29 governmental employer who is a base period employer if the examiner
30 finds that claimant was separated from the claimant's most recent
31 employment with such employer under any of the following conditions: (i)
32 Discharged for misconduct or gross misconduct connected with the
33 individual's work; (ii) leaving work voluntarily without good cause
34 attributable to the claimant's work or the employer; or (iii) discharged from
35 an employer directly impacted by COVID-19 in accordance with the
36 families first coronavirus response act, public law 116-127.

37 (B) Where base period wage credits of a contributing employer or
38 rated governmental employer represent part-time employment and the
39 claimant continues in that part-time employment with that employer
40 during the period for which benefits are paid, then that employer's account
41 shall not be charged with any part of the benefits paid if the employer
42 provides the secretary with information as required by rules and
43 regulations. For the purposes of this ~~subsection (e)(2)(B)~~ *subparagraph,*

1 "part-time employment" means any employment when an individual works
2 less than full-time because the individual's services are not required for the
3 customary, scheduled full-time hours prevailing at the work place or the
4 individual does not customarily work the regularly scheduled full-time
5 hours due to personal choice or circumstances.

6 (C) No contributing employer or rated governmental employer's
7 account shall be charged with any extended benefits paid in accordance
8 with the employment security law, except for weeks of unemployment
9 beginning after December 31, 1978, all contributing governmental
10 employers and governmental rated employers shall be charged an amount
11 equal to all extended benefits paid.

12 ~~(D) No contributing employer, rated governmental employer or~~
13 ~~reimbursing employer's account shall be charged for any additional~~
14 ~~benefits paid during the period July 1, 2003 through June 30, 2004.~~

15 ~~(E)~~ No contributing employer or rated governmental employer's
16 account will be charged for benefits paid a claimant while pursuing an
17 approved training course as defined in K.S.A. 44-703(s), and amendments
18 thereto.

19 ~~(F)~~(E) No contributing employer or rated governmental employer's
20 account shall be charged with respect to the benefits paid to any individual
21 whose base period wages include wages for services not covered by the
22 employment security law prior to January 1, 1978, to the extent that the
23 employment security fund is reimbursed for such benefits pursuant to
24 section 121 of public law 94-566~~(, 90 Stat. 2673)~~.

25 ~~(G)~~(F) With respect to weeks of unemployment beginning after
26 December 31, 1977, wages for insured work shall include wages paid for
27 previously uncovered services. For the purposes of this ~~subsection (e)(2)~~
28 ~~(G) subparagraph~~, the term "previously uncovered services" means
29 services that were not covered employment, at any time during the one-
30 year period ending December 31, 1975, except to the extent that assistance
31 under title II of the federal emergency jobs and unemployment assistance
32 act of 1974 was paid on the basis of such services, and that:

33 (i) Are agricultural labor as defined in K.S.A. 44-703(w), and
34 amendments thereto, or domestic service as defined in K.S.A. 44-703(aa),
35 and amendments thereto;

36 (ii) are services performed by an employee of this state or a political
37 subdivision thereof, as provided in K.S.A. 44-703(i)(3)(E), and
38 amendments thereto; or

39 (iii) are services performed by an employee of a nonprofit educational
40 institution that is not an institution of higher education.

41 ~~(H) No contributing employer or rated governmental employer's~~
42 ~~account shall be charged with respect to their pro-rata share of benefit~~
43 ~~charges if such charges are of \$100 or less.~~

1 ~~(F)~~(G) Contributing employers, rated governmental employers and
2 reimbursing employers shall be held harmless for and shall not be required
3 to reimburse the state for claims or benefits paid that have been reported
4 by the employer to the secretary and determined by the secretary as
5 fraudulent or as an improper payment, unless the secretary determines the
6 claims are not fraudulent or improper as provided by K.S.A. 44-710b(b)(2)
7 (A), and amendments thereto. The time limitation for disputing a claim or
8 an appeal of a claim as provided by this section, or by any other provision
9 of the employment security law, shall not apply to identifications of fraud
10 reported to the secretary for claims or benefits paid during the period
11 beginning on March 15, 2020, through December 31, 2022. Contributing
12 employers, rated governmental employers and reimbursing employers
13 shall be refunded or credited, in the discretion of the employer, as provided
14 by K.S.A. 44-710b, and amendments thereto, for any claims or benefits
15 paid that have been reported as fraudulent.

16 (3) An employer's account shall not be relieved of charges relating to
17 a payment that was made erroneously if the secretary determines that:

18 (A) The erroneous payment was made because the employer, or the
19 agent of the employer, was at fault for failing to respond timely or
20 adequately to a written request from the secretary for information relating
21 to the claim for unemployment compensation; and

22 (B) the employer or agent has established a pattern of failing to
23 respond timely or adequately to requests for information.

24 (C) For purposes of this paragraph:

25 (i) "Erroneous payment" means a payment that but for the failure by
26 the employer or the employer's agent with respect to the claim for
27 unemployment compensation, would not have been made; and

28 (ii) "pattern of failure" means repeated documented failure on the part
29 of the employer or the agent of the employer to respond, taking into
30 consideration the number of instances of failure in relation to the total
31 volume of requests. An employer or employer's agent failing to respond as
32 described in ~~(e)(3)(A)~~ *subparagraph (A)* shall not be determined to have
33 engaged in a "pattern of failure" if the number of such failures during the
34 year prior to such request is fewer than two, or less than 2%, of such
35 requests, whichever is greater.

36 (D) Determinations of the secretary prohibiting the relief of charges
37 pursuant to this section shall be subject to appeal or protest as other
38 determinations of the agency with respect to the charging of employer
39 accounts.

40 ~~(E) This paragraph shall apply to erroneous payments established on~~
41 ~~and after the effective date of this act.~~

42 (4) The examiner shall notify any base period employer whose
43 account will be charged with benefits paid following the filing of a valid

1 new claim and a determination by the examiner based on all information
2 relating to the claim contained in the records of the division of
3 employment security. Such notice shall become final and benefits charged
4 to the base period employer's account in accordance with the claim unless
5 within 10 calendar days from the date the notice was sent, the base period
6 employer requests in writing that the examiner reconsider the
7 determination and furnishes any required information in accordance with
8 the secretary's rules and regulations. In a similar manner, a notice of an
9 additional claim followed by the first payment of benefits with respect to
10 the benefit year, filed by an individual during a benefit year after a period
11 in such year during which such individual was employed, shall be given to
12 any base period employer of the individual who has requested such a
13 notice within 10 calendar days from the date the notice of the valid new
14 claim was sent to such base period employer. For purposes of this
15 ~~subsection (e)(3) paragraph~~, if the required information is not submitted
16 or postmarked within a response time limit of 10 days after the base period
17 employer notice was sent, the base period employer shall be deemed to
18 have waived its standing as a party to the proceedings arising from the
19 claim and shall be barred from protesting any subsequent decisions about
20 the claim by the secretary, a referee, the board of review or any court,
21 except that the base period employer's response time limit may be waived
22 or extended by the examiner or upon appeal, if timely response was
23 impossible due to excusable neglect. The examiner shall notify the
24 employer of the reconsidered determination, which shall be subject to
25 appeal or further reconsideration, in accordance with the provisions of
26 K.S.A. 44-709, and amendments thereto.

27 (5) *Time, computation and extension.* In computing the period of time
28 for a base period employer response or appeals under this section from the
29 examiner's or the special examiner's determination or from the referee's
30 decision, the day of the act, event or default from which the designated
31 period of time begins to run shall not be included. The last day of the
32 period shall be included unless it is a Saturday, Sunday or legal holiday, in
33 which event the period runs until the end of the next day that is not a
34 Saturday, Sunday or legal holiday.

35 (d) *Pooled fund.* All contributions and payments in lieu of
36 contributions and benefit cost payments to the employment security fund
37 shall be pooled and available to pay benefits to any individual entitled
38 thereto under the employment security law, regardless of the source of
39 such contributions or payments in lieu of contributions or benefit cost
40 payments.

41 (e) *Election to become reimbursing employer; payment in lieu of*
42 *contributions.* (1) Any governmental entity, Indian tribes or tribal units,
43 (subdivisions, subsidiaries or business enterprises wholly owned by such

1 Indian tribes), for which services are performed as described in K.S.A. 44-
2 703(i)(3)(E), and amendments thereto, or any nonprofit organization or
3 group of nonprofit organizations described in section 501(c)(3) of the
4 federal internal revenue code of 1986 that is exempt from income tax
5 under section 501(a) of such code, that becomes subject to the
6 employment security law may elect to become a reimbursing employer
7 under this subsection (e)(1) and agree to pay the secretary for the
8 employment security fund an amount equal to the amount of regular
9 benefits and $\frac{1}{2}$ of the extended benefits paid that are attributable to service
10 in the employ of such reimbursing employer, except that each reimbursing
11 governmental employer, Indian tribes or tribal units shall pay an amount
12 equal to the amount of regular benefits and extended benefits paid for
13 weeks of unemployment beginning after December 31, 1978, for
14 governmental employers and December 21, 2000, for Indian tribes or
15 tribal units to individuals for weeks of unemployment that begin during the
16 effective period of such election.

17 (A) Any employer identified in this ~~subsection (e)(1)~~ *paragraph* may
18 elect to become a reimbursing employer for a period encompassing not
19 less than four complete calendar years if such employer files with the
20 secretary a written notice of such election within the 30-day period
21 immediately following January 1 of any calendar year or within the 30-day
22 period immediately following the date when a determination of
23 subjectivity to the employment security law is issued, whichever occurs
24 later.

25 (B) Any employer that makes an election to become a reimbursing
26 employer in accordance with subparagraph (A) will continue to be liable
27 for payments in lieu of contributions until such employer files with the
28 secretary a written notice terminating its election not later than 30 days
29 prior to the beginning of the calendar year for which such termination shall
30 first be effective.

31 (C) Any employer identified in this ~~subsection (e)(1)~~ *paragraph* that
32 has remained a contributing employer and has been paying contributions
33 under the employment security law for a period subsequent to January 1,
34 1972, may change to a reimbursing employer by filing with the secretary
35 not later than 30 days prior to the beginning of any calendar year a written
36 notice of election to become a reimbursing employer. Such election shall
37 not be terminable by the employer for four complete calendar years.

38 (D) The secretary may for good cause extend the period within which
39 a notice of election, or a notice of termination, must be filed and may
40 permit an election to be retroactive but not any earlier than with respect to
41 benefits paid after January 1 of the year such election is received.

42 (E) The secretary, in accordance with such rules and regulations as
43 the secretary may adopt, shall notify each employer identified in

1 ~~subsection (e)(1)~~ *this paragraph* of any determination that the secretary
2 may make of its status as an employer and of the effective date of any
3 election that it makes to become a reimbursing employer and of any
4 termination of such election. Such determinations shall be subject to
5 reconsideration, appeal and review in accordance with the provisions of
6 K.S.A. 44-710b, and amendments thereto.

7 (2) *Reimbursement reports and payments.* Payments in lieu of
8 contributions shall be made in accordance with the provisions of
9 subparagraph (A) by all reimbursing employers except the state of Kansas.
10 Each reimbursing employer shall report total wages paid during each
11 calendar quarter by filing quarterly wage reports with the secretary that
12 shall be filed by the last day of the month following the close of each
13 calendar quarter. Wage reports are deemed filed as of the date they are
14 placed in the United States mail.

15 (A) At the end of each calendar quarter, or at the end of any other
16 period as determined by the secretary, the secretary shall bill each
17 reimbursing employer, except the state of Kansas: (i) An amount to be paid
18 that is equal to the full amount of regular benefits plus $\frac{1}{2}$ of the amount of
19 extended benefits paid during such quarter or other prescribed period that
20 is attributable to service in the employ of such reimbursing employer; and
21 (ii) for weeks of unemployment beginning after December 31, 1978, each
22 reimbursing governmental employer and December 21, 2000, for Indian
23 tribes or tribal units shall be certified an amount to be paid that is equal to
24 the full amount of regular benefits and extended benefits paid during such
25 quarter or other prescribed period that is attributable to service in the
26 employ of such reimbursing governmental employer.

27 (B) Payment of any bill rendered under subparagraph (A) shall be
28 made not later than 30 days after such bill was mailed to the last known
29 address of the reimbursing employer, or otherwise was delivered to such
30 reimbursing employer, unless there has been an application for review and
31 redetermination in accordance with subparagraph (D).

32 (C) Payments made by any reimbursing employer under the
33 provisions of this ~~subsection (e)(2)~~ *paragraph* shall not be deducted or
34 deductible, in whole or in part, from the remuneration of individuals in the
35 employ of such employer.

36 (D) The amount due specified in any bill from the secretary shall be
37 conclusive on the reimbursing employer, unless, not later than 15 days
38 after the bill was mailed to the last known address of such employer, or
39 was otherwise delivered to such employer, the reimbursing employer files
40 an application for redetermination in accordance with K.S.A. 44-710b, and
41 amendments thereto.

42 (E) Past due payments of amounts certified by the secretary under
43 this section shall be subject to the same interest, penalties and actions

1 required by K.S.A. 44-717, and amendments thereto.—~~(1)~~ (i) If any
2 nonprofit organization or group of nonprofit organizations described in
3 section 501(c)(3) of the federal internal revenue code of 1986 or
4 governmental reimbursing employer is delinquent in making payments of
5 amounts certified by the secretary under this section, the secretary may
6 terminate such employer's election to make payments in lieu of
7 contributions as of the beginning of the next calendar year and such
8 termination shall be effective for such next calendar year and the calendar
9 year thereafter so that the termination is effective for two complete
10 calendar years.—~~(2)~~ (ii) Failure of the Indian tribe or tribal unit to make
11 required payments, including assessment of interest and penalty within 90
12 days of receipt of the bill will cause the Indian tribe to lose the option to
13 make payments in lieu of contributions as described pursuant to paragraph
14 (e)(1) for the following tax year unless payment in full is received before
15 contribution rates for the next tax year are calculated.—~~(3)~~ (iii) Any Indian
16 tribe that loses the option to make payments in lieu of contributions due to
17 late payment or nonpayment, as described in *this* paragraph—~~(2)~~, shall have
18 such option reinstated, if after a period of one year, all contributions have
19 been made on time and no contributions, payments in lieu of contributions
20 for benefits paid, penalties or interest remain outstanding.

21 (F) Failure of the Indian tribe or any tribal unit thereof to make
22 required payments, including assessments of interest and penalties, after
23 all collection activities deemed necessary by the secretary have been
24 exhausted, will cause services performed by such tribe to not be treated as
25 employment for purposes of K.S.A. 44-703(i)(3)(E), and amendments
26 thereto. If an Indian tribe fails to make payments required under this
27 section, including assessments of interest and penalties, within 90 days of
28 a final notice of delinquency, the secretary shall immediately notify the
29 United States internal revenue service and the United States department of
30 labor. The secretary may determine that any Indian tribe that loses
31 coverage pursuant to this paragraph may have services performed on
32 behalf of such tribe again deemed "employment" if all contributions,
33 payments in lieu of contributions, penalties and interest have been paid.

34 (G) In the discretion of the secretary, any employer who elects to
35 become liable for payments in lieu of contributions and any nonprofit
36 organization or group of nonprofit organizations described in section
37 501(c)(3) of the federal internal revenue code of 1986 or governmental
38 reimbursing employer or Indian tribe or tribal unit who is delinquent in
39 filing reports or in making payments of amounts certified by the secretary
40 under this section shall be required within 60 days after the effective date
41 of such election, in the case of an eligible employer so electing, or after the
42 date of notification to the delinquent employer under this subsection—~~(e)(2)~~
43 ~~(G)~~ *subparagraph*, in the case of a delinquent employer, to execute and

1 file with the secretary a surety bond, except that the employer may elect, in
2 lieu of a surety bond, to deposit with the secretary money or securities as
3 approved by the secretary or to purchase and deliver to an escrow agent a
4 certificate of deposit to guarantee payment. The amount of the bond,
5 deposit or escrow agreement required by this subsection ~~(e)(2)(G)~~ shall not
6 exceed 5.4% of the organization's taxable wages paid for employment by
7 the eligible employer during the four calendar quarters immediately
8 preceding the effective date of the election or the date of notification, in
9 the case of a delinquent employer. If the employer did not pay wages in
10 each of such four calendar quarters, the amount of the bond or deposit
11 shall be as determined by the secretary. Upon the failure of an employer to
12 comply with *the provisions of this subsection (e)(2)(G) subparagraph*
13 within the time limits imposed or to maintain the required bond or deposit,
14 the secretary may terminate the election of such eligible employer or
15 delinquent employer, as the case may be, to make payments in lieu of
16 contributions, and such termination shall be effective for the current and
17 next calendar year.

18 (H) The state of Kansas shall make reimbursement payments
19 quarterly at a fiscal year rate that shall be based upon: (i) The available
20 balance in the state's reimbursing account as of December 31 of each
21 calendar year; (ii) the historical unemployment experience of all covered
22 state agencies during prior years; (iii) the estimate of total covered wages
23 to be paid during the ensuing calendar year; (iv) the applicable fiscal year
24 rate of the claims processing and auditing fee under K.S.A. 75-3798, and
25 amendments thereto; and (v) actuarial and other information furnished to
26 the secretary by the secretary of administration. In accordance with K.S.A.
27 75-3798, and amendments thereto, the claims processing and auditing fees
28 charged to state agencies shall be deducted from the amounts collected for
29 the reimbursement payments under this paragraph ~~(H)~~ prior to making the
30 quarterly reimbursement payments for the state of Kansas. The fiscal year
31 rate shall be expressed as a percentage of covered total wages and shall be
32 the same for all covered state agencies. The fiscal year rate for each fiscal
33 year will be certified in writing by the secretary to the secretary of
34 administration on July 15 of each year and such certified rate shall become
35 effective on the July 1 immediately following the date of certification. A
36 detailed listing of benefit charges applicable to the state's reimbursing
37 account shall be furnished quarterly by the secretary to the secretary of
38 administration and the total amount of charges deducted from previous
39 reimbursing payments made by the state. On January 1 of each year, if it is
40 determined that benefit charges exceed the amount of prior reimbursing
41 payments, an upward adjustment shall be made therefor in the fiscal year
42 rate to be certified on the ensuing July 15. If total payments exceed benefit
43 charges, all or part of the excess may be refunded, at the discretion of the

1 secretary, from the fund or retained in the fund as part of the payments that
2 may be required for the next fiscal year.

3 (3) *Allocation of benefit costs.* The reimbursing account of each
4 reimbursing employer shall be charged the full amount of regular benefits
5 and ½ of the amount of extended benefits paid except that each
6 reimbursing governmental employer's account shall be charged the full
7 amount of regular benefits and extended benefits paid for weeks of
8 unemployment beginning after December 31, 1978, to individuals whose
9 entire base period wage credits are from such employer. When benefits
10 received by an individual are based upon base period wage credits from
11 more than one employer then the reimbursing employer's or reimbursing
12 governmental employer's account shall be charged in the same ratio as
13 base period wage credits from such employer bear to the individual's total
14 base period wage credits. Notwithstanding any other provision of the
15 employment security law, no reimbursing employer's or reimbursing
16 governmental employer's account shall be charged for payments of
17 extended benefits that are wholly reimbursed to the state by the federal
18 government. ~~Payments of unemployment compensation that are wholly~~
19 ~~reimbursed to the reimbursing employer by the federal government shall~~
20 ~~be charged for the purpose of such reimbursement under the federal~~
21 ~~CARES act, public law 116-136.~~

22 (A) *Proportionate allocation {when fewer than all reimbursing base*
23 *period employers are liable}.* If benefits paid to an individual are based on
24 wages paid by one or more reimbursing employers and on wages paid by
25 one or more contributing employers or rated governmental employers, the
26 amount of benefits payable by each reimbursing employer shall be an
27 amount that bears the same ratio to the total benefits paid to the individual
28 as the total base period wages paid to the individual by such employer
29 bears to the total base period wages paid to the individual by all of such
30 individual's base period employers.

31 (B) *Proportionate allocation {when all base period employers are*
32 *reimbursing employers}.* If benefits paid to an individual are based on
33 wages paid by two or more reimbursing employers, the amount of benefits
34 payable by each such employer shall be an amount that bears the same
35 ratio to the total benefits paid to the individual as the total base period
36 wages paid to the individual by such employer bear to the total base period
37 wages paid to the individual by all of such individual's base period
38 employers.

39 (4) *Group accounts.* Two or more reimbursing employers may file a
40 joint application to the secretary for the establishment of a group account
41 for the purpose of sharing the cost of benefits paid that are attributable to
42 service in the employment of such reimbursing employers. Each such
43 application shall identify and authorize a group representative to act as the

1 group's agent for the purposes of this paragraph. Upon approval of the
2 application, the secretary shall establish a group account for such
3 employers effective as of the beginning of the calendar quarter in which
4 the secretary receives the application and shall notify the group's
5 representative of the effective date of the account. Such account shall
6 remain in effect for not less than four years and thereafter such account
7 shall remain in effect until terminated at the discretion of the secretary or
8 upon application by the group. Upon establishment of the account, each
9 member of the group shall be liable for payments in lieu of contributions
10 with respect to each calendar quarter in the amount that bears the same
11 ratio to the total benefits paid in such quarter that are attributable to service
12 performed in the employ of all members of the group as the total wages
13 paid for service in employment by such member in such quarter bear to the
14 total wages paid during such quarter for service performed in the employ
15 of all members of the group. The secretary shall adopt such rules and
16 regulations as the secretary deems necessary with respect to applications
17 for establishment, maintenance and termination of group accounts that are
18 authorized by this paragraph, for addition of new members to, and
19 withdrawal of active members from such accounts, and for the
20 determination of the amounts that are payable under this paragraph by
21 members of the group and the time and manner of such payments.

22 Sec. 6. K.S.A. 2023 Supp. 44-710a is hereby amended to read as
23 follows: 44-710a. (a) *Classification of employers by the secretary.* The
24 term "employer" as used in this section refers to contributing employers.
25 The secretary shall classify employers in accordance with their actual
26 experience in the payment of contributions on their own behalf and with
27 respect to benefits charged against their accounts with a view of fixing
28 such contribution rates as will reflect such experience. If, as of the date
29 such classification of employers is made, the secretary finds that any
30 employing unit has failed to file any report required in connection
31 therewith, or has filed a report which the secretary finds incorrect or
32 insufficient, the secretary shall make an estimate of the information
33 required from such employing unit on the basis of the best evidence
34 reasonably available to the secretary at the time, and notify the employing
35 unit thereof by mail addressed to its last known address. Unless such
36 employing unit shall file the report or a corrected or sufficient report as the
37 case may be, within 15 days after the mailing of such notice, the secretary
38 shall compute such employing unit's rate of contributions on the basis of
39 such estimates, and the rate as so determined shall be subject to increase
40 but not to reduction on the basis of subsequently ascertained information.
41 The secretary shall determine the contribution rate of each employer in
42 accordance with the requirements of this section.

43 (1) *New employers.* (A) No employer will be eligible for a rate

1 computation until there have been 24 consecutive calendar months
2 immediately preceding the computation date throughout which benefits
3 could have been charged against such employer's account.

4 (B) (i) (a) Each employer who is not eligible for a rate contribution
5 shall pay contributions equal to 2.7% of wages paid during each calendar
6 year with regard to employment, except such employers engaged in the
7 construction industry shall pay a rate equal to 6%.

8 (b) (1) An employer who was not doing business in Kansas prior to
9 July 1, 2014, shall be eligible for either the new employer rate under
10 subsection (a)(1)(B)(i)(a) or the rate associated with the reserve ratio such
11 employer experienced in the state which such employer was formerly
12 located, but in no event less than 1% if such:

13 (A) Employer has been in operation in the other state or states for at
14 least the three years immediately preceding the date such employer
15 becomes a liable employer in Kansas;

16 (B) employer provides the authenticated account history from
17 information accumulated from operations of such employer in the other
18 state or all the other states necessary to compute a current Kansas rate; and

19 (C) employer's business operations established in Kansas are of the
20 same nature, as defined by the North American industrial classification
21 system, as conducted by such employer in the other state or states.

22 (2) The election authorized in subsection (a)(1)(B)(i)(b) of this
23 section must be made in writing within 30 days after notice of Kansas
24 liability. A rate in accordance with subsection (a)(1)(B)(i)(a) will be
25 assigned unless a timely election has been made.

26 (3) If the election is made timely, the employer's account will receive
27 the rate elected for the remainder of that rate year. The rate assigned for
28 the next and subsequent years will be determined by the condition of the
29 account on the computation date.

30 (ii) For purposes of this subsection (a), employers shall be classified
31 by industrial activity in accordance with standard procedures as set forth in
32 rules and regulations adopted by the secretary. Employers engaged in more
33 than one type of industrial activity shall be classified by principal activity.
34 All rates assigned will remain in effect for a complete calendar year. If the
35 sale or acquisition of a new establishment would require reclassification of
36 the employer to a different industry sector, the employer would be
37 promptly notified, and the contribution rate applicable to the new industry
38 sector would become effective the following January 1.

39 (C) "Computation date" means June 30 of each calendar year with
40 respect to rates of contribution applicable to the calendar year beginning
41 with the following January 1. In arriving at contribution rates for each
42 calendar year, contributions paid on or before July 31 following the
43 computation date for employment occurring on or prior to the computation

1 date shall be considered for each contributing employer who has been
2 subject to this act for a sufficient period of time to have such employer's
3 rate computed under this subsection (a).

4 (2) *Eligible employers.* (A) A reserve ratio shall be computed for each
5 eligible employer by the following method: Total benefits charged to the
6 employer's account for all past years shall be deducted from all
7 contributions paid by such employer for all such years. The balance,
8 positive or negative, shall be divided by the employer's average annual
9 payroll, and the result shall constitute the employer reserve ratio.

10 (B) Negative account balance employers, as defined in subsection (d),
11 shall pay contributions at the rate referenced in subsection (a)(4)(B).

12 (C) Eligible employers, other than negative account balance
13 employers, who do not meet the average annual payroll requirements as
14 stated in K.S.A. 44-703(a)(2), and amendments thereto, will be issued the
15 maximum rate indicated by the maximum rate group of standard rate
16 schedule—standard schedule 7 in subsection (a)(4)(B)(ii) until such
17 employer establishes a new period of 24 consecutive calendar months
18 immediately preceding the computation date throughout which benefits
19 could have been charged against such employer's account by resuming the
20 payment of wages. Contribution rates effective for each calendar year
21 thereafter shall be determined as prescribed below.

22 ~~(D) If the amounts collected from negative account balance~~
23 ~~employers and paid into the employment security interest assessment fund~~
24 ~~for the purpose of paying interest due and owing on funds received from~~
25 ~~the federal unemployment account under title XII of the social security act~~
26 ~~are in excess of the amounts needed to pay interest due, the amounts in~~
27 ~~excess shall remain in the employment security interest assessment fund to~~
28 ~~be used to pay interest in future years. Whenever the secretary certifies all~~
29 ~~interest payments have been paid, any excess funds remaining in the~~
30 ~~employment security interest assessment fund shall be transferred to the~~
31 ~~employment security trust fund for the purpose of paying any remaining~~
32 ~~principal amount due for advances described in this section. In the event~~
33 ~~that the amount transferred from the employment security interest~~
34 ~~assessment fund exceeds such remaining amount of principal due, the~~
35 ~~balance shall be used for the purposes of the employment security trust~~
36 ~~fund.~~

37 (3) *Entering and expanding employer.* (A) The secretary, as a method
38 of providing for a reduced rate of contributions to an employer shall verify
39 the qualifications in this statute that bear a direct relation to unemployment
40 risk for that employer.

41 (B) If, as of the computation date, an eligible, positive balance
42 employer's reserve ratio is significantly affected due to an increase in the
43 employer's taxable payroll of at least 100% and such increase is

1 attributable to a growth in employment, and not to a change in the taxable
2 wage base from the previous year, the secretary shall assign a reduced rate
3 of contributions for a period of three years.

4 (i) Such reduced rate of contributions shall be the new employer rate
5 described in subsection (a)(1)(B)(i)(a), or a rate based on the employer's
6 demonstrated risk as reflected in the employer's reserve fund ratio history.

7 (ii) To be eligible for such reduced rate, the employer must maintain a
8 positive account balance throughout the reduced-rate period and must have
9 an increase in account balance for each year.

10 (4) (A) For each rate year, the contribution schedule in effect shall be
11 determined by the applicable fund control table and rate schedule table of
12 subsection ~~(a)(4)(B)~~ (a)(4)(C).

13 (B) *The secretary shall prepare contribution rate tables showing the*
14 *calculated maximum annual cost to contributing rated employers per*
15 *employee for the previous, current and ensuing rate year. Such*
16 *contribution rate tables shall be published each calendar year, no less*
17 *than 30 days prior to the end of such calendar year, on a publicly*
18 *accessible website maintained by the secretary.*

19 (C) *Effective rates.* (i) Employer contribution rates to be effective for
20 each calendar year shall be determined by the applicable rate schedule in
21 clause (ii) and the fund control table for the rate year as specified
22 contained in this clause. The average high cost multiple of the trust fund as
23 of the computation date shall determine the contribution schedule in effect
24 for the next rate year. For purposes of subsection ~~(a)(4)(B)(i)~~ (a)(4)(C)(i),
25 the average high cost multiple is the reserve fund ratio divided by the
26 average high benefit cost rate. The average high benefit cost rate shall be
27 determined by averaging the three highest benefit cost rates over the last
28 20 years from the preceding fiscal year which ended June 30. The high
29 benefit cost rate is defined by dividing total benefits paid in the fiscal year
30 by total payrolls for covered employers in the fiscal year. The reserve fund
31 ratio shall be determined by dividing total assets in the employment
32 security fund provided for in K.S.A. 44-712(a), and amendments thereto,
33 excluding all moneys credited to the account of this state pursuant to
34 section 903 of the federal social security act, as amended, that have been
35 appropriated by the legislature, whether or not withdrawn from the trust
36 fund, and excluding contributions not yet paid on July 31, by total payrolls
37 for contributing employers for the preceding fiscal year that ended on June
38 30.

39 ~~Fund Control Table A~~
40 ~~For Rate Years 2016-2021~~

41 Lower AHCM	Upper AHCM	Solvency Adjustment
42 Threshold	Threshold	to Rate per
43		Standard Rate Schedule

1	-1,000.00000	0.19999	1.60%
2	0.20000	0.44999	1.40%
3	0.45000	0.59999	1.20%
4	0.60000	0.74999	1.00%
5	0.75000	1.14999	0.00%
6	1.15000	1,000.00000	-0.50%

Fund Control Table B A

For Contributing Employers with a POSITIVE Account Balance

For Rate Year ~~2022~~ 2025 and Ensuing Calendar Years

Proportional

KS SUTA Tax Schedules	Lower AHCM Threshold	Upper AHCM Threshold	Solvency/Credit Adjustment to Maximum Standard Rate	Solvency/Credit Adjustment as a Rate Multiplier to Standard, Earned Rate Group	Solvency/Credit Adjustment as a Total % to Employer's Standard, Earned Rate Group
1	-1,000.00000	-0.00001	2.00% 1.50%	0.05263% 0.05357%	26.32%
2	0.00000	0.24999	1.80% 1.35%	0.04737% 0.04821%	23.68%
Solvency Schedules (1-6)	3 0.25000	4 0.44999	1.60% 1.20%	0.04211% 0.04286%	21.05%
	5 0.60000	6 0.69999	1.40% 1.05%	0.03684% 0.03750%	18.42%
	6 0.70000	0.74999	1.20% 0.90%	0.03158% 0.03214%	15.79%
Standard Schedule (7)	7 0.75000	1.24999	0.00%	0.00000%	0.00%
	8 1.25000	1.29999	1.00% 0.75%	0.02632% 0.02679%	13.16%
Credit Schedules (8-13)	9 1.30000	1.39999	1.20% 0.90%	0.03158% 0.03214%	15.79%
	10 1.40000	1.54999	1.40% 1.05%	0.03684% 0.03750%	18.42%
	11 1.55000	1.74999	1.60% 1.20%	0.04211% 0.04286%	21.05%
	12 1.75000	1.99999	1.80% 1.35%	0.04737% 0.04821%	23.68%
	13 2.00000	1,000.00000	2.00% 1.50%	0.05263% 0.05357%	26.32%

Fund Control Table B

For Contributing Employers with a NEGATIVE Account Balance

For Rate Year 2025 and Ensuing Calendar Years

Proportional

KS SUTA Tax Schedules	Lower AHCM Threshold	Upper AHCM Threshold	Solvency/Credit Adjustment	Solvency/Credit Adjustment
1	-1,000.00000	-0.00001	0.00%	0.00000%
2	0.00000	0.24999	0.00%	0.00000%
Solvency Schedules (1-6)	3 0.25000	4 0.44999	0.00%	0.00000%
	5 0.60000	6 0.69999	0.00%	0.00000%
	6 0.70000	0.74999	0.00%	0.00000%
Standard				

1	<i>Schedule</i>	7	0.75000	1.24999	0.00%	0.00000%
2	(7)					
3		8	1.25000	1.29999	0.00%	0.00000%
4	<i>Credit</i>	9	1.30000	1.39999	0.00%	0.00000%
5	<i>Schedules</i>	10	1.40000	1.54999	0.00%	0.00000%
6	(8-13)	11	1.55000	1.74999	0.00%	0.00000%
7		12	1.75000	1.99999	0.00%	0.00000%
8		13	2.00000	1,000.00000	0.00%	0.00000%

9 (ii)-(a) Eligible employers shall be classified by rate group according
 10 to the standard rate schedule - standard rate schedule 7 in this section
 11 clause, for that rate year. ~~Except as provided in subclause (b), for rate~~
 12 ~~years 2016 through 2021, the rate pursuant to the standard rate schedule as~~
 13 ~~adjusted by fund control table A shall apply. Except as provided in~~
 14 ~~subclause (b); For rate year 2022 2025 and ensuing calendar years, the rate~~
 15 ~~pursuant to standard rate schedule 7, solvency schedules 1 through 6 or~~
 16 ~~credit schedules 8 through 13 shall apply to contributing employers with~~
 17 ~~a:~~

18 (a) *Positive account balance, as provided by fund control table A;*
 19 *and*

20 (b) *negative account balance, as provided by fund control table B.*

21 (b) (1) ~~In the event the full transfer of \$250,000,000 is not made as~~
 22 ~~provided in K.S.A. 2022 Supp. 75-5745, and amendments thereto, to the~~
 23 ~~employment security fund on or before July 15, 2021, all contributing~~
 24 ~~employers shall pay the rate as set forth in standard rate schedule --~~
 25 ~~standard rate schedule 7 for the 2022 calendar year.~~

26 (2) ~~In the event the second transfer of up to \$250,000,000 is not made~~
 27 ~~as provided in K.S.A. 2022 Supp. 75-5745, and amendments thereto, to the~~
 28 ~~employment security fund on or before July 15, 2022, all contributing~~
 29 ~~employers shall pay the rate as set forth in standard rate schedules --~~
 30 ~~standard rate schedule 7 for the 2023 calendar year, unless it is determined~~
 31 ~~by actual calculation pursuant to fund control table B that credit rate~~
 32 ~~schedules (8-13) would apply based on the health of the unemployment~~
 33 ~~insurance trust fund.~~

34 STANDARD RATE SCHEDULE -
 35 STANDARD RATE SCHEDULE 7

36 Rate	Lower Reserve	Upper Reserve	Standard
37 Group	Ratio Limit	Ratio Limit	Rate
38 ±0	100.000	1,000,000.000	0.00%
39 1	18.590	1,000,000.000	0.20% 0.10%
40 2	17.875	18.589	0.40% 0.20%
41 3	17.160	17.874	0.60% 0.30%
42 4	16.445	17.159	0.80% 0.40%
43 5	15.730	16.444	1.00% 0.50%

1	6	15.015	15.729	1.20%	0.60%
2	7	14.300	15.014	1.40%	0.70%
3	8	13.585	14.299	1.60%	0.80%
4	9	12.870	13.584	1.80%	0.90%
5	10	12.155	12.869	2.00%	1.00%
6	11	11.440	12.154	2.20%	1.10%
7	12	10.725	11.439	2.40%	1.20%
8	13	10.010	10.724	2.60%	1.30%
9	14	9.295	10.009	2.80%	1.40%
10	15	8.580	9.294	3.00%	1.50%
11	16	7.865	8.579	3.20%	1.60%
12	17	7.150	7.864	3.40%	1.70%
13	18	6.435	7.149	3.60%	1.80%
14	19	5.720	6.434	3.80%	1.90%
15	20	5.005	5.719	4.00%	2.00%
16	21	4.290	5.004	4.20%	2.10%
17	22	3.575	4.289	4.40%	2.20%
18	23	2.860	3.574	4.60%	2.30%
19	24	2.145	2.859	4.80%	2.40%
20	25	1.430	2.144	5.00%	2.50%
21	26	0.715	1.429	5.20%	2.60%
22	27	0.000	0.714	5.40%	2.70%
23	N1	-0.714	-0.001		5.60%
24	N2	-1.429	-0.715		5.80%
25	N3	-2.144	-1.430		6.00%
26	N4	-2.859	-2.145		6.20%
27	N5	-3.574	-2.860		6.40%
28	N6	-4.289	-3.575		6.60%
29	N7	-5.004	-4.290		6.80%
30	N8	-5.719	-5.005		7.00%
31	N9	-6.434	-5.720		7.20%
32	N10	-7.149	-6.435		7.40%
33	N11	-1,000,000.000	-7.150		7.60%

SOLVENCY RATE SCHEDULES (1-6)

34	Solvency Rate Schedules (1-6)						
35	Rate						
36	Group	1	2	3	4	5	6
37	1	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
38	1	0.25%	0.25%	0.24%	0.24%	0.23%	0.23%
39		0.21%	0.20%	0.19%	0.18%	0.16%	0.15%
40	2	0.51%	0.49%	0.48%	0.47%	0.46%	0.45%
41		0.36%	0.34%	0.33%	0.31%	0.30%	0.28%
42	3	0.76%	0.74%	0.73%	0.71%	0.69%	0.68%
43		0.51%	0.49%	0.47%	0.45%	0.43%	0.41%
44	4	1.01%	0.99%	0.97%	0.95%	0.93%	0.91%

1		0.67%	0.64%	0.61%	0.59%	0.56%	0.53%
2	5	1.26%	1.24%	1.21%	1.18%	1.16%	1.13%
3		0.82%	0.79%	0.76%	0.73%	0.69%	0.66%
4	6	1.52%	1.48%	1.45%	1.42%	1.39%	1.36%
5		0.98%	0.94%	0.90%	0.86%	0.83%	0.79%
6	7	1.77%	1.73%	1.69%	1.66%	1.62%	1.58%
7		1.13%	1.09%	1.04%	1.00%	0.96%	0.91%
8	8	2.02%	1.98%	1.94%	1.89%	1.85%	1.81%
9		1.28%	1.23%	1.19%	1.14%	1.09%	1.04%
10	9	2.27%	2.23%	2.18%	2.13%	2.08%	2.04%
11		1.44%	1.38%	1.33%	1.28%	1.22%	1.17%
12	10	2.53%	2.47%	2.42%	2.37%	2.32%	2.26%
13		1.59%	1.53%	1.47%	1.41%	1.35%	1.29%
14	11	2.78%	2.72%	2.66%	2.61%	2.55%	2.49%
15		1.74%	1.68%	1.61%	1.55%	1.49%	1.42%
16	12	3.03%	2.97%	2.91%	2.84%	2.78%	2.72%
17		1.90%	1.83%	1.76%	1.69%	1.62%	1.55%
18	13	3.28%	3.22%	3.15%	3.08%	3.01%	2.94%
19		2.05%	1.98%	1.90%	1.83%	1.75%	1.68%
20	14	3.54%	3.46%	3.39%	3.32%	3.24%	3.17%
21		2.20%	2.12%	2.04%	1.96%	1.88%	1.80%
22	15	3.79%	3.71%	3.63%	3.55%	3.47%	3.39%
23		2.36%	2.27%	2.19%	2.10%	2.01%	1.93%
24	16	4.04%	3.96%	3.87%	3.79%	3.71%	3.62%
25		2.51%	2.42%	2.33%	2.24%	2.15%	2.06%
26	17	4.29%	4.21%	4.12%	4.03%	3.94%	3.85%
27		2.66%	2.57%	2.47%	2.38%	2.28%	2.18%
28	18	4.55%	4.45%	4.36%	4.26%	4.17%	4.07%
29		2.82%	2.72%	2.61%	2.51%	2.41%	2.31%
30	19	4.80%	4.70%	4.60%	4.50%	4.40%	4.30%
31		2.97%	2.86%	2.76%	2.65%	2.54%	2.44%
32	20	5.05%	4.95%	4.84%	4.74%	4.63%	4.53%
33		3.13%	3.01%	2.90%	2.79%	2.68%	2.56%
34	21	5.31%	5.19%	5.08%	4.97%	4.86%	4.75%
35		3.28%	3.16%	3.04%	2.93%	2.81%	2.69%
36	22	5.56%	5.44%	5.33%	5.21%	5.09%	4.98%
37		3.43%	3.31%	3.19%	3.06%	2.94%	2.82%
38	23	5.81%	5.69%	5.57%	5.45%	5.33%	5.21%
39		3.59%	3.46%	3.33%	3.20%	3.07%	2.94%
40	24	6.06%	5.94%	5.81%	5.68%	5.56%	5.43%
41		3.74%	3.61%	3.47%	3.34%	3.20%	3.07%
42	25	6.32%	6.18%	6.05%	5.92%	5.79%	5.66%
43		3.89%	3.75%	3.61%	3.48%	3.34%	3.20%

1	26	6.57%	6.43%	6.29%	6.16%	6.02%	5.88%
2		4.05%	3.90%	3.76%	3.61%	3.47%	3.32%
3	27	6.82%	6.68%	6.54%	6.39%	6.25%	6.11%
4		4.20%	4.05%	3.90%	3.75%	3.60%	3.45%
5	N1	7.07%	6.93%	6.78%	6.63%	6.48%	6.34%
6		5.60%	5.60%	5.60%	5.60%	5.60%	5.60%
7	N2	7.33%	7.17%	7.02%	6.87%	6.72%	6.56%
8		5.80%	5.80%	5.80%	5.80%	5.80%	5.80%
9	N3	7.58%	7.42%	7.26%	7.11%	6.95%	6.79%
10		6.00%	6.00%	6.00%	6.00%	6.00%	6.00%
11	N4	7.83%	7.67%	7.51%	7.34%	7.18%	7.02%
12		6.20%	6.20%	6.20%	6.20%	6.20%	6.20%
13	N5	8.08%	7.92%	7.75%	7.58%	7.41%	7.24%
14		6.40%	6.40%	6.40%	6.40%	6.40%	6.40%
15	N6	8.34%	8.16%	7.99%	7.82%	7.64%	7.47%
16		6.60%	6.60%	6.60%	6.60%	6.60%	6.60%
17	N7	8.59%	8.41%	8.23%	8.05%	7.87%	7.69%
18		6.80%	6.80%	6.80%	6.80%	6.80%	6.80%
19	N8	8.84%	8.66%	8.47%	8.29%	8.11%	7.92%
20		7.00%	7.00%	7.00%	7.00%	7.00%	7.00%
21	N9	9.09%	8.91%	8.72%	8.53%	8.34%	8.15%
22		7.20%	7.20%	7.20%	7.20%	7.20%	7.20%
23	N10	9.35%	9.15%	8.96%	8.76%	8.57%	8.37%
24		7.40%	7.40%	7.40%	7.40%	7.40%	7.40%
25	N11	9.60%	9.40%	9.20%	9.00%	8.80%	8.60%
26		7.60%	7.60%	7.60%	7.60%	7.60%	7.60%

CREDIT RATE SCHEDULES (8-13)

27							
28	Rate						
29	Group	8	9	10	11	12	13
30	10	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
31	1	0.17%	0.17%	0.16%	0.16%	0.15%	0.15%
32		0.05%	0.04%	0.03%	0.01%	0.00%	0.00%
33	2	0.35%	0.34%	0.33%	0.32%	0.31%	0.29%
34		0.12%	0.10%	0.09%	0.07%	0.06%	0.04%
35	3	0.52%	0.51%	0.49%	0.47%	0.46%	0.44
36		0.19%	0.17%	0.15%	0.13%	0.11%	0.09%
37	4	0.69%	0.67%	0.65%	0.63%	0.61%	0.59%
38		0.27%	0.24%	0.21%	0.19%	0.16%	0.13%
39	5	0.87%	0.84%	0.82%	0.79%	0.76%	0.74%
40		0.34%	0.31%	0.28%	0.24%	0.21%	0.18%
41	6	1.04%	1.01%	0.98%	0.95%	0.92%	0.88%
42		0.41%	0.38%	0.34%	0.30%	0.26%	0.23%
43	7	1.22%	1.18%	1.14%	1.11%	1.07%	1.03%
44		0.49%	0.44%	0.40%	0.36%	0.31%	0.27%

1	8	1.39%	1.35%	1.31%	1.26%	1.22%	1.18%
2		0.56%	0.51%	0.46%	0.41%	0.37%	0.32%
3	9	1.56%	1.52%	1.47%	1.42%	1.37%	1.33%
4		0.63%	0.58%	0.53%	0.47%	0.42%	0.36%
5	10	1.74%	1.68%	1.63%	1.58%	1.53%	1.47%
6		0.71%	0.65%	0.59%	0.53%	0.47%	0.41%
7	11	1.91%	1.85%	1.79%	1.74%	1.68%	1.62%
8		0.78%	0.71%	0.65%	0.59%	0.52%	0.46%
9	12	2.08%	2.02%	1.96%	1.89%	1.83%	1.77%
10		0.85%	0.78%	0.71%	0.64%	0.57%	0.50%
11	13	2.26%	2.19%	2.12%	2.05%	1.98%	1.92%
12		0.93%	0.85%	0.78%	0.70%	0.63%	0.55%
13	14	2.43%	2.36%	2.28%	2.21%	2.14%	2.06%
14		1.00%	0.92%	0.84%	0.76%	0.68%	0.60%
15	15	2.61%	2.53%	2.45%	2.37%	2.29%	2.21%
16		1.07%	0.99%	0.90%	0.81%	0.73%	0.64%
17	16	2.78%	2.69%	2.61%	2.53%	2.44%	2.36%
18		1.14%	1.05%	0.96%	0.87%	0.78%	0.69%
19	17	2.95%	2.86%	2.77%	2.68%	2.59%	2.51%
20		1.22%	1.12%	1.03%	0.93%	0.83%	0.74%
21	18	3.13%	3.03%	2.94%	2.84%	2.75%	2.65%
22		1.29%	1.19%	1.09%	0.99%	0.88%	0.78%
23	19	3.30%	3.20%	3.10%	3.00%	2.90%	2.80%
24		1.36%	1.26%	1.15%	1.04%	0.94%	0.83%
25	20	3.47%	3.37%	3.26%	3.16%	3.05%	2.95%
26		1.44%	1.33%	1.21%	1.10%	0.99%	0.88%
27	21	3.65%	3.54%	3.43%	3.32%	3.21%	3.09%
28		1.51%	1.39%	1.28%	1.16%	1.04%	0.92%
29	22	3.82%	3.71%	3.59%	3.47%	3.36%	3.24%
30		1.58%	1.46%	1.34%	1.21%	1.09%	0.97%
31	23	3.99%	3.87%	3.75%	3.63%	3.51%	3.39%
32		1.65%	1.53%	1.40%	1.27%	1.14%	1.01%
33	24	4.17%	4.04%	3.92%	3.79%	3.66%	3.54%
34		1.73%	1.60%	1.46%	1.33%	1.19%	1.06%
35	25	4.34%	4.21%	4.08%	3.95%	3.82%	3.68%
36		1.80%	1.66%	1.53%	1.39%	1.25%	1.11%
37	26	4.52%	4.38%	4.24%	4.11%	3.97%	3.83%
38		1.88%	1.73%	1.59%	1.44%	1.30%	1.15%
39	27	4.69%	4.55%	4.41%	4.26%	4.12%	3.98%
40		1.95%	1.80%	1.65%	1.50%	1.35%	1.20%
41	N1	4.86%	4.72%	4.57%	4.42%	4.27%	4.13%
42		5.60%	5.60%	5.60%	5.60%	5.60%	5.60%
43	N2	5.04%	4.88%	4.73%	4.58%	4.43%	4.27%

1		5.80%	5.80%	5.80%	5.80%	5.80%	5.80%
2	N3	5.21%	5.05%	4.89%	4.74%	4.58%	4.42%
3		6.00%	6.00%	6.00%	6.00%	6.00%	6.00%
4	N4	5.38%	5.22%	5.06%	4.89%	4.73%	4.57%
5		6.20%	6.20%	6.20%	6.20%	6.20%	6.20
6	N5	5.56%	5.39%	5.22%	5.05%	4.88%	4.72%
7		6.40%	6.40%	6.40%	6.40%	6.40%	6.40
8	N6	5.73%	5.56%	5.38%	5.21%	5.04%	4.86%
9		6.60%	6.60%	6.60%	6.60%	6.60%	6.60
10	N7	5.91%	5.73%	5.55%	5.37%	5.19%	5.01%
11		6.80%	6.80%	6.80%	6.80%	6.80%	6.80%
12	N8	6.08%	5.89%	5.71%	5.53%	5.34%	5.16%
13		7.00%	7.00%	7.00%	7.00%	7.00%	7.00%
14	N9	6.25%	6.06%	5.87%	5.68%	5.49%	5.31%
15		7.20%	7.20%	7.20%	7.20%	7.20%	7.20%
16	N10	6.43%	6.23%	6.04%	5.84%	5.65%	5.45%
17		7.40%	7.40%	7.40%	7.40%	7.40%	7.40%
18	N11	6.60%	6.40%	6.20%	6.00%	5.80%	5.60%
19		7.60%	7.60%	7.60%	7.60%	7.60%	7.60%

(b) *Successor classification.* (1) (A) For the purposes of this subsection, whenever an employing unit, whether or not it is an "employing unit" within the meaning of K.S.A. 44-703(g), and amendments thereto, becomes an employer pursuant to K.S.A. 44-703(h) (4), and amendments thereto, or is an employer at the time of acquisition and meets the definition of a "successor employer" as defined by K.S.A. 44-703(dd), and amendments thereto, and thereafter transfers its trade or business, or any portion thereof, to another employer and, at the time of the transfer, there is substantially common ownership, management or control of the two employers, then the unemployment experience attributable to the transferred trade or business shall be transferred to the employer to whom such business is so transferred. These experience factors consist of all contributions paid, benefit experience and annual payrolls of the predecessor employer. The transfer of some or all of an employer's workforce to another employer shall be considered a transfer of trade or business when, as the result of such transfer, the transferring employer no longer performs trade or business with respect to the transferred workforce, and such trade or business is performed by the employer to whom the workforce is transferred.

(B) If, following a transfer of experience under subparagraph (A), the secretary determines that a substantial purpose of the transfer or business was to obtain a reduced liability for contributions, then the experience rating accounts of the employers involved shall be combined into a single account and a single rate assigned to such account.

1 (2) A successor employer as defined by K.S.A. 44-703(h)(4) or (dd),
2 and amendments thereto, may receive the experience rating factors of the
3 predecessor employer if an application is made to the secretary or the
4 secretary's designee in writing within 120 days of the date of the transfer.

5 (3) Whenever an employing unit, whether or not it is an "employing
6 unit" within the meaning of K.S.A. 44-703(g), and amendments thereto,
7 acquires or in any manner succeeds to a percentage of an employer's
8 annual payroll which is less than 100% and intends to continue the
9 acquired percentage as a going business, the employing unit may acquire
10 the same percentage of the predecessor's experience factors if: (A) The
11 predecessor employer and successor employing unit make an application
12 in writing on the form prescribed by the secretary; (B) the application is
13 submitted within 120 days of the date of the transfer; (C) the successor
14 employing unit is or becomes an employer subject to this act immediately
15 after the transfer; (D) the percentage of the experience rating factors
16 transferred shall not be thereafter used in computing the contribution rate
17 for the predecessor employer; and (E) the secretary finds that such transfer
18 will not tend to defeat or obstruct the object and purposes of this act.

19 (4) (A) The rate of both employers in a full or partial successorship
20 under paragraph (1) shall be recalculated and made effective on the first
21 day of the next calendar ~~quarter~~ *year* following the date of transfer of trade
22 or business.

23 (B) If a successor employer is determined to be qualified under
24 paragraph (2) or (3) to receive the experience rating factors of the
25 predecessor employer, the rate assigned to the successor employer for the
26 remainder of the contributions year shall be determined by the following:

27 (i) If the acquiring employing unit was an employer subject to this act
28 prior to the date of the transfer, the rate of contribution shall be the same as
29 the contribution rate of the acquiring employer on the date of the transfer.

30 (ii) If the acquiring employing unit was not an employer subject to
31 this act prior to the date of the transfer, the successor employer shall have a
32 newly computed rate for the remainder of the contribution year which shall
33 be based on the transferred experience rating factors as they existed on the
34 most recent computation date immediately preceding the date of
35 acquisition. These experience rating factors consist of all contributions
36 paid, benefit experience and annual payrolls.

37 (5) Whenever an employing unit is not an employer at the time it
38 acquires the trade or business of an employer, the unemployment
39 experience factors of the acquired business shall not be transferred to such
40 employing unit if the secretary finds that such employing unit acquired the
41 business solely or primarily for the purpose of obtaining a lower rate of
42 contributions. Instead, such employing unit shall be assigned the
43 applicable industry rate for a "new employer" as described in subsection

1 (a)(1). In determining whether the business was acquired solely or
2 primarily for the purpose of obtaining a lower rate of contributions, the
3 secretary shall use objective factors which may include the cost of
4 acquiring the business, whether the employer continued the business
5 enterprise of the acquired business, how long such business enterprise was
6 continued, or whether a substantial number of new employees were hired
7 for performance of duties unrelated to the business activity conducted
8 prior to acquisition.

9 (6) Whenever an employer's account has been terminated as provided
10 in K.S.A. 44-711(d) and (e), and amendments thereto, and the employer
11 continues with employment to liquidate the business operations, that
12 employer shall continue to be an "employer" subject to the employment
13 security law as provided in K.S.A. 44-703(h)(8), and amendments thereto.
14 The rate of contribution from the date of transfer to the end of the then
15 current calendar year shall be the same as the contribution rate prior to the
16 date of the transfer. At the completion of the then current calendar year, the
17 rate of contribution shall be that of a "new employer" as described in
18 subsection (a)(1).

19 (7) No rate computation will be permitted an employing unit
20 succeeding to the experience of another employing unit pursuant to this
21 section for any period subsequent to such succession except in accordance
22 with rules and regulations adopted by the secretary. Any such regulations
23 shall be consistent with federal requirements for additional credit
24 allowance in section 3303 of the federal internal revenue code of 1986,
25 and consistent with the provisions of this act.

26 (c) *Voluntary contributions.* Notwithstanding any other provision of
27 the employment security law, any employer may make voluntary payments
28 for the purpose of reducing or maintaining a reduced rate in addition to the
29 contributions required under this section. Such voluntary payments may be
30 made only during the ~~thirty-day~~ 90-day period immediately following the
31 date of mailing of experience rating notices for a calendar year. All such
32 voluntary contribution payments shall be paid prior to the expiration of
33 120 days after the beginning of the year for which such rates are effective.
34 The amount of voluntary contributions shall be credited to the employer's
35 account as of the next preceding computation date and the employer's rate
36 shall be computed accordingly. Under no circumstances shall voluntary
37 payments be refunded in whole or in part.

38 (d) As used in this section, "negative account balance employer"
39 means an eligible employer whose total benefits charged to such
40 employer's account for all past years have exceeded all contributions paid
41 by such employer for all such years.

42 (e) ~~There is hereby established in the state treasury, separate and apart~~
43 ~~from all public moneys or funds of this state, an employment security~~

1 interest assessment fund, which shall be administered by the secretary as
2 provided in this act. Moneys in the employment security fund established by
3 K.S.A. 44-712, and amendments thereto, and employment security
4 interest assessment fund established by K.S.A. 44-710, and amendments
5 thereto, shall not be invested in the pooled money investment portfolio
6 established under K.S.A. 75-4234, and amendments thereto.
7 Notwithstanding the provisions of K.S.A. 44-712(a), 44-716, 44-717 and
8 75-4234, and amendments thereto, or any like provision the secretary shall
9 remit all moneys received from employers pursuant to the interest payment
10 pursuant to law, to the state treasurer in accordance with the provisions of
11 K.S.A. 75-4215, and amendments thereto. Upon receipt of each such
12 remittance, the state treasurer shall deposit the entire amount in the
13 employment security interest assessment fund. All moneys in this fund
14 which are received from employers pursuant to the interest payment
15 assessments shall be expended solely for the purposes and in the amounts
16 found by the secretary necessary to pay any principal and interest due and
17 owing the United States department of labor resulting from any
18 advancements made to the Kansas employment security fund pursuant to
19 the provisions of title XII of the social security act (42 U.S.C. §§ 1321 to
20 1324) except as may be otherwise provided under subsection (a)(2)(D).
21 Notwithstanding any provision of this section, all moneys received and
22 credited to this fund shall remain part of the employment security interest
23 assessment fund and shall be used only in accordance with the conditions
24 specified.

25 (f) The secretary of labor shall annually prepare and submit a
26 certification as to the solvency and adequacy of the amount credited to the
27 state of Kansas' account in the federal employment security trust fund to
28 the governor and the legislative coordinating council. The certification
29 shall be submitted on or before December 1 of each calendar year and
30 shall be for the 12-month period ending on June 30 of that calendar year.
31 In arriving at the certification contributions paid on or before July 31
32 following the 12-month period ending date of June 30 shall be considered.

33 (f) *On July 1, 2024, the director of accounts and reports shall*
34 *transfer all moneys in the employment security interest assessment fund to*
35 *the employment security trust fund. On July 1, 2024, all liabilities of the*
36 *employment security interest assessment fund are hereby transferred to*
37 *and imposed on the employment security trust fund, and the employment*
38 *security interest assessment fund is hereby abolished.*

39 Sec. 7. K.S.A. 44-710b is hereby amended to read as follows: 44-
40 710b. (a) *By the secretary of labor.* The secretary of labor shall promptly
41 notify each contributing employer of its rate of contributions, each rated
42 governmental employer of its benefit cost rate and each reimbursing
43 employer of its benefit liability as determined for any calendar year

1 pursuant to K.S.A. 44-710 and 44-710a, and amendments thereto, on or
2 before November 30 of the calendar year immediately preceding the
3 calendar year in which such rate takes effect. Such determination shall
4 become conclusive and binding upon the employer unless, within 15 days
5 after the mailing of notice thereof to the employer's last known address or
6 in the absence of mailing, within 15 days after the delivery of such notice,
7 the employer files an application for review and redetermination, setting
8 forth the reasons therefor. If the secretary of labor grants such review, the
9 employer shall be promptly notified thereof and shall be granted an
10 opportunity for a fair hearing, but no employer shall have standing, in any
11 proceeding involving the employer's rate of contributions or benefit
12 liability, to contest the chargeability to the employer's account of any
13 benefits paid in accordance with a determination, redetermination or
14 decision pursuant to K.S.A. 44-710(c), and amendments thereto, except
15 upon the ground that the services on the basis of which such benefits were
16 found to be chargeable did not constitute services performed in
17 employment for the employer and only in the event that the employer was
18 not a party to such determination, redetermination or decision or to any
19 other proceedings under this act in which the character of such services
20 was determined. Any such hearing conducted pursuant to this section shall
21 be heard in the county where the contributing employer maintains its
22 principle place of business. The hearing officer shall render a decision
23 concerning all matters at issue in the hearing within 90 days.

24 (b) (1) The secretary shall, without necessity of a request by an
25 employer or a hearing, immediately and fully credit any contributing
26 employer's, governmental rated employer's or reimbursing employer's
27 account for any benefits paid upon a determination by the secretary that
28 such benefits were an improper payment or paid to any person who
29 received such benefits: (A) By fraud; or (B) in error where any conditions
30 imposed by this act for the receipt of benefits were not fulfilled or where
31 the recipient was not qualified to or disqualified from receiving such
32 benefits.

33 (2) (A) Contributing employers, rated governmental employers and
34 reimbursing employers shall be held harmless for and shall not be required
35 to reimburse the state for any benefits paid that have been identified by the
36 employer and reported to and determined by the secretary as fraudulent or
37 as an improper payment, unless the secretary determines that such benefits
38 were received properly and not: (i) By fraud; or (ii) in error where any
39 conditions imposed by this act for the receipt of benefits were not fulfilled
40 or where the recipient was not qualified to or disqualified from receiving
41 such benefits. Any such determination by the secretary shall be subject to
42 appeal as provided by the employment security law.

43 (B) Reimbursing employers shall be refunded for reimbursements

1 made to the state for any claims or benefits paid on or after March 15,
2 2020, that are or have been reported to the secretary and determined by the
3 secretary as fraudulent. Amounts refunded shall become due, subject to
4 appeal as provided by the employment security law, upon a determination
5 by the secretary, as provided by subparagraph (A), that the benefits were
6 paid properly and not by fraud or in error.

7 (C) For the time period of March 15, 2020, through December 31,
8 2022, identifications of fraud reported to the secretary pursuant to
9 subparagraphs (A) and (B) shall not be subject to any time limitation for
10 disputing a claim or for appeal pursuant to K.S.A. 44-710, and
11 amendments thereto, or pursuant to any other provision of the employment
12 security law.

13 (3) The secretary shall review all reimbursing employer accounts and
14 shall apply credit for any benefits previously paid by fraud or in error, as
15 provided by paragraph (1), that have been charged against a reimbursing
16 employer's account and have not yet been recovered through normal
17 recovery efforts.

18 (c) *Judicial review.* Any action of the secretary upon an employer's
19 timely request for a review and redetermination of its rate of contributions
20 or benefit liability, in accordance with subsection (a), is subject to review
21 in accordance with the Kansas judicial review act. Any action for such
22 review shall be heard in a summary manner and shall be given precedence
23 over all other civil cases except cases arising under K.S.A. 44-709(i), and
24 amendments thereto, and the workmen's compensation act.

25 (d) *Periodic notification of benefits charged.* The secretary of labor
26 may provide by rules and regulations for periodic notification to
27 employers of benefits paid and chargeable to their accounts or of the status
28 of such accounts, and any such notification, in the absence of an
29 application for redetermination filed in such manner and within such
30 period as the secretary of labor may prescribe, shall become conclusive
31 and binding upon the employer for all purposes. Such redeterminations,
32 made after notice and opportunity for hearing, and the secretary's findings
33 of facts in connection therewith may be introduced in any subsequent
34 administrative or judicial proceedings involving the determination of the
35 rate of contributions of any employer for any calendar year and shall be
36 entitled to the same finality as is provided in this subsection with respect to
37 the findings of fact made by the secretary of labor in proceedings to
38 redetermine the contribution rate of an employer. The review or any other
39 proceedings relating thereto as provided for in this section may be heard
40 by any duly authorized employee of the secretary of labor and such action
41 shall have the same effect as if heard by the secretary.

42 (e) The secretary shall review the information reported by the United
43 States department of labor pursuant to the payment integrity information

1 act of 2019, public law 116-117, and any other relevant information
2 available from the United States department of labor and any relevant
3 information held by the department of labor available to the secretary
4 regarding improper payment amounts for the state of Kansas for the period
5 beginning on March 15, 2020, through December 31, 2022.

6 (f) Any federal unemployment insurance benefit program established
7 as a result of COVID-19 or any pandemic shall not be continued after the
8 ending date of the federal program through the use of Kansas state
9 employment security fund contributions made by Kansas employers.

10 (g) *The secretary shall review benefit claims at the time a claim is*
11 *made and as necessary to timely determine whether any claimant is*
12 *eligible for unemployment benefits pursuant to any federal unemployment*
13 *program. The secretary shall suspend state unemployment benefit*
14 *payments to a claimant if the secretary determines that the claimant is*
15 *eligible for federal unemployment benefits in an amount that is equal to or*
16 *greater than the amount of state benefits that the claimant is eligible for*
17 *under the employment security law.*

18 Sec. 8. K.S.A. 44-717 is hereby amended to read as follows: 44-717.

19 (a) (1) *Penalties on past-due reports, interest on past-due contributions,*
20 *payments in lieu of contributions; and benefit cost payments*~~*and interest*~~
21 ~~*assessments made under K.S.A. 44-710a, and amendments thereto.*~~ Any
22 employer or any officer or agent of an employer, who fails to file any wage
23 report or contribution return by the last day of the month following the
24 close of each calendar quarter to which they are related shall pay a penalty
25 as provided by this subsection for each month or fraction of a month until
26 the report or return is received by the secretary of labor ~~except that for~~
27 ~~calendar years 2010 and 2011 an employer or any officer or agent of the~~
28 ~~employer shall have up to 90 days past the due date for any of the first~~
29 ~~three calendar quarters in a calendar year to pay such employer's~~
30 ~~contribution without being charged any interest, however, when the 90-day~~
31 ~~period has passed, the provisions of this section shall apply.~~ The penalty
32 for each month or fraction of a month shall be an amount equal to .05% of
33 the total wages paid by the employer during the quarter, except that no
34 penalty shall be less than \$25 nor more than \$200 for each such report or
35 return not timely filed. Contributions; *and* benefit cost payments ~~and~~
36 ~~interest assessments made pursuant to K.S.A. 44-710a, and amendments~~
37 ~~thereto;~~ unpaid by the last day of the month following the last calendar
38 quarter to which they are related and payments in lieu of contributions
39 unpaid 30 days after the mailing of the statement of benefit charges, shall
40 bear interest at the rate of 1% per month or fraction of a month until
41 payment is received by the secretary of labor ~~except that~~. An employing
42 unit, ~~which is not theretofore~~ *that has not previously been* subject to this
43 law and ~~which~~ *that* becomes an employer and does not refuse to make the

1 reports, returns and contributions, payments in lieu of contributions and
 2 benefit cost payments required under this law, shall not be liable for such
 3 penalty or interest if the wage reports and contribution returns required are
 4 filed and the contributions, payments in lieu of contributions or benefit
 5 cost payments required are paid within 10 days following notification by
 6 the secretary of labor that a determination has been made fixing its status
 7 as an employer subject to this law. Upon written request and good cause
 8 shown, the secretary of labor may abate any penalty or interest or portion
 9 thereof provided for by this subsection. Interest amounting to less than \$5
 10 shall be waived by the secretary of labor and shall not be collected.
 11 Penalties and interest collected pursuant to this subsection shall be paid
 12 into the special employment security fund. For all purposes under this
 13 section, amounts assessed as surcharges under subsection (j) or under
 14 K.S.A. 44-710a, and amendments thereto, shall be considered to be
 15 contributions and shall be subject to penalties and interest imposed under
 16 this section and to collection in the manner provided by this section. ~~For~~
 17 ~~all purposes under this section, amounts assessed under K.S.A. 44-710a,~~
 18 ~~and amendments thereto, shall be subject to penalties and interest imposed~~
 19 ~~under this section and to collection in the manner provided in this section.~~
 20 For purposes of this subsection, a wage report, a contribution return, a
 21 contribution, a payment in lieu of contribution; *or* a benefit cost payment
 22 ~~or an interest assessment made pursuant to K.S.A. 44-710a, and~~
 23 ~~amendments thereto,~~ is deemed to be filed or paid as of the date it is
 24 placed in the United States mail.

25 (2) Notices of payment and reporting delinquency to Indian tribes or
 26 their tribal units shall include information that failure to make full payment
 27 within the prescribed time frame:

- 28 (i) Will cause the Indian tribe to be liable for taxes under FUTA;
- 29 (ii) will cause the Indian tribe to lose the option to make payments in
 30 lieu of contributions;
- 31 (iii) could cause the Indian tribe to be excepted from the definition of
 32 "employer," as provided in ~~paragraph (h)(3) of K.S.A. 44-703(h)(3), and~~
 33 ~~amendments thereto, and services in the employ of the Indian tribe, as~~
 34 ~~provided in paragraph (i)(3)(E) of K.S.A. 44-703(i)(3)(E), and~~
 35 ~~amendments thereto, to be excepted from "employment."~~

36 (b) *Collection.* (1) If, after due notice, any employer defaults in
 37 payment of any penalty, contributions, payments in lieu of contributions;
 38 *or* benefit cost payments; ~~interest assessments made pursuant to K.S.A.~~
 39 ~~44-710a, and amendments thereto,~~ or interest thereon the amount due may
 40 be collected by civil action in the name of the secretary of labor and the
 41 employer adjudged in default shall pay the cost of such action. Civil
 42 actions brought under this section to collect *such* contributions, payments
 43 in lieu of contributions; *or* benefit cost payments; ~~interest assessments~~

1 ~~made pursuant to K.S.A. 44-710a, and amendments thereto,~~ penalties; or
2 interest thereon from an employer shall be heard by the district court at the
3 earliest possible date and shall be entitled to preference upon the calendar
4 of the court over all other civil actions except petitions for judicial review
5 under this act and cases arising under the workmen's compensation act. All
6 liability determinations of contributions due, payments in lieu of
7 contributions; ~~or benefit cost payments and interest assessments made~~
8 ~~pursuant to K.S.A. 44-710a, and amendments thereto,~~ due shall be made
9 within a period of five years from the date such contributions, payments in
10 lieu of contributions; ~~or benefit cost payments and interest assessments~~
11 ~~made pursuant to K.S.A. 44-710a, and amendments thereto,~~ were due
12 except such determinations may be made for any time when an employer
13 has filed fraudulent reports with intent to evade liability.

14 (2) Any employing unit ~~which~~ *that* is not a resident of this state and
15 ~~which~~ exercises the privilege of having one or more individuals perform
16 service for it within this state and any resident employing unit ~~which~~ *that*
17 exercises that privilege and thereafter ~~removes from~~ *leaves* this state, shall
18 be deemed ~~thereby to appoint~~ *have appointed* the secretary of state as its
19 agent and attorney for the acceptance of process in any civil action under
20 this subsection. In instituting such an action against any such employing
21 unit the secretary of labor shall cause such process or notice to be filed
22 with the secretary of state and such service shall be sufficient service upon
23 such employing unit and shall be of the same force and validity as if
24 served upon ~~it~~ *the employing unit* personally within this state. The
25 secretary of labor shall send notice immediately of the service of such
26 process or notice, together with a copy thereof, by registered or certified
27 mail, return receipt requested, to such employing unit at its last-known
28 address and such return receipt, the affidavit of compliance of the secretary
29 of labor with the provisions of this section; and a copy of the notice of
30 service; shall be appended to the original of the process filed in the court ~~in~~
31 ~~which~~ *where* such civil action is pending.

32 (3) The district courts of this state shall ~~entertain~~ *hear*, in the manner
33 provided in subsections (b)(1) and (b)(2), actions to collect contributions,
34 payments in lieu of contributions, ~~interest assessments made pursuant to~~
35 ~~K.S.A. 44-710a, and amendments thereto,~~ *benefit cost payments* and other
36 amounts owed including interest thereon for which liability has accrued
37 under the employment security law of any other state or of the federal
38 government.

39 (c) *Priorities under legal dissolutions or distributions.* In the event of
40 any distribution of employer's assets pursuant to an order of any court
41 under the laws of this state, including but not limited to any probate
42 proceeding, interpleader, receivership, assignment for benefit of creditors,
43 adjudicated insolvency, composition or similar proceedings, contributions

1 payments in lieu of contributions or ~~interest assessments made under~~
2 ~~K.S.A. 44-710a, and amendments thereto~~ *benefit cost payments*, then or
3 thereafter due shall be paid in full from the moneys which shall first come
4 into the estate, prior to all other claims, except claims for wages of not
5 more than \$250 to each claimant, earned within six months of the
6 commencement of the proceedings. In the event of an employer's
7 adjudication in bankruptcy, judicially confirmed extension proposal; or
8 composition; under the federal bankruptcy act of 1898, as amended *federal*
9 *bankruptcy law*, contributions then or thereafter due shall be entitled to
10 such priority as is provided ~~in that act~~ *by federal bankruptcy law* for taxes
11 due any state of the United States.

12 (d) *Assessments*. If any employer fails to file a report or return
13 required by the secretary of labor for the determination of contributions, ~~or~~
14 payments in lieu of contributions, or benefit cost payments, the secretary
15 of labor may make such reports or returns or cause the same to be made,
16 on the basis of such information as the secretary may be able to obtain and
17 shall collect the contributions, payments in lieu of contributions or benefit
18 cost payments as determined together with any interest due under this act.
19 The secretary of labor shall immediately forward to the employer a copy
20 of the assessment by registered or certified mail to the employer's address
21 as it appears on the records of the agency; ~~and~~. Such assessment shall be
22 final unless the employer protests such assessment and files a corrected
23 report or return for the period covered by the assessment within 15 days
24 after the mailing of the copy of assessment. Failure to receive such notice
25 shall not invalidate the assessment. Notice in writing shall be presumed to
26 have been given when deposited as certified or registered ~~matter~~ *mail* in
27 the United States mail, addressed to the person to be charged with notice at
28 such person's address as it appears on the records of the agency.

29 (e) (1) *Lien*. If any employer or person who is liable to pay
30 contributions, payments in lieu of contributions; *or* benefit cost payments
31 ~~and interest assessments made pursuant to K.S.A. 44-710a, and~~
32 ~~amendments thereto~~; neglects or refuses to pay the same after demand, the
33 amount, including interest and penalty, shall be a lien in favor of the state
34 of Kansas, secretary of labor, upon all property and rights to property,
35 whether real or personal, belonging to such employer or person. Such lien
36 shall not be valid as against any mortgagee, pledgee, purchaser or
37 judgment creditor until notice thereof has been filed by the secretary of
38 labor in the office of register of deeds in any county in the state of Kansas;
39 ~~in which~~ *where* such property is located, and when so filed shall be notice
40 to all persons claiming an interest in the property of the employer or
41 person against whom filed. The register of deeds shall enter such notices in
42 the financing statement record and shall also record the same in full in
43 miscellaneous record and index the same against the name of the

1 delinquent employer. The register of deeds shall accept, file, and record
2 such notice without prepayment of any fee, but lawful fees shall be added
3 to the amount of such lien and collected when satisfaction is presented for
4 entry. Such lien shall be satisfied of record upon the presentation of a
5 certificate of discharge by the state of Kansas, secretary of labor. Nothing
6 contained in this subsection shall be construed as an invalidation of any
7 lien or notice filed in the name of the unemployment compensation
8 division or the employment security division and such liens shall be and
9 remain in full force and effect until satisfied as provided by this
10 subsection.

11 (2) *Authority of secretary or authorized representative.* If any
12 employer or person who is liable to pay any contributions, payments in
13 lieu of contributions; ~~or benefit cost payments and interest assessments~~
14 ~~made pursuant to K.S.A. 44-710a, and amendments thereto,~~ including
15 interest and penalty, neglects or refuses to pay the same within 10 days
16 after notice and demand therefor, the secretary or the secretary's authorized
17 representative may collect such contributions, payments in lieu of
18 contributions; ~~or benefit cost payments and interest assessments made~~
19 ~~pursuant to K.S.A. 44-710a, and amendments thereto,~~ including interest
20 and penalty, and such further amount as is sufficient to cover the expenses
21 of the levy, by levy upon all property and rights to property ~~which that~~
22 belong to the employer or person or ~~which that~~ have a lien created thereon
23 by this subsection for the payment of such contributions, payments in lieu
24 of contributions; ~~or benefit cost payments and interest assessments made~~
25 ~~pursuant to K.S.A. 44-710a, and amendments thereto,~~ including interest
26 and penalty. As used in this subsection, "property" includes all real
27 property and personal property, whether tangible or intangible, except such
28 property ~~which that~~ is exempt under K.S.A. 60-2301 et seq., and
29 amendments thereto. Levy may be made upon the accrued salary or wages
30 of any officer, employee or elected official of any state or local
31 governmental entity which is subject to K.S.A. 60-723, and amendments
32 thereto, by serving a notice of levy as provided in ~~subsection (d) of~~ K.S.A.
33 60-304(d), and amendments thereto. If the secretary or the secretary's
34 authorized representative makes a finding that the collection of the amount
35 of such contributions, payments in lieu of contributions; ~~or benefit cost~~
36 ~~payments and interest assessments made pursuant to K.S.A. 44-710a, and~~
37 ~~amendments thereto,~~ including interest and penalty, is in jeopardy, notice
38 and demand for immediate payment of such amount may be made by the
39 secretary or the secretary's authorized representative ~~and~~. Upon *the* failure
40 or refusal to pay such amount, immediate collection of such amount by
41 levy shall be lawful without regard to the 10-day period provided in this
42 subsection.

43 (3) *Seizure and sale of property.* The authority to levy granted under

1 this subsection includes the power of seizure by any means. A levy shall
2 extend only to property possessed and obligations existing at the time
3 thereof. In any case in which the secretary or the secretary's authorized
4 representative may levy upon property or rights to property, the secretary
5 or the secretary's authorized representative may seize and sell such
6 property or rights to property.

7 (4) *Successive seizures.* Whenever any property or right to property
8 ~~upon which levy that has been made levied upon~~ under this subsection is
9 not sufficient to satisfy the claim of the secretary ~~for which that the levy is~~
10 ~~was made for~~, the secretary or the secretary's authorized representative
11 may proceed thereafter and as often as may be necessary, to levy ~~in like~~
12 ~~the same~~ manner upon any other property or rights to property ~~which that~~
13 belongs to the employer or person against whom such claim exists or upon
14 which a lien is created by this subsection until the amount due from the
15 employer or person, together with all expenses, is fully paid.

16 (f) *Warrant.* In addition or as an alternative to any other remedy
17 provided by this section ~~and provided that, if~~ no appeal or other proceeding
18 for review permitted by this law ~~shall then be~~ *is* pending and the time for
19 ~~taking thereof shall have an appeal or other proceeding for review has~~
20 expired, the secretary of labor or an authorized representative of the
21 secretary may issue a warrant certifying the amount of contributions,
22 payments in lieu of contributions, benefit cost payments, interest or
23 penalty; and the name of the employer liable for ~~same such amount~~ after
24 giving 15 days prior notice. Upon request, service of final notices shall be
25 made by the sheriff within the sheriff's county, by the sheriff's deputy or
26 some person specially appointed by the secretary for that purpose, or by
27 the secretary's designee. A person specially appointed by the secretary or
28 the secretary's designee to serve final notices may make service any place
29 in the state. Final notices shall be served as follows:

30 (1) *Individual.* Service upon an individual, other than a minor or
31 incapacitated person, shall be made by delivering a copy of the final notice
32 to the individual personally or by leaving a copy at such individual's
33 dwelling house or usual place of abode with some person of suitable age
34 and discretion then residing therein, by leaving a copy at the business
35 establishment of the employer with an officer or employee of the
36 establishment; or by delivering a copy to an agent authorized by
37 appointment or by law to receive service of process, ~~but~~. If the agent is ~~one~~
38 designated by a statute to receive service, such further notice as the statute
39 requires shall *also* be given. If service as prescribed above cannot be made
40 with due diligence, the secretary or the secretary's designee may order
41 service to be made by leaving a copy of the final notice at the employer's
42 dwelling house, usual place of abode or business establishment.

43 (2) *Corporations and partnerships.* Service upon a domestic or

1 foreign corporation or upon a partnership or other unincorporated
2 association, when by law it may be sued as such, shall be made by
3 delivering a copy of the final notice to an officer, partner or resident
4 managing or general agent thereof. *Delivery shall be accomplished* by
5 leaving a copy at any business office of the employer with the person
6 having charge thereof or by delivering a copy to any other agent
7 authorized by appointment or required by law to receive service of
8 process, if the agent is one authorized by law to receive service ~~and~~. If the
9 law so requires, ~~by also mailing~~ a copy *shall be mailed* to the employer.

10 (3) *Refusal to accept service.* In all cases when the person to be
11 served, or an agent authorized by such person to accept service of petitions
12 and summonses, ~~shall refuse~~ *refuses* to receive copies of the final notice,
13 the offer of the duly authorized process server to deliver copies thereof and
14 such refusal shall be sufficient service of such notice.

15 (4) *Proof of service.* (A) Every officer to whom a final notice or other
16 process shall be delivered for service within or without the state, shall
17 make return thereof in writing stating the time, place and manner of
18 service ~~of such writ~~, and ~~shall~~ sign such officer's name to such return.

19 (B) If service of the notice is made by a person appointed by the
20 secretary or the secretary's designee to make service, such person shall
21 make an affidavit as to the time, place and manner of service thereof in a
22 form prescribed by the secretary or the secretary's designee.

23 (5) *Time for return.* The officer or other person receiving a final
24 notice shall make a return of service promptly and shall send such return to
25 the secretary or the secretary's designee ~~in any event~~ within 10 days after
26 the service is effected. If the final notice cannot be served it shall be
27 returned to the secretary or the secretary's designee within 30 days after
28 the date of issue with a statement of the reason for ~~the such~~ failure to serve
29 ~~the same~~. The original return shall be attached to ~~and filed with~~ any
30 warrant thereafter filed.

31 (6) *Service by mail.* (A) Upon direction of the secretary or the
32 secretary's designee, service by mail may be effected by forwarding a copy
33 of the notice to the employer by registered or certified mail to the
34 employer's address as it appears on the records of the agency. A copy of
35 the return receipt shall be attached to ~~and filed with~~ any warrant thereafter
36 filed.

37 (B) The secretary of labor or an authorized representative of the
38 secretary may file the warrant for record in the office of the clerk of the
39 district court in the county in which the employer owing such
40 contributions, payments in lieu of contributions, benefit cost payments,
41 ~~interest assessments made pursuant to K.S.A. 44-710a, and amendments~~
42 ~~thereto~~, interest, or penalty has business property. The warrant shall certify
43 the amount of contributions, payments in lieu of contributions, benefit cost

1 payments, interest and penalty due, and the name of the employer liable
2 for such amount. It shall be the duty of the clerk of the district court to file
3 such warrant of record and enter the warrant in the records of the district
4 court for judgment and decrees under the procedure prescribed for filing
5 transcripts of judgment.

6 (C) ~~The clerk shall enter,~~ On the day the warrant is filed, *the clerk*
7 *shall enter* the case on the appearance docket, ~~together~~ with the amount
8 and the time of filing the warrant. From the time of filing such warrant, the
9 amount of the contributions, payments in lieu of contributions, benefit cost
10 payments, ~~interest assessments made pursuant to K.S.A. 44-710a, and~~
11 ~~amendments thereto,~~ interest; and penalty, certified therein, shall have the
12 force and effect of a judgment of the district court until the same is
13 satisfied by the secretary of labor or an authorized representative or
14 attorney for the secretary. Execution shall be issuable at the request of the
15 secretary of labor; *or* an authorized representative or attorney for the
16 secretary; ~~as is~~ provided in the case of other judgments.

17 (D) Postjudgment procedures shall be the same as for judgments
18 according to the code of civil procedure.

19 (E) Warrants shall be satisfied of record by payment to the clerk of
20 the district court of the contributions, payments in lieu of contributions,
21 benefit cost payments, ~~interest assessments made pursuant to K.S.A. 44-~~
22 ~~710a, and amendments thereto,~~ penalty, interest to date; and court costs.
23 Warrants may also be satisfied of record by payment to the clerk of the
24 district court of all court costs accrued in the case and by filing a
25 certificate by the secretary of labor, certifying that ~~the~~ *such* contributions,
26 payments in lieu of contributions, benefit cost payments, ~~interest~~
27 ~~assessments made pursuant to K.S.A. 44-710a, and amendments thereto,~~
28 interest and penalty have been paid.

29 (g) *Remedies cumulative.* The foregoing remedies shall be cumulative
30 and no action taken shall be construed as an election on the part of the
31 state or any of its officers to pursue any remedy or action under this
32 section to the exclusion of any other remedy or action ~~for which provision~~
33 ~~is made.~~

34 (h) *Refunds.* If any individual, governmental entity or organization
35 makes application for refund or adjustment of any amount paid as
36 contributions, benefit cost payments, ~~interest assessments made pursuant~~
37 ~~to K.S.A. 44-710a, and amendments thereto,~~ or interest under this law and
38 the secretary of labor determines that such amount or any portion thereof
39 was erroneously collected, except for amounts less than \$5, the secretary
40 of labor shall allow such individual or organization to make an adjustment
41 thereof, in connection with subsequent contribution payments, ~~or~~. If such
42 adjustment cannot be made the secretary of labor shall refund the amount,
43 except for amounts less than \$5, from the employment security fund,

1 except that all interest erroneously collected which has been paid into the
2 special employment security fund shall be refunded out of the special
3 employment security fund. No adjustment or refund shall be allowed with
4 respect to a payment as contributions, ~~interest assessments made pursuant~~
5 ~~to K.S.A. 44-710a, and amendments thereto,~~ *benefit cost payments* or
6 interest unless an application therefor is made *by the individual,*
7 *governmental entity or organization or the adjustment or refund is made*
8 *on the initiative of the secretary* on or before whichever of the following
9 dates is later: (1) One year from the date on which such payment was
10 made; or (2) three years from the last day of the period with respect to
11 which such payment was made. ~~For like cause and within the same period~~
12 ~~adjustment or refund may be so made on the secretary's own initiative.~~ The
13 secretary of labor shall not be required to refund any contributions,
14 payments in lieu of contributions or benefit cost payments based upon
15 wages paid which have been used as base-period wages in a determination
16 of a claimant's benefit rights when justifiable and correct payments have
17 been made to the claimant as the result of such determination. ~~For all~~
18 ~~taxable years commencing after December 31, 1997,~~ Interest at the rate
19 prescribed in K.S.A. 79-2968, and amendments thereto, shall be allowed
20 on a contribution or benefit cost payment which the secretary has
21 determined was erroneously collected pursuant to this section.

22 (i) (1) *Cash deposit or bond.* If any contributing employer is
23 delinquent in making payments under the employment security law during
24 any two quarters of the most recent four-quarter period, the secretary or
25 the secretary's authorized representative ~~shall have the discretionary power~~
26 ~~to~~ *may* require such contributing employer either to deposit cash or to file
27 a bond with sufficient sureties to guarantee the payment of contributions,
28 ~~interest assessments made pursuant to K.S.A. 44-710a, and amendments~~
29 ~~thereto,~~ penalty and interest owed by such employer.

30 (2) The amount of such cash deposit or bond shall be not less than the
31 largest total amount of contributions, ~~interest assessments made pursuant~~
32 ~~to K.S.A. 44-710a, and amendments thereto,~~ penalty and interest reported
33 by the employer in two of the four calendar quarters preceding any
34 delinquency. Such cash deposit or bond shall be required until the
35 employer has shown timely filing of *such* reports and payment of
36 contributions ~~and interest assessments made pursuant to K.S.A. 44-710a,~~
37 ~~and amendments thereto,~~ for four consecutive calendar quarters.

38 (3) Failure to file such cash deposit or bond shall subject the
39 employer to a surcharge of 2.0% which shall be in addition to the rate of
40 contributions assigned to the employer under K.S.A. 44-710a, and
41 amendments thereto. Contributions paid as a result of this surcharge shall
42 not be credited to the employer's experience rating account. This surcharge
43 shall be effective during the next full calendar year after its imposition and

1 during each full calendar year thereafter until the employer has filed the
2 required cash deposit or bond or has shown timely filing of reports and
3 payment of contributions for four consecutive calendar quarters.

4 (j) Any officer, major stockholder or other person who has charge of
5 the affairs of an employer, ~~which that~~ is an employing unit described in
6 section 501(c)(3) of the federal internal revenue code of 1954 or ~~which of~~
7 *an employer that* is any other corporate organization or association, or any
8 member or manager of a limited liability company; or any public official,
9 who willfully fails to pay the amount of contributions, payments in lieu of
10 contributions; ~~or benefit cost payments and interest assessments made~~
11 ~~pursuant to K.S.A. 44-710a, and amendments thereto,~~ required to be paid
12 under the employment security law on the date on which such amount
13 becomes delinquent, shall be personally liable for the total amount of ~~the~~
14 *such* contributions, payments in lieu of contributions; ~~or benefit cost~~
15 ~~payments and interest assessments made pursuant to K.S.A. 44-710a, and~~
16 ~~amendments thereto,~~ and any penalties and interest due and unpaid by
17 such employing unit. The secretary or the secretary's authorized
18 representative may assess such person for the total amount of *such*
19 contributions, payments in lieu of contributions; ~~or benefit cost payments~~
20 ~~and interest assessments made pursuant to K.S.A. 44-710a, and~~
21 ~~amendments thereto,~~ and any penalties; and interest computed as due and
22 owing. With respect to such persons and such amounts assessed, the
23 secretary ~~shall have available all~~ *may use any* of the collection remedies
24 authorized or provided by this section.

25 (k) *Electronic filing of wage report and contribution return and*
26 *electronic payment of contributions, benefit cost payments; or reimbursing*
27 *payments or interest assessments under K.S.A. 44-710a, and amendments*
28 *thereto.* The following employers or ~~third party~~ *third-party* administrators
29 shall file all wage reports and contribution returns and make payment of
30 contributions, benefit cost payments or reimbursing payments
31 electronically as follows:

32 (1) Wage reports, contribution returns and payments due after June
33 30, 2008, for those employers with 250 or more employees or ~~third party~~
34 *third-party* administrators with 250 or more client employees at the time
35 such filing or payment is first due;

36 (2) wage reports, contribution returns and payments due after June
37 30, 2009, for those employers with 100 or more employees or ~~third party~~
38 *third-party* administrators with 100 or more client employees at the time
39 such filing or payment is first due; ~~and~~

40 (3) wage reports, contribution returns; ~~and payments and interest~~
41 ~~assessments made pursuant to K.S.A. 44-710a, and amendments thereto,~~
42 due after June 30, 2010, for those employers with 50 or more employees
43 and for those ~~third party~~ *third-party* administrators with 50 or more client

1 employees at the time such filing or payment is first due; and
2 (4) *wage reports, contribution returns and payments due after June*
3 *30, 2024, for those employers with 25 or more employees and for those*
4 *third-party administrators with 25 or more client employees at the time*
5 *such filing or payment is first due.*

6 The requirements of this subsection may be waived by the secretary for
7 an employer if the employer demonstrates a hardship in complying with
8 this subsection.

9 Sec. 9. K.S.A. 44-771 is hereby amended to read as follows: 44-771.

10 (a) (1) There is hereby created the unemployment compensation
11 modernization and improvement council. The council shall consist of 13
12 members appointed as follows:

13 (A) Three members who, on account of their vocation, employment
14 or affiliations, may be classed as representative of employers, one of
15 whom shall be selected by the governor, one by the speaker of the house of
16 representatives and one by the president of the senate;

17 (B) three members who, on account of their vocation, employment or
18 affiliation, may be classed as representative of employees, one of whom
19 shall be selected by the governor, one by the speaker of the house of
20 representatives and one by the president of the senate;

21 (C) the chairpersons of the standing committees of the senate and the
22 house of representatives to which legislation pertaining to the employment
23 security law is customarily referred, appointed by the president of the
24 senate and the speaker of the house of representatives, respectively;

25 (D) two members of the senate, one of whom shall be a member of
26 the majority party appointed by the president of the senate and one of
27 whom shall be a member of the minority party appointed by the minority
28 leader of the senate;

29 (E) two members of the house of representatives, one of whom shall
30 be a member of the majority party appointed by the speaker of the house
31 of representatives and one of whom shall be a member of the minority
32 party appointed by the minority leader of the house of representatives; and

33 (F) the secretary of labor or a designee of the secretary who has
34 administrative responsibilities with respect to the unemployment insurance
35 compensation system of the department of labor.

36 (2) Legislative members shall serve during the legislative session in
37 which they are appointed to the council and shall remain members of the
38 legislature in order to retain membership on the council. Vacancies of
39 legislative members during a term shall be filled in the same manner as the
40 original appointment only for the unexpired part of the term. The
41 appointing authority for the legislative member may remove the member,
42 reappoint the member or substitute another appointee for the member at
43 any time.

1 (3) The members of the council shall be appointed and the council
2 shall hold its first meeting within 30 days of ~~the effective date of this act~~
3 *May 13, 2021*.

4 (b) All ~~non-legislative~~ *nonlegislative* members shall serve for ~~three~~
5 *six* years or until the council is dissolved, whichever ~~is shorter~~ *occurs first*.
6 Vacancies of ~~non-legislative~~ *nonlegislative* members shall be filled in the
7 same manner as the original appointment only for the unexpired part of the
8 term. The appointing authority for the member may remove the member,
9 reappoint the member or substitute another appointee for the member at
10 any time.

11 (c) The council shall be dissolved and the provisions of this section
12 pertaining to the establishment, function and operation of the council shall
13 no longer be in effect *on and after three years from the date of the*
14 *council's first meeting December 31, 2026*.

15 (d) Each member of the council shall be entitled to receive
16 compensation for the member's services, together with the member's travel
17 and other necessary expenses actually incurred in the performance of the
18 member's official duties, in accordance with policies adopted by the
19 council. Members' compensation and expenses shall be paid from the
20 employment security administration fund or any account of the state
21 general fund of the department of labor, as designated by the secretary.

22 (e) The chairperson of the house of representatives standing
23 committee on commerce, labor and economic development, or a successor
24 committee to which legislation pertaining to employment security law is
25 customarily referred, shall serve as the chairperson of the council when
26 first organized and for the ensuing two years. The chairperson of the
27 senate standing committee on commerce, or a successor committee to
28 which legislation pertaining to employment security law is customarily
29 referred, shall serve as the chairperson of the council for the next two
30 years, and thereafter the office of chairperson shall continue to alternate
31 between the chambers as provided herein.

32 (f) The council shall examine and recommend changes to the
33 unemployment compensation system to include current limitations, new
34 features and benefits, system enhancements and dynamic, accurate
35 reporting for the benefit of both employers and individuals. The council
36 shall also examine the process by which an individual files a claim for and
37 receives benefits and any changes made to that process after the effective
38 date of this section. The scope of the council's examinations and
39 recommendations shall include, but not be limited to, the following:

40 (1) The technological infrastructure used to file and process claims
41 and pay benefits and the experience of individuals and employers
42 participating in the process;

43 (2) system improvements or upgrades that will maximize

1 responsiveness for individuals and employers;

2 (3) methods for information and data sharing across agency systems
3 related to unemployment compensation to maximize efficiency; and

4 (4) system improvements or upgrades relating to system integrity by
5 reporting vulnerabilities and recommended system enhancements to
6 include identity verification and protection, social security administration
7 cross-match, systematic alien verification for entitlement, incarceration
8 cross-matches, interstate connection network, internet protocol address and
9 data mining and analytics to detect and prevent fraud. Such data mining
10 and analytics shall include current and future recommendations by the
11 United States department of labor and the national association of state
12 workforce agencies, including suspicious actor repository, suspicious
13 email domains, foreign IP addresses, multi-state cross-match, identity
14 verification, fraud alert system, and other assets provided by the
15 unemployment insurance integrity center.

16 (g) (1) The council shall conduct an audit that shall examine the
17 effects on the department of labor and the unemployment insurance system
18 of fraudulent claims and improper payments during the period of March
19 15, 2020, through March 31, 2022, and the response by the department of
20 labor to such fraudulent claims and improper payments during that period.
21 The council shall select an independent firm to conduct the audit. The
22 auditor shall have access to all confidential documents. The scope of the
23 audit shall include, but not be limited to, the amounts and nature of
24 improper payments and fraudulent claims, fraud processes and methods
25 and the possibility of recovery of any improper payments. The audit shall
26 also include, but not be limited to, an evaluation that provides likelihood
27 of a data breach being a contributing factor to any fraudulent payments,
28 improper network architecture allowing a potential breach to have
29 occurred and a timeline of relevant events. The independent firm shall
30 make a preliminary report to the council by May 1, 2022, and a final report
31 by September 1, 2022, that shall be made publicly available by the council.
32 The preliminary report should include, but not be limited to, an evaluation
33 of systems with access to the payment and processing of claims, forensic
34 endpoint images related to the claims and the external perimeter housing
35 the claims systems, as well as an evaluation of the department of labor's
36 response to claims. The council's report, and any subsequent report
37 provided, shall also include information on the progress regarding the
38 secretary's implementation of all program integrity elements and guidance
39 issued by the United States department of labor and the national
40 association of state workforce agencies as described in K.S.A. 44-772(e),
41 and amendments thereto. Any confidential information shall be redacted
42 and shall not be made public. The audit shall be paid for by the state,
43 subject to appropriations therefor.

1 (2) The council may hold an executive session that shall not be public
2 under the Kansas open meetings act for the purpose of hearing and
3 discussing any confidential portions of the audit. The council shall follow
4 the provisions of K.S.A. 75-4319, and amendments thereto, when
5 conducting such an executive session.

6 (h) The council shall not examine the solvency of the unemployment
7 compensation fund created by K.S.A. 44-710a, and amendments thereto,
8 or changes that would either increase or reduce benefits paid from the
9 fund.

10 (i) The staff of the legislative research department, the office of
11 revisor of statutes and the division of legislative administrative services
12 shall provide such assistance as may be requested by the chairperson.

13 (j) (1) The council shall only have access to records of the department
14 of labor that are necessary for the administration and duties of the council.
15 The council shall not have access to any confidential or personal
16 identifying information. The council may request that the secretary of
17 labor, department of labor employee or any private or public employer or
18 employee with information of value to the council appear before the
19 council and testify to matters within the council's purview.

20 (2) Not later than 14 days after the council's first meeting, the council
21 shall issue an initial report that, at a minimum, describes the state of the
22 process by which an individual files a claim for and receives benefits
23 under the employment security law at the time the report is issued and
24 planned improvements to the process. The council may address other
25 matters within the council's purview in the report.

26 (3) The secretary of labor shall post all testimony and other relevant
27 materials discussed, presented to or produced for the council on a publicly
28 accessible website maintained by the secretary.

29 (k) The secretary of labor shall notify the chairperson of the council
30 of any unauthorized third-party access to or acquisition of records
31 maintained by the secretary that are necessary for the administration of the
32 employment security law. The secretary shall provide the notice not more
33 than five days after the secretary discovers or is notified of the
34 unauthorized access or acquisition.

35 (l) The secretary of labor shall notify the members of the council of
36 any substantial disruption in the process by which applications for
37 determination of benefit rights and claims for benefits are filed with the
38 secretary. The council shall, in cooperation with the secretary, adopt and
39 periodically review a definition of substantial disruption for purposes of
40 this subsection.

41 (m) (1) The secretary of labor shall, with the assistance of the
42 council:

43 (A) Develop a written strategic staffing plan to be implemented

1 whenever there is a substantial increase or a substantial decrease in the
2 number of inquiries or claims for benefits and review the plan in
3 accordance with the provisions of subsection (n);

4 (B) create, in a single place on the website maintained by the
5 secretary, a list of all points of contact by which an applicant for or a
6 recipient of unemployment compensation benefits or an employer may
7 submit inquiries related to the employment security law; and

8 (C) adopt rules and regulations creating a uniform process through
9 which an applicant for or a recipient of benefits under the employment
10 security law or an employer may submit a complaint related to the service
11 the applicant, recipient or employer received.

12 (2) In the written strategic staffing plan required under paragraph (1)
13 (A), the secretary shall include an explanation of whether and in what
14 manner the secretary will utilize:

15 (A) Department employees who do not ordinarily perform services
16 related to unemployment compensation;

17 (B) employees employed by other state agencies; and

18 (C) employees provided by private entities.

19 (n) For purposes of subsection (m)(1)(A), the secretary of labor shall
20 develop the initial written strategic staffing plan and provide such plan to
21 the council, the president of the senate, the speaker of the house of
22 representatives and the governor. The secretary shall review the plan at
23 least once per year. If, after reviewing the plan, the secretary determines
24 that the plan should be revised, the secretary shall revise the plan. After
25 each review of the plan as provided under this subsection, the secretary
26 shall provide the most recent version of the plan to the council, the
27 president of the senate, the speaker of the house of representatives and the
28 governor. The secretary shall post the most recent version of the plan on a
29 publicly accessible website maintained by the secretary.

30 (o) The council may suggest rules and regulations for adoption by the
31 secretary as necessary to implement the provisions of this section.

32 (p) The secretary of labor or the secretary's designee shall provide
33 status reports on or before the 15th day and the last day of each month to
34 the council. The reports shall include, but not be limited to, the status of
35 the new unemployment information technology system upgrade timeline,
36 progress, budget and the overall project status. At such time that the new
37 system becomes operational, the reports shall include, but not be limited
38 to, system performance and process updates.

39 (q) This section shall be a part of and supplemental to the
40 employment security law.

41 Sec. 10. K.S.A. 44-772 is hereby amended to read as follows: 44-772.

42 (a) It is the intent of the legislature that, in order to accomplish the mission
43 of collecting state employment security taxes, processing unemployment

1 insurance benefit claims and paying benefits, the department of labor's
2 information technology system shall be continually developed,
3 customized, enhanced and upgraded. The purpose of this section is to
4 ensure the state's unemployment insurance program is utilizing current
5 technology and features to protect the sensitive data required in the
6 unemployment insurance benefit and tax systems relating to program
7 integrity, system efficiency and customer service experience.

8 (b) The legislature finds that, as a result of the vulnerabilities exposed
9 in the legacy unemployment insurance system by the COVID-19 pandemic
10 unemployment insurance crisis, a new system shall be fully designed,
11 implemented and administered by the department of labor not later than
12 December 31, 2022. The legislative coordinating council, upon
13 consultation with the unemployment compensation modernization and
14 improvement council established by K.S.A. 44-771, and amendments
15 thereto, may extend the deadline to a date certain and may further extend
16 ~~the deadline to another date certain at any time as often as the legislative~~
17 *coordinating council deems appropriate. The secretary of labor shall*
18 *provide written notice to the legislative coordinating council and the*
19 *unemployment compensation modernization and improvement council at*
20 *least 30 days prior to the expiration of a deadline advising whether the*
21 *secretary seeks an extension of the deadline and, if so, the basis therefor.*
22 *The failure of the secretary to provide such notice shall not affect the*
23 *authority of the legislative coordinating council to act as provided by this*
24 *subsection. For purposes of this subsection, "consultation" means an*
25 *appearance before or written statement provided to the legislative*
26 *coordinating council by the chairperson of the unemployment*
27 *compensation modernization and improvement council or the*
28 *chairperson's designee. Any member of the unemployment compensation*
29 *modernization and improvement council may also provide a written*
30 *statement. A report to the legislative coordinating council by the*
31 *unemployment compensation modernization and improvement council may*
32 *be provided but shall not be required. If any deadline expires before the*
33 *legislative coordinating council extends that deadline, the council may*
34 *subsequently meet as soon as reasonably possible and may retroactively*
35 *extend any deadline as otherwise provided by this subsection.*

36 (c) The information technology system, technology and platform
37 shall include, but not be limited to, any components as specified and
38 defined by the unemployment compensation modernization and
39 improvement council established by K.S.A. 44-771, and amendments
40 thereto, in consultation with the secretary.

41 (d) The new system shall include, but not be limited to, any features
42 and benefits as specified and defined by the unemployment compensation
43 modernization and improvement council established by K.S.A. 44-771,

1 and amendments thereto, in consultation with the secretary.

2 (e) The secretary shall implement and utilize all program integrity
3 elements, as specified and defined by the unemployment compensation
4 modernization and improvement council established by K.S.A. 44-771,
5 and amendments thereto, in consultation with the secretary, including, but
6 not limited to:

7 (1) Social security administration cross-matching for the purpose of
8 validating social security numbers supplied by a claimant;

9 (2) checking of new hire records against the national directorate of
10 new hires to verify eligibility;

11 (3) verification of immigration status or citizenship and confirmation
12 of benefit applicant information through the systematic alien verification
13 for entitlement program;

14 (4) comparison of applicant information to local, state and federal
15 prison databases through incarceration cross-matches;

16 (5) detection of duplicate claims by applicants filed in other states or
17 other unemployment insurance programs through utilization of the
18 interstate connection network, interstate benefits cross-match, the state
19 identification inquiry state claims and overpayment file and the interstate
20 benefits 8606 application for overpayment recoveries for Kansas claims
21 filed from a state other than Kansas;

22 (6) identification of internet protocol addresses linked to multiple
23 claims or to claims filed outside of the United States; and

24 (7) use of data mining and data analytics to detect and prevent fraud
25 when a claim is filed, and on an ongoing basis throughout the lifecycle of a
26 claim, by using current and future functionalities to include suspicious
27 actor repository, suspicious email domains, foreign internet protocol
28 addresses, multi-state cross-match, identity verification, fraud alert
29 systems and other assets provided by the unemployment insurance
30 integrity center.

31 (f) If the unemployment compensation modernization and
32 improvement council becomes inactive or is dissolved and the new
33 information technology system modernization project has been completed,
34 the secretary shall implement and utilize all new program integrity
35 elements and guidance issued by the United States department of labor and
36 the national association of state workforce agencies, including the integrity
37 data hub, within 60 days of the issuance of any such guidance.

38 (g) The secretary, on a scheduled basis, shall cross check new and
39 active unemployment insurance claims against the cross-check programs
40 described in subsection (e). If the secretary receives information
41 concerning an individual approved for benefits that indicates a change in
42 circumstances that may affect eligibility, the secretary shall review the
43 individual's case and act in accordance with the law.

1 (h) The department of labor shall have the authority to execute a
2 memorandum of understanding with any department, agency or agency
3 division for information required to be shared between agencies pursuant
4 to the provisions of this section.

5 (i) The secretary of labor shall adopt rules and regulations necessary
6 for the purposes of carrying out this section. Such rules and regulations
7 shall be adopted ~~within 12 months of the effective date of this act~~ by May
8 13, 2022.

9 (j) The secretary of labor shall provide an annual status update and
10 progress report regarding the requirements of this section to the
11 unemployment compensation modernization and improvement council and
12 the legislative coordinating council.

13 (k) This section shall be a part of and supplemental to the
14 employment security law.

15 Sec. 11. K.S.A. 44-774 is hereby amended to read as follows: 44-774.

16 (a) The secretary of labor shall post trust fund computations and data as
17 required by subsection (b) on a publicly accessible website maintained by
18 the secretary as follows:

19 (1) The secretary shall post and maintain certified computations and
20 data for each of the most recent 20 fiscal years ~~within 120 days of the~~
21 ~~effective date of this act~~; and

22 (2) for the fiscal year beginning on July 1, ~~2021~~ 2024, and each fiscal
23 year thereafter, the secretary shall certify and post the trust fund
24 computations and data for the fiscal year to the website on or before
25 December 1 following the end of such fiscal year.

26 (b) The computations and data to be posted shall include:

27 (1) Distributions of taxable wages by experience factor for each state
28 fiscal year including the following information:

29 (A) The rate group;

30 (B) the reserve ratio lower limit;

31 (C) the number of accounts;

32 (D) the taxable wages by fiscal year;

33 (E) a summary of active positive eligible accounts with the number of
34 accounts and fiscal year taxable wages;

35 (F) a summary of active ineligible accounts with the number of
36 accounts and fiscal year taxable wages;

37 (G) a summary of active negative accounts with the number of
38 accounts and fiscal year taxable wages; and

39 (H) a summary of terminated and inactive accounts with the number
40 of accounts and fiscal year taxable wages *including all*:

41 (i) *Terminated accounts with the number of accounts and fiscal year*
42 *taxable wages; and*

43 (ii) *inactive accounts with the number of accounts and fiscal year*

1 taxable wages organized by regular rated, industry rated and negative
2 rated accounts; ~~and~~

3 (2) an average high cost benefit rate summary, including:

4 (A) The average high cost benefit rate currently in effect; and

5 (B) the benefit cost rate for the fiscal years used to calculate the
6 average high benefit cost rate;

7 (3) the statewide wage data, including:

8 (A) Statewide average annual wage (SAAW) for the fiscal year; and

9 (B) statewide average weekly wage (SAWW) for the fiscal year; and

10 (4) certified computations and data for contributing negative rated
11 employers assigned to rate groups N1 through N11, including, for the
12 current and most recent calculated three years:

13 (A) Employer account ID;

14 (B) NAICS code;

15 (C) the employer's account balance by fiscal year;

16 (D) the employer's taxable wages by fiscal year;

17 (E) the employer's calculated reserve ratio by fiscal year;

18 (F) the employer's taxable wage base by fiscal year;

19 (G) the benefits charged to the employer by fiscal year;

20 (H) the total number of temporary weeks requested by the employer;
21 if any;

22 (I) the total number of temporary weeks approved for the employer, if
23 any;

24 (J) the total number of temporary weeks claimed by the employer, if
25 any;

26 (K) if workshare was requested by the employer; and

27 (L) if workshare was approved for the employer.

28 (c) This section shall be a part of and supplemental to the
29 employment security law.

30 Sec. 12. K.S.A. 2023 Supp. 44-775 is hereby amended to read as
31 follows: 44-775. (a) (1) The secretary of labor and the secretary of
32 commerce shall jointly establish and implement the my reemployment
33 plan as provided in this section. For purposes of this section, "my
34 reemployment plan" means a program jointly established and implemented
35 by the Kansas department of labor and the Kansas department of
36 commerce that provides enhanced reemployment services, including
37 workforce services provided by the department of commerce, to Kansans
38 receiving unemployment insurance benefits.

39 (2) The program shall be required for all claimants except claimants
40 that are:

41 (A) In the shared work program;

42 (B) in the trade adjustment assistance and trade readjustment
43 assistance program, ~~claimants on temporary layoff with a return-to-work~~

1 ~~date but such claimants shall only be excepted during any first 8~~
2 ~~consecutive weeks of benefits, claimants that are;~~

3 (C) *on temporary unemployment as defined in K.S.A. 44-703(ii), and*
4 *amendments thereto;*

5 (D) ~~currently employed, claimants that are;~~

6 (E) *current reemployment services and eligibility assessment*
7 *participants, claimants that are;*

8 (F) *active members in good standing of a placement union or;*

9 (G) *claimants that are engaged in a training program. The program*
10 *shall be implemented on or before June 1, 2021.*

11 ~~(2)~~(3) (A) *The following shall apply to any request to the secretary*
12 *for an extension or extensions of additional weeks of temporary*
13 *unemployment, as defined by K.S.A. 44-703(ii), and amendments thereto:*

14 (i) *The request shall be made in writing by a rated contributing*
15 *employer on behalf of an identified individual or individuals;*

16 (ii) *the request shall be submitted, with respect to each individual, for*
17 *an increment of not less than two weeks but not more than four weeks of*
18 *the total maximum amount of additional temporary unemployment allowed*
19 *for the individual, as provided by subparagraphs (C) and (D); and*

20 (iii) *the rated contributing employer shall agree to provide the*
21 *secretary with reports relating to the temporary unemployment extension*
22 *request as the secretary may require.*

23 (B) *The secretary may approve one or more temporary employment*
24 *extension requests for an individual in an increment of two to four weeks*
25 *for each request up to the maximum total number of weeks permitted, as*
26 *provided by subparagraphs (C) and (D), if the secretary determines that*
27 *the requesting employer has:*

28 (i) *Agreed to provide the secretary with all reports required as*
29 *provided by subparagraph (A)(iii);*

30 (ii) *filed all reports required to be filed under the employment*
31 *security law for all past and current periods;*

32 (iii) *paid all contributions required to be paid under the employment*
33 *security law; and*

34 (iv) *if the requesting employer is a negative-rated contributing*
35 *employer, improved the requesting employer's most recent calculated*
36 *reserve ratio from the previous reserve ratio for the previous reporting*
37 *year by at least 0.10%.*

38 (C) *The total maximum amount of additional temporary*
39 *unemployment for an individual in a benefit year that may be granted by*
40 *the secretary upon the request of a rated contributing employer shall be*
41 *limited to four weeks. The total maximum amount of temporary*
42 *unemployment for an individual, including any incremental extensions of*
43 *additional temporary unemployment granted by the secretary, shall be*

1 *limited to eight weeks, except as provided by subparagraph (D).*

2 *(D) The total amount of additional temporary unemployment benefits*
3 *for an individual in a benefit year shall be limited to 12 weeks if the*
4 *incremental requests for additional temporary unemployment are made by*
5 *a requesting employer determined by the secretary to be primarily*
6 *engaged in the construction of highways or elevated highways, streets,*
7 *roads, airport runways, public sidewalks or bridges. The total maximum*
8 *amount of temporary unemployment for an individual in a benefit year*
9 *pursuant to this subparagraph, including any incremental extensions of*
10 *additional temporary unemployment granted by the secretary, shall be*
11 *limited to 16 weeks.*

12 (4) The secretary of labor shall provide the secretary of commerce
13 with the names and contact information of claimants that have claimed a
14 third week of benefits in the current benefit year. The secretary of labor
15 shall request the claimant to upload or create a complete resume in the
16 Kansasworks workforce system, and complete a job search plan that
17 includes a skills assessment component. The secretary of commerce shall
18 offer and provide, when requested, assistance to the claimants in
19 developing the documents or plan through collaboration by the secretary
20 with the Kansasworks workforce system. The secretary of commerce may
21 require claimants to participate in reemployment services. The claimant
22 shall have 14 calendar days to respond to the secretary of commerce. The
23 secretary of commerce shall report any failure to respond by the claimant
24 to the secretary of labor.

25 ~~(3)~~(5) The secretary of labor shall share labor market information and
26 current available job positions with the secretary of commerce. The
27 secretary of labor may collaborate with Kansasworks or other state or
28 federal agencies with job availability information in obtaining or sharing
29 such information.

30 ~~(4)~~(6) The secretary of commerce shall match open job positions with
31 claimants based on skills, work history and job location that is a
32 reasonable commute from the claimant's residence and communicate the
33 match information to the claimant and to the employer. The secretary of
34 labor and the secretary of commerce shall consider whether the claimant or
35 a Kansas employer would benefit from the claimant's participation in a
36 work skills training or retraining program as provided by subsection (b)
37 and, if so, provide such information to the employer, if applicable, and the
38 claimant. Claimants who fail to respond within 14 calendar days after
39 contact by Kansasworks or the department of commerce shall be reported
40 by the secretary of commerce to the secretary of labor.

41 ~~(5)~~(7) The secretary of commerce and the secretary of labor shall
42 monitor the result of job matches and share information regarding any
43 claimant who did not attend an interview or did not accept a position that

1 was a reasonable match for the claimant's work history and skills and was
2 within a reasonable commute from the claimant's residence. The secretary
3 of commerce shall contact the claimant and report the contact to the
4 secretary of labor. The secretary of labor shall consider whether the
5 claimant has failed to meet work search requirements and if the claimant
6 should continue to receive benefits.

7 (b) The secretary of commerce shall refer claimants to a work skills
8 training or retraining program as appropriate. The secretary of commerce
9 shall seek to obtain or utilize any available federal funds for the program,
10 and to the extent feasible, may make current work skills training and
11 retraining programs available to claimants. The secretary of labor may
12 allow claimants to participate in such a program offered by the secretary of
13 commerce or by another state or federal agency in lieu of requiring the
14 claimant to meet job search requirements and the requirements of the my
15 reemployment plan until the number of allowed benefit weeks has expired.
16 A claimant shall participate in such a program for not less than 25 hours
17 per week. The secretary of commerce shall monitor those my
18 reemployment plan claimants participating in training managed by the
19 workforce centers to ensure compliance.

20 (c) Claimants who participate in the my reemployment plan or the
21 work skills training or retraining program shall meet attendance or
22 progress requirements established by the secretary of commerce to
23 continue eligibility for unemployment insurance benefits. Non - compliant
24 claimants shall be reported by the secretary of commerce to the secretary
25 of labor. The secretary of labor shall disqualify such claimants from further
26 benefits within five business days of receiving the report, unless or until
27 the claimant demonstrates compliance to the secretary of commerce, and
28 shall communicate the disqualification and the reason for the
29 disqualification to the claimant. The secretary of commerce shall report to
30 the secretary of labor when the claimant has reestablished compliance. The
31 secretary of labor may continue benefits or reinstate a claimant's eligibility
32 for benefits upon a showing of good cause by the claimant for the failure
33 to meet attendance or progress requirements or my reemployment plan
34 participation requirements.

35 (d) The secretary of labor and the secretary of commerce shall
36 provide an annual status update and progress report for the my
37 reemployment plan to the standing committee on commerce, labor and
38 economic development of the house of representatives and the standing
39 committee on commerce of the senate during the first month of ~~the 2022~~
40 ~~regular legislative session and the first month of each regular legislative~~
41 ~~session thereafter.~~

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

1 Sec. 13. K.S.A. 44-704, 44-705, 44-709, 44-710, 44-710b, 44-717,
2 44-771, 44-772 and 44-774 and K.S.A. 2023 Supp. 44-703, 44-710a and
3 44-775 are hereby repealed.

4 Sec. 14. This act shall take effect and be in force from and after its
5 publication in the statute book.