

Substitute for HOUSE BILL No. 2570

By Committee on Commerce, Labor and Economic Development

2-19

1 AN ACT concerning employment security law; relating to the definition of
2 benefit year, temporary unemployment, wages subject to assessment for
3 employer contributions, statewide average annual wage and statewide
4 average weekly wage; referencing certain new definitions for purposes
5 of the annual determination by the secretary of the maximum weekly
6 benefit amount; requiring electronic filing of wage reports, contribution
7 returns and payments and interest assessments for employers with 25 or
8 more employees; establishing minimum qualifications for candidates
9 for membership on the employment security board of review and initial
10 review of such candidates by the director of unemployment; extending
11 when the mandatory combination of rates and the establishment of a
12 new account due to a business acquisition must occur from the
13 beginning of the following quarter to the beginning of the following
14 year; making certain changes to the schedules governing employer
15 contribution rates; removing obsolete language pertaining to the
16 employment security interest assessment fund and abolishing such
17 fund; requiring the secretary to create an audit process within the new
18 unemployment insurance information technology system to permit
19 employers to submit reports regarding work search, the my
20 reemployment plan and claimants who do not provide notification or
21 appear for scheduled interviews; providing for notices by the secretary
22 to active employers regarding work search noncompliance reporting
23 options; confirming the legislative coordinating council's authority to
24 extend the new unemployment insurance information technology
25 system's implementation date retroactively and as often as deemed
26 appropriate by the council; requiring the secretary to notify the council
27 of the need for an extension; authorizing the secretary to extend
28 temporary unemployment for limited periods upon request by
29 employers and allowing for additional temporary unemployment when
30 requested by employers engaged in certain industries; requiring the
31 secretary to annually post on the secretary's website certain additional
32 calculations and data and to prepare an annual certification
33 memorandum; changing the timing of employer benefit charge notices
34 from annually to quarterly; removing the exemption for benefit charges
35 less than \$100; providing that school bus drivers employed by private
36 contractors are eligible for workshare; allowing a one-time write off for

1 negative account balance employers by the secretary of such employers
2 negative reserve account balance as of August 21, 2025; extending the
3 publication deadline for contribution rate tables prepared by the
4 secretary; providing that the secretary suspend state unemployment
5 benefits for claimants who are receiving federal unemployment
6 benefits; amending K.S.A. 44-704, 44-705, 44-706, 44-709, 44-710,
7 44-710b, 44-717, 44-757, 44-771, 44-772 and 44-774 and K.S.A. 2023
8 Supp. 44-703, 44-710a and 44-775 and repealing the existing sections.
9

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

13 Now, therefore:

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

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

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

20 (2) "Average annual payroll" means the average of the annual
21 payrolls of any employer for the last three calendar years immediately
22 preceding the computation date as hereinafter defined if the employer has
23 been continuously subject to contributions during those three calendar
24 years and has paid some wages for employment during each of such years.
25 In determining contribution rates for the calendar year, if an employer has
26 not been continuously subject to contribution for the three calendar years
27 immediately preceding the computation date but has paid wages subject to
28 contributions during only the two calendar years immediately preceding
29 the computation date, such employer's "average annual payroll" shall be
30 the average of the payrolls for those two calendar years.

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

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

39 (1) If an individual lacks sufficient base period wages in order to
40 establish a benefit year in the manner set forth above and satisfies the
41 requirements of *subsection (hh) and K.S.A. 44-705(g) and K.S.A. 44-*
42 ~~703(hh)~~, and amendments thereto, the claimant shall have an alternative
43 base period substituted for the current base period so as not to prevent

1 establishment of a valid claim. For the purposes of this subsection,
2 "alternative base period" means the last four completed quarters
3 immediately preceding the date the qualifying injury occurred. In the event
4 the wages in the alternative base period have been used on a prior claim,
5 then they shall be excluded from the new alternative base period.

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

8 (c) (1) "Benefits" means the money payments payable to an
9 individual, as provided in this act, with respect to such individual's
10 unemployment.

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

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

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

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

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

43 (g) "Employing unit" means any individual or type of organization,

1 including any partnership, association, limited liability company, agency
2 or department of the state of Kansas and political subdivisions thereof,
3 trust, estate, joint-stock company, insurance company or corporation,
4 whether domestic or foreign including nonprofit corporations, or the
5 receiver, trustee in bankruptcy, trustee or successor thereof, or the legal
6 representatives of a deceased person, that has in its employ one or more
7 individuals performing services for it within this state. All individuals
8 performing services within this state for any employing unit that maintains
9 two or more separate establishments within this state shall be deemed to be
10 employed by a single employing unit for all the purposes of this act. Each
11 individual employed to perform or to assist in performing the work of any
12 agent or employee of an employing unit shall be deemed to be employed
13 by such employing unit for all the purposes of this act, whether such
14 individual was hired or paid directly by such employing unit or by such
15 agent or employee, provided the employing unit had actual or constructive
16 knowledge of the employment.

17 (h) "Employer" means:

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

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

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

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

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

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

43 (ii) such other person shall be treated as having paid cash

1 remuneration to such individual in an amount equal to the amount of cash
2 remuneration paid to such individual by the crew leader, either on the crew
3 leader's own behalf or on behalf of such other person, for the services in
4 agricultural labor performed for such other person.

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

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

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

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

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

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

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

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

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

43 (5) Any employing unit that paid cash remuneration of \$1,000 or

1 more in any calendar quarter in the current or preceding calendar year to
2 individuals employed in domestic service as defined in subsection (aa).

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

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

8 (8) Any employing unit not an employer by reason of any other
9 paragraph of this subsection (h), for which within either the current or
10 preceding calendar year services in employment are or were performed
11 with respect to which such employing unit is liable for any federal tax
12 against which credit may be taken for contributions required to be paid
13 into a state unemployment compensation fund; or that, as a condition for
14 approval of this act for full tax credit against the tax imposed by the
15 federal unemployment tax act, is required, pursuant to such act, to be an
16 "employer" under this act.

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

24 (i) "Employment" means:

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

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

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

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

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

38 (ii) as a traveling or city salesman, other than as an agent-driver or
39 commission-driver, engaged upon a full-time basis in the solicitation on
40 behalf of, and the transmission to, a principal, except for side-line sales
41 activities on behalf of some other person, of orders from wholesalers,
42 retailers, contractors, or operators of hotels, restaurants, or other similar
43 establishments for merchandise for resale or supplies for use in their

1 business operations.

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

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

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

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

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

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

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

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

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

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

27 (B) Services performed entirely without this state, with respect to no
28 part of which contributions are required and paid under an unemployment
29 compensation law of any other state or of the federal government, shall be
30 deemed to be employment subject to this act only if the individual
31 performing such services is a resident of this state and the secretary
32 approved the election of the employing unit for whom such services are
33 performed that the entire service of such individual shall be deemed to be
34 employment subject to this act.

35 (C) Services covered by an arrangement pursuant to K.S.A. 44-
36 714(j), and amendments thereto, between the secretary and the agency
37 charged with the administration of any other state or federal
38 unemployment compensation law, pursuant to which all services
39 performed by an individual for an employing unit are deemed to be
40 performed entirely within this state, shall be deemed to be employment if
41 the secretary has approved an election of the employing unit for whom
42 such services are performed, pursuant to which the entire service of such
43 individual during the period covered by such election is deemed to be

1 insured work.

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

7 (E) Services performed by an individual in the employ of a state or
8 any instrumentality thereof, any political subdivision of a state or any
9 instrumentality thereof, or in the employ of an Indian tribe, as defined
10 pursuant to section 3306(u) of the federal unemployment tax act, any
11 instrumentality of more than one of the foregoing or any instrumentality
12 that is jointly owned by this state or a political subdivision thereof or
13 Indian tribes and one or more other states or political subdivisions of this
14 or other states, provided that such service is excluded from "employment"
15 as defined in the federal unemployment tax act by reason of section
16 3306(c)(7) of that act and is not excluded from "employment" under
17 subsection (i)(4)(A) of this section. For purposes of this section, the
18 exclusions from employment in subsections (i)(4)(A) and (i)(4)(L) shall
19 also be applicable to services performed in the employ of an Indian tribe.

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

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

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

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

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

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

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

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

43 (H) An "American employer," for purposes of subsection (i)(3)(G),

1 means a person who is:

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

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

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

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

8 (I) Notwithstanding subsection (i)(2), all services performed by an
9 officer or member of the crew of an American vessel or American aircraft
10 on or in connection with such vessel or aircraft, if the operating office,
11 from which the operations of such vessel or aircraft operating within, or
12 within and without, the United States are ordinarily and regularly
13 supervised, managed, directed and controlled is within this state.

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

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

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

28 (i) As an elected official;

29 (ii) as a member of a legislative body, or a member of the judiciary, of
30 a state, political subdivision or of an Indian tribe;

31 (iii) as a member of the state national guard or air national guard;

32 (iv) as an employee serving on a temporary basis in case of fire,
33 storm, snow, earthquake, flood or similar emergency;

34 (v) in a position that, under or pursuant to the laws of this state or
35 tribal law, is designated as a major nontenured policymaking or advisory
36 position or as a policymaking or advisory position the performance of the
37 duties of which ordinarily does not require more than eight hours per
38 week;

39 (B) services with respect to which unemployment compensation is
40 payable under an unemployment compensation system established by an
41 act of congress;

42 (C) services performed by an individual in the employ of such
43 individual's son, daughter or spouse, and services performed by a child

1 under the age of 21 years in the employ of such individual's father or
2 mother;

3 (D) services performed in the employ of the United States
4 government or an instrumentality of the United States exempt under the
5 constitution of the United States from the contributions imposed by this
6 act, except that to the extent that the congress of the United States shall
7 permit states to require any instrumentality of the United States to make
8 payments into an unemployment fund under a state unemployment
9 compensation law, all of the provisions of this act shall be applicable to
10 such instrumentalities, and to services performed for such
11 instrumentalities, in the same manner, to the same extent and on the same
12 terms as to all other employers, employing units, individuals and services.
13 If this state shall not be certified for any year by the federal security
14 agency under section 3304(c) of the federal internal revenue code of 1986,
15 the payments required of such instrumentalities with respect to such year
16 shall be refunded by the secretary from the fund in the same manner and
17 within the same period as is provided in K.S.A. 44-717(h), and
18 amendments thereto, with respect to contributions erroneously collected;

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

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

29 (G) services performed by an individual for an employing unit as an
30 insurance agent or as an insurance solicitor, if all such service performed
31 by such individual for such employing unit is performed for remuneration
32 solely by way of commission;

33 (H) services performed in any calendar quarter in the employ of any
34 organization exempt from income tax under section 501(a) of the federal
35 internal revenue code of 1986, other than an organization described in
36 section 401(a) or under section 521 of such code, if the remuneration for
37 such service is less than \$50. In construing the application of the term
38 "employment," if services performed during $\frac{1}{2}$ or more of any pay period
39 by an individual for the person employing such individual constitute
40 employment, all the services of such individual for such period shall be
41 deemed to be employment; but if the services performed during more than
42 $\frac{1}{2}$ of any such pay period by an individual for the person employing such
43 individual do not constitute employment, then none of the services of such

1 individual for such period shall be deemed to be employment. As used in
2 this subsection (i)(4)(H) the term "pay period" means a period, of not more
3 than 31 consecutive days, for which a payment of remuneration is
4 ordinarily made to the individual by the person employing such individual.
5 This subsection (i)(4)(H) shall not be applicable with respect to services
6 with respect to which unemployment compensation is payable under an
7 unemployment compensation system established by an act of congress;

8 (I) services performed in the employ of a church or convention or
9 association of churches, or an organization which is operated primarily for
10 religious purposes and which is operated, supervised, controlled, or
11 principally supported by a church or convention or association of
12 churches;

13 (J) services performed by a duly ordained, commissioned, or licensed
14 minister of a church in the exercise of such individual's ministry or by a
15 member of a religious order in the exercise of duties required by such
16 order;

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

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

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

25 (L) services performed as part of an employment work-relief or
26 work-training program assisted or financed in whole or in part by any
27 federal agency or an agency of a state or political subdivision thereof or of
28 an Indian tribe, by an individual receiving such work relief or work
29 training;

30 (M) services performed by an inmate of a custodial or correctional
31 institution;

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

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

1 employer or group of employers;

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

5 (Q) services performed as a qualified real estate agent. As used in this
6 subsection (i)(4)(Q) the term "qualified real estate agent" means any
7 individual who is licensed by the Kansas real estate commission as a
8 salesperson under the real estate brokers' and salespersons' license act and
9 for whom:

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

14 (ii) the services performed by the individual are performed pursuant
15 to a written contract between such individual and the person for whom the
16 services are performed and such contract provides that the individual will
17 not be treated as an employee with respect to such services for state tax
18 purposes;

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

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

37 (T) service not in the course of the employer's trade or business
38 performed in any calendar quarter by an employee, unless the cash
39 remuneration paid for such service is \$200 or more and such service is
40 performed by an individual who is regularly employed by such employer
41 to perform such service. For purposes of this paragraph, an individual shall
42 be deemed to be regularly employed by an employer during a calendar
43 quarter only if:

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

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

7 Such excluded service shall not include any services performed for an
8 employer that is a governmental entity or any employer described in
9 section 501(c)(3) of the federal internal revenue code of 1986 that is
10 exempt from income taxation under section 501(a) of the code;

11 (U) service which is performed by any person who is a member of a
12 limited liability company and that is performed as a member or manager of
13 that limited liability company; and

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

16 (i) Such person:

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

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

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

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

32 (iv) for purposes of this act, a sale or a sale resulting exclusively from
33 a solicitation made by telephone, mail, or other telecommunications
34 method, or other nonpersonal method does not satisfy the requirements of
35 this subsection;

36 (W) services performed as an election official or election worker, if
37 the amount of remuneration received by the individual during the calendar
38 year for services as an election official or election worker is less than
39 \$1,000;

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

43 (Y) services performed by an owner-operator of a motor vehicle that

1 is leased or contracted to a licensed motor carrier with the services of a
2 driver and is not treated under the terms of the lease agreement or contract
3 with the licensed motor carrier as an employee for purposes of the federal
4 insurance contribution act, 26 U.S.C. § 3101 et seq., the federal social
5 security act, 42 U.S.C. § 301 et seq., the federal unemployment tax act, 26
6 U.S.C. § 3301 et seq., and the federal statutes prescribing income tax
7 withholding at the source, 26 U.S.C. § 3401 et seq. Employees or agents of
8 the owner-operator shall not be considered employees of the licensed
9 motor carrier for purposes of employment security taxation or
10 compensation. As used in this subsection (Y), the following definitions
11 apply: (i) "Motor vehicle" means any automobile, truck-trailer, semitrailer,
12 tractor, motor bus or any other self-propelled or motor-driven vehicle used
13 upon any of the public highways of Kansas for the purpose of transporting
14 persons or property; (ii) "licensed motor carrier" means any person, firm,
15 corporation or other business entity that holds a certificate of convenience
16 and necessity or a certificate of public service from the state corporation
17 commission or is required to register motor carrier equipment pursuant to
18 49 U.S.C. § 14504; and (iii) "owner-operator" means a person, firm,
19 corporation or other business entity that is the owner of a single motor
20 vehicle that is driven exclusively by the owner under a lease agreement or
21 contract with a licensed motor carrier; and

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

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

43 (j) "Employment office" means any office operated by this state and

1 maintained by the secretary of labor for the purpose of assisting persons to
2 become employed.

3 (k) "Fund" means the employment security fund established by this
4 act, to which all contributions and reimbursement payments required and
5 from which all benefits provided under this act shall be paid and including
6 all money received from the federal government as reimbursements
7 pursuant to section 204 of the federal-state extended compensation act of
8 1970, and amendments thereto.

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

12 (m) "Unemployment." An individual shall be deemed "unemployed"
13 with respect to any week during which such individual performs no
14 services and with respect to which no wages are payable to such
15 individual, or with respect to any week of less than full-time work if the
16 wages payable to such individual with respect to such week are less than
17 such individual's weekly benefit amount.

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

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

1 (1) *For calendar years 2016 through 2025*, that part of the
 2 remuneration that has been paid in a calendar year to an individual by an
 3 employer or such employer's predecessor in excess of ~~\$3,000 for all~~
 4 ~~calendar years prior to 1972, in excess of \$4,200 for the calendar years~~
 5 ~~1972 to 1977, inclusive, in excess of \$6,000 for calendar years 1978 to~~
 6 ~~1982, inclusive, in excess of \$7,000 for the calendar year 1983, in excess~~
 7 ~~of \$8,000 for the calendar years 1984 to 2014, inclusive, and in excess of~~
 8 ~~\$12,000 with respect to employment during calendar year 2015, and in~~
 9 ~~excess of \$14,000 with respect to all calendar years thereafter~~, except that
 10 if the definition of the term "wages" as contained in the federal
 11 unemployment tax act is amended to include remuneration paid to an
 12 individual by an employer under the federal act in excess of ~~\$8,000 for the~~
 13 ~~calendar years 1984-2014, inclusive, and in excess of \$12,000 with respect~~
 14 ~~to employment during calendar year 2015, and in excess of \$14,000 with~~
 15 ~~respect to all calendar years thereafter~~ *employment during calendar years*
 16 *2016 through 2025*, wages shall include remuneration paid in a calendar
 17 year to an individual by an employer subject to this act or such employer's
 18 predecessor with respect to employment during any calendar year up to an
 19 amount equal to the dollar limitation specified in the federal
 20 unemployment tax act. For the purposes of this subsection (o)(1), the term
 21 "employment" shall include service constituting employment under any
 22 employment security law of another state or of the federal government;

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

30 (i) *Calendar years 2026 through ~~2030, 50%; and 2027, 25%;~~*

31 (ii) *calendar year 2028, 30%;*

32 (iii) *calendar year 2029, 35%;*

33 (iv) *calendar years 2030 through 2031, 40%; and*

34 ~~(v) calendar year 2031~~ *2032 and all ensuing calendar years*
 35 *thereafter:*

36 (a) ~~50% if employer contribution rate schedules 1-11 as provided in~~
 37 ~~K.S.A. 44-710a(a)(4)(C), and amendments thereto, are in effect40%,~~
 38 ~~except as provided in subclause (b); and~~

39 (b) ~~45% if employer contribution rate schedules 12-13 as provided in~~
 40 ~~K.S.A. 44-710a(a)(4)(C), and amendments thereto, are in effect if any~~
 41 ~~combination of employer rate schedules G through M, as provided in~~
 42 ~~K.S.A. 44-710a(a)(4)(C), and amendments thereto, is in effect for any~~
 43 ~~five consecutive preceding calendar years occurring after calendar year~~

1 **2031. The specified percentage of 45% shall then remain in effect for all**
2 **ensuing calendar years thereafter notwithstanding any changes to the**
3 **employer rate schedules in effect during such ensuing calendar years.**

4 (B) *If the definition of the term "wages" as contained in the federal*
5 *unemployment tax act is amended to include the remuneration paid to an*
6 *individual by an employer under the federal act in excess of the amount*
7 *calculated pursuant to subparagraph ~~(A)(i) through (vii)~~ (A), then with*
8 *respect to employment during all calendar years thereafter, wages shall*
9 *include the remuneration paid in a calendar year to an individual by an*
10 *employer subject to this act or such employer's predecessor with respect to*
11 *employment during any calendar year up to an amount equal to the dollar*
12 *limitation specified in the federal unemployment tax act.*

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

14 (i) *"Employment" includes service constituting employment under*
15 *any employment security law of another state or of the federal*
16 *government; and*

17 (ii) *"statewide average annual wage" means the statewide average*
18 *annual wage as defined by subsection (jj) and computed by the secretary*
19 *on July 1 each year, as provided by K.S.A. 44-704, and amendments*
20 *thereto;*

21 ~~(2)~~(3) *the amount of any payment, including any amount paid by an*
22 *employing unit for insurance or annuities, or into a fund, to provide for*
23 *any such payment, made to, or on behalf of, an employee or any of such*
24 *employee's dependents under a plan or system established by an employer*
25 *that makes provisions for employees generally, for a class or classes of*
26 *employees or for such employees or a class or classes of employees and*
27 *their dependents, on account of:*

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

34 (B) *medical and hospitalization expenses in connection with sickness*
35 *or accident disability; or*

36 (C) *death;*

37 ~~(3)~~(4) *any payment on account of sickness or accident disability, or*
38 *medical or hospitalization expenses in connection with sickness or*
39 *accident disability, made by an employer to, or on behalf of, an employee*
40 *after the expiration of six calendar months following the last calendar*
41 *month in which the employee worked for such employer;*

42 ~~(4)~~(5) *any payment made to, or on behalf of, an employee or such*
43 *employee's beneficiary;*

1 (A) From or to a trust described in section 401(a) of the federal
2 internal revenue code of 1986 that is exempt from tax under section 501(a)
3 of the federal internal revenue code of 1986 at the time of such payment
4 unless such payment is made to an employee of the trust as remuneration
5 for services rendered as such employee and not as a beneficiary of the
6 trust;

7 (B) under or to an annuity plan that, at the time of such payment, is a
8 plan described in section 403(a) of the federal internal revenue code of
9 1986;

10 (C) under a simplified employee pension as defined in section 408(k)
11 (1) of the federal internal revenue code of 1986, other than any
12 contribution described in section 408(k)(6) of the federal internal revenue
13 code of 1986;

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

18 (E) under or to an exempt governmental deferred compensation plan
19 as defined in section 3121(v)(3) of the federal internal revenue code of
20 1986;

21 (F) to supplement pension benefits under a plan or trust described in
22 any of the foregoing provisions of this subparagraph to take into account
23 some portion or all of the increase in the cost of living, as determined by
24 the secretary of labor, since retirement but only if such supplemental
25 payments are under a plan that is treated as a welfare plan under section
26 3(2)(B)(ii) of the federal employee retirement income security act of 1974;
27 or

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

30 ~~(5)~~(6) the payment by an employing unit, without deduction from the
31 remuneration of the employee, of the tax imposed upon an employee under
32 section 3101 of the federal internal revenue code of 1986 with respect to
33 remuneration paid to an employee for domestic service in a private home
34 of the employer or for agricultural labor;

35 ~~(6)~~(7) remuneration paid in any medium other than cash to an
36 employee for service not in the course of the employer's trade or business;

37 ~~(7)~~(8) remuneration paid to or on behalf of an employee if and to the
38 extent that at the time of the payment of such remuneration it is reasonable
39 to believe that a corresponding deduction is allowable under section 217 of
40 the federal internal revenue code of 1986 relating to moving expenses;

41 ~~(8)~~(9) any payment or series of payments by an employer to an
42 employee or any of such employee's dependents that is paid:

43 (A) Upon or after the termination of an employee's employment

1 relationship because of (i) death or (ii) retirement for disability; and

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

7 ~~(9)~~(10) remuneration for agricultural labor paid in any medium other
8 than cash;

9 ~~(10)~~(11) any payment made, or benefit furnished, to or for the benefit
10 of an employee if at the time of such payment or such furnishing it is
11 reasonable to believe that the employee will be able to exclude such
12 payment or benefit from income under section 129 of the federal internal
13 revenue code of 1986 that relates to dependent care assistance programs;

14 ~~(11)~~(12) the value of any meals or lodging furnished by or on behalf
15 of the employer if at the time of such furnishing it is reasonable to believe
16 that the employee will be able to exclude such items from income under
17 section 119 of the federal internal revenue code of 1986;

18 ~~(12)~~(13) any payment made by an employer to a survivor or the estate
19 of a former employee after the calendar year in which such employee died;

20 ~~(13)~~(14) any benefit provided to or on behalf of an employee if at the
21 time such benefit is provided it is reasonable to believe that the employee
22 will be able to exclude such benefit from income under section 74(c), 117
23 or 132 of the federal internal revenue code of 1986;

24 ~~(14)~~(15) any payment made, or benefit furnished, to or for the benefit
25 of an employee, if at the time of such payment or such furnishing it is
26 reasonable to believe that the employee will be able to exclude such
27 payment or benefit from income under section 127 of the federal internal
28 revenue code of 1986 relating to educational assistance to the employee; or

29 ~~(15)~~(16) any payment made to or for the benefit of an employee if at
30 the time of such payment it is reasonable to believe that the employee will
31 be able to exclude such payment from income under section 106(d) of the
32 federal internal revenue code of 1986 relating to health savings accounts.

33 Nothing in any paragraph of subsection (o), other than ~~paragraph~~
34 *paragraphs (1) and (2)*, shall exclude from the term "wages": (1) Any
35 employer contribution under a qualified cash or deferred arrangement, as
36 defined in section 401(k) of the federal internal revenue code of 1986, to
37 the extent that such contribution is not included in gross income by reason
38 of section 402(a)(8) of the federal internal revenue code of 1986; or (2)
39 any amount treated as an employer contribution under section 414(h)(2) of
40 the federal internal revenue code of 1986.

41 Any amount deferred under a nonqualified deferred compensation plan
42 shall be taken into account for purposes of this section as of the later of
43 when the services are performed or when there is no substantial risk of

1 forfeiture of the rights to such amount. Any amount taken into account as
2 wages by reason of this paragraph, and the income attributable thereto,
3 shall not thereafter be treated as wages for purposes of this section. For
4 purposes of this paragraph, the term "nonqualified deferred compensation
5 plan" means any plan or other arrangement for deferral of compensation
6 other than a plan described in subsection ~~(o)(4)~~ (o)(5).

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

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

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

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

17 (t) "American vessel" or "American aircraft" means any vessel or
18 aircraft documented or numbered or otherwise registered under the laws of
19 the United States; and any vessel or aircraft that is neither documented or
20 numbered or otherwise registered under the laws of the United States nor
21 documented under the laws of any foreign country, if its crew performs
22 service solely for one or more citizens or residents of the United States or
23 corporations organized under the laws of the United States or of any state.

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

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

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

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

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

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

43 (v) "Educational institution" means any institution of higher

1 education, as defined in subsection (u), or any institution, except private
2 for profit institutions, in which participants, trainees or students are offered
3 an organized course of study or training designed to transfer to them
4 knowledge, skills, information, doctrines, attitudes or abilities from, by or
5 under the guidance of an instructor or teacher and that is approved,
6 licensed or issued a permit to operate as a school by the state department
7 of education or other government agency that is authorized within the state
8 to approve, license or issue a permit for the operation of a school or to an
9 Indian tribe in the operation of an educational institution. The courses of
10 study or training that an educational institution offers may be academic,
11 technical, trade or preparation for gainful employment in a recognized
12 occupation.

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

14 (A) On a farm, in the employ of any person, in connection with
15 cultivating the soil, or in connection with raising or harvesting any
16 agricultural or horticultural commodity, including the raising, shearing,
17 feeding, caring for, training, and management of livestock, bees, poultry,
18 and furbearing animals and wildlife.

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

24 (C) In connection with the production or harvesting of any
25 commodity defined as an agricultural commodity in section (15)(g) of the
26 agricultural marketing act, as amended, 46 Stat. 1500, sec. 3; 12 U.S.C. §
27 1141j, or in connection with the ginning of cotton, or in connection with
28 the operation or maintenance of ditches, canals, reservoirs or waterways,
29 not owned or operated for profit, used exclusively for supplying and
30 storing water for farming purposes.

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

37 (ii) in the employ of a group of operators of farms, or a cooperative
38 organization of which such operators are members, in the performance of
39 services described in paragraph (i), but only if such operators produced
40 more than ½ of the commodity with respect to which such service is
41 performed;

42 (iii) the provisions of paragraphs (i) and (ii) shall not be deemed to be
43 applicable with respect to services performed in connection with

1 commercial canning or commercial freezing or in connection with any
2 agricultural or horticultural commodity after its delivery to a terminal
3 market for distribution for consumption.

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

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

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

14 (4) For the purpose of this section, if an employing unit does not
15 maintain sufficient records to separate agricultural labor from other
16 employment, all services performed during any pay period by an
17 individual for the person employing such individual shall be deemed to be
18 agricultural labor if services performed during $\frac{1}{2}$ or more of such pay
19 period constitute agricultural labor; but if the services performed during
20 more than $\frac{1}{2}$ of any such pay period by an individual for the person
21 employing such individual do not constitute agricultural labor, then none
22 of the services of such individual for such period shall be deemed to be
23 agricultural labor. As used in this subsection, the term "pay period" means
24 a period of not more than 31 consecutive days for which a payment of
25 remuneration is ordinarily made to the individual by the person employing
26 such individual.

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

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

32 (z) "Wage combining plan" means a uniform national arrangement
33 approved by the United States secretary of labor in consultation with the
34 state unemployment compensation agencies and in which this state shall
35 participate, whereby wages earned in one or more states are transferred to
36 another state, called the "paying state," and combined with wages in the
37 paying state, if any, for the payment of benefits under the laws of the
38 paying state and as provided by an arrangement so approved by the United
39 States secretary of labor.

40 (aa) "Domestic service" means any services for a person in the
41 operation and maintenance of a private household, local college club or
42 local chapter of a college fraternity or sorority, as distinguished from
43 service as an employee in the pursuit of an employer's trade, occupation,

1 profession, enterprise or vocation.

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

5 (cc) "Benefit cost payments" means payments made to the
6 employment security fund by a governmental entity electing to become a
7 rated governmental employer.

8 (dd) "Successor employer" means any employer, as described in
9 subsection (h), that acquires or in any manner succeeds to: (1)
10 Substantially all of the employing enterprises, organization, trade or
11 business of another employer; or (2) substantially all the assets of another
12 employer.

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

16 (ff) "Lessor employing unit" means any independently established
17 business entity that engages in the business of providing leased employees
18 to a client lessee.

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

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

25 (ii) *"Temporary unemployment," "temporarily unemployed" or*
26 *"temporary layoff" means that the individual has been laid off due to lack*
27 *of work by an employing unit for which the individual has most recently*
28 *worked full time and for which the individual reasonably expects to*
29 *resume full-time work at a future date within eight weeks, and that the*
30 *individual's employment with the employing unit, although temporarily*
31 *suspended, has not been terminated. Except as otherwise provided by*
32 *K.S.A. 44-775(a)(3), and amendments thereto, "temporary unemployment"*
33 *shall not exceed eight consecutive weeks. An extension of additional weeks*
34 *of temporary unemployment at the request of an employer for an*
35 *individual may be granted by the secretary as provided by K.S.A. 44-*
36 *775(a)(3), and amendments thereto. The maximum amount of temporary*
37 *unemployment for an individual in a benefit year, including any extension*
38 *granted by the secretary, shall be as provided by K.S.A. 44-775(a)(3), and*
39 *amendments thereto.*

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

43 (kk) "Statewide average weekly wage" or "SAWW" means the

1 *quotient, obtained by dividing the statewide average annual wage by 52,*
2 *rounded to the nearest cent.*

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

4 (a) *Payment of benefits.* All benefits provided herein shall be payable from
5 the fund. All benefits shall be paid through the secretary of labor, in
6 accordance with such rules and regulations as the secretary may adopt.
7 Benefits based on service in employment defined in K.S.A. 44-703(i)(3)
8 (E) and (i)(3)(F), and amendments thereto, shall be payable in the same
9 amount, on the same terms and subject to the same conditions as
10 compensation payable on the basis of other service subject to this act
11 except as provided in K.S.A. 44-705(e) and 44-711(e), and amendments
12 thereto.

13 (b) *Determined weekly benefit amount.* An individual's determined
14 weekly benefit amount shall be an amount equal to 4.25% of the
15 individual's total wages for insured work paid during that calendar quarter
16 of the individual's base period that such total wages were highest, subject
17 to the following limitations:

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

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

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

26 (c) *Maximum weekly benefit amount.* ~~(1) For initial claims effective~~
27 ~~prior to July 1, 2015, the maximum weekly benefit amount shall be~~
28 ~~determined as follows: On July 1 of each year, the secretary shall~~
29 ~~determine the maximum weekly benefit amount by computing 60% of the~~
30 ~~average weekly wages paid to employees in insured work during the~~
31 ~~previous calendar year and shall, prior to that date, announce the~~
32 ~~maximum weekly benefit amount so determined, by publication in the~~
33 ~~Kansas register. Such computation shall be made by dividing the gross~~
34 ~~wages reported as paid for insured work during the previous calendar year~~
35 ~~by the product of the average of mid-month employment during such~~
36 ~~calendar year multiplied by 52. The maximum weekly benefit amount so~~
37 ~~determined and announced for the twelve-month period shall apply only to~~
38 ~~those claims filed in that period qualifying for maximum payment under~~
39 ~~the foregoing formula. All claims qualifying for payment at the maximum~~
40 ~~weekly benefit amount shall be paid at the maximum weekly benefit~~
41 ~~amount in effect when the benefit year to which the claim relates was first~~
42 ~~established, notwithstanding a change in the maximum benefit amount for~~
43 ~~a subsequent twelve-month period. If the computed maximum weekly~~

1 ~~benefit amount is not a multiple of \$1, then the computed maximum~~
2 ~~weekly benefit amount shall be reduced to the next lower multiple of \$1.~~

3 (2)—For initial claims effective on or after July 1, ~~2015~~ 2024, the
4 maximum weekly benefit amount shall be determined as follows: On July
5 1 of each year, the secretary shall determine the maximum weekly benefit
6 amount by computing 55% of the *statewide* average weekly wages paid to
7 employees in insured work during the previous calendar year, ~~but not to be~~
8 ~~less than \$474~~, and shall, prior to that date, announce the maximum
9 weekly benefit amount so determined by publication in the Kansas
10 register. Such computation *of the statewide average weekly wage* shall be
11 made by dividing the ~~gross wages reported as paid for insured work during~~
12 ~~the previous calendar year by the product of the average of mid-month~~
13 ~~employment during such calendar year multiplied statewide average~~
14 ~~annual wage, as defined in K.S.A. 44-703(jj), and amendments thereto,~~
15 ~~determined for the period of the previous calendar year, by 52, as set forth~~
16 ~~by K.S.A. 44-703(kk), and amendments thereto.~~ The maximum weekly
17 benefit amount so determined and announced for the 12-month period
18 shall apply only to those claims filed in that period qualifying for
19 maximum payment under the foregoing formula. All claims qualifying for
20 payment at the maximum weekly benefit amount shall be paid at the
21 maximum weekly benefit amount in effect when the benefit year to which
22 the claim relates was first established, notwithstanding a change in the
23 maximum benefit amount for a subsequent 12-month period. If the
24 computed maximum weekly benefit amount is not a multiple of \$1, then
25 the computed maximum weekly benefit amount shall be reduced to the
26 next lower multiple of \$1.

27 (d) *Minimum weekly benefit amount.* The minimum weekly benefit
28 amount payable to any individual shall be 25% of the maximum weekly
29 benefit amount effective as of the beginning of the individual's benefit
30 year. If the minimum weekly benefit amount is not a multiple of \$1 it shall
31 be reduced to the next lower multiple of \$1. The minimum weekly benefit
32 amount shall apply through the benefit year, notwithstanding a change in
33 the minimum weekly benefit amount.

34 (e) All claims qualifying for payment at the maximum weekly benefit
35 amount shall be paid at the maximum weekly benefit amount in effect
36 when the benefit year to which the claim relates was first established,
37 notwithstanding a subsequent change in the maximum weekly benefit
38 amount.

39 (f) *Weekly benefit payable.* Each eligible individual who is
40 unemployed with respect to any week, except as to final payment, shall be
41 paid with respect to such week a benefit in an amount equal to such
42 individual's determined weekly benefit amount, less that part of the wage,
43 if any, payable to such individual with respect to such week that is in

1 excess of the amount that is equal to 25% of such individual's determined
2 weekly benefit amount, and if the resulting amount is not a multiple of \$1,
3 it shall be reduced to the next lower multiple of \$1.

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

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

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

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

14 (A) Remuneration received for services performed on a public
15 assistance work project;

16 (B) severance pay, in lieu of notice, under the provisions of public
17 law 100-379, the federal worker adjustment and retraining notification act,
18 29 U.S.C. §§ 2101 through 2109;

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

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

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

31 (g) *Duration of benefits.* Any otherwise eligible individual shall be
32 entitled during any benefit year to a total amount of benefits equal to
33 whichever is the lesser of 26 times such individual's weekly benefit
34 amount, or $\frac{1}{3}$ of such individual's wages for insured work paid during such
35 individual's base period. Such total amount of benefits, if not a multiple of
36 \$1, shall be reduced to the next lower multiple of \$1.

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

43 (i) Notwithstanding any other provisions of this section to the

1 contrary, any benefit otherwise payable for any week shall be reduced by
2 the amount of any separation, termination, severance or other similar
3 payment paid to a claimant at the time of or after the claimant's separation
4 from employment during the benefit year.

5 (1) If any payment pursuant to this subsection is paid with respect to
6 a month, then the amount deemed to be received with respect to any week
7 during such month shall be computed by multiplying such monthly
8 amount by 12 and dividing the product by 52. If there is no designation of
9 the period with respect to which payments to an individual are made under
10 this section, then an amount equal to such individual's normal weekly
11 wage shall be attributed to and deemed paid with respect to the first and
12 each succeeding week following payment of the separation pay to the
13 individual until such amount so paid is exhausted.

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

17 (3) Notwithstanding the reemployment provisions of K.S.A. 44-
18 705(e), and amendments thereto, any individual whose benefit amount is
19 completely reduced under this subsection for 52 or more weeks shall, upon
20 exhaustion of the separation pay, be entitled to a new benefit year based
21 upon entitlement from the base period of the claim that was reduced.

22 ~~(j) Except as provided in subsection (k), for weeks commencing on
23 and after January 1, 2014, and ending before September 5, 2021, if at the
24 beginning of the benefit year, the three-month seasonally adjusted average
25 unemployment rate for the state of Kansas is: (1) Less than 4.5%, a
26 claimant shall be eligible for a maximum of 16 weeks of benefits; (2) at
27 least 4.5% but less than 6%, a claimant shall be eligible for a maximum of
28 20 weeks of benefits; or (3) at least 6%, a claimant shall be eligible for a
29 maximum of 26 weeks of benefits.~~

30 ~~(k) On and after the effective date of this act, a claimant shall be
31 eligible for a maximum of 26 weeks of benefits. A claimant who filed a
32 new claim on or after January 1, 2020, and before the effective date of this
33 act shall be eligible for a maximum of 26 weeks of benefits including the
34 number of weeks of benefits received after January 1, 2020, and before the
35 effective date of this act. This subsection shall not apply to initial claims
36 effective on and after September 5, 2021.~~

37 ~~(l)~~(l) For weeks commencing on and after September 5, 2021, if at
38 the beginning of the benefit year, the three-month seasonally adjusted
39 average unemployment rate for the state of Kansas is: (1) Less than 5%, a
40 claimant shall be eligible for a maximum of 16 weeks of benefits; (2) at
41 least 5% but less than 6%, a claimant shall be eligible for a maximum of
42 20 weeks of benefits; or (3) at least 6%, a claimant shall be eligible for a
43 maximum of 26 weeks of benefits.

1 (2) *The maximum number of weeks of benefits **allowed** in a benefit*
2 *year **pursuant to paragraph (1)** shall ~~be determined by any combination~~*
3 *~~of~~ **apply to the combined total of any weeks of traditional** ~~or~~ **and***
4 ***temporary unemployment in such benefit year.***

5 ~~(m)~~(k) Upon the secretary of labor's receipt of notification that the
6 claimant has become employed, the secretary shall notify the secretary of
7 the department for children and families in order that the secretary for
8 children and families may determine the claimant's eligibility for state or
9 federal benefits provided or facilitated by the department for children and
10 families. The department of labor and the department for children and
11 families shall enter into a memorandum of understanding that shall
12 provide for the transfer of information as provided in this subsection.

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

18 (a) The claimant has registered for work at and thereafter continued
19 to report at an employment office in accordance with rules and regulations
20 adopted by the secretary, except that, subject to the provisions of K.S.A.
21 44-704(a), and amendments thereto, the secretary may adopt rules and
22 regulations that waive or alter either or both of the requirements of this
23 subsection.

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

26 (c) (1) The claimant is able to perform the duties of such claimant's
27 customary occupation or the duties of other occupations that the claimant
28 is reasonably fitted by training or experience, and is available for work, as
29 demonstrated by the claimant's pursuit of the full course of action most
30 reasonably calculated to result in the claimant's reemployment except that,
31 notwithstanding any other provisions of this section, an unemployed
32 claimant otherwise eligible for benefits shall not become ineligible for
33 benefits:

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

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

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

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

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

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

6 (2) The secretary shall develop and implement procedures to address
7 claimants who refuse to return to suitable work or refuse to accept an offer
8 of suitable work without good cause. Such procedures shall include the
9 receipt and processing of job refusal reports from employers, the
10 evaluation of such reports in consideration of the claimant's work history
11 and skills and suitability of the offered employment and guidelines for a
12 determination of whether the claimant shall remain eligible for
13 unemployment benefits or has failed to meet the work search requirements
14 of this subsection or the requirements of K.S.A. 44-706(c), and
15 amendments thereto. In determining whether the employment offered is
16 suitable, the secretary's considerations shall include whether the
17 employment offers wages comparable to the claimant's recent employment
18 and work duties that correspond to the claimant's education level and
19 previous work experience. The secretary shall also consider whether the
20 employment offers wages of at least the amount of the claimant's
21 maximum weekly benefits.

22 (3) To facilitate the requirements of paragraph (2), the secretary shall
23 provide readily accessible means for employers to notify the department
24 when a claimant refuses to return to work or refuses an offer of
25 employment, including by telephone, email or an online web portal. *The*
26 *secretary shall create or cause to be created in the new unemployment*
27 *insurance information technology system as provided by K.S.A. 44-772,*
28 *and amendments thereto, an audit process for employers to submit reports*
29 *regarding activities related to the work search requirement or to the my*
30 *reemployment plan, established by K.S.A. 44-775, and amendments*
31 *thereto, and applicants that accept interview appointments but do not*
32 *participate or notify the interviewing employer of their inability to*
33 *participate in the scheduled interview. The secretary shall not be required*
34 *to implement such audit process prior to January 1, 2026. Nothing in this*
35 *subsection shall be construed as to require an employer to ~~report~~ notify the*
36 *department of such job refusals or such failures to appear for a scheduled*
37 *interview without notifying the interviewing employer to the department.*

38 (4) At the time of receipt of notice from an employer pursuant to
39 paragraph (3), the secretary shall, within 10 business days of receipt of
40 such notice from the employer, provide a notice to the claimant who has
41 refused to return to work or to accept an offer of suitable work without
42 good cause. The method of providing the notice to the claimant shall be
43 consistent with other correspondence from the department to the claimant

1 and may include mail, telephone, email or through an online web portal.
2 The notice shall, at minimum, include the following information:

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

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

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

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

15 (5) *The secretary shall include notices to all active employers*
16 *regarding work search noncompliance reporting options provided in*
17 *paragraph (3) in the department of labor's annual summary of benefit*
18 *charges pursuant to K.S.A. 44-710b(d), and amendments thereto, and in*
19 *the rate notices to employers pursuant to K.S.A. 44-710b(a), and*
20 *amendments thereto. The secretary shall not be required to implement*
21 *such notice requirements prior to the completion of the new unemployment*
22 *insurance information technology system, as provided by K.S.A. 44-772,*
23 *and amendments thereto.*

24 ~~(5)(6)~~ For the purposes of this subsection, an inmate of a custodial or
25 correctional institution shall be deemed to be unavailable for work and not
26 eligible to receive unemployment compensation while incarcerated.

27 (d) (1) Except as provided further, the claimant has been unemployed
28 for a waiting period of one week or the claimant is unemployed and has
29 satisfied the requirement for a waiting period of one week under the shared
30 work unemployment compensation program as provided in K.S.A. 44-
31 757(k)(4), and amendments thereto, and that period of one week, in either
32 case, occurs within the benefit year that includes the week for which the
33 claimant is claiming benefits. No week shall be counted as a week of
34 unemployment for the purposes of this subsection:

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

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

38 (C) if an individual is seeking unemployment benefits under the
39 unemployment compensation law of any other state or of the United
40 States, except that if the appropriate agency of such state or of the United
41 States finally determines that the claimant is not entitled to unemployment
42 benefits under such other law, this subparagraph shall not apply.

43 (2) (A) The waiting week requirement of paragraph (1) shall not

1 apply to:

2 (i) New claims by claimants who become unemployed as a result of
3 an employer terminating business operations within this state, declaring
4 bankruptcy or initiating a work force reduction pursuant to public law 100-
5 379, the federal worker adjustment and retraining notification act, 29
6 U.S.C. §§ 2101 through 2109, as amended; or

7 (ii) new claims filed on or after April 5, 2020, through December 26,
8 2020, in accordance with the families first coronavirus response act, public
9 law 116-127 and the federal CARES act, public law 116-136.

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

12 (3) If the waiting week requirement of paragraph (1) applies, a
13 claimant shall become eligible to receive compensation for the waiting
14 period of one week, pursuant to paragraph (1), upon completion of three
15 weeks of unemployment consecutive to such waiting period. This
16 paragraph shall not apply to initial claims effective on and after April 1,
17 2021.

18 (e) For benefit years established on and after the effective date of this
19 act, the claimant has been paid total wages for insured work in the
20 claimant's base period of not less than 30 times the claimant's weekly
21 benefit amount and has been paid wages in more than one quarter of the
22 claimant's base period, except that the wage credits of an individual earned
23 during the period commencing with the end of a prior base period and
24 ending on the date that such individual filed a valid initial claim shall not
25 be available for benefit purposes in a subsequent benefit year unless, in
26 addition thereto, such individual has returned to work and subsequently
27 earned wages for insured work in an amount equal to at least eight times
28 the claimant's current weekly benefit amount.

29 (f) The claimant participates in reemployment services, such as job
30 search assistance services, if the individual has been determined to be
31 likely to exhaust regular benefits and needs reemployment services
32 pursuant to a profiling system established by the secretary, unless the
33 secretary determines that: (1) The individual has completed such services;
34 or (2) there is justifiable cause for the claimant's failure to participate in
35 such services.

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

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

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

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

6 Sec. 4. K.S.A. 44-706 is hereby amended to read as follows: 44-706.
7 The secretary shall examine whether an individual has separated from
8 employment for each week claimed. The secretary shall apply the
9 provisions of this section to the individual's most recent employment prior
10 to the week claimed. An individual shall be disqualified for benefits:

11 (a) If the individual left work voluntarily without good cause
12 attributable to the work or the employer, subject to the other provisions of
13 this subsection. For purposes of this subsection, "good cause" is cause of
14 such gravity that would impel a reasonable, not supersensitive, individual
15 exercising ordinary common sense to leave employment. Good cause
16 requires a showing of good faith of the individual leaving work, including
17 the presence of a genuine desire to work. Failure to return to work after
18 expiration of approved personal or medical leave, or both, shall be
19 considered a voluntary resignation. After a temporary job assignment,
20 failure of an individual to affirmatively request an additional assignment
21 on the next succeeding workday, if required by the employment
22 agreement, after completion of a given work assignment, shall constitute
23 leaving work voluntarily. The disqualification shall begin the day
24 following the separation and shall continue until after the individual has
25 become reemployed and has had earnings from insured work of at least
26 three times the individual's weekly benefit amount. An individual shall not
27 be disqualified under this subsection if:

28 (1) The individual was forced to leave work because of illness or
29 injury upon the advice of a licensed and practicing health care provider
30 and, upon learning of the necessity for absence, immediately notified the
31 employer thereof, or the employer consented to the absence, and after
32 recovery from the illness or injury, when recovery was certified by a
33 practicing health care provider, the individual returned to the employer and
34 offered to perform services and the individual's regular work or
35 comparable and suitable work was not available. As used in this paragraph
36 "health care provider" means any person licensed by the proper licensing
37 authority of any state to engage in the practice of medicine and surgery,
38 osteopathy, chiropractic, dentistry, optometry, podiatry or psychology;

39 (2) the individual left temporary work to return to the regular
40 employer;

41 (3) the individual left work to enlist in the armed forces of the United
42 States, but was rejected or delayed from entry;

43 (4) the spouse of an individual who is a member of the armed forces

1 of the United States who left work because of the voluntary or involuntary
2 transfer of the individual's spouse from one job to another job, which is for
3 the same employer or for a different employer, at a geographic location
4 which makes it unreasonable for the individual to continue work at the
5 individual's job. For the purposes of this provision the term "armed forces"
6 means active duty in the army, navy, marine corps, air force, coast guard or
7 any branch of the military reserves of the United States;

8 (5) the individual left work because of hazardous working conditions;
9 in determining whether or not working conditions are hazardous for an
10 individual, the degree of risk involved to the individual's health, safety and
11 morals, the individual's physical fitness and prior training and the working
12 conditions of workers engaged in the same or similar work for the same
13 and other employers in the locality shall be considered; as used in this
14 paragraph, "hazardous working conditions" means working conditions that
15 could result in a danger to the physical or mental well-being of the
16 individual; each determination as to whether hazardous working
17 conditions exist shall include, but shall not be limited to, a consideration
18 of: (A) The safety measures used or the lack thereof; and (B) the condition
19 of equipment or lack of proper equipment; no work shall be considered
20 hazardous if the working conditions surrounding the individual's work are
21 the same or substantially the same as the working conditions generally
22 prevailing among individuals performing the same or similar work for
23 other employers engaged in the same or similar type of activity;

24 (6) the individual left work to enter training approved under section
25 236(a)(1) of the federal trade act of 1974, provided the work left is not of a
26 substantially equal or higher skill level than the individual's past adversely
27 affected employment, as defined for purposes of the federal trade act of
28 1974, and wages for such work are not less than 80% of the individual's
29 average weekly wage as determined for the purposes of the federal trade
30 act of 1974;

31 (7) the individual left work because of unwelcome harassment of the
32 individual by the employer or another employee of which the employing
33 unit had knowledge and that would impel the average worker to give up
34 such worker's employment;

35 (8) the individual left work to accept better work; each determination
36 as to whether or not the work accepted is better work shall include, but
37 shall not be limited to, consideration of: (A) The rate of pay, the hours of
38 work and the probable permanency of the work left as compared to the
39 work accepted; (B) the cost to the individual of getting to the work left in
40 comparison to the cost of getting to the work accepted; and (C) the
41 distance from the individual's place of residence to the work accepted in
42 comparison to the distance from the individual's residence to the work left;

43 (9) the individual left work as a result of being instructed or requested

1 by the employer, a supervisor or a fellow employee to perform a service or
2 commit an act in the scope of official job duties which is in violation of an
3 ordinance or statute;

4 (10) the individual left work because of a substantial violation of the
5 work agreement by the employing unit and, before the individual left, the
6 individual had exhausted all remedies provided in such agreement for the
7 settlement of disputes before terminating. For the purposes of this
8 paragraph, a demotion based on performance does not constitute a
9 violation of the work agreement;

10 (11) after making reasonable efforts to preserve the work, the
11 individual left work due to a personal emergency of such nature and
12 compelling urgency that it would be contrary to good conscience to
13 impose a disqualification; or

14 (12) (A) the individual left work due to circumstances resulting from
15 domestic violence, including:

16 (i) The individual's reasonable fear of future domestic violence at or
17 en route to or from the individual's place of employment;

18 (ii) the individual's need to relocate to another geographic area in
19 order to avoid future domestic violence;

20 (iii) the individual's need to address the physical, psychological and
21 legal impacts of domestic violence;

22 (iv) the individual's need to leave employment as a condition of
23 receiving services or shelter from an agency which provides support
24 services or shelter to victims of domestic violence; or

25 (v) the individual's reasonable belief that termination of employment
26 is necessary to avoid other situations which may cause domestic violence
27 and to provide for the future safety of the individual or the individual's
28 family.

29 (B) An individual may prove the existence of domestic violence by
30 providing one of the following:

31 (i) A restraining order or other documentation of equitable relief by a
32 court of competent jurisdiction;

33 (ii) a police record documenting the abuse;

34 (iii) documentation that the abuser has been convicted of one or more
35 of the offenses enumerated in articles 34 and 35 of chapter 21 of the
36 Kansas Statutes Annotated, prior to their repeal, or articles 54 or 55 of
37 chapter 21 of the Kansas Statutes Annotated, or K.S.A. 21-6104, 21-6325,
38 21-6326 or 21-6418 through 21-6422, and amendments thereto, where the
39 victim was a family or household member;

40 (iv) medical documentation of the abuse;

41 (v) a statement provided by a counselor, social worker, health care
42 provider, clergy, shelter worker, legal advocate, domestic violence or
43 sexual assault advocate or other professional who has assisted the

1 individual in dealing with the effects of abuse on the individual or the
2 individual's family; or

3 (vi) a sworn statement from the individual attesting to the abuse.

4 (C) No evidence of domestic violence experienced by an individual,
5 including the individual's statement and corroborating evidence, shall be
6 disclosed by the department of labor unless consent for disclosure is given
7 by the individual.

8 (b) If the individual has been discharged or suspended for misconduct
9 connected with the individual's work. The disqualification shall begin the
10 day following the separation and shall continue until after the individual
11 becomes reemployed and in cases where the disqualification is due to
12 discharge for misconduct has had earnings from insured work of at least
13 three times the individual's determined weekly benefit amount, except that
14 if an individual is discharged for gross misconduct connected with the
15 individual's work, such individual shall be disqualified for benefits until
16 such individual again becomes employed and has had earnings from
17 insured work of at least eight times such individual's determined weekly
18 benefit amount. In addition, all wage credits attributable to the
19 employment from which the individual was discharged for gross
20 misconduct connected with the individual's work shall be canceled. No
21 such cancellation of wage credits shall affect prior payments made as a
22 result of a prior separation.

23 (1) For the purposes of this subsection, "misconduct" is defined as a
24 violation of a duty or obligation reasonably owed the employer as a
25 condition of employment including, but not limited to, a violation of a
26 company rule, including a safety rule, if: (A) The individual knew or
27 should have known about the rule; (B) the rule was lawful and reasonably
28 related to the job; and (C) the rule was fairly and consistently enforced.

29 (2) (A) Failure of the employee to notify the employer of an absence
30 and an individual's leaving work prior to the end of such individual's
31 assigned work period without permission shall be considered prima facie
32 evidence of a violation of a duty or obligation reasonably owed the
33 employer as a condition of employment.

34 (B) For the purposes of this subsection, misconduct shall include, but
35 not be limited to, violation of the employer's reasonable attendance
36 expectations if the facts show:

37 (i) The individual was absent or tardy without good cause;

38 (ii) the individual had knowledge of the employer's attendance
39 expectation; and

40 (iii) the employer gave notice to the individual that future absence or
41 tardiness may or will result in discharge.

42 (C) For the purposes of this subsection, if an employee disputes being
43 absent or tardy without good cause, the employee shall present evidence

1 that a majority of the employee's absences or tardiness were for good
2 cause. If the employee alleges that the employee's repeated absences or
3 tardiness were the result of health related issues, such evidence shall
4 include documentation from a licensed and practicing health care provider
5 as defined in subsection (a)(1).

6 (3) (A) The term "gross misconduct" as used in this subsection shall
7 be construed to mean conduct evincing extreme, willful or wanton
8 misconduct as defined by this subsection. Gross misconduct shall include,
9 but not be limited to: (i) Theft; (ii) fraud; (iii) intentional damage to
10 property; (iv) intentional infliction of personal injury; or (v) any conduct
11 that constitutes a felony.

12 (B) For the purposes of this subsection, the following shall be
13 conclusive evidence of gross misconduct:

14 (i) The use of alcoholic liquor, cereal malt beverage or a
15 nonprescribed controlled substance by an individual while working;

16 (ii) the impairment caused by alcoholic liquor, cereal malt beverage
17 or a nonprescribed controlled substance by an individual while working;

18 (iii) a positive breath alcohol test or a positive chemical test,
19 provided:

20 (a) The test was either:

21 (1) Required by law and was administered pursuant to the drug free
22 workplace act, 41 U.S.C. § 701 et seq.;

23 (2) administered as part of an employee assistance program or other
24 drug or alcohol treatment program in which the employee was
25 participating voluntarily or as a condition of further employment;

26 (3) requested pursuant to a written policy of the employer of which
27 the employee had knowledge and was a required condition of
28 employment;

29 (4) required by law and the test constituted a required condition of
30 employment for the individual's job; or

31 (5) there was reasonable suspicion to believe that the individual used,
32 had possession of, or was impaired by alcoholic liquor, cereal malt
33 beverage or a nonprescribed controlled substance while working;

34 (b) the test sample was collected either:

35 (1) As prescribed by the drug free workplace act, 41 U.S.C. § 701 et
36 seq.;

37 (2) as prescribed by an employee assistance program or other drug or
38 alcohol treatment program in which the employee was participating
39 voluntarily or as a condition of further employment;

40 (3) as prescribed by the written policy of the employer of which the
41 employee had knowledge and which constituted a required condition of
42 employment;

43 (4) as prescribed by a test which was required by law and which

1 constituted a required condition of employment for the individual's job; or
2 (5) at a time contemporaneous with the events establishing probable
3 cause;

4 (c) the collecting and labeling of a chemical test sample was
5 performed by a licensed health care professional or any other individual
6 certified pursuant to paragraph (b)(3)(A)(iii)(f) or authorized to collect or
7 label test samples by federal or state law, or a federal or state rule or
8 regulation having the force or effect of law, including law enforcement
9 personnel;

10 (d) the chemical test was performed by a laboratory approved by the
11 United States department of health and human services or licensed by the
12 department of health and environment, except that a blood sample may be
13 tested for alcohol content by a laboratory commonly used for that purpose
14 by state law enforcement agencies;

15 (e) the chemical test was confirmed by gas chromatography, gas
16 chromatography-mass spectroscopy or other comparably reliable
17 analytical method, except that no such confirmation is required for a blood
18 alcohol sample or a breath alcohol test;

19 (f) the breath alcohol test was administered by an individual trained
20 to perform breath tests, the breath testing instrument used was certified
21 and operated strictly according to a description provided by the
22 manufacturers and the reliability of the instrument performance was
23 assured by testing with alcohol standards; and

24 (g) the foundation evidence establishes, beyond a reasonable doubt,
25 that the test results were from the sample taken from the individual;

26 (iv) an individual's refusal to submit to a chemical test or breath
27 alcohol test, provided:

28 (a) The test meets the standards of the drug free workplace act, 41
29 U.S.C. § 701 et seq.;

30 (b) the test was administered as part of an employee assistance
31 program or other drug or alcohol treatment program in which the
32 employee was participating voluntarily or as a condition of further
33 employment;

34 (c) the test was otherwise required by law and the test constituted a
35 required condition of employment for the individual's job;

36 (d) the test was requested pursuant to a written policy of the employer
37 of which the employee had knowledge and was a required condition of
38 employment; or

39 (e) there was reasonable suspicion to believe that the individual used,
40 possessed or was impaired by alcoholic liquor, cereal malt beverage or a
41 nonprescribed controlled substance while working;

42 (v) an individual's dilution or other tampering of a chemical test.

43 (C) For purposes of this subsection:

- 1 (i) "Alcohol concentration" means the number of grams of alcohol
2 per 210 liters of breath;
- 3 (ii) "alcoholic liquor" means the same as provided in K.S.A. 41-102,
4 and amendments thereto;
- 5 (iii) "cereal malt beverage" means the same as provided in K.S.A. 41-
6 2701, and amendments thereto;
- 7 (iv) "chemical test" includes, but is not limited to, tests of urine,
8 blood or saliva;
- 9 (v) "controlled substance" means the same as provided in K.S.A. 21-
10 5701, and amendments thereto;
- 11 (vi) "required by law" means required by a federal or state law, a
12 federal or state rule or regulation having the force and effect of law, a
13 county resolution or municipal ordinance, or a policy relating to public
14 safety adopted in an open meeting by the governing body of any special
15 district or other local governmental entity;
- 16 (vii) "positive breath test" means a test result showing an alcohol
17 concentration of 0.04 or greater, or the levels listed in 49 C.F.R. part 40, if
18 applicable, unless the test was administered as part of an employee
19 assistance program or other drug or alcohol treatment program in which
20 the employee was participating voluntarily or as a condition of further
21 employment, in which case "positive chemical test" shall mean a test result
22 showing an alcohol concentration at or above the levels provided for in the
23 assistance or treatment program;
- 24 (viii) "positive chemical test" means a chemical result showing a
25 concentration at or above the levels listed in K.S.A. 44-501, and
26 amendments thereto, or 49 C.F.R. part 40, as applicable, for the drugs or
27 abuse listed therein, unless the test was administered as part of an
28 employee assistance program or other drug or alcohol treatment program
29 in which the employee was participating voluntarily or as a condition of
30 further employment, in which case "positive chemical test" means a
31 chemical result showing a concentration at or above the levels provided for
32 in the assistance or treatment program.
- 33 (4) An individual shall not be disqualified under this subsection if the
34 individual is discharged under the following circumstances:
- 35 (A) The employer discharged the individual after learning the
36 individual was seeking other work or when the individual gave notice of
37 future intent to quit, except that the individual shall be disqualified after
38 the time at which such individual intended to quit and any individual who
39 commits misconduct after such individual gives notice to such individual's
40 intent to quit shall be disqualified;
- 41 (B) the individual was making a good-faith effort to do the assigned
42 work but was discharged due to:
- 43 (i) Inefficiency;

1 (ii) unsatisfactory performance due to inability, incapacity or lack of
2 training or experience;

3 (iii) isolated instances of ordinary negligence or inadvertence;

4 (iv) ~~good-faith~~*good faith* errors in judgment or discretion; or

5 (v) unsatisfactory work or conduct due to circumstances beyond the
6 individual's control; or

7 (C) the individual's refusal to perform work in excess of the contract
8 of hire.

9 (c) If the individual has failed, without good cause, to either apply for
10 suitable work when so directed by the employment office of the secretary
11 of labor, or to accept suitable work when offered to the individual by the
12 employment office, the secretary of labor, or an employer, such
13 disqualification shall begin with the week in which such failure occurred
14 and shall continue until the individual becomes reemployed and has had
15 earnings from insured work of at least three times such individual's
16 determined weekly benefit amount. In determining whether or not any
17 work is suitable for an individual, the secretary of labor, or a person or
18 persons designated by the secretary, shall consider the degree of risk
19 involved to health, safety and morals, physical fitness and prior training,
20 experience and prior earnings, length of unemployment and prospects for
21 securing local work in the individual's customary occupation or work for
22 which the individual is reasonably fitted by training or experience, and the
23 distance of the available work from the individual's residence.
24 Notwithstanding any other provisions of this act, an otherwise eligible
25 individual shall not be disqualified for refusing an offer of suitable
26 employment, or failing to apply for suitable employment when notified by
27 an employment office, or for leaving the individual's most recent work
28 accepted during approved training, including training approved under
29 section 236(a)(1) of the trade act of 1974, if the acceptance of or applying
30 for suitable employment or continuing such work would require the
31 individual to terminate approved training and no work shall be deemed
32 suitable and benefits shall not be denied under this act to any otherwise
33 eligible individual for refusing to accept new work under any of the
34 following conditions: (1) If the position offered is vacant due directly to a
35 strike, lockout or other labor dispute; (2) if the remuneration, hours or
36 other conditions of the work offered are substantially less favorable to the
37 individual than those prevailing for similar work in the locality; (3) if as a
38 condition of being employed, the individual would be required to join or
39 resign from or refrain from joining any labor organization; and (4) if the
40 individual left employment as a result of domestic violence, and the
41 position offered does not reasonably accommodate the individual's
42 physical, psychological, safety, or legal needs relating to such domestic
43 violence.

1 (d) For any week with respect to which the secretary of labor, or a
2 person or persons designated by the secretary, finds that the individual's
3 unemployment is due to a stoppage of work which exists because of a
4 labor dispute or there would have been a work stoppage had normal
5 operations not been maintained with other personnel previously and
6 currently employed by the same employer at the factory, establishment or
7 other premises at which the individual is or was last employed, except that
8 this subsection (d) shall not apply if it is shown to the satisfaction of the
9 secretary of labor, or a person or persons designated by the secretary, that:
10 (1) The individual is not participating in or financing or directly interested
11 in the labor dispute which caused the stoppage of work; and (2) the
12 individual does not belong to a grade or class of workers of which,
13 immediately before the commencement of the stoppage, there were
14 members employed at the premises at which the stoppage occurs any of
15 whom are participating in or financing or directly interested in the dispute.
16 If in any case separate branches of work which are commonly conducted
17 as separate businesses in separate premises are conducted in separate
18 departments of the same premises, each such department shall, for the
19 purpose of this subsection be deemed to be a separate factory,
20 establishment or other premises. For the purposes of this subsection,
21 failure or refusal to cross a picket line or refusal for any reason during the
22 continuance of such labor dispute to accept the individual's available and
23 customary work at the factory, establishment or other premises where the
24 individual is or was last employed shall be considered as participation and
25 interest in the labor dispute.

26 (e) For any week with respect to which or a part of which the
27 individual has received or is seeking unemployment benefits under the
28 unemployment compensation law of any other state or of the United
29 States, except that if the appropriate agency of such other state or the
30 United States finally determines that the individual is not entitled to such
31 unemployment benefits, this disqualification shall not apply.

32 (f) For any week with respect to which the individual is entitled to
33 receive any unemployment allowance or compensation granted by the
34 United States under an act of congress to ex-service men and women in
35 recognition of former service with the military or naval services of the
36 United States.

37 (g) If the individual, or another in such individual's behalf with the
38 knowledge of the individual, has knowingly made a false statement or
39 representation, or has knowingly failed to disclose a material fact to obtain
40 or increase benefits under this act or any other unemployment
41 compensation law administered by the secretary of labor, unless the
42 individual has repaid the full amount of the overpayment as determined by
43 the secretary or the secretary's designee, including, but not limited to, the

1 total amount of money erroneously paid as benefits or unlawfully
2 obtained, interest, penalties and any other costs or fees provided by law. If
3 the individual has made such repayment, the individual shall be
4 disqualified for a period of one year for the first occurrence or five years
5 for any subsequent occurrence, beginning with the first day following the
6 date the department of labor confirmed the individual has successfully
7 repaid the full amount of the overpayment. In addition to the penalties set
8 forth in K.S.A. 44-719, and amendments thereto, an individual who has
9 knowingly made a false statement or representation or who has knowingly
10 failed to disclose a material fact to obtain or increase benefits under this
11 act or any other unemployment compensation law administered by the
12 secretary of labor shall be liable for a penalty in the amount equal to 25%
13 of the amount of benefits unlawfully received. Notwithstanding any other
14 provision of law, such penalty shall be deposited into the employment
15 security trust fund. No person who is a victim of identify theft shall be
16 subject to the provisions of this subsection. The secretary shall investigate
17 all cases of an alleged false statement or representation or failure to
18 disclose a material fact to ensure no victim of identity theft is disqualified,
19 required to repay or subject to any penalty as provided by this subsection
20 as a result of identity theft.

21 (h) For any week with respect to which the individual is receiving
22 compensation for temporary total disability or permanent total disability
23 under the workmen's compensation law of any state or under a similar law
24 of the United States.

25 (i) For any week of unemployment on the basis of service in an
26 instructional, research or principal administrative capacity for an
27 educational institution as defined in K.S.A. 44-703(v), and amendments
28 thereto, if such week begins during the period between two successive
29 academic years or terms or, when an agreement provides instead for a
30 similar period between two regular but not successive terms during such
31 period or during a period of paid sabbatical leave provided for in the
32 individual's contract, if the individual performs such services in the first of
33 such academic years or terms and there is a contract or a reasonable
34 assurance that such individual will perform services in any such capacity
35 for any educational institution in the second of such academic years or
36 terms.

37 (j) For any week of unemployment on the basis of service in any
38 capacity other than service in an instructional, research, or administrative
39 capacity in an educational institution, as defined in K.S.A. 44-703(v), and
40 amendments thereto, if such week begins during the period between two
41 successive academic years or terms if the individual performs such
42 services in the first of such academic years or terms and there is a
43 reasonable assurance that the individual will perform such services in the

1 second of such academic years or terms, except that if benefits are denied
2 to the individual under this subsection and the individual was not offered
3 an opportunity to perform such services for the educational institution for
4 the second of such academic years or terms, such individual shall be
5 entitled to a retroactive payment of benefits for each week for which the
6 individual filed a timely claim for benefits and for which benefits were
7 denied solely by reason of this subsection.

8 (k) For any week of unemployment on the basis of service in any
9 capacity for an educational institution as defined in K.S.A. 44-703(v), and
10 amendments thereto, if such week begins during an established and
11 customary vacation period or holiday recess, if the individual performs
12 services in the period immediately before such vacation period or holiday
13 recess and there is a reasonable assurance that such individual will perform
14 such services in the period immediately following such vacation period or
15 holiday recess.

16 (l) For any week of unemployment on the basis of any services,
17 substantially all of which consist of participating in sports or athletic
18 events or training or preparing to so participate, if such week begins during
19 the period between two successive sport seasons or similar period if such
20 individual performed services in the first of such seasons or similar periods
21 and there is a reasonable assurance that such individual will perform such
22 services in the later of such seasons or similar periods.

23 (m) For any week on the basis of services performed by an alien
24 unless such alien is an individual who was lawfully admitted for
25 permanent residence at the time such services were performed, was
26 lawfully present for purposes of performing such services, or was
27 permanently residing in the United States under color of law at the time
28 such services were performed, including an alien who was lawfully present
29 in the United States as a result of the application of the provisions of
30 section 212(d)(5) of the federal immigration and nationality act. Any data
31 or information required of individuals applying for benefits to determine
32 whether benefits are not payable to them because of their alien status shall
33 be uniformly required from all applicants for benefits. In the case of an
34 individual whose application for benefits would otherwise be approved, no
35 determination that benefits to such individual are not payable because of
36 such individual's alien status shall be made except upon a preponderance
37 of the evidence.

38 (n) For any week in which an individual is receiving a governmental
39 or other pension, retirement or retired pay, annuity or other similar
40 periodic payment under a plan maintained by a base period employer and
41 to which the entire contributions were provided by such employer, except
42 that: (1) If the entire contributions to such plan were provided by the base
43 period employer but such individual's weekly benefit amount exceeds such

1 governmental or other pension, retirement or retired pay, annuity or other
2 similar periodic payment attributable to such week, the weekly benefit
3 amount payable to the individual shall be reduced, but not below zero, by
4 an amount equal to the amount of such pension, retirement or retired pay,
5 annuity or other similar periodic payment which is attributable to such
6 week; or (2) if only a portion of contributions to such plan were provided
7 by the base period employer, the weekly benefit amount payable to such
8 individual for such week shall be reduced, but not below zero, by the
9 prorated weekly amount of the pension, retirement or retired pay, annuity
10 or other similar periodic payment after deduction of that portion of the
11 pension, retirement or retired pay, annuity or other similar periodic
12 payment that is directly attributable to the percentage of the contributions
13 made to the plan by such individual; or (3) if the entire contributions to the
14 plan were provided by such individual, or by the individual and an
15 employer, or any person or organization, who is not a base period
16 employer, no reduction in the weekly benefit amount payable to the
17 individual for such week shall be made under this subsection; or (4)
18 whatever portion of contributions to such plan were provided by the base
19 period employer, if the services performed for the employer by such
20 individual during the base period, or remuneration received for the
21 services, did not affect the individual's eligibility for, or increased the
22 amount of, such pension, retirement or retired pay, annuity or other similar
23 periodic payment, no reduction in the weekly benefit amount payable to
24 the individual for such week shall be made under this subsection. No
25 reduction shall be made for payments made under the social security act or
26 railroad retirement act of 1974.

27 (o) For any week of unemployment on the basis of services
28 performed in any capacity and under any of the circumstances described in
29 subsection (i), (j) or (k) that an individual performed in an educational
30 institution while in the employ of an educational service agency. For the
31 purposes of this subsection, the term "educational service agency" means a
32 governmental agency or entity which is established and operated
33 exclusively for the purpose of providing such services to one or more
34 educational institutions.

35 (p) For any week of unemployment on the basis of service as a school
36 bus or other motor vehicle driver employed by a private contractor to
37 transport pupils, students and school personnel to or from school-related
38 functions or activities for an educational institution, as defined in K.S.A.
39 44-703(v), and amendments thereto, if such week begins during the period
40 between two successive academic years or during a similar period between
41 two regular terms, whether or not successive, if the individual has a
42 contract or contracts, or a reasonable assurance thereof, to perform
43 services in any such capacity with a private contractor for any educational

1 institution for both such academic years or both such terms. An individual
2 shall not be disqualified for benefits as provided in this subsection for any
3 week of unemployment:

4 (1) *That the individual is a participating employee in a short-term*
5 *compensation program established pursuant to K.S.A. 44-757, and*
6 *amendments thereto; or*

7 (2) on the basis of service as a bus or other motor vehicle driver
8 employed by a private contractor to transport persons to or from
9 nonschool-related functions or activities.

10 (q) For any week of unemployment on the basis of services
11 performed by the individual in any capacity and under any of the
12 circumstances described in subsection (i), (j), (k) or (o) which are provided
13 to or on behalf of an educational institution, as defined in K.S.A. 44-
14 703(v), and amendments thereto, while the individual is in the employ of
15 an employer which is a governmental entity, Indian tribe or any employer
16 described in section 501(c)(3) of the federal internal revenue code of 1986
17 which is exempt from income under section 501(a) of the code.

18 (r) For any week in which an individual is registered at and attending
19 an established school, training facility or other educational institution, or is
20 on vacation during or between two successive academic years or terms. An
21 individual shall not be disqualified for benefits as provided in this
22 subsection provided:

23 (1) The individual was engaged in full-time employment concurrent
24 with the individual's school attendance;

25 (2) the individual is attending approved training as defined in K.S.A.
26 44-703(s), and amendments thereto; or

27 (3) the individual is attending evening, weekend or limited day time
28 classes, which would not affect availability for work, and is otherwise
29 eligible under K.S.A. 44-705(c), and amendments thereto.

30 (s) For any week with respect to which an individual is receiving or
31 has received remuneration in the form of a back pay award or settlement.
32 The remuneration shall be allocated to the week or weeks in the manner as
33 specified in the award or agreement, or in the absence of such specificity
34 in the award or agreement, such remuneration shall be allocated to the
35 week or weeks in which such remuneration, in the judgment of the
36 secretary, would have been paid.

37 (1) For any such weeks that an individual receives remuneration in
38 the form of a back pay award or settlement, an overpayment will be
39 established in the amount of unemployment benefits paid and shall be
40 collected from the claimant.

41 (2) If an employer chooses to withhold from a back pay award or
42 settlement, amounts paid to a claimant while they claimed unemployment
43 benefits, such employer shall pay the department the amount withheld.

1 With respect to such amount, the secretary shall have available all of the
2 collection remedies authorized or provided in K.S.A. 44-717, and
3 amendments thereto.

4 (t) (1) Any applicant for or recipient of unemployment benefits who
5 tests positive for unlawful use of a controlled substance or controlled
6 substance analog shall be required to complete a substance abuse treatment
7 program approved by the secretary of labor, secretary of commerce or
8 secretary for children and families, and a job skills program approved by
9 the secretary of labor, secretary of commerce or the secretary for children
10 and families. Subject to applicable federal laws, any applicant for or
11 recipient of unemployment benefits who fails to complete or refuses to
12 participate in the substance abuse treatment program or job skills program
13 as required under this subsection shall be ineligible to receive
14 unemployment benefits until completion of such substance abuse
15 treatment and job skills programs. Upon completion of both substance
16 abuse treatment and job skills programs, such applicant for or recipient of
17 unemployment benefits may be subject to periodic drug screening, as
18 determined by the secretary of labor. Upon a second positive test for
19 unlawful use of a controlled substance or controlled substance analog, an
20 applicant for or recipient of unemployment benefits shall be ordered to
21 complete again a substance abuse treatment program and job skills
22 program, and shall be terminated from unemployment benefits for a period
23 of 12 months, or until such applicant for or recipient of unemployment
24 benefits completes both substance abuse treatment and job skills programs,
25 whichever is later. Upon a third positive test for unlawful use of a
26 controlled substance or controlled substance analog, an applicant for or a
27 recipient of unemployment benefits shall be terminated from receiving
28 unemployment benefits, subject to applicable federal law.

29 (2) Any individual who has been discharged or refused employment
30 for failing a preemployment drug screen required by an employer may
31 request that the drug screening specimen be sent to a different drug testing
32 facility for an additional drug screening. Any such individual who requests
33 an additional drug screening at a different drug testing facility shall be
34 required to pay the cost of drug screening.

35 (u) If the individual was found not to have a disqualifying
36 adjudication or conviction under K.S.A. 39-970 or 65-5117, and
37 amendments thereto, was hired and then was subsequently convicted of a
38 disqualifying felony under K.S.A. 39-970 or 65-5117, and amendments
39 thereto, and discharged pursuant to K.S.A. 39-970 or 65-5117, and
40 amendments thereto. The disqualification shall begin the day following the
41 separation and shall continue until after the individual becomes
42 reemployed and has had earnings from insured work of at least three times
43 the individual's determined weekly benefit amount.

1 (v) Notwithstanding the provisions of any subsection, an individual
2 shall not be disqualified for such week of part-time employment in a
3 substitute capacity for an educational institution if such individual's most
4 recent employment prior to the individual's benefit year begin date was for
5 a non-educational institution and such individual demonstrates application
6 for work in such individual's customary occupation or for work for which
7 the individual is reasonably fitted by training or experience.

8 Sec. 5. K.S.A. 44-709 is hereby amended to read as follows: 44-709.

9 (a) *Filing*. Claims for benefits shall be made in accordance with rules and
10 regulations adopted by the secretary. The secretary shall furnish a copy of
11 such rules and regulations to any individual requesting them. Each
12 employer shall: (1) Post and maintain printed statements furnished by the
13 secretary without cost to the employer in places readily accessible to
14 individuals in the service of the employer; and (2) provide any other
15 notification to individuals in the service of the employer as required by the
16 secretary pursuant to the families first coronavirus response act, public law
17 116-127.

18 (b) *Determination*. (1) Except as otherwise provided in this
19 paragraph, a representative designated by the secretary, and hereinafter
20 referred to as an examiner, shall promptly examine the claim and, on the
21 basis of the facts found by the examiner, shall determine whether or not
22 the claim is valid. If the examiner determines that the claim is valid, the
23 examiner shall determine the first day of the benefit year, the weekly
24 benefit amount and the total amount of benefits payable with respect to the
25 benefit year. If the claim is determined to be valid, the examiner shall send
26 a notice to the last employing unit who shall respond within 10 days by
27 providing the examiner all requested information including all information
28 required for a decision under K.S.A. 44-706, and amendments thereto. The
29 information may be submitted by the employing unit in person at an
30 employment office of the secretary or by mail, by telefacsimile machine or
31 by electronic mail. If the required information is not submitted or
32 postmarked within a response time limit of 10 days after the examiner's
33 notice was sent, the employing unit shall be deemed to have waived its
34 standing as a party to the proceedings arising from the claim and shall be
35 barred from protesting any subsequent decisions about the claim by the
36 secretary, a referee, the employment security board of review or any court,
37 except that the employing unit's response time limit may be waived or
38 extended by the examiner or upon appeal, if timely response was
39 impossible due to excusable neglect. In any case in which the payment or
40 denial of benefits will be determined by the provisions of K.S.A. 44-
41 706(d), and amendments thereto, the examiner shall promptly transmit the
42 claim to a special examiner designated by the secretary to make a
43 determination on the claim after the investigation as the special examiner

1 deems necessary. The parties shall be promptly notified of the special
2 examiner's decision and any party aggrieved by the decision may appeal to
3 the referee as provided in subsection (c). The claimant and the claimant's
4 most recent employing unit shall be promptly notified of the examiner's or
5 special examiner's decision.

6 (2) The examiner may for good cause reconsider the examiner's
7 decision and shall promptly notify the claimant and the most recent
8 employing unit of the claimant, that the decision of the examiner is to be
9 reconsidered, except that no reconsideration shall be made after the
10 termination of the benefit year.

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

20 (c) *Appeals.* Unless the appeal is withdrawn, a referee, after affording
21 the parties reasonable opportunity for fair hearing, shall affirm or modify
22 the findings of fact and decision of the examiner or special examiner. The
23 parties shall be duly notified of the referee's decision, together with the
24 reasons for the decision. The decision shall be final, notwithstanding the
25 provisions of any other statute, unless a further appeal to the employment
26 security board of review is filed within 16 calendar days after the mailing
27 of the decision to the parties' last known addresses or, if notice is not by
28 mail, within 16 calendar days after the delivery of the decision, except that
29 the time limit for appeal may be waived or extended by the referee or
30 board of review if a timely response was impossible due to excusable
31 neglect.

32 (d) *Referees.* The secretary shall appoint, in accordance with K.S.A.
33 44-714(c), and amendments thereto, one or more referees to hear and
34 decide disputed claims.

35 (e) *Time, computation and extension.* In computing the period of time
36 for an employing unit response or for appeals under this section from the
37 examiner's or the special examiner's determination or from the referee's
38 decision, the day of the act, event or default from which the designated
39 period of time begins to run shall not be included. The last day of the
40 period shall be included unless it is a Saturday, Sunday or legal holiday, in
41 which event the period runs until the end of the next day that is not a
42 Saturday, Sunday or legal holiday.

43 (f) *Board of review.* There is hereby created an employment security

1 board of review, hereinafter referred to as the board.

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

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

14 (2) (A) When a vacancy on the employment security board of review
15 occurs, the workers compensation and employment security boards
16 nominating committee established under K.S.A. 44-551, and amendments
17 thereto, shall convene and submit a *qualified* nominee to the governor for
18 appointment to each vacancy on the employment security board of review,
19 subject to confirmation by the senate as provided by K.S.A. 75-4315b, and
20 amendments thereto. *Minimum qualifications for qualified candidates for*
21 *appointment to the employment security board of review, in order of*
22 *priority, shall be:*

23 (i) *At least eight years direct experience with human resources*
24 *processes, policies, guidelines or employee relations;*

25 (ii) *at least three years direct experience with employment security*
26 *laws and processes; and*

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

28 (B) *Applications for employment security board of review positions*
29 *shall be submitted to the director of unemployment. The director shall*
30 *determine if an applicant meets the qualifications for an employment*
31 *security review board member as prescribed in paragraph (A). Qualified*
32 *applicants for a position of employment security review board member*
33 *shall be submitted by the director to the workers compensation and*
34 *employment security boards nominating committee for consideration. The*
35 *workers compensation and employment security boards nominating*
36 *committee ~~may~~ shall nominate ~~the~~ a candidate for consideration by the*
37 *governor.*

38 (C) The governor shall either: ~~(A)~~ accept and submit to the senate for
39 confirmation the person nominated by the nominating committee; or ~~(B)~~
40 reject the nomination and request the nominating committee to nominate
41 another person for that position. Except as provided by K.S.A. 46-2601,
42 and amendments thereto, no person appointed to the employment security
43 board of review, whose appointment is subject to confirmation by the

1 senate, shall exercise any power, duty or function as a member until
2 confirmed by the senate.

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

8 (4) Each member of the employment security board shall serve until a
9 successor has been appointed and confirmed. Any vacancy in the
10 membership of the board occurring prior to expiration of a term shall be
11 filled by appointment for the unexpired term in the same manner as
12 provided for original appointment of the member.

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

20 (6) The employment security board of review shall organize annually
21 by the election of a chairperson from among its members. The chairperson
22 shall serve in that capacity for a term of one year and until a successor is
23 elected. For the purpose of hearing and determining cases, the board
24 members may sit in panels. A board panel shall consist of three members
25 with not more than two members belonging to the same political party.
26 The chairperson may sit as a member of a panel and shall preside over
27 such panel. When the chairperson is not a member of a hearing panel, the
28 chairperson shall appoint a member of the panel to preside. The board or
29 board panel shall meet on the first Monday of each month or on the call of
30 the chairperson or any two members of the board at the place designated.
31 The secretary of labor shall appoint an executive secretary of the board
32 and the executive secretary or the executive secretary's designee shall
33 attend the meetings of the board and board panels.

34 (7) The employment security board of review or board panel, on its
35 own motion, may affirm, modify or set aside any decision of a referee on
36 the basis of the evidence previously submitted in the case; may direct the
37 taking of additional evidence; or may permit any of the parties to initiate
38 further appeal before it. The board or board panel shall permit such further
39 appeal by any of the parties interested in a decision of a referee that
40 overrules or modifies the decision of an examiner. The board or board
41 panel may remove to itself the proceedings on any claim pending before a
42 referee. Any proceedings so removed to the board or board panel shall be
43 heard in accordance with the requirements of subsection (c). The board or

1 board panel shall promptly notify the interested parties of its findings and
2 decision.

3 (8) A simple majority of the members of the employment security
4 board of review or board panel shall constitute a quorum and no action of
5 the board or board panel shall be valid unless it has the concurrence of a
6 majority of its members. A vacancy on the board shall not impair the right
7 of a quorum to exercise all the rights and perform all the duties of the
8 board.

9 (g) *Procedure.* The manner that disputed claims are presented, the
10 reports on claims required from the claimant and from employers and the
11 conduct of hearings and appeals shall be in accordance with rules of
12 procedure prescribed by the employment security board of review for
13 determining the rights of the parties, whether or not such rules conform to
14 common law or statutory rules of evidence and other technical rules of
15 procedure. A full and complete record shall be kept of all proceedings and
16 decisions in connection with a disputed claim. All testimony at any hearing
17 upon a disputed claim shall be recorded, but need not be transcribed unless
18 the disputed claim is further appealed. In the performance of its official
19 duties, the board or board panel shall have access to all of the records that
20 pertain to the disputed claim and are in the custody of the secretary of
21 labor and shall receive the assistance of the secretary upon request.

22 (h) *Witness fees.* Witnesses subpoenaed pursuant to this section shall
23 be allowed fees and necessary travel expenses at rates fixed by the board.
24 Such fees and expenses shall be deemed a part of the expense of
25 administering this act.

26 (i) *Review of board action.* Any action of the employment security
27 board of review including that of a board panel, may not be reconsidered
28 after the mailing of the decision. An action of the board or board panel
29 shall become final unless a petition for review in accordance with the
30 Kansas judicial review act is filed within 16 calendar days after the date of
31 the mailing of the decision. If an appeal has not been filed within 16
32 calendar days of the date of the mailing of the decision, the decision
33 becomes final. No bond shall be required for commencing an action for
34 such review. In addition to those persons having standing pursuant to
35 K.S.A. 77-611, and amendments thereto, the examiner shall have standing
36 to obtain judicial review of an action of such board or board panel. The
37 review proceeding, and the questions of law certified, shall be heard in a
38 summary manner and shall be given precedence over all other civil cases
39 except cases arising under the workers compensation act.

40 (j) Any finding of fact or law, judgment, determination, conclusion or
41 final order made by the employment security board of review or board
42 panel or any examiner, special examiner, referee or other person with
43 authority to make findings of fact or law pursuant to the employment

1 security law is not admissible or binding in any separate or subsequent
2 action or proceeding, between a person and a present or previous employer
3 brought before an arbitrator, court or judge of the state or the United
4 States, regardless of whether the prior action was between the same or
5 related parties or involved the same facts.

6 (k) In any proceeding or hearing conducted under this section, a party
7 to the proceeding or hearing may appear before a referee or the
8 employment security board of review or board panel either personally or
9 by means of a designated representative to present evidence and to state
10 the position of the party. Hearings may be conducted in person, by
11 telephone or other means of electronic communication. The hearing shall
12 be conducted by telephone or other means of electronic communication if
13 none of the parties requests an in-person hearing. If a party requests an in-
14 person hearing, the referee or board or board panel shall have the
15 discretion to deny the request in the absence of good cause shown for the
16 request by the requesting party. If a request for an in-person hearing is
17 granted, the referee or board or board panel shall have the discretion to
18 require all parties to appear in person or allow the party not requesting an
19 in-person hearing to appear by telephone or other means of electronic
20 communication. The notice of hearing shall include notice to the parties of
21 their right to request an in-person hearing and instructions on how to make
22 the request.

23 Sec. 6. K.S.A. 44-710 is hereby amended to read as follows: 44-710.

24 (a) *Payment.* Contributions shall accrue and become payable by each
25 contributing employer for each calendar year that the contributing
26 employer is subject to the employment security law with respect to wages
27 paid for employment. Such contributions shall become due and be paid by
28 each contributing employer to the secretary for the employment security
29 fund in accordance with such rules and regulations as the secretary may
30 adopt and shall not be deducted, in whole or in part, from the wages of
31 individuals in such employer's employ. In the payment of any
32 contributions, a fractional part of \$.01 shall be disregarded unless it
33 amounts to \$.005 or more, in which case it shall be increased to \$.01.
34 Should contributions for any calendar quarter be less than \$5, no payment
35 shall be required.

36 (b) *Rates and base of contributions.* (1) Except as provided in
37 paragraph (2), each contributing employer shall pay contributions on
38 wages paid by the contributing employer during each calendar year with
39 respect to employment as provided in K.S.A. 44-710a, and amendments
40 thereto. ~~Except that, notwithstanding the federal law requiring the~~
41 ~~secretary of labor to annually recalculate the contribution rate, for calendar~~
42 ~~years 2010, 2011, 2012, 2013 and 2014, the secretary shall charge each~~
43 ~~contributing employer in rate groups 1 through 32 the contribution rate in~~

1 ~~the 2010 original tax rate computation table, with contributing employers~~
2 ~~in rate groups 33 through 51 being capped at a 5.4% contribution rate. For~~
3 ~~calendar year 2021, unemployment tax rates for eligible employers shall~~
4 ~~be limited to the standard rate schedule in K.S.A. 44-710a, and~~
5 ~~amendments thereto. Therefore, no additional solvency adjustment shall be~~
6 ~~applied.~~

7 (2) (A) If the congress of the United States either amends or repeals
8 the Wagner-Peyser act, the federal unemployment tax act, the federal
9 social security act, or subtitle C of chapter 23 of the federal internal
10 revenue code of 1986, or any act or acts supplemental to or in lieu thereof,
11 or any part or parts of any such law, or if any such law, or any part or parts
12 thereof, are held invalid with the effect that appropriations of funds by
13 congress and grants thereof to the state of Kansas for the payment of costs
14 of administration of the employment security law are no longer available
15 for such purposes; or (B) if employers in Kansas subject to the payment of
16 tax under the federal unemployment tax act are granted full credit against
17 such tax for contributions or taxes paid to the secretary of labor, then, and
18 in either such case, beginning with the year that the unavailability of
19 federal appropriations and grants for such purpose occurs or that such
20 change in liability for payment of such federal tax occurs and for each year
21 thereafter, the rate of contributions of each contributing employer shall be
22 equal to the total of 0.5% and the rate of contributions as determined for
23 such contributing employer under K.S.A. 44-710a, and amendments
24 thereto. The amount of contributions that each contributing employer
25 becomes liable to pay under this paragraph ~~(2)~~ over the amount of
26 contributions that such contributing employer would be otherwise liable to
27 pay shall be credited to the employment security administration fund to be
28 disbursed and paid out under the same conditions and for the same
29 purposes as other moneys are authorized to be paid from the employment
30 security administration fund, except that, if the secretary determines that as
31 of the first day of January of any year there is an excess in the employment
32 security administration fund over the amount required to be disbursed
33 during such year, an amount equal to such excess as determined by the
34 secretary shall be transferred to the employment security fund.

35 (c) *Charging of benefit payments.* (1) The secretary shall maintain a
36 separate account for each contributing employer, and shall credit the
37 contributing employer's account with all the contributions paid on the
38 contributing employer's own behalf. Nothing in the employment security
39 law shall be construed to grant any employer or individuals in such
40 employer's service prior claims or rights to the amounts paid by such
41 employer into the employment security fund either on such employer's
42 own behalf or on behalf of such individuals. Benefits paid shall be charged
43 against the accounts of each base period employer in the proportion that

1 the base period wages paid to an eligible individual by each such employer
2 bears to the total wages in the base period. Benefits shall be charged to
3 contributing employers' accounts and rated governmental employers'
4 accounts upon the basis of benefits paid during each ~~twelve-month period~~
5 ~~ending on the computation date~~ *calendar quarter*.

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

16 (B) Where base period wage credits of a contributing employer or
17 rated governmental employer represent part-time employment and the
18 claimant continues in that part-time employment with that employer
19 during the period for which benefits are paid, then that employer's account
20 shall not be charged with any part of the benefits paid if the employer
21 provides the secretary with information as required by rules and
22 regulations. For the purposes of this ~~subsection (e)(2)(B)~~ *subparagraph*,
23 "part-time employment" means any employment when an individual works
24 less than full-time because the individual's services are not required for the
25 customary, scheduled full-time hours prevailing at the work place or the
26 individual does not customarily work the regularly scheduled full-time
27 hours due to personal choice or circumstances.

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

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

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

41 ~~(F)~~(E) No contributing employer or rated governmental employer's
42 account shall be charged with respect to the benefits paid to any individual
43 whose base period wages include wages for services not covered by the

1 employment security law prior to January 1, 1978, to the extent that the
2 employment security fund is reimbursed for such benefits pursuant to
3 section 121 of public law 94-566~~4~~, 90 Stat. 2673~~5~~.

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

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

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

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

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

23 ~~(H)~~(G) Contributing employers, rated governmental employers and
24 reimbursing employers shall be held harmless for and shall not be required
25 to reimburse the state for claims or benefits paid that have been reported
26 by the employer to the secretary and determined by the secretary as
27 fraudulent or as an improper payment, unless the secretary determines the
28 claims are not fraudulent or improper as provided by K.S.A. 44-710b(b)(2)
29 (A), and amendments thereto. The time limitation for disputing a claim or
30 an appeal of a claim as provided by this section, or by any other provision
31 of the employment security law, shall not apply to identifications of fraud
32 reported to the secretary for claims or benefits paid during the period
33 beginning on March 15, 2020, through December 31, 2022. Contributing
34 employers, rated governmental employers and reimbursing employers
35 shall be refunded or credited, in the discretion of the employer, as provided
36 by K.S.A. 44-710b, and amendments thereto, for any claims or benefits
37 paid that have been reported as fraudulent.

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

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

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

3 (C) For purposes of this paragraph:

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

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

15 (D) Determinations of the secretary prohibiting the relief of charges
16 pursuant to this section shall be subject to appeal or protest as other
17 determinations of the agency with respect to the charging of employer
18 accounts.

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

21 (4) The examiner shall notify any base period employer whose
22 account will be charged with benefits paid following the filing of a valid
23 new claim and a determination by the examiner based on all information
24 relating to the claim contained in the records of the division of
25 employment security. Such notice shall become final and benefits charged
26 to the base period employer's account in accordance with the claim unless
27 within 10 calendar days from the date the notice was sent, the base period
28 employer requests in writing that the examiner reconsider the
29 determination and furnishes any required information in accordance with
30 the secretary's rules and regulations. In a similar manner, a notice of an
31 additional claim followed by the first payment of benefits with respect to
32 the benefit year, filed by an individual during a benefit year after a period
33 in such year during which such individual was employed, shall be given to
34 any base period employer of the individual who has requested such a
35 notice within 10 calendar days from the date the notice of the valid new
36 claim was sent to such base period employer. For purposes of this
37 ~~subsection (e)(3) paragraph~~, if the required information is not submitted
38 or postmarked within a response time limit of 10 days after the base period
39 employer notice was sent, the base period employer shall be deemed to
40 have waived its standing as a party to the proceedings arising from the
41 claim and shall be barred from protesting any subsequent decisions about
42 the claim by the secretary, a referee, the board of review or any court,
43 except that the base period employer's response time limit may be waived

1 or extended by the examiner or upon appeal, if timely response was
2 impossible due to excusable neglect. The examiner shall notify the
3 employer of the reconsidered determination, which shall be subject to
4 appeal or further reconsideration, in accordance with the provisions of
5 K.S.A. 44-709, and amendments thereto.

6 (5) *Time, computation and extension.* In computing the period of time
7 for a base period employer response or appeals under this section from the
8 examiner's or the special examiner's determination or from the referee's
9 decision, the day of the act, event or default from which the designated
10 period of time begins to run shall not be included. The last day of the
11 period shall be included unless it is a Saturday, Sunday or legal holiday, in
12 which event the period runs until the end of the next day that is not a
13 Saturday, Sunday or legal holiday.

14 (d) *Pooled fund.* All contributions and payments in lieu of
15 contributions and benefit cost payments to the employment security fund
16 shall be pooled and available to pay benefits to any individual entitled
17 thereto under the employment security law, regardless of the source of
18 such contributions or payments in lieu of contributions or benefit cost
19 payments.

20 (e) *Election to become reimbursing employer; payment in lieu of*
21 *contributions.* (1) Any governmental entity, Indian tribes or tribal units,
22 (subdivisions, subsidiaries or business enterprises wholly owned by such
23 Indian tribes), for which services are performed as described in K.S.A. 44-
24 703(i)(3)(E), and amendments thereto, or any nonprofit organization or
25 group of nonprofit organizations described in section 501(c)(3) of the
26 federal internal revenue code of 1986 that is exempt from income tax
27 under section 501(a) of such code, that becomes subject to the
28 employment security law may elect to become a reimbursing employer
29 under this ~~subsection (e)(1)~~ **paragraph** and agree to pay the secretary for
30 the employment security fund an amount equal to the amount of regular
31 benefits and $\frac{1}{2}$ of the extended benefits paid that are attributable to service
32 in the employ of such reimbursing employer, except that each reimbursing
33 governmental employer, Indian tribes or tribal units shall pay an amount
34 equal to the amount of regular benefits and extended benefits paid for
35 weeks of unemployment beginning after December 31, 1978, for
36 governmental employers and December 21, 2000, for Indian tribes or
37 tribal units to individuals for weeks of unemployment that begin during the
38 effective period of such election.

39 (A) Any employer identified in this ~~subsection (e)(1)~~ *paragraph* may
40 elect to become a reimbursing employer for a period encompassing not
41 less than four complete calendar years if such employer files with the
42 secretary a written notice of such election within the 30-day period
43 immediately following January 1 of any calendar year or within the 30-day

1 period immediately following the date when a determination of
2 subjectivity to the employment security law is issued, whichever occurs
3 later.

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

10 (C) Any employer identified in this ~~subsection (e)(1)~~ *paragraph* that
11 has remained a contributing employer and has been paying contributions
12 under the employment security law for a period subsequent to January 1,
13 1972, may change to a reimbursing employer by filing with the secretary
14 not later than 30 days prior to the beginning of any calendar year a written
15 notice of election to become a reimbursing employer. Such election shall
16 not be terminable by the employer for four complete calendar years.

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

21 (E) The secretary, in accordance with such rules and regulations as
22 the secretary may adopt, shall notify each employer identified in
23 ~~subsection (e)(1)~~ *this paragraph* of any determination that the secretary
24 may make of its status as an employer and of the effective date of any
25 election that it makes to become a reimbursing employer and of any
26 termination of such election. Such determinations shall be subject to
27 reconsideration, appeal and review in accordance with the provisions of
28 K.S.A. 44-710b, and amendments thereto.

29 (2) *Reimbursement reports and payments.* Payments in lieu of
30 contributions shall be made in accordance with the provisions of
31 subparagraph (A) by all reimbursing employers except the state of Kansas.
32 Each reimbursing employer shall report total wages paid during each
33 calendar quarter by filing quarterly wage reports with the secretary that
34 shall be filed by the last day of the month following the close of each
35 calendar quarter. Wage reports are deemed filed as of the date they are
36 placed in the United States mail.

37 (A) At the end of each calendar quarter, or at the end of any other
38 period as determined by the secretary, the secretary shall bill each
39 reimbursing employer, except the state of Kansas: (i) An amount to be paid
40 that is equal to the full amount of regular benefits plus $\frac{1}{2}$ of the amount of
41 extended benefits paid during such quarter or other prescribed period that
42 is attributable to service in the employ of such reimbursing employer; and
43 (ii) for weeks of unemployment beginning after December 31, 1978, each

1 reimbursing governmental employer and December 21, 2000, for Indian
2 tribes or tribal units shall be certified an amount to be paid that is equal to
3 the full amount of regular benefits and extended benefits paid during such
4 quarter or other prescribed period that is attributable to service in the
5 employ of such reimbursing governmental employer.

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

11 (C) Payments made by any reimbursing employer under the
12 provisions of this ~~subsection (e)(2) paragraph~~ shall not be deducted or
13 deductible, in whole or in part, from the remuneration of individuals in the
14 employ of such employer.

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

21 (E) (i) Past due payments of amounts certified by the secretary under
22 this section shall be subject to the same interest, penalties and actions
23 required by K.S.A. 44-717, and amendments thereto. ~~(†)~~

24 (ii) If any nonprofit organization or group of nonprofit organizations
25 described in section 501(c)(3) of the federal internal revenue code of 1986
26 or governmental reimbursing employer is delinquent in making payments
27 of amounts certified by the secretary under this section, the secretary may
28 terminate such employer's election to make payments in lieu of
29 contributions as of the beginning of the next calendar year and such
30 termination shall be effective for such next calendar year and the calendar
31 year thereafter so that the termination is effective for two complete
32 calendar years. ~~(2)~~

33 (iii) Failure of ~~the~~ **an** Indian tribe or tribal unit to make required
34 payments, including assessment of interest and penalty within 90 days of
35 receipt of ~~the~~ **a** bill ~~will~~ **shall** cause the Indian tribe to lose the option to
36 make payments in lieu of contributions as described pursuant to paragraph
37 (e)(1) for the following tax year unless payment in full is received before
38 contribution rates for the next tax year are calculated. ~~(3)~~ Any Indian tribe
39 that loses the option to make payments in lieu of contributions due to late
40 payment or nonpayment, as described in *this* paragraph ~~(2)~~, shall have
41 such option reinstated, if after a period of one year, all contributions have
42 been made on time and no contributions, payments in lieu of contributions
43 for benefits paid, penalties or interest remain outstanding.

1 (F) Failure of the Indian tribe or any tribal unit thereof to make
2 required payments, including assessments of interest and penalties, after
3 all collection activities deemed necessary by the secretary have been
4 exhausted, will cause services performed by such tribe to not be treated as
5 employment for purposes of K.S.A. 44-703(i)(3)(E), and amendments
6 thereto. If an Indian tribe fails to make payments required under this
7 section, including assessments of interest and penalties, within 90 days of
8 a final notice of delinquency, the secretary shall immediately notify the
9 United States internal revenue service and the United States department of
10 labor. The secretary may determine that any Indian tribe that loses
11 coverage pursuant to this paragraph may have services performed on
12 behalf of such tribe again deemed "employment" if all contributions,
13 payments in lieu of contributions, penalties and interest have been paid.

14 (G) In the discretion of the secretary, any employer who elects to
15 become liable for payments in lieu of contributions and any nonprofit
16 organization or group of nonprofit organizations described in section
17 501(c)(3) of the federal internal revenue code of 1986 or governmental
18 reimbursing employer or Indian tribe or tribal unit who is delinquent in
19 filing reports or in making payments of amounts certified by the secretary
20 under this section shall be required within 60 days after the effective date
21 of such election, in the case of an eligible employer so electing, or after the
22 date of notification to the delinquent employer under this ~~subsection (e)(2)~~
23 ~~(G) subparagraph~~, in the case of a delinquent employer, to execute and
24 file with the secretary a surety bond, except that the employer may elect, in
25 lieu of a surety bond, to deposit with the secretary money or securities as
26 approved by the secretary or to purchase and deliver to an escrow agent a
27 certificate of deposit to guarantee payment. The amount of the bond,
28 deposit or escrow agreement required by this ~~subsection (e)(2)(G)~~ shall not
29 exceed 5.4% of the organization's taxable wages paid for employment by
30 the eligible employer during the four calendar quarters immediately
31 preceding the effective date of the election or the date of notification, in
32 the case of a delinquent employer. If the employer did not pay wages in
33 each of such four calendar quarters, the amount of the bond or deposit
34 shall be as determined by the secretary. Upon the failure of an employer to
35 comply with *the provisions of this* ~~subsection (e)(2)(G) subparagraph~~
36 within the time limits imposed or to maintain the required bond or deposit,
37 the secretary may terminate the election of such eligible employer or
38 delinquent employer, as the case may be, to make payments in lieu of
39 contributions, and such termination shall be effective for the current and
40 next calendar year.

41 (H) The state of Kansas shall make reimbursement payments
42 quarterly at a fiscal year rate that shall be based upon: (i) The available
43 balance in the state's reimbursing account as of December 31 of each

1 calendar year; (ii) the historical unemployment experience of all covered
2 state agencies during prior years; (iii) the estimate of total covered wages
3 to be paid during the ensuing calendar year; (iv) the applicable fiscal year
4 rate of the claims processing and auditing fee under K.S.A. 75-3798, and
5 amendments thereto; and (v) actuarial and other information furnished to
6 the secretary by the secretary of administration. In accordance with K.S.A.
7 75-3798, and amendments thereto, the claims processing and auditing fees
8 charged to state agencies shall be deducted from the amounts collected for
9 the reimbursement payments under this paragraph ~~(H)~~ prior to making the
10 quarterly reimbursement payments for the state of Kansas. The fiscal year
11 rate shall be expressed as a percentage of covered total wages and shall be
12 the same for all covered state agencies. The fiscal year rate for each fiscal
13 year will be certified in writing by the secretary to the secretary of
14 administration on July 15 of each year and such certified rate shall become
15 effective on the July 1 immediately following the date of certification. A
16 detailed listing of benefit charges applicable to the state's reimbursing
17 account shall be furnished quarterly by the secretary to the secretary of
18 administration and the total amount of charges deducted from previous
19 reimbursing payments made by the state. On January 1 of each year, if it is
20 determined that benefit charges exceed the amount of prior reimbursing
21 payments, an upward adjustment shall be made therefor in the fiscal year
22 rate to be certified on the ensuing July 15. If total payments exceed benefit
23 charges, all or part of the excess may be refunded, at the discretion of the
24 secretary, from the fund or retained in the fund as part of the payments that
25 may be required for the next fiscal year.

26 (3) *Allocation of benefit costs.* The reimbursing account of each
27 reimbursing employer shall be charged the full amount of regular benefits
28 and ½ of the amount of extended benefits paid except that each
29 reimbursing governmental employer's account shall be charged the full
30 amount of regular benefits and extended benefits paid for weeks of
31 unemployment beginning after December 31, 1978, to individuals whose
32 entire base period wage credits are from such employer. When benefits
33 received by an individual are based upon base period wage credits from
34 more than one employer then the reimbursing employer's or reimbursing
35 governmental employer's account shall be charged in the same ratio as
36 base period wage credits from such employer bear to the individual's total
37 base period wage credits. Notwithstanding any other provision of the
38 employment security law, no reimbursing employer's or reimbursing
39 governmental employer's account shall be charged for payments of
40 extended benefits that are wholly reimbursed to the state by the federal
41 government. ~~Payments of unemployment compensation that are wholly~~
42 ~~reimbursed to the reimbursing employer by the federal government shall~~
43 ~~be charged for the purpose of such reimbursement under the federal~~

1 ~~CARES act, public law 116-136.~~

2 (A) *Proportionate allocation* ~~{when fewer than all reimbursing base~~
3 ~~period employers are liable}~~. If benefits paid to an individual are based on
4 wages paid by one or more reimbursing employers and on wages paid by
5 one or more contributing employers or rated governmental employers, the
6 amount of benefits payable by each reimbursing employer shall be an
7 amount that bears the same ratio to the total benefits paid to the individual
8 as the total base period wages paid to the individual by such employer
9 bears to the total base period wages paid to the individual by all of such
10 individual's base period employers.

11 (B) *Proportionate allocation* ~~{when all base period employers are~~
12 ~~reimbursing employers}~~. If benefits paid to an individual are based on
13 wages paid by two or more reimbursing employers, the amount of benefits
14 payable by each such employer shall be an amount that bears the same
15 ratio to the total benefits paid to the individual as the total base period
16 wages paid to the individual by such employer bear to the total base period
17 wages paid to the individual by all of such individual's base period
18 employers.

19 (4) *Group accounts*. Two or more reimbursing employers may file a
20 joint application to the secretary for the establishment of a group account
21 for the purpose of sharing the cost of benefits paid that are attributable to
22 service in the employment of such reimbursing employers. Each such
23 application shall identify and authorize a group representative to act as the
24 group's agent for the purposes of this paragraph. Upon approval of the
25 application, the secretary shall establish a group account for such
26 employers effective as of the beginning of the calendar quarter in which
27 the secretary receives the application and shall notify the group's
28 representative of the effective date of the account. Such account shall
29 remain in effect for not less than four years and thereafter such account
30 shall remain in effect until terminated at the discretion of the secretary or
31 upon application by the group. Upon establishment of the account, each
32 member of the group shall be liable for payments in lieu of contributions
33 with respect to each calendar quarter in the amount that bears the same
34 ratio to the total benefits paid in such quarter that are attributable to service
35 performed in the employ of all members of the group as the total wages
36 paid for service in employment by such member in such quarter bear to the
37 total wages paid during such quarter for service performed in the employ
38 of all members of the group. The secretary shall adopt such rules and
39 regulations as the secretary deems necessary with respect to applications
40 for establishment, maintenance and termination of group accounts that are
41 authorized by this paragraph, for addition of new members to, and
42 withdrawal of active members from such accounts, and for the
43 determination of the amounts that are payable under this paragraph by

1 members of the group and the time and manner of such payments.

2 Sec. 7. K.S.A. 2023 Supp. 44-710a is hereby amended to read as
3 follows: 44-710a. (a) *Classification of employers by the secretary.* The
4 term "employer" as used in this section refers to contributing employers.
5 The secretary shall classify employers in accordance with their actual
6 experience in the payment of contributions on their own behalf and with
7 respect to benefits charged against their accounts with a view of fixing
8 such contribution rates as will reflect such experience. If, as of the date
9 such classification of employers is made, the secretary finds that any
10 employing unit has failed to file any report required in connection
11 therewith, or has filed a report which the secretary finds incorrect or
12 insufficient, the secretary shall make an estimate of the information
13 required from such employing unit on the basis of the best evidence
14 reasonably available to the secretary at the time, and notify the employing
15 unit thereof by mail addressed to its last known address. Unless such
16 employing unit shall file the report or a corrected or sufficient report as the
17 case may be, within 15 days after the mailing of such notice, the secretary
18 shall compute such employing unit's rate of contributions on the basis of
19 such estimates, and the rate as so determined shall be subject to increase
20 but not to reduction on the basis of subsequently ascertained information.
21 The secretary shall determine the contribution rate of each employer in
22 accordance with the requirements of this section.

23 (1) *New employers.* (A) No employer will be eligible for a rate
24 computation until there have been 24 consecutive calendar months
25 immediately preceding the computation date throughout which benefits
26 could have been charged against such employer's account.

27 (B) (i) (a) Each employer who is not eligible for a rate contribution
28 shall pay contributions equal to ~~2.7%~~ **1.75%** of wages paid during each
29 calendar year with regard to employment, except such employers engaged
30 in the construction industry shall pay a rate equal to ~~6%~~ **5.55%**.

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

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

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

42 (C) employer's business operations established in Kansas are of the
43 same nature, as defined by the North American industrial classification

1 system, as conducted by such employer in the other state or states.

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

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

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

19 (C) "Computation date" means June 30 of each calendar year with
20 respect to rates of contribution applicable to the calendar year beginning
21 with the following January 1. In arriving at contribution rates for each
22 calendar year, contributions paid on or before July 31 following the
23 computation date for employment occurring on or prior to the computation
24 date shall be considered for each contributing employer who has been
25 subject to this act for a sufficient period of time to have such employer's
26 rate computed under this subsection (a).

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

33 (B) (i) Negative account balance employers, as defined in subsection
34 (d), shall pay contributions at the rate referenced in subsection ~~(a)(4)(B)~~
35 ~~(a)(4)(C)~~.

36 ~~(ii) On or after August 21, 2025, and not later than August 31, 2025,~~
37 ~~the secretary shall forgive the negative reserve account balance as of~~
38 ~~August 21, 2025, of any active or inactive negative account balance~~
39 ~~employer and reset such employer's account to a zero balance. This write~~
40 ~~off of negative reserve account balance debt by the secretary shall be~~
41 ~~limited to one-time only relief and negative account balance employers~~
42 ~~with a negative reserve account balance as of August 21, 2025 (a)~~
43 ***Beginning on July 1, 2024, and annually thereafter, active negative***

1 *rated employers shall be eligible for a calculated negative debt write-off*
2 *and forgiveness amount as determined pursuant to this subclause. If on*
3 *any computation date an employer's account registers a negative reserve*
4 *ratio less than or equal to -7.150%, a portion of benefit charges shall be*
5 *conditionally forgiven and removed from the employer's account in*
6 *order to bring the employer's account to a reserve ratio of -7.150%, and*
7 *the employer shall be assigned to rate group N11, as set forth in*
8 *paragraph (4)(C)(ii) for the next three calendar years.*

9 *(b) Negative rated employers affected by the conditional write-off*
10 *provision pursuant to subclause (a) shall have the option to avoid a*
11 *negative debt write-off and assignment to rate group N11 for the next*
12 *three calendar years by submitting a voluntary contribution pursuant to*
13 *subsection (c) equal to or greater than the amount necessary to establish*
14 *their account reserve ratio to an amount equal to or greater than*
15 *-7.149% for the next calendar year.*

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

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

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

1 risk for that employer.

2 (B) If, as of the computation date, an eligible, positive balance
3 employer's reserve ratio is significantly affected due to an increase in the
4 employer's taxable payroll of at least 100% and such increase is
5 attributable to a growth in employment, and not to a change in the taxable
6 wage base from the previous year, the secretary shall assign a reduced rate
7 of contributions for a period of three years.

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

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

14 (4) (A) **Contribution Schedules.** For each rate year, the contribution
15 schedule in effect shall be determined by the applicable fund control table
16 and rate schedule table of subsection ~~(a)(4)(B)~~ (a)(4)(C).

17 (B) **Published calculated maximum annual tax amounts per**
18 **employee.** *The secretary shall ~~prepare~~ publish corresponding contribution*
19 *~~rate amount~~ tables showing the calculated maximum annual cost to*
20 *contributing rated employers per employee for ~~the previous, current and~~*
21 *~~ensuing rate year~~ each rate group. Such contribution ~~rate amount~~ tables*
22 *shall be published ~~each calendar year, not less than 30 days prior to the~~*
23 *~~end of such calendar year,~~ on a publicly accessible website maintained by*
24 *the secretary.*

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

1 30.

2 Fund Control Table A

3 For Rate Years 2016-2021

4 Lower AHCM	Upper AHCM	Solvency Adjustment
5 Threshold	Threshold	to Rate per
6 Standard Rate Schedule		
7 -1,000.00000	0.19999	1.60%
8 0.20000	0.44999	1.40%
9 0.45000	0.59999	1.20%
10 0.60000	0.74999	1.00%
11 0.75000	1.14999	0.00%
12 1.15000	1,000.00000	-0.50%

13 Fund Control Table B A

14 *For Contributing Employers with a POSITIVE Account Balance*

15 *For Rate Year 2022-2025 and Ensuing Calendar Years*

16 Proportional

17 KS SUTA	Lower	Upper	Solvency/Credit	Solvency/Credit	Adjustment as a	Adjustment as a		
18 Solvency/Credit	AHCM	AHCM	Adjustment to	Adjustment to	Standard, Earned	Standard, Earned		
19 Tax Rate	Schedule	Threshold	Threshold	Maximum	Rate Group	Total % to		
20 as					Multiplier to	Employer's		
21 Schedules					Standard, Earned	Standard, Earned		
22					Rate Group	Rate Group		
23								
24								
25								
26	1	-1,000.00000	-0.00001	2.00%	1.50%	0.05263%	0.05357%	26.32%
27	2	0.00000	0.24999	1.80%	1.35%	0.04737%	0.04821%	23.68%
28	Solvency 3	0.25000	0.44999	1.60%	1.20%	0.04211%	0.04286%	21.05%
29	Schedules 4	0.45000	0.59999	1.40%	1.05%	0.03684%	0.03750%	18.42%
30	(1-6) 5	0.60000	0.69999	1.20%	0.90%	0.03158%	0.03214%	15.79%
31	6	0.70000	0.74999	1.00%	0.75%	0.02632%	0.02679%	13.16%
32	<u>Standard</u>							
33	Schedule 7	0.75000	1.24999	0.00%		0.00000%		0.00%
34	(7)							
35	8	1.25000	1.29999	-1.00%	0.75%	0.02632%	0.02679%	-13.16%
36	Credit 9	1.30000	1.39999	-1.20%	0.90%	0.03158%	0.03214%	-15.79%
37	Schedules 10	1.40000	1.54999	-1.40%	1.05%	0.03684%	0.03750%	-18.42%
38	(8-13) 11	1.55000	1.74999	-1.60%	1.20%	0.04211%	0.04286%	-21.05%
39	12	1.75000	1.99999	-1.80%	1.35%	0.04737%	0.04821%	-23.68%
40	13	2.00000	1,000.00000	-2.00%	1.50%	0.05263%	0.05357%	-26.32%

41

42 Fund Control Table B

43 *For Contributing Employers with a NEGATIVE Account Balance*

44 *For Rate Year 2025 and Ensuing Calendar Years*

45 Proportional

1	KS SUTA	Lower	Upper	Solvency/Credit	Solvency/Credit	
2	Tax Rate	AHCM	AHCM	Adjustment	Adjustment	
3	Schedules	Threshold	Threshold			
4	1	-1.00000000	-0.000001	0.00%	0.000000%	
5	2	0.000000	0.249999	0.00%	0.000000%	
6	Solvency 3	0.250000	0.449999	0.00%	0.000000%	
7	Schedules 4	0.450000	0.599999	0.00%	0.000000%	
8	(1-6)	5	0.600000	0.699999	0.00%	0.000000%
9	6	0.700000	0.749999	0.00%	0.000000%	
10	Standard					
11	Schedule 7	0.750000	1.249999	0.00%	0.000000%	
12	(7)					
13	8	1.250000	1.299999	0.00%	0.000000%	
14	Credit 9	1.300000	1.399999	0.00%	0.000000%	
15	Schedules 10	1.400000	1.549999	0.00%	0.000000%	
16	(8-13)	11	1.550000	1.749999	0.00%	0.000000%
17	12	1.750000	1.999999	0.00%	0.000000%	
18	13	2.000000	1,000.000000	0.00%	0.000000%	

Fund Control Table A
For Rate Year 2025 and Ensuing Calendar Years

		Lower	Upper	Solvency/Credit	Proportional
KS SUTA		AHCM	AHCM	Adjustment	Solvency/Credit
Tax Rate					Adjustment
Schedules		Threshold	Threshold		
	M	-1,000.000000	-0.000001	1.00%	0.05128%
	L	0.000000	0.249999	1.70%	0.04359%
Solvency	K	0.250000	0.449999	1.40%	0.03590%
Schedules	J	0.450000	0.599999	1.10%	0.02821%
(H-M)	I	0.600000	0.699999	0.80%	0.02051%
	H	0.700000	0.749999	0.50%	0.01282%
Standard					
Schedule	G	0.750000	1.249999	0.00%	0.000000%
(G)					
	F	1.250000	1.299999	-0.50%	-0.01282%
Credit	E	1.300000	1.399999	-0.80%	-0.02051%
Schedules	D	1.400000	1.549999	-1.10%	-0.02821%
(A-F)	C	1.550000	1.749999	-1.40%	-0.03590%
	B	1.750000	1.999999	-1.70%	-0.04359%
	A	2.000000	1,000.000000	-2.00%	-0.05128%

(ii)-(a) Eligible employers shall be classified by rate group according to the standard rate schedule - standard rate schedule ~~7~~ **G** in this section clause, for that rate year. Except as provided in subclause (b), for rate years 2016 through 2021, the rate pursuant to the standard rate schedule as adjusted by fund control table A shall apply. Except as provided in

1 subclause (b); For rate year ~~2022~~ 2025 and ensuing calendar years, the rate
 2 pursuant to standard rate schedule ~~7~~ **G**, solvency schedules ~~1~~ **H** through ~~6~~
 3 **M** or credit schedules ~~8~~ **A** through ~~13~~ **F** shall apply to contributing
 4 employers ~~with a:~~

5 ~~(a) Positive account balance, as provided by fund control table A;~~
 6 ~~and~~

7 ~~(b) negative account balance, as provided by fund control table B.~~

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

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

21
 22 STANDARD RATE SCHEDULE -
 23 STANDARD RATE SCHEDULE ~~7~~ **G**

24 Rate Group	Lower Reserve	Upper Reserve	Standard	Rate
25	Ratio Limit	Ratio Limit	Ratio Limit	
26 +0	100.000	1,000,000.000	99.999	0.20% 0.10% 0.05%
27 1	18.590	18.589		0.40% 0.20% 0.10%
28 2	17.875	17.874		0.60% 0.30% 0.15%
29 3	17.160	17.159		0.80% 0.40% 0.25%
30 4	16.445	16.444		1.00% 0.50% 0.35%
31 5	15.730	15.729		1.20% 0.60% 0.45%
32 6	15.015	15.014		1.40% 0.70% 0.55%
33 7	14.300	14.299		1.60% 0.80% 0.70%
34 8	13.585	13.584		1.80% 0.90% 0.85%
35 9	12.870	12.869		2.00% 1.00%
36 10	12.155	12.154		2.20% 1.10% 1.15%
37 11	11.440	11.439		2.40% 1.20% 1.35%
38 12	10.725	10.724		2.60% 1.30% 1.55%
39 13	10.010	10.009		2.80% 1.40% 1.75%
40 14	9.295	9.294		3.00% 1.50% 1.95%
41 15	8.580	8.579		3.20% 1.60% 2.20%
42 16	7.865	7.864		3.40% 1.70% 2.45%
43 17	7.150			

1	18	6.435	7.149	3.60% 1.80% 2.70%
2	19	5.720	6.434	3.80% 1.90% 2.95%
3	20	5.005	5.719	4.00% 2.00% 3.25%
4	21	4.290	5.004	4.20% 2.10% 3.55%
5	22	3.575	4.289	4.40% 2.20% 3.85%
6	23	2.860	3.574	4.60% 2.30% 4.15%
7	24	2.145	2.859	4.80% 2.40% 4.50%
8	25	1.430	2.144	5.00% 2.50% 4.85%
9	26	0.715	1.429	5.20% 2.60% 5.20%
10	27	0.000	0.714	5.40% 2.70% 5.55%
11	N1	-0.714	-0.001	5.60% 5.85%
12	N2	-1.429	-0.715	5.80% 6.15%
13	N3	-2.144	-1.430	6.00% 6.45%
14	N4	-2.859	-2.145	6.20% 6.75%
15	N5	-3.574	-2.860	6.40% 7.00%
16	N6	-4.289	-3.575	6.60% 7.25%
17	N7	-5.004	-4.290	6.80% 7.50%
18	N8	-5.719	-5.005	7.00% 7.75%
19	N9	-6.434	-5.720	7.20% 7.95%
20	N10	-7.149	-6.435	7.40% 8.15%
21	N11	-1,000,000.000	-7.150	7.60% 8.35%

SOLVENCY RATE SCHEDULES (1-6)

23	Rate						
24	Group	1	2	3	4	5	6
25	10	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
26	1	0.25%	0.25%	0.24%	0.24%	0.23%	0.23%
27	---	0.21%	0.20%	0.19%	0.18%	0.16%	0.15%
28	2	0.51%	0.49%	0.48%	0.47%	0.46%	0.45%
29	---	0.36%	0.34%	0.33%	0.31%	0.30%	0.28%
30	3	0.76%	0.74%	0.73%	0.71%	0.69%	0.68%
31	---	0.51%	0.49%	0.47%	0.45%	0.43%	0.41%
32	4	1.01%	0.99%	0.97%	0.95%	0.93%	0.91%
33	---	0.67%	0.64%	0.61%	0.59%	0.56%	0.53%
34	5	1.26%	1.24%	1.21%	1.18%	1.16%	1.13%
35	---	0.82%	0.79%	0.76%	0.73%	0.69%	0.66%
36	6	1.52%	1.48%	1.45%	1.42%	1.39%	1.36%
37	---	0.98%	0.94%	0.90%	0.86%	0.83%	0.79%
38	7	1.77%	1.73%	1.69%	1.66%	1.62%	1.58%
39	---	1.13%	1.09%	1.04%	1.00%	0.96%	0.91%
40	8	2.02%	1.98%	1.94%	1.89%	1.85%	1.81%
41	---	1.28%	1.23%	1.19%	1.14%	1.09%	1.04%
42	9	2.27%	2.23%	2.18%	2.13%	2.08%	2.04%
43	---	1.44%	1.38%	1.33%	1.28%	1.22%	1.17%

1	10	2.53%	2.47%	2.42%	2.37%	2.32%	2.26%
2		1.59%	1.53%	1.47%	1.41%	1.35%	1.29%
3	11	2.78%	2.72%	2.66%	2.61%	2.55%	2.49%
4		1.74%	1.68%	1.61%	1.55%	1.49%	1.42%
5	12	3.03%	2.97%	2.91%	2.84%	2.78%	2.72%
6		1.90%	1.83%	1.76%	1.69%	1.62%	1.55%
7	13	3.28%	3.22%	3.15%	3.08%	3.01%	2.94%
8		2.05%	1.98%	1.90%	1.83%	1.75%	1.68%
9	14	3.54%	3.46%	3.39%	3.32%	3.24%	3.17%
10		2.20%	2.12%	2.04%	1.96%	1.88%	1.80%
11	15	3.79%	3.71%	3.63%	3.55%	3.47%	3.39%
12		2.36%	2.27%	2.19%	2.10%	2.01%	1.93%
13	16	4.04%	3.96%	3.87%	3.79%	3.71%	3.62%
14		2.51%	2.42%	2.33%	2.24%	2.15%	2.06%
15	17	4.29%	4.21%	4.12%	4.03%	3.94%	3.85%
16		2.66%	2.57%	2.47%	2.38%	2.28%	2.18%
17	18	4.55%	4.45%	4.36%	4.26%	4.17%	4.07%
18		2.82%	2.72%	2.61%	2.51%	2.41%	2.31%
19	19	4.80%	4.70%	4.60%	4.50%	4.40%	4.30%
20		2.97%	2.86%	2.76%	2.65%	2.54%	2.44%
21	20	5.05%	4.95%	4.84%	4.74%	4.63%	4.53%
22		3.13%	3.01%	2.90%	2.79%	2.68%	2.56%
23	21	5.31%	5.19%	5.08%	4.97%	4.86%	4.75%
24		3.28%	3.16%	3.04%	2.93%	2.81%	2.69%
25	22	5.56%	5.44%	5.33%	5.21%	5.09%	4.98%
26		3.43%	3.31%	3.19%	3.06%	2.94%	2.82%
27	23	5.81%	5.69%	5.57%	5.45%	5.33%	5.21%
28		3.59%	3.46%	3.33%	3.20%	3.07%	2.94%
29	24	6.06%	5.94%	5.81%	5.68%	5.56%	5.43%
30		3.74%	3.61%	3.47%	3.34%	3.20%	3.07%
31	25	6.32%	6.18%	6.05%	5.92%	5.79%	5.66%
32		3.89%	3.75%	3.61%	3.48%	3.34%	3.20%
33	26	6.57%	6.43%	6.29%	6.16%	6.02%	5.88%
34		4.05%	3.90%	3.76%	3.61%	3.47%	3.32%
35	27	6.82%	6.68%	6.54%	6.39%	6.25%	6.11%
36		4.20%	4.05%	3.90%	3.75%	3.60%	3.45%
37	N1	7.07%	6.93%	6.78%	6.63%	6.48%	6.34%
38		5.60%	5.60%	5.60%	5.60%	5.60%	5.60%
39	N2	7.33%	7.17%	7.02%	6.87%	6.72%	6.56%
40		5.80%	5.80%	5.80%	5.80%	5.80%	5.80%
41	N3	7.58%	7.42%	7.26%	7.11%	6.95%	6.79%
42		6.00%	6.00%	6.00%	6.00%	6.00%	6.00%
43	N4	7.83%	7.67%	7.51%	7.34%	7.18%	7.02%

1	6.20%	6.20%	6.20%	6.20%	6.20%	6.20%
2	<u>N5</u>	8.08%	7.92%	7.75%	7.58%	7.41%
3		6.40%	6.40%	6.40%	6.40%	6.40%
4	<u>N6</u>	8.34%	8.16%	7.99%	7.82%	7.64%
5		6.60%	6.60%	6.60%	6.60%	6.60%
6	<u>N7</u>	8.50%	8.41%	8.23%	8.05%	7.87%
7		6.80%	6.80%	6.80%	6.80%	6.80%
8	<u>N8</u>	8.84%	8.66%	8.47%	8.29%	8.11%
9		7.00%	7.00%	7.00%	7.00%	7.00%
10	<u>N9</u>	9.09%	8.91%	8.72%	8.53%	8.34%
11		7.20%	7.20%	7.20%	7.20%	7.20%
12	<u>N10</u>	9.35%	9.15%	8.96%	8.76%	8.57%
13		7.40%	7.40%	7.40%	7.40%	7.40%
14	<u>N11</u>	9.60%	9.40%	9.20%	9.00%	8.80%
15		7.60%	7.60%	7.60%	7.60%	7.60%

CREDIT RATE SCHEDULES (8-13)

17	Rate					
18	Group	8	9	10	11	12
19	<u>10</u>	0.00%	0.00%	0.00%	0.00%	0.00%
20	<u>1</u>	0.17%	0.17%	0.16%	0.16%	0.15%
21		0.05%	0.04%	0.03%	0.01%	0.00%
22	<u>2</u>	0.35%	0.34%	0.33%	0.32%	0.31%
23		0.12%	0.10%	0.09%	0.07%	0.06%
24	<u>3</u>	0.52%	0.51%	0.49%	0.47%	0.46%
25		0.19%	0.17%	0.15%	0.13%	0.11%
26	<u>4</u>	0.69%	0.67%	0.65%	0.63%	0.61%
27		0.27%	0.24%	0.21%	0.19%	0.16%
28	<u>5</u>	0.87%	0.84%	0.82%	0.79%	0.76%
29		0.34%	0.31%	0.28%	0.24%	0.21%
30	<u>6</u>	1.04%	1.01%	0.98%	0.95%	0.92%
31		0.41%	0.38%	0.34%	0.30%	0.26%
32	<u>7</u>	1.22%	1.18%	1.14%	1.11%	1.07%
33		0.49%	0.44%	0.40%	0.36%	0.31%
34	<u>8</u>	1.39%	1.35%	1.31%	1.26%	1.22%
35		0.56%	0.51%	0.46%	0.41%	0.37%
36	<u>9</u>	1.56%	1.52%	1.47%	1.42%	1.37%
37		0.63%	0.58%	0.53%	0.47%	0.42%
38	<u>10</u>	1.74%	1.68%	1.63%	1.58%	1.53%
39		0.71%	0.65%	0.59%	0.53%	0.47%
40	<u>11</u>	1.91%	1.85%	1.79%	1.74%	1.68%
41		0.78%	0.71%	0.65%	0.59%	0.52%
42	<u>12</u>	2.08%	2.02%	1.96%	1.89%	1.83%
43		0.85%	0.78%	0.71%	0.64%	0.57%

1	13	2.26%	2.19%	2.12%	2.05%	1.98%	1.92%
2		0.93%	0.85%	0.78%	0.70%	0.63%	0.55%
3	14	2.43%	2.36%	2.28%	2.21%	2.14%	2.06%
4		1.00%	0.92%	0.84%	0.76%	0.68%	0.60%
5	15	2.61%	2.53%	2.45%	2.37%	2.29%	2.21%
6		1.07%	0.99%	0.90%	0.81%	0.73%	0.64%
7	16	2.78%	2.69%	2.61%	2.53%	2.44%	2.36%
8		1.14%	1.05%	0.96%	0.87%	0.78%	0.69%
9	17	2.95%	2.86%	2.77%	2.68%	2.59%	2.51%
10		1.22%	1.12%	1.03%	0.93%	0.83%	0.74%
11	18	3.13%	3.03%	2.94%	2.84%	2.75%	2.65%
12		1.29%	1.19%	1.09%	0.99%	0.88%	0.78%
13	19	3.30%	3.20%	3.10%	3.00%	2.90%	2.80%
14		1.36%	1.26%	1.15%	1.04%	0.94%	0.83%
15	20	3.47%	3.37%	3.26%	3.16%	3.05%	2.95%
16		1.44%	1.33%	1.21%	1.10%	0.99%	0.88%
17	21	3.65%	3.54%	3.43%	3.32%	3.21%	3.09%
18		1.51%	1.39%	1.28%	1.16%	1.04%	0.92%
19	22	3.82%	3.71%	3.59%	3.47%	3.36%	3.24%
20		1.58%	1.46%	1.34%	1.21%	1.09%	0.97%
21	23	3.99%	3.87%	3.75%	3.63%	3.51%	3.39%
22		1.65%	1.53%	1.40%	1.27%	1.14%	1.01%
23	24	4.17%	4.04%	3.92%	3.79%	3.66%	3.54%
24		1.73%	1.60%	1.46%	1.33%	1.19%	1.06%
25	25	4.34%	4.21%	4.08%	3.95%	3.82%	3.68%
26		1.80%	1.66%	1.53%	1.39%	1.25%	1.11%
27	26	4.52%	4.38%	4.24%	4.11%	3.97%	3.83%
28		1.88%	1.73%	1.59%	1.44%	1.30%	1.15%
29	27	4.69%	4.55%	4.41%	4.26%	4.12%	3.98%
30		1.95%	1.80%	1.65%	1.50%	1.35%	1.20%
31	N1	4.86%	4.72%	4.57%	4.42%	4.27%	4.13%
32		5.60%	5.60%	5.60%	5.60%	5.60%	5.60%
33	N2	5.04%	4.88%	4.73%	4.58%	4.43%	4.27%
34		5.80%	5.80%	5.80%	5.80%	5.80%	5.80%
35	N3	5.21%	5.05%	4.89%	4.74%	4.58%	4.42%
36		6.00%	6.00%	6.00%	6.00%	6.00%	6.00%
37	N4	5.38%	5.22%	5.06%	4.89%	4.73%	4.57%
38		6.20%	6.20%	6.20%	6.20%	6.20%	6.20%
39	N5	5.56%	5.39%	5.22%	5.05%	4.88%	4.72%
40		6.40%	6.40%	6.40%	6.40%	6.40%	6.40%
41	N6	5.73%	5.56%	5.38%	5.21%	5.04%	4.86%
42		6.60%	6.60%	6.60%	6.60%	6.60%	6.60%
43	N7	5.91%	5.73%	5.55%	5.37%	5.19%	5.01%

1	6.80%	6.80%	6.80%	6.80%	6.80%	6.80%
2	N8 6.08%	5.89%	5.71%	5.53%	5.34%	5.16%
3	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%
4	N9 6.25%	6.06%	5.87%	5.68%	5.49%	5.31%
5	7.20%	7.20%	7.20%	7.20%	7.20%	7.20%
6	N10 6.43%	6.23%	6.04%	5.84%	5.65%	5.45%
7	7.40%	7.40%	7.40%	7.40%	7.40%	7.40%
8	N11 6.60%	6.40%	6.20%	6.00%	5.80%	5.60%
9	7.60%	7.60%	7.60%	7.60%	7.60%	7.60%

SOLVENCY RATE SCHEDULES (H-M)

11	<i>Rate</i>					
12	<i>Group M</i>	<i>L</i>	<i>K</i>	<i>J</i>	<i>I</i>	<i>H</i>
13	<i>0</i>	<i>0.05%</i>	<i>0.04%</i>	<i>0.04%</i>	<i>0.03%</i>	<i>0.02%</i>
14	<i>1</i>	<i>0.15%</i>	<i>0.14%</i>	<i>0.12%</i>	<i>0.11%</i>	<i>0.09%</i>
15	<i>2</i>	<i>0.25%</i>	<i>0.23%</i>	<i>0.21%</i>	<i>0.18%</i>	<i>0.16%</i>
16	<i>3</i>	<i>0.36%</i>	<i>0.32%</i>	<i>0.29%</i>	<i>0.18%</i>	<i>0.14%</i>
17	<i>4</i>	<i>0.51%</i>	<i>0.47%</i>	<i>0.43%</i>	<i>0.39%</i>	<i>0.35%</i>
18	<i>5</i>	<i>0.66%</i>	<i>0.61%</i>	<i>0.57%</i>	<i>0.52%</i>	<i>0.47%</i>
19	<i>6</i>	<i>0.81%</i>	<i>0.76%</i>	<i>0.70%</i>	<i>0.65%</i>	<i>0.59%</i>
20	<i>7</i>	<i>0.96%</i>	<i>0.90%</i>	<i>0.84%</i>	<i>0.78%</i>	<i>0.71%</i>
21	<i>8</i>	<i>1.16%</i>	<i>1.09%</i>	<i>1.02%</i>	<i>0.95%</i>	<i>0.88%</i>
22	<i>9</i>	<i>1.36%</i>	<i>1.29%</i>	<i>1.21%</i>	<i>1.13%</i>	<i>1.06%</i>
23	<i>10</i>	<i>1.56%</i>	<i>1.48%</i>	<i>1.39%</i>	<i>1.31%</i>	<i>1.23%</i>
24	<i>11</i>	<i>1.77%</i>	<i>1.67%</i>	<i>1.58%</i>	<i>1.49%</i>	<i>1.40%</i>
25	<i>12</i>	<i>2.02%</i>	<i>1.92%</i>	<i>1.82%</i>	<i>1.72%</i>	<i>1.62%</i>
26	<i>13</i>	<i>2.27%</i>	<i>2.16%</i>	<i>2.05%</i>	<i>1.94%</i>	<i>1.84%</i>
27	<i>14</i>	<i>2.52%</i>	<i>2.40%</i>	<i>2.29%</i>	<i>2.17%</i>	<i>2.06%</i>
28	<i>15</i>	<i>2.77%</i>	<i>2.65%</i>	<i>2.52%</i>	<i>2.40%</i>	<i>2.28%</i>
29	<i>16</i>	<i>3.07%</i>	<i>2.94%</i>	<i>2.81%</i>	<i>2.68%</i>	<i>2.55%</i>
30	<i>17</i>	<i>3.37%</i>	<i>3.23%</i>	<i>3.10%</i>	<i>2.96%</i>	<i>2.82%</i>
31	<i>18</i>	<i>3.67%</i>	<i>3.53%</i>	<i>3.38%</i>	<i>3.24%</i>	<i>3.09%</i>
32	<i>19</i>	<i>3.98%</i>	<i>3.82%</i>	<i>3.67%</i>	<i>3.51%</i>	<i>3.36%</i>
33	<i>20</i>	<i>4.33%</i>	<i>4.17%</i>	<i>4.00%</i>	<i>3.84%</i>	<i>3.68%</i>
34	<i>21</i>	<i>4.68%</i>	<i>4.51%</i>	<i>4.34%</i>	<i>4.17%</i>	<i>4.00%</i>
35	<i>22</i>	<i>5.03%</i>	<i>4.85%</i>	<i>4.68%</i>	<i>4.50%</i>	<i>4.32%</i>
36	<i>23</i>	<i>5.38%</i>	<i>5.20%</i>	<i>5.01%</i>	<i>4.83%</i>	<i>4.64%</i>
37	<i>24</i>	<i>5.78%</i>	<i>5.59%</i>	<i>5.40%</i>	<i>5.21%</i>	<i>5.01%</i>
38	<i>25</i>	<i>6.18%</i>	<i>5.98%</i>	<i>5.78%</i>	<i>5.58%</i>	<i>5.38%</i>
39	<i>26</i>	<i>6.58%</i>	<i>6.38%</i>	<i>6.17%</i>	<i>5.96%</i>	<i>5.75%</i>
40	<i>27</i>	<i>6.99%</i>	<i>6.77%</i>	<i>6.56%</i>	<i>6.34%</i>	<i>6.12%</i>
41	<i>N1</i>	<i>7.34%</i>	<i>7.11%</i>	<i>6.89%</i>	<i>6.67%</i>	<i>6.44%</i>
42	<i>N2</i>	<i>7.69%</i>	<i>7.46%</i>	<i>7.23%</i>	<i>7.00%</i>	<i>6.77%</i>
43	<i>N3</i>	<i>8.04%</i>	<i>7.80%</i>	<i>7.56%</i>	<i>7.32%</i>	<i>7.09%</i>

1	<i>N4</i>	8.39%	8.14%	7.90%	7.65%	7.41%	7.16%
2	<i>N5</i>	8.69%	8.44%	8.18%	7.93%	7.68%	7.42%
3	<i>N6</i>	8.99%	8.73%	8.47%	8.21%	7.95%	7.69%
4	<i>N7</i>	9.29%	9.03%	8.76%	8.49%	8.22%	7.95%
5	<i>N8</i>	9.60%	9.32%	9.04%	8.77%	8.49%	8.21%
6	<i>N9</i>	9.85%	9.56%	9.28%	8.99%	8.71%	8.42%
7	<i>N10</i>	10.10%	9.81%	9.51%	9.22%	8.93%	8.64%
8	<i>N11</i>	10.35%	10.05%	9.75%	9.45%	9.15%	8.85%

CREDIT RATE SCHEDULES (A-F)

9							
10	<i>Rate</i>						
11	<i>Group</i>	<i>F</i>	<i>E</i>	<i>D</i>	<i>C</i>	<i>B</i>	<i>A</i>
12	<i>0</i>	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
13	<i>1</i>	0.02%	0.01%	0.00%	0.00%	0.00%	0.00%
14	<i>2</i>	0.06%	0.04%	0.02%	0.00%	0.00%	0.00%
15	<i>3</i>	0.10%	0.07%	0.04%	0.01%	0.00%	0.00%
16	<i>4</i>	0.19%	0.15%	0.11%	0.07%	0.03%	0.00%
17	<i>5</i>	0.27%	0.23%	0.18%	0.13%	0.09%	0.04%
18	<i>6</i>	0.36%	0.31%	0.25%	0.20%	0.14%	0.09%
19	<i>7</i>	0.45%	0.39%	0.32%	0.26%	0.20%	0.14%
20	<i>8</i>	0.58%	0.52%	0.45%	0.38%	0.31%	0.24%
21	<i>9</i>	0.72%	0.64%	0.57%	0.49%	0.41%	0.34%
22	<i>10</i>	0.86%	0.77%	0.69%	0.61%	0.52%	0.44%
23	<i>11</i>	1.00%	0.90%	0.81%	0.72%	0.63%	0.53%
24	<i>12</i>	1.18%	1.08%	0.98%	0.88%	0.78%	0.68%
25	<i>13</i>	1.37%	1.26%	1.16%	1.05%	0.94%	0.83%
26	<i>14</i>	1.56%	1.44%	1.33%	1.21%	1.10%	0.98%
27	<i>15</i>	1.74%	1.62%	1.50%	1.38%	1.25%	1.13%
28	<i>16</i>	1.98%	1.85%	1.72%	1.59%	1.46%	1.33%
29	<i>17</i>	2.22%	2.08%	1.94%	1.80%	1.67%	1.53%
30	<i>18</i>	2.46%	2.32%	2.16%	2.02%	1.87%	1.73%
31	<i>19</i>	2.69%	2.54%	2.39%	2.23%	2.08%	1.92%
32	<i>20</i>	2.98%	2.82%	2.66%	2.50%	2.33%	2.17%
33	<i>21</i>	3.27%	3.10%	2.93%	2.76%	2.59%	2.42%
34	<i>22</i>	3.56%	3.38%	3.20%	3.02%	2.85%	2.67%
35	<i>23</i>	3.84%	3.66%	3.47%	3.29%	3.10%	2.92%
36	<i>24</i>	4.18%	3.99%	3.79%	3.60%	3.41%	3.22%
37	<i>25</i>	4.52%	4.32%	4.12%	3.92%	3.72%	3.52%
38	<i>26</i>	4.85%	4.65%	4.44%	4.23%	4.02%	3.82%
39	<i>27</i>	5.19%	4.98%	4.76%	4.54%	4.33%	4.11%
40	<i>N1</i>	5.48%	5.26%	5.03%	4.81%	4.59%	4.36%
41	<i>N2</i>	5.77%	5.53%	5.30%	5.07%	4.84%	4.61%
42	<i>N3</i>	6.05%	5.81%	5.58%	5.34%	5.10%	4.86%
43	<i>N4</i>	6.34%	6.09%	5.85%	5.60%	5.36%	5.11%

1	<i>N5</i>	6.58%	6.32%	6.07%	5.82%	5.56%	5.31%
2	<i>N6</i>	6.81%	6.55%	6.29%	6.03%	5.77%	5.51%
3	<i>N7</i>	7.05%	6.78%	6.51%	6.24%	5.97%	5.71%
4	<i>N8</i>	7.29%	7.01%	6.73%	6.46%	6.18%	5.90%
5	<i>N9</i>	7.48%	7.19%	6.91%	6.62%	6.34%	6.05%
6	<i>N10</i>	7.66%	7.37%	7.08%	6.76%	6.49%	6.20%
7	<i>N11</i>	7.85%	7.55%	7.25%	6.95%	6.65%	6.35%

8 ***(iii) Not less than 30 days prior to each calendar year, the secretary***
 9 ***shall publish the effective contribution schedules for the previous four***
 10 ***rate years and ensuing rate year on a publicly accessible website***
 11 ***maintained by the secretary.***

12 ***(b) Successor classification.*** (1) (A) For the purposes of this
 13 subsection, whenever an employing unit, whether or not it is an
 14 "employing unit" within the meaning of K.S.A. 44-703(g), and
 15 amendments thereto, becomes an employer pursuant to K.S.A. 44-703(h)
 16 (4), and amendments thereto, or is an employer at the time of acquisition
 17 and meets the definition of a "successor employer" as defined by K.S.A.
 18 44-703(dd), and amendments thereto, and thereafter transfers its trade or
 19 business, or any portion thereof, to another employer and, at the time of
 20 the transfer, there is substantially common ownership, management or
 21 control of the two employers, then the unemployment experience
 22 attributable to the transferred trade or business shall be transferred to the
 23 employer to whom such business is so transferred. These experience
 24 factors consist of all contributions paid, benefit experience and annual
 25 payrolls of the predecessor employer. The transfer of some or all of an
 26 employer's workforce to another employer shall be considered a transfer of
 27 trade or business when, as the result of such transfer, the transferring
 28 employer no longer performs trade or business with respect to the
 29 transferred workforce, and such trade or business is performed by the
 30 employer to whom the workforce is transferred.

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

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

40 (3) Whenever an employing unit, whether or not it is an "employing
 41 unit" within the meaning of K.S.A. 44-703(g), and amendments thereto,
 42 acquires or in any manner succeeds to a percentage of an employer's
 43 annual payroll which is less than 100% and intends to continue the

1 acquired percentage as a going business, the employing unit may acquire
2 the same percentage of the predecessor's experience factors if: (A) The
3 predecessor employer and successor employing unit make an application
4 in writing on the form prescribed by the secretary; (B) the application is
5 submitted within 120 days of the date of the transfer; (C) the successor
6 employing unit is or becomes an employer subject to this act immediately
7 after the transfer; (D) the percentage of the experience rating factors
8 transferred shall not be thereafter used in computing the contribution rate
9 for the predecessor employer; and (E) the secretary finds that such transfer
10 will not tend to defeat or obstruct the object and purposes of this act.

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

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

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

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

29 (5) Whenever an employing unit is not an employer at the time it
30 acquires the trade or business of an employer, the unemployment
31 experience factors of the acquired business shall not be transferred to such
32 employing unit if the secretary finds that such employing unit acquired the
33 business solely or primarily for the purpose of obtaining a lower rate of
34 contributions. Instead, such employing unit shall be assigned the
35 applicable industry rate for a "new employer" as described in subsection
36 (a)(1). In determining whether the business was acquired solely or
37 primarily for the purpose of obtaining a lower rate of contributions, the
38 secretary shall use objective factors which may include the cost of
39 acquiring the business, whether the employer continued the business
40 enterprise of the acquired business, how long such business enterprise was
41 continued, or whether a substantial number of new employees were hired
42 for performance of duties unrelated to the business activity conducted
43 prior to acquisition.

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

11 (7) No rate computation will be permitted an employing unit
12 succeeding to the experience of another employing unit pursuant to this
13 section for any period subsequent to such succession except in accordance
14 with rules and regulations adopted by the secretary. Any such regulations
15 shall be consistent with federal requirements for additional credit
16 allowance in section 3303 of the federal internal revenue code of 1986,
17 and consistent with the provisions of this act.

18 (c) *Voluntary contributions.* Notwithstanding any other provision of
19 the employment security law, any employer may make voluntary payments
20 for the purpose of reducing or maintaining a reduced rate in addition to the
21 contributions required under this section. Such voluntary payments may be
22 made only during the ~~thirty-day~~ 90-day period immediately following the
23 date of mailing of experience rating notices for a calendar year. All such
24 voluntary contribution payments shall be paid prior to the expiration of
25 120 days after the beginning of the year for which such rates are effective.
26 The amount of voluntary contributions shall be credited to the employer's
27 account as of the next preceding computation date and the employer's rate
28 shall be computed accordingly. Under no circumstances shall voluntary
29 payments be refunded in whole or in part.

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

34 (e) ~~There is hereby established in the state treasury, separate and apart~~
35 ~~from all public moneys or funds of this state, an employment security~~
36 ~~interest assessment fund, which shall be administered by the secretary as~~
37 ~~provided in this act. Moneys in the employment security fund established~~
38 ~~by K.S.A. 44-712, and amendments thereto, and employment security~~
39 ~~interest assessment fund established by K.S.A. 44-710, and amendments~~
40 ~~thereto, shall not be invested in the pooled money investment portfolio~~
41 ~~established under K.S.A. 75-4234, and amendments thereto.~~
42 ~~Notwithstanding the provisions of K.S.A. 44-712(a), 44-716, 44-717 and~~
43 ~~75-4234, and amendments thereto, or any like provision the secretary shall~~

1 remit all moneys received from employers pursuant to the interest payment
2 pursuant to law, to the state treasurer in accordance with the provisions of
3 K.S.A. 75-4215, and amendments thereto. Upon receipt of each such
4 remittance, the state treasurer shall deposit the entire amount in the
5 employment security interest assessment fund. All moneys in this fund
6 which are received from employers pursuant to the interest payment
7 assessments shall be expended solely for the purposes and in the amounts
8 found by the secretary necessary to pay any principal and interest due and
9 owing the United States department of labor resulting from any
10 advancements made to the Kansas employment security fund pursuant to
11 the provisions of title XII of the social security act (42 U.S.C. §§ 1321 to
12 1324) except as may be otherwise provided under subsection (a)(2)(D).
13 Notwithstanding any provision of this section, all moneys received and
14 credited to this fund shall remain part of the employment security interest
15 assessment fund and shall be used only in accordance with the conditions
16 specified.

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

25 (f) *On July 1, 2024, the director of accounts and reports shall*
26 *transfer all moneys in the employment security interest assessment fund to*
27 *the employment security trust fund. On July 1, 2024, all liabilities of the*
28 *employment security interest assessment fund are hereby transferred to*
29 *and imposed on the state general fund, and the employment security*
30 *interest assessment fund is hereby abolished.*

31 Sec. 8. K.S.A. 44-710b is hereby amended to read as follows: 44-
32 710b. (a) *By the secretary of labor.* The secretary of labor shall promptly
33 notify each contributing employer of its rate of contributions, each rated
34 governmental employer of its benefit cost rate and each reimbursing
35 employer of its benefit liability as determined for any calendar year
36 pursuant to K.S.A. 44-710 and 44-710a, and amendments thereto, on or
37 before November 30 of the calendar year immediately preceding the
38 calendar year in which such rate takes effect. Such determination shall
39 become conclusive and binding upon the employer unless, within 15 days
40 after the mailing of notice thereof to the employer's last known address or
41 in the absence of mailing, within 15 days after the delivery of such notice,
42 the employer files an application for review and redetermination, setting
43 forth the reasons therefor. If the secretary of labor grants such review, the

1 employer shall be promptly notified thereof and shall be granted an
2 opportunity for a fair hearing, but no employer shall have standing, in any
3 proceeding involving the employer's rate of contributions or benefit
4 liability, to contest the chargeability to the employer's account of any
5 benefits paid in accordance with a determination, redetermination or
6 decision pursuant to K.S.A. 44-710(c), and amendments thereto, except
7 upon the ground that the services on the basis of which such benefits were
8 found to be chargeable did not constitute services performed in
9 employment for the employer and only in the event that the employer was
10 not a party to such determination, redetermination or decision or to any
11 other proceedings under this act in which the character of such services
12 was determined. Any such hearing conducted pursuant to this section shall
13 be heard in the county where the contributing employer maintains its
14 principle place of business. The hearing officer shall render a decision
15 concerning all matters at issue in the hearing within 90 days.

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

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

35 (B) Reimbursing employers shall be refunded for reimbursements
36 made to the state for any claims or benefits paid on or after March 15,
37 2020, that are or have been reported to the secretary and determined by the
38 secretary as fraudulent. Amounts refunded shall become due, subject to
39 appeal as provided by the employment security law, upon a determination
40 by the secretary, as provided by subparagraph (A), that the benefits were
41 paid properly and not by fraud or in error.

42 (C) For the time period of March 15, 2020, through December 31,
43 2022, identifications of fraud reported to the secretary pursuant to

1 subparagraphs (A) and (B) shall not be subject to any time limitation for
2 disputing a claim or for appeal pursuant to K.S.A. 44-710, and
3 amendments thereto, or pursuant to any other provision of the employment
4 security law.

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

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

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

34 (e) The secretary shall review the information reported by the United
35 States department of labor pursuant to the payment integrity information
36 act of 2019, public law 116-117, and any other relevant information
37 available from the United States department of labor and any relevant
38 information held by the department of labor available to the secretary
39 regarding improper payment amounts for the state of Kansas for the period
40 beginning on March 15, 2020, through December 31, 2022.

41 (f) Any federal unemployment insurance benefit program established
42 as a result of COVID-19 or any pandemic shall not be continued after the
43 ending date of the federal program through the use of Kansas state

1 employment security fund contributions made by Kansas employers.

2 (g) *The secretary shall review benefit claims at the time a claim is*
3 *made and as necessary to timely determine whether any claimant is*
4 *eligible for unemployment benefits pursuant to any federal unemployment*
5 *program. To the extent authorized under federal law, if an individual is*
6 *eligible for an equal or greater weekly benefit amount under a federal*
7 *unemployment program than the weekly benefit amount for which such*
8 *individual is eligible under the employment security law, the secretary*
9 *shall suspend the payment of state unemployment benefits to such*
10 *individual while such individual is receiving the federal unemployment*
11 *benefits. Such suspension of benefits shall terminate upon the individual's*
12 *exhaustion of benefits available under the federal unemployment program.*
13 *An individual shall not be eligible to receive the federal unemployment*
14 *weekly benefit and the state unemployment weekly benefit during the same*
15 *week. The provisions of this subsection shall not apply to any federal*
16 *unemployment benefit that is paid in addition to the state weekly benefit*
17 *amount.*

18 Sec. 9. 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. 10. K.S.A. 44-757 is hereby amended to read as follows: 44-757.
10 *Shared work unemployment compensation program.* (a) As used in this
11 section:

12 (1) "Affected unit" means a specified department, shift or other unit
13 of two or more employees that is designated by an employer to participate
14 in a shared work plan.

15 (2) "Fringe benefit" means health insurance, a retirement benefit
16 received under a pension plan, a paid vacation day, a paid holiday, sick
17 leave, and any other analogous employee benefit that is provided by an
18 employer.

19 (3) "Fund" has the meaning ascribed thereto by K.S.A. 44-703(k),
20 and amendments thereto.

21 (4) "Normal weekly hours of work" means the lesser of 40 hours or
22 the average obtained by dividing the total number of hours worked per
23 week during the preceding twelve-week period by the number 12.

24 (5) "Participating employee" means an employee who works a
25 reduced number of hours under a shared work plan initiated by their
26 employer and approved by the secretary.

27 (6) "Participating employer" means an employer who has applied to
28 and been approved by the secretary for a shared work plan that is in effect.

29 (7) "Secretary" means the secretary of labor or the secretary's
30 designee.

31 (8) "Shared work benefit" means an unemployment compensation
32 benefit that is payable to an individual in an affected unit because the
33 individual works reduced hours under an approved shared work plan.

34 (9) "Shared work plan" means a short-term compensation program.

35 (10) "Short-term compensation program" means a shared work plan
36 program designed to provide an alternative to layoffs for employers
37 experiencing a reduction in available work. A "short-term compensation
38 program" preserves employees' jobs and an employer's trained workforce
39 during times of lowered economic activity by allowing an employer to
40 reduce hours of work for employees rather than laying off some employees
41 while others continue to work full time. Under a "short-term compensation
42 program," employees experiencing a reduction in hours are allowed to
43 collect a pro-rata share of their unemployment compensation benefits to

1 replace a portion of the employee's lost wages.

2 (b) The secretary shall establish a voluntary short-term compensation
3 program as provided by this section. The secretary may adopt rules and
4 regulations and establish procedures necessary to administer the short-term
5 compensation program.

6 (c) The secretary shall create and manage an annual promotional
7 campaign for the short-term compensation program to encourage and
8 improve business participation. The promotional campaign shall include
9 the following elements:

10 (A) Engagement in proactive educational communications with other
11 state agencies and stakeholders, including the governor's office, legislators,
12 workforce investment boards, labor unions and local, regional or state
13 chambers of commerce;

14 (B) a dedicated department of labor employee or team to efficiently
15 and timely answer employer's questions about the short-term
16 compensation program;

17 (C) presentation materials that provide consistency of messaging
18 about the benefits of using a short-term compensation program to provide
19 stakeholders for distribution to employer groups, workforce investment
20 boards or other interested parties;

21 (D) proactive engagement with employers experiencing economic
22 stress or layoffs to share the benefits of the short-term compensation
23 program and to ensure such employers are aware of the program; and

24 (E) an automated application, claims and weekly certification process
25 for participating employers designed to facilitate participation, reduce an
26 employer's administrative burden and promote the use of the short-term
27 compensation program.

28 (d) An employer who wishes to participate in the short-term
29 compensation program must submit a written shared work plan to the
30 secretary for the secretary's approval. As a condition for approval, a
31 participating employer must agree to furnish the secretary with reports
32 relating to the operation of the shared work plan as requested by the
33 secretary. The employer shall monitor and evaluate the operation of the
34 established shared work plan as requested by the secretary and shall report
35 the findings to the secretary.

36 (e) The secretary may approve a shared work plan if:

37 (1) The shared work plan applies to and identifies a specific affected
38 unit;

39 (2) the employees in the affected unit are identified by name and
40 social security number;

41 (3) the shared work plan reduces the normal weekly hours of work
42 for an employee, including regular part-time employees, in the affected
43 unit by not less than 10% and not more than 50%;

1 (4) the shared work plan applies to at least 10% of the employees in
2 the affected unit;

3 (5) the shared work plan describes the manner that the participating
4 employer treats the fringe benefits of each employee in the affected unit
5 and the employer certifies that if the employer provides health benefits and
6 retirement benefits under a defined benefit plan, as defined in 26 U.S.C. §
7 414(j), or contributions under a defined contribution plan, as defined in 26
8 U.S.C. § 414(i), to any employee whose workweek is reduced under the
9 program that such benefits will continue to be provided to employees
10 participating in the short-term compensation program under the same
11 terms and conditions as though the workweek of such employee had not
12 been reduced or to the same extent as other employees not participating in
13 the short-term compensation program;

14 (6) the employer certifies that the implementation of a shared work
15 plan and the resulting reduction in work hours is in lieu of layoffs that
16 would affect at least 10% of the employees in the affected unit and that
17 would result in an equivalent reduction in work hours;

18 (7) the employer has filed all reports required to be filed under the
19 employment security law for all past and current periods and has paid all
20 contributions, benefit cost payments, or if a reimbursing employer has
21 made all payments in lieu of contributions due for all past and current
22 periods;

23 (8) (A) a contributing employer must be eligible for a rate
24 computation under K.S.A. 44-710a(a)(2), and amendments thereto, and the
25 contributing employer, as determined by the secretary, does not adversely
26 impact the state's eligibility under section 2108 of the federal CARES act,
27 public law 116-136;

28 (B) if section 2108 of the federal CARES act, public law 116-136, is
29 no longer in effect, a contributing employer eligible for a rate computation
30 under K.S.A. 44-710(a)(2), and amendments thereto, that is a negative
31 account employer as defined by K.S.A. 44-710a(d), and amendments
32 thereto, may only be approved for a shared work application if the
33 negative account employer's most recent calculated reserve ratio has
34 improved from the previous reporting year's reserve ratio;

35 (C) a rated governmental employer must be eligible for a rate
36 computation under K.S.A. 44-710d(g), and amendments thereto;

37 (9) eligible employees may participate, as appropriate, in training,
38 including without limitation, employer-sponsored training or worker
39 training funded under the workforce investment act of 1998, to enhance
40 job skills if such program has been approved by the state of Kansas;

41 (10) the employer includes a plan for giving advance notice, where
42 feasible, to an employee whose workweek is to be reduced together with
43 an estimate of the number of layoffs that would have occurred absent the

1 ability to participate in shared work compensation and such other
2 information as the secretary of labor determines is appropriate; and

3 (11) the terms of the employer's written plan and implementation are
4 consistent with employer obligations under applicable federal and Kansas
5 laws.

6 (f) If any of the employees who participate in a shared work plan
7 under this section are covered by a collective bargaining agreement, the
8 shared work plan must be approved in writing by the collective bargaining
9 agent.

10 (g) A shared work plan may not be implemented to subsidize seasonal
11 employers during the ~~off-season~~ *off season*. *This provision shall not be*
12 *construed to apply to a shared work plan implemented for school bus*
13 *drivers pursuant to K.S.A. 44-706(p), and amendments thereto.*

14 (h) The secretary shall approve or deny a shared work plan ~~no~~ *not*
15 later than the 30th day after the day the shared work plan is received by the
16 secretary. The secretary shall approve or deny a shared work plan in
17 writing. If the secretary denies a shared work plan, the secretary shall
18 notify the employer of the reasons for the denial.

19 (i) A shared work plan is effective on the date it is approved by the
20 secretary, except for good cause a shared work plan may be effective at
21 any time within a period of 14 days prior to the date such plan is approved
22 by the secretary. The shared work plan expires on the last day of the 12th
23 full calendar month after the effective date of the shared work plan.

24 (j) An employer may modify a shared work plan created under this
25 section to meet changed conditions if the modification conforms to the
26 basic provisions of the shared work plan as approved by the secretary. The
27 employer must report the changes made to the shared work plan in writing
28 to the secretary before implementing the changes. If the original shared
29 work plan is substantially modified, the secretary shall reevaluate the
30 shared work plan and may approve the modified shared work plan if it
31 meets the requirements for approval under subsection (d). The approval of
32 a modified shared work plan does not affect the expiration date originally
33 set for that shared work plan. If substantial modifications cause the shared
34 work plan to fail to meet the requirements for approval, the secretary shall
35 deny approval to the modifications as provided by subsection (g).

36 (k) Notwithstanding any other provisions of the employment security
37 law, an individual is unemployed and is eligible for shared work benefits
38 in any week in which the individual, as an employee in an affected unit,
39 works for less than the individual's normal weekly hours of work in
40 accordance with an approved shared work plan in effect for that week. The
41 secretary may not deny shared work benefits for any week to an otherwise
42 eligible individual by reason of the application of any provision of the
43 employment security law that relates to availability for work, active search

1 for work or refusal to apply for or accept work with an employer other
2 than the participating employer.

3 (l) An individual is eligible to receive shared work benefits with
4 respect to any week in which the secretary finds that:

5 (1) The employee is determined to be eligible for unemployment
6 compensation, except that while receiving shared work benefits, an
7 employee shall not be required to meet work availability or work search
8 requirements but shall be required to be available for the employee's
9 normal work week;

10 (2) the individual is employed as a member of an affected unit subject
11 to a shared work plan that was approved before the week in question and is
12 in effect for that week;

13 (3) the individual is able to work and is available for additional hours
14 of work or full-time work with the participating employer;

15 (4) the individual's normal weekly hours of work have been reduced
16 by at least 10% but not more than 50%, with a corresponding reduction in
17 wages; and

18 (5) the individual's normal weekly hours of work and wages have
19 been reduced as described in subsection (k)(4) for a waiting period of one
20 week that occurs within the period the shared work plan is in effect, which
21 period includes the week for which the individual is claiming shared work
22 benefits.

23 (m) The secretary shall pay an individual who is eligible for shared
24 work benefits under this section a weekly shared work benefit amount
25 equal to the individual's regular weekly benefit amount for a period of total
26 unemployment multiplied by the nearest full percentage of reduction of the
27 individual's hours as set forth in the employer's shared work plan. If the
28 shared benefit amount is not a multiple of \$1, the secretary shall reduce the
29 amount to the next lowest multiple of \$1. All shared work benefits under
30 this section shall be payable from the fund.

31 (n) An individual may not receive shared work benefits and regular
32 unemployment compensation benefits in an amount that exceeds the
33 maximum total amount of benefits payable to that individual in a benefit
34 year as provided by K.S.A. 44-704(g), and amendments thereto.

35 (o) An individual who has received all of the shared work benefits
36 and regular unemployment compensation benefits available in a benefit
37 year is an exhaustee under K.S.A. 44-704a and 44-704b, and amendments
38 thereto, and is entitled to receive extended benefits under such statutes if
39 the individual is otherwise eligible under such statutes.

40 (p) The secretary may terminate a shared work plan for good cause if
41 the secretary determines that the shared work plan is not being executed
42 according to the terms and intent of the short-term compensation program.

43 (q) Notwithstanding any other provisions of this section, an

1 individual shall not be eligible to receive shared work benefits for more
2 than 52 calendar weeks during the 12-month period of the shared work
3 plan. No week shall be counted as a week for which an individual is
4 eligible for shared work benefits for the purposes of this section unless the
5 week occurs within the 12-month period of the shared work plan.

6 ~~(r) No shared work benefit payment shall be made under any shared
7 work plan or this section for any week that commences before April 1,
8 1989.~~

9 ~~(s) This section shall be construed as a part of and supplemental to
10 the employment security law.~~

11 Sec. 11. K.S.A. 44-771 is hereby amended to read as follows: 44-771.

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

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

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

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

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

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

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

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

1 reappoint the member or substitute another appointee for the member at
2 any time.

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

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

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

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

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

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

42 (1) The technological infrastructure used to file and process claims
43 and pay benefits and the experience of individuals and employers

1 participating in the process;

2 (2) system improvements or upgrades that will maximize
3 responsiveness for individuals and employers;

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

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

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

1 and shall not be made public. The audit shall be paid for by the state,
2 subject to appropriations therefor.

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

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

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

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

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

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

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

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

43 (m) (1) The secretary of labor shall, with the assistance of the

1 council:

2 (A) Develop a written strategic staffing plan to be implemented
3 whenever there is a substantial increase or a substantial decrease in the
4 number of inquiries or claims for benefits and review the plan in
5 accordance with the provisions of subsection (n);

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

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

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

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

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

20 (C) employees provided by private entities.

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

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

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

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

43 Sec. 12. K.S.A. 44-772 is hereby amended to read as follows: 44-772.

1 (a) It is the intent of the legislature that, in order to accomplish the mission
2 of collecting state employment security taxes, processing unemployment
3 insurance benefit claims and paying benefits, the department of labor's
4 information technology system shall be continually developed,
5 customized, enhanced and upgraded. The purpose of this section is to
6 ensure the state's unemployment insurance program is utilizing current
7 technology and features to protect the sensitive data required in the
8 unemployment insurance benefit and tax systems relating to program
9 integrity, system efficiency and customer service experience.

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

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

43 (d) The new system shall include, but not be limited to, any features

1 and benefits as specified and defined by the unemployment compensation
2 modernization and improvement council established by K.S.A. 44-771,
3 and amendments thereto, in consultation with the secretary.

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

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

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

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

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

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

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

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

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

40 (g) The secretary, on a scheduled basis, shall cross check new and
41 active unemployment insurance claims against the cross-check programs
42 described in subsection (e). If the secretary receives information
43 concerning an individual approved for benefits that indicates a change in

1 circumstances that may affect eligibility, the secretary shall review the
2 individual's case and act in accordance with the law.

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

7 (i) The secretary of labor shall adopt rules and regulations necessary
8 for the purposes of carrying out this section. Such rules and regulations
9 shall be adopted ~~within 12 months of the effective date of this act~~ *by May*
10 *13, 2022*.

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

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

17 Sec. 13. K.S.A. 44-774 is hereby amended to read as follows: 44-774.

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

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

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

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

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

31 (A) The rate group;

32 (B) the reserve ratio lower limit;

33 (C) the number of accounts;

34 (D) the taxable wages by fiscal year;

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

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

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

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

43 (i) *Terminated accounts with the number of accounts and fiscal year*

1 taxable wages; and

2 (ii) inactive accounts with the number of accounts and fiscal year
3 taxable wages organized by regular rated, industry rated and negative
4 rated accounts; ~~and~~

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

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

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

9 (3) the statewide wage data, including:

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

11 (B) statewide average weekly wage (SAWW) for the fiscal year.

12 (c) (1) The secretary of labor shall prepare and submit an annual
13 certification memorandum regarding computations and data for
14 contributing negative rated employers assigned to rate groups N1 through
15 N11.

16 (2) Commencing in 2025 and each year thereafter, the secretary shall
17 submit the certification memorandum on or before January 15 of each
18 calendar year. The certification memorandum shall be for the 12-month
19 period ending on June 30 of the preceding calendar year. In preparing the
20 certification memorandum, the secretary shall consider contributions paid
21 after such 12-month period ending on June 30 that are paid on or before
22 the immediately following July 31.

23 (3) The secretary shall submit the certification memorandum to the
24 chairpersons, vice chairpersons and ranking minority members of the
25 standing committees of the senate and the house of representatives to
26 which legislation pertaining to the employment security law is customarily
27 referred, the president of the senate, the speaker of the house of
28 representatives, the governor and the legislative coordinating council.

29 (4) The certification memorandum shall include for the current and
30 most recent calculated three years:

31 (A) An employer identification number assigned to the employer by
32 the secretary;

33 (B) NAICS code;

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

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

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

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

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

39 (H) the total number of temporary weeks requested by the employer,
40 if any;

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

43 (J) the total number of temporary weeks claimed by the employer, if

1 any;

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

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

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

6 Sec. 14. K.S.A. 2023 Supp. 44-775 is hereby amended to read as
7 follows: 44-775. (a) (1) The secretary of labor and the secretary of
8 commerce shall jointly establish and implement the my reemployment
9 plan as provided in this section. For purposes of this section, "my
10 reemployment plan" means a program jointly established and implemented
11 by the Kansas department of labor and the Kansas department of
12 commerce that provides enhanced reemployment services, including
13 workforce services provided by the department of commerce, to Kansans
14 receiving unemployment insurance benefits.

15 (2) The program shall be required for all claimants except claimants
16 that are:

17 (A) In the shared work program;

18 (B) in the trade adjustment assistance and trade readjustment
19 assistance program, ~~claimants on temporary layoff with a return-to-work~~
20 ~~date but such claimants shall only be excepted during any first 8~~
21 ~~consecutive weeks of benefits, claimants that are;~~

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

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

25 (E) current reemployment services and eligibility assessment
26 participants, ~~claimants that are;~~

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

28 (G) claimants that are engaged in a training program. ~~The program~~
29 ~~shall be implemented on or before June 1, 2021.~~

30 ~~(2)~~(3) (A) The following shall apply to any request to the secretary
31 for an extension of additional weeks of temporary unemployment, as
32 defined by K.S.A. 44-703(ii), and amendments thereto:

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

35 (ii) the request shall be submitted, with respect to each individual, for
36 an increment of eight weeks of additional temporary unemployment
37 allowed for the individual, as provided by subparagraph (C); and

38 (iii) the rated contributing employer shall agree to provide the
39 secretary with reports relating to the temporary unemployment extension
40 request as the secretary may require.

41 (B) The secretary may approve one temporary unemployment
42 extension request for an individual of eight weeks up to the maximum total
43 number of weeks permitted, as provided by subparagraph (C), if the

1 *secretary determines that the requesting employer has:*

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

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

6 *(iii) paid all contributions required to be paid under the employment*
7 *security law.*

8 *(C) (i) The total amount of additional temporary unemployment*
9 *benefits for an individual in a benefit year shall be limited to eight weeks if*
10 *the requests for additional temporary unemployment are made by a*
11 *requesting employer determined by the secretary to be primarily engaged*
12 *in:*

13 *(a) Ready-mixed concrete production and distribution; or*

14 *(b) the construction of highways or elevated highways, streets, roads,*
15 *airport runways, public sidewalks or bridges.*

16 *(ii) The total maximum amount of temporary unemployment for an*
17 *individual in a benefit year pursuant to this subparagraph, including any*
18 *extension of additional temporary unemployment granted by the secretary,*
19 *shall be limited to 16 weeks.*

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

33 ~~*(3)*~~*(5) The secretary of labor shall share labor market information and*
34 *current available job positions with the secretary of commerce. The*
35 *secretary of labor may collaborate with Kansasworks or other state or*
36 *federal agencies with job availability information in obtaining or sharing*
37 *such information.*

38 ~~*(4)*~~*(6) The secretary of commerce shall match open job positions with*
39 *claimants based on skills, work history and job location that is a*
40 *reasonable commute from the claimant's residence and communicate the*
41 *match information to the claimant and to the employer. The secretary of*
42 *labor and the secretary of commerce shall consider whether the claimant or*
43 *a Kansas employer would benefit from the claimant's participation in a*

1 work skills training or retraining program as provided by subsection (b)
2 and, if so, provide such information to the employer, if applicable, and the
3 claimant. Claimants who fail to respond within 14 calendar days after
4 contact by Kansasworks or the department of commerce shall be reported
5 by the secretary of commerce to the secretary of labor.

6 ~~(5)~~(7) The secretary of commerce and the secretary of labor shall
7 monitor the result of job matches and share information regarding any
8 claimant who did not attend an interview or did not accept a position that
9 was a reasonable match for the claimant's work history and skills and was
10 within a reasonable commute from the claimant's residence. The secretary
11 of commerce shall contact the claimant and report the contact to the
12 secretary of labor. The secretary of labor shall consider whether the
13 claimant has failed to meet work search requirements and if the claimant
14 should continue to receive benefits.

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

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

43 (d) The secretary of labor and the secretary of commerce shall

1 provide an annual status update and progress report for the my
2 reemployment plan to the standing committee on commerce, labor and
3 economic development of the house of representatives and the standing
4 committee on commerce of the senate during the first month of ~~the 2022~~
5 ~~regular legislative session and the first month of each regular legislative~~
6 ~~session thereafter.~~

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

9 Sec. 15. K.S.A. 44-704, 44-705, 44-706, 44-709, 44-710, 44-710b,
10 44-717, 44-757, 44-771, 44-772 and 44-774 and K.S.A. 2023 Supp. 44-
11 703, 44-710a and 44-775 are hereby repealed.

12 Sec. 16. This act shall take effect and be in force from and after its
13 publication in the statute book.