

(Corrected)

HOUSE BILL No. 2570

By Committee on Commerce, Labor and Economic Development

Requested by Representative Tarwater

1-23

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

PROPOSED AMENDMENT
HOUSE COMMERCE, LABOR AND ECONOMIC DEVELOPMENT
2/15/2024

Providing for the transfer of liabilities from the employment security interest assessment fund to the state general fund instead of the employment security trust fund to comply with United States department of labor conformity requirements.

Prepared by Office of Revisor of Statutes.

1 interest assessment fund established by K.S.A. 44-710, and amendments
 2 thereto, shall not be invested in the pooled money investment portfolio
 3 established under K.S.A. 75-4224, and amendments thereto.
 4 Notwithstanding the provisions of K.S.A. 44-712(f), 44-716, 44-717 and
 5 75-4224, and amendments thereto, or any like provision the secretary shall
 6 remit all moneys received from employers pursuant to the interest payment
 7 pursuant to law, to the state treasurer in accordance with the provisions of
 8 K.S.A. 75-4215, and amendments thereto. Upon receipt of each such
 9 remittance, the state treasurer shall deposit the entire amount in the
 10 employment security interest assessment fund. All moneys in this fund
 11 which are received from employers pursuant to the interest payment
 12 assessments shall be expended solely for the purposes and in the amounts
 13 found by the secretary necessary to pay any principal and interest due and
 14 owing the United States department of labor resulting from any
 15 advancements made to the Kansas employment security fund pursuant to
 16 the provisions of title XII of the social security act (42 U.S.C. §§ 1321 to
 17 1324) except as may be otherwise provided under subsection (e)(2)(D).
 18 Notwithstanding any provision of this section, all moneys received and
 19 credited to this fund shall remain part of the employment security interest
 20 assessment fund and shall be used only in accordance with the conditions
 21 specified.

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

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

36 Sec. 7. K.S.A. 44-710b is hereby amended to read as follows: 44-
 37 710b. (a) By the secretary of labor: The secretary of labor shall promptly
 38 notify each contributing employer of its rate of contributions, each rated
 39 governmental employer of its benefit cost rate and each reimbursing
 40 employer of its benefit liability as determined for any calendar year
 41 pursuant to K.S.A. 44-710 and 44-710a, and amendments thereto, on or
 42 before November 30 of the calendar year immediately preceding the
 43 calendar year in which such rate takes effect. Such determination shall

state general fund