



**Testimony on HB 2638  
Terry Forsyth, President  
Working Kansas Alliance**

Thank you for the opportunity to submit this testimony on behalf of the Working Kansas Alliance, a group of union and non-union organizations representing Kansas workers and their families.

Working Kansas Alliance opposes House Bill 2638. In short, the bill reduces benefits to workers, reduces employer contributions to UI Trust Fund at a time when Kansas is paying back loans on the fund, and eliminates a body that is designed to give a balanced review of legislation like this.

The responsible way to make the UI Trust Fund self-sufficient again is to allow it to be replenished by Kansas businesses during times when fewer workers are depending on those benefits. The appropriate time to discuss lowering UI contributions is after a healthy reserve is built up in the Trust Fund, not when it is in the red. When the Department of Labor is able to report that the balance is substantial enough to support jobless claims we can have a discussion about the best way to prepare for future crises. But cutting contributions at a time when we aren't self-sufficient and while Kansans are still counting on these benefits to get through difficult times unnecessarily jeopardizes the solvency of the fund.

Furthermore, attempting to couple a reduction in employer contributions to the UI Fund with a reduction in benefits to workers is as short-sighted as it is fundamentally unfair. Unemployment is not a paid vacation. When workers experience unemployment they do not stop needing to feed their families or pay their mortgages. Their local grocers and banks do not stop needing to be paid for the goods and services they provide. But the impact that reductions in benefits or shortening the benefit period has means that those local businesses do lose customers. Unemployed workers put every dollar they have back into the economy while they are looking for a new job.

Finally, abolishing the Employment Security Advisory Council is a formality that WKA opposes out of principle. The Council was formed with the idea that proposals like those included in this bill would benefit from a thorough and balanced analysis by employee and employer representatives. The Secretary of Labor is of course permitted to disregard or ignore recommendations of that Council. This administration has failed to even call a meeting of the Council and therefore it is understandable that the Secretary would want to abolish it. However, employers and employees both stand to benefit from the careful consideration the Council could provide, and again, the Secretary is always able to ignore any inconvenient analyses it produces.

The Employment Security statutes on the books in Kansas are in place to support Kansas workers and businesses, not penalize them. The changes outlined in House Bill 2638 are one-sided and short-sighted. We urge you to oppose this bill and continue to responsibly address the shortfall in the UI Trust Fund without reducing benefits to workers.

Senate Commerce Committee  
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Attachment 5