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Jon Hummell, Interim Director

Division of the Budget

Sam Brownback, Governor

February 12, 2014

The Honorable Julia Lynn, Chairperson Senate Committee on Commerce Statehouse, Room 445-S Topeka, Kansas 66612

Dear Senator Lynn:

SUBJECT: Fiscal Note for SB 372 by Senate Committee on Commerce

In accordance with KSA 75-3715a, the following fiscal note concerning SB 372 is respectfully submitted to your committee.

Under current law, the shared work unemployment compensation program is designed to reduce unemployment and stabilize the workforce by allowing certain employees to collect unemployment compensation benefits if the employees share the work remaining after a reduction in the total number of hours of work and corresponding reduction in wages. SB 372 would clarify the rules for the shared work unemployment compensation program to require employers that provide health and retirement benefits to continue to provide the same health and retirement benefits to all employees under the shared work plan. The shared work plan would be required to include an estimate of the number of layoffs that would occur if the shared work plan is not approved. Eligible employees who participate in the shared work unemployment compensation program would continue to be eligible to participate in workforce training programs.

The Department of Labor indicates SB 372 would have no fiscal effect on the agency.

Sincerely,

Jon Hummell,

Interim Director of the Budget

cc: Dawn Palmberg, Labor Dan Lara, Commerce Steve Neske, Revenue