

**Kansas State Legislative Board**  
**International Association of Sheet Metal, Air, Rail, and Transportation Workers**

*TYE DRAGOO*  
Director/Chairman  
Email: Ty@SMARTKS.org  
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The Honorable Robert Olson  
Chairman of Standing Committee on Commerce  
Distinguished Members of the Committee  
Kansas State Legislature - Senate  
State Capitol, Room 546-S  
Topeka, KS 66612

February 16<sup>th</sup>, 2021

**Re: SB 177— Changing provisions of the employment law & unemployment compensation**

Dear Sen. Olson and Members of the Committee:

The Sheet Metal Air Rail and Transportation Workers (SMART) is an opponent of SB177 as written.

SMART writes to you today to testify in opposition to SB 177 as it is currently written. While SMART opposes presently SB 177, there are aspects of the bill we do support. We support SB 177's efforts to resolve fraud our unemployment system has experienced during the COVID-19 pandemic. However, the changes to unemployment benefits within SB 177 will not alleviate unemployment fraud but instead harm Kansans.

SB 177 changes the rate triggers (Percentages that determine how long a claimant may receive benefits) and the maximum duration for how long a claimant can receive unemployment benefits. SMART does not understand how changing the amount of time a claimant can receive benefits will alleviate our system's current issues. SMART believes no changes should be made to the benefits unemployed Kansans can receive.

Additionally, SB 177 seeks to protect and make whole, employers who have been victims of unemployment fraud through reimbursement for fraudulent claims. While SMART supports this effort, why does SB 177 only protect employers? Currently, if an individual is deemed to have committed unemployment fraud, they are barred from receiving unemployment benefits for five (5) years, one of the strictest penalties in the nation. However, there is nothing in SB 177 that ensures individuals who were the victim of these fraudulent claims will not be barred from receiving unemployment benefits for five (5) years, now or in the future.

More than 40 states have penalties for unemployment fraud barring individuals from receiving unemployment benefits for one (1) year or less. While SMART understands efforts to penalize individuals that have committed unemployment fraud, we support an amendment removing or reducing the five (5) year ban to align with penalties across the country.

SMART also urges the Committee to consider amending changes made to the Work Share program. In SB 177, the Secretary of Labor must work with specific entities, including area chambers of commerce, to promote the program. SMART would like to see an amendment including labor unions. Labor unions are present in almost every industry and would aid in the promotion of the program.

While these issues are some of the more pressing, we ask the committee to review the concerns raised and discuss the ability to receive friendly amendments to the bill. We thank the committee's efforts to address fraud in the states' heavily burdened and aging unemployment system but ask that all the other issues be addressed, thereby not adding to the hardships many are enduring in the pandemic.

Sincerely,

A handwritten signature in blue ink, appearing to read "Ty E Dragoo", with a long horizontal flourish extending to the right.

Ty E Dragoo  
SMART-TD on behalf of SMART-SM  
Kansas State Legislative Board  
Director/Chairman