

To: Senator Rob Olson and Members of the Committee
From: Jake Miller, Executive Director for the Working Kansas Alliance
Re: Testimony in Opposition to House Sub for HB 2196
Date: March 16, 2021



Chairman Olson and Members of the Committee,

The Working Kansas Alliance ("WKA") writes to you today to testify in opposition to H Sub for HB 2196 as it is currently written.

While WKA currently opposes H Sub for HB 2196, there are aspects of the bill we support. We support H Sub for HB 2196's efforts to resolve fraud our unemployment system has experienced during the COVID-19 pandemic. However, the changes to unemployment benefits within this bill will not alleviate unemployment fraud, but instead will harm Kansans that are in dire need and are blameless with regards to their circumstances, as so many Americans across our nation are by way of this COVID-19 pandemic we all currently face.

H Sub for HB 2196 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.

- WKA does not understand how changing the amount of time a claimant can receive benefits will alleviate our system's current issues.
- WKA believes no changes should be made to the benefits unemployed Kansans may receive.
- In the midst of a viral pandemic, this bill targets to decrease the number of weeks claimants can receive unemployment. How does that actually fix fraud? Instead, it targets unemployed, struggling people at their time of need – in a system they have paid into already.

On March 3rd the Senate passed a bill that would give businesses immunity for an additional year from COVID-19 claims by their employees.

- Although a different piece of legislation, it once again begs the question of why the Kansas legislature is not extending the period in which claimants can receive benefits.
- This bill would no longer allow for 26 weeks on April 1, 2021. Why should businesses receive an extension but individual Kansans not?

Additionally, H Sub for HB 2196 seeks to protect and make whole employers who have been victims of unemployment fraud through reimbursement for fraudulent claims.

- While WKA supports the effort to address fraud on any aspect of unemployment, why then does H Sub for HB 2196 only protect employers? The employer is not the only aggrieved individual. Workers make the business successful, as much as the business owner.

SMART Transportation Division

Teamsters 696

International Association of Fire Fighters

Kansas National Education Association

Kansas Coalition of Public Retirees

Kansas Organization of State Employees

Kansas AFL-CIO

International Brotherhood of Electrical Workers Local 304

Kansas AFT

Teamsters Joint Council 56

Wichita Hutchinson Labor Federation

Tri-County Labor Council of Eastern Kansas

UFCW Local 2

Plumbers & Pipefitters Local 441

Laborers 1290 & Laborers 1290PE

Service Employees International Union Local 513

Brotherhood of Locomotive Engineers and Trainmen - IBT

Brotherhood of Maintenance of Ways Employees Division - IBT

Greater Kansas City Building & Construction Trades Council

Boilermakers Local 83

Bakery, Confectionary, Tobacco Workers & Grain Millers Local 218

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Carpenters Regional Council St. Louis - Kansas City

Salina Area Workers Coalition

- The House passed an amendment which would decrease the fraud penalty from 5 years to 2 years, which is a step in the right direction. However, nothing in this bill protects individuals who were victims of fraud from being banned for 2 years. If we know that the fraud occurred and for most Kansans was not intentional, or even premeditated, then why are these people still banned from benefits they paid into as a condition of employment?

More than 40 states have penalties for unemployment fraud barring individuals from receiving unemployment benefits for one (1) year or less. While WKA understands efforts to penalize individuals that have committed unemployment fraud, we support an amendment removing or reducing the two (2) year ban to align with penalties across the country. I have attached to my testimony a 50-state survey provided to the House Commerce Committee regarding fraud statues across the nation.

Thank you for your time today. Should the Committee have any questions, please do not hesitate to reach out to me (jdm235@gmail.com) or any of our member organizations.

Sincerely,



Jake Miller
Executive Director
Working Kansas Alliance



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State	Duration of Disqualification	Benefits Reduced or Cancelled
Alabama	52 Weeks for 1st offense and 104 Weeks for subsequent offenses	4 x Weekly Benefit Allowance (Maximum penalty is amount payable in Benefit Year)
Alaska	7 - 52 weeks depending upon level of fraud	-
Arizona	Upwards of 51 weeks immediately following as determined by the commission on a case by case basis.	-
Arkansas	14 weeks (3 weeks per each additional week of fraud)	Benefits cancelled in Benefit Year in which fraud occurred
California	52 Weeks upon conviction	-
Colorado	4 Weeks for every week of fraudulent benefits (Maximum of 104 weeks)	-
Connecticut	Until full amount of overpayment is repaid	Mandatory equal reduction
Delaware	52 weeks	-
DC	Remainder of the current Benefit Year + the subsequent Benefit Year	-
Florida	1 - 52 weeks and until overpayments are repaid in full.	-
Georgia	15 months	Mandatory equal reduction
Hawaii	24 months	-
Idaho	53 weeks + repayment of overpayment, penalties, and interest	-
Illinois	7 weeks (subsequent offenses may have increased durations)	-
Indiana	Up to current Benefit Year	All wage credits prior to act cancelled
Iowa	Up to current Benefit Year	Mandatory equal reduction
Kansas	60 months	-
Kentucky	Unreported Earnings = 1 week + additional weeks depending upon amount of unreported earnings. Nondisclosure of information = 27 weeks	-
Louisiana	Remainder of the current Benefit Year + 52 weeks	-
Maine	6 - 12 months (3rd occurrence disqualification determined by Commission)	-
Maryland	Until overpayment and interest repaid	-
Massachusetts	1 week for each week of overpayment	25% of Weekly Benefit Allowance
Michigan	Current Benefit Year and until overpayment is repaid or withheld	All base period wages canceled; benefits canceled in Benefit Year in which fraud occurred
Minnesota	13 - 104 weeks	-
Mississippi	First overpayment = 6 weeks for each fraudulent week. Additional offense = 12 weeks for each fraudulent week. (Maximum of 53 weeks)	-
Missouri	Up to current Benefit Year + subsequent Benefit Year depending upon amount of wage credits.	All or part of wage credits prior to act canceled
Montana	1 - 52 weeks and until overpayments are repaid in full.	-
Nebraska	Up to current benefit year	All or part of wage credits prior to act canceled
Nevada	2 - 53 weeks or until all overpayment, interest, and penalties are repaid (whichever is longer). Period to be fixed on case by case basis.	-
New Hampshire	4 - 52 weeks (52 weeks if convicted) and until benefits are repaid	Mandatory equal reduction
New Jersey	12 months	-
New Mexico	Up to 52 weeks	-
New York	4 - 80 days for which otherwise eligible	Mandatory equal reduction
North Carolina	52 weeks	-
North Dakota	52 weeks	-
Ohio	2 weeks for each fraudulent week and until amount of overpayment repaid	2 penalty weeks served for each week in which fraud occurred
Oklahoma	52 weeks	Benefit Period or Benefit Year may not be established during period.

State	Duration of Disqualification	Benefits Reduced or Cancelled
Oregon	52 weeks (if convicted) and until benefits are repaid	If convicted, all wage credits prior to conviction canceled.
Pennsylvania	2 weeks for each fraudulent week (12 months if convicted) and until amount of overpayment repaid.	-
Puerto Rico	52 weeks provided criminal procedures have not been filed	-
Rhode Island	12 months after conviction	-
South Carolina	11 - 53 weeks	-
South Dakota	Until overpayment is repaid	-
Tennessee	5 - 53 weeks	-
Texas	Current Benefit Year	Benefits or remainder of Benefit Year canceled
Utah	14 - 50 weeks and until overpayment is repaid	-
Vermont	(If not prosecuted) until amount of overpayment repaid + 1 - 26 weeks	-
Virginia	53 weeks or until overpayment repaid	-
Virgin Islands	52 weeks	-
Washington	1st offense = 27 weeks, 2nd offense = 52 weeks, and 3rd offense = 104 weeks	-
West Virginia	53 weeks	-
Wisconsin	Each week of fraud	1 - 4 x Weekly Benefit Allowance
Wyoming	52 weeks	-