

Approved: 3/1/07

Date

MINUTES OF THE HOUSE COMMERCE AND LABOR COMMITTEE

The meeting was called to order by Chairman Steve Brunk at 9:04 A.M. on February 01, 2007 in Room 231-N of the Capitol.

All members were present except:

Brenda Landwehr- excused

Candy Ruff- excused

Kasha Kelley- excused

Terrie Huntington- excused

Committee staff present:

Jerry Ann Donaldson, Kansas Legislative Research Department

Dustin Slinkard, Office of Revisor of Statutes

Stephen Bainum, Committee Assistant

Conferees appearing before the committee:

Jim Garner, Secretary, Department of Labor

Others attending:

See attached list.

The Chairman reminded the committee that this is the last day for a committees to request to have bills drafted. The Chairman asked the committee if there were any bill introductions. Seeing none he introduced a bill about contractors unemployment liability. It was received without exception.

The Chairman reminded the committee about next week's schedule and passed out copies of the Agenda for the week of February 5, 2007.

An outline of the process unemployed workers have to follow was passed out to the committee (Attachment 1).

The Chairman introduced the guest speaker, Jim Garner, Secretary, Department of Labor. His testimony (Attachment 2) and reports (Available from Department of Labor) were passed out to the committee. He began by reviewing some of the requirements an unemployed worker has to meet to be able to draw unemployment benefits..

Representative Goico asked in the case of a person fired for cause if there was a time when they would become eligible. Secretary Garner replied that there was a whole system of hearings in the case of a dispute. Appeals are conducted in a court like atmosphere and a decision rendered.

The work search requirement is separate and distinct from the requirement to file for benefits. Every month the Department sends out a form to each claimant asking them to document where they have been looking for work. Benefits are stopped if they do not supply this information.

Representative Grant asked if the Department audits the monthly reports. The Secretary said that random audits were made.

The Secretary talked about the profiling of unemployed workers that has been required by the federal government since 1993. Some of the things they look at are the occupation and industry involved, whether it is declining or growing. They look at the area of residence and the unemployment rate. Those that are considered at a high risk of exhausting their benefits are scheduled for additional services such as resume writing and interview skills.

Representative Grant asked if taking this training would disqualify them for receiving benefits since they would not be available to work during the training. It was explained that if it was approved training it did not disqualify them.

The Chairman asked who initiates the interview process since it is in the Department of Commerce. The Secretary said that the Department of Labor sends the letter and the Department of Commerce reports whether they kept the appointment or not.

CONTINUATION SHEET

MINUTES OF THE House Commerce and Labor Committee at 9:04 A.M. on February 01, 2007 in Room 231-N of the Capitol.

The Secretary described the changes that have taken place in the process of registering for unemployment benefits since the regulations were made in 1937. He described the reduction in unemployment offices and the many job service organizations that did not exist in 1937.

The Secretary presented statistics on unemployment fraud. The Kansas rate is lower than the national average.

Representative Ruiz asked about the waiting period for benefits if the claim was contested by the employer. The Secretary said that the Department is required to make these determinations quickly. If it is determined that benefits are due then back payment must be made. If they were not due then there is a collection process to recover the funds.

Representative Goico asked if they examine the social security numbers to determine if they match the person and what action is then taken. The answer was that they could not now match the social security numbers but they expect to have that ability within eight months.

Attention was then turned to the technical error rate. They are called technical because the claimant meets all the other requirements except registering with the work force system. The high technical error rate came to his attention in the summer of 2005. At first he was angry and outraged. Then he discovered that it was caused by a law in force since 1937 that had not been enforced for decades. It became a major issue when people no longer walked into the unemployment center to register for benefits. Then he considered the best way to handle this problem. That is why he began the process to make a regulation that would bring practice into sync with the law. He proposed the new regulation. It was reviewed by the Department of Administration, the Attorney General's office, the Joint Committee on Administrative Rules and Regulations and the U.S. Department of Labor.

Representative Grange asked, "Would it be safe to say that none of the effect of the November 2006 regulation is reflected in this report." The Secretary agreed that the results reflected data from 2005. This new regulation should cause a major reduction in our technical overpayment rate.

Representative Goico asked why the Department did not go to the legislature to change the state law. The Secretary said that the law allowed the Secretary to exempt whomever he wanted from this requirement. The change in the regulation occurred during the summer when the legislature was not in session. The Secretary emphasized the social and political consequences of enforcing the state law.

Representative Pauls said that the state statute was unusual but that it did give the Secretary authority to exclude people from the requirement of the law, therefore the regulation was legal. The Secretary agreed that was correct.

Representative Goico said that an easy fix would be to send a certified letter to those who did not register indicating that they would lose their benefits if they did not comply with the law. There were two options and we felt that since the process was so cumbersome we would make the decision not to deny people their benefits. The other thing was that the process was not impacting the people's ability to find jobs. Our duration rate is lower than the national average. There are many other job service options available to the unemployed and it did not seem wise to deny their benefits because they did not register with the State's Job Service program.

Representative Roth asked if the Secretary was denying that the states surrounding Kansas were correct in keeping their registration requirements. The Secretary emphasized that the states resources would be best spent on the people who had the greatest need of services and not on the public as a whole. The Secretary said that he was very open to the automatic registration process. However it will take time and money. We have a very antiquated system with 1100 cobal programs working together.

Representative Grange asked if people were advised of the other ways to find jobs? The Secretary was not aware that this was being done.

CONTINUATION SHEET

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Representative Sharp brought in an example of someone who had problems with the collection side of unemployment taxes.

Representative Ruiz said that he thought that the November 6th regulation was the proper way to handle this problem.

The Chairman advised the committee that we would continue this discussion tomorrow and the committee was adjourned at 10:19 A.M.

COMMERCE AND LABOR COMMITTEE

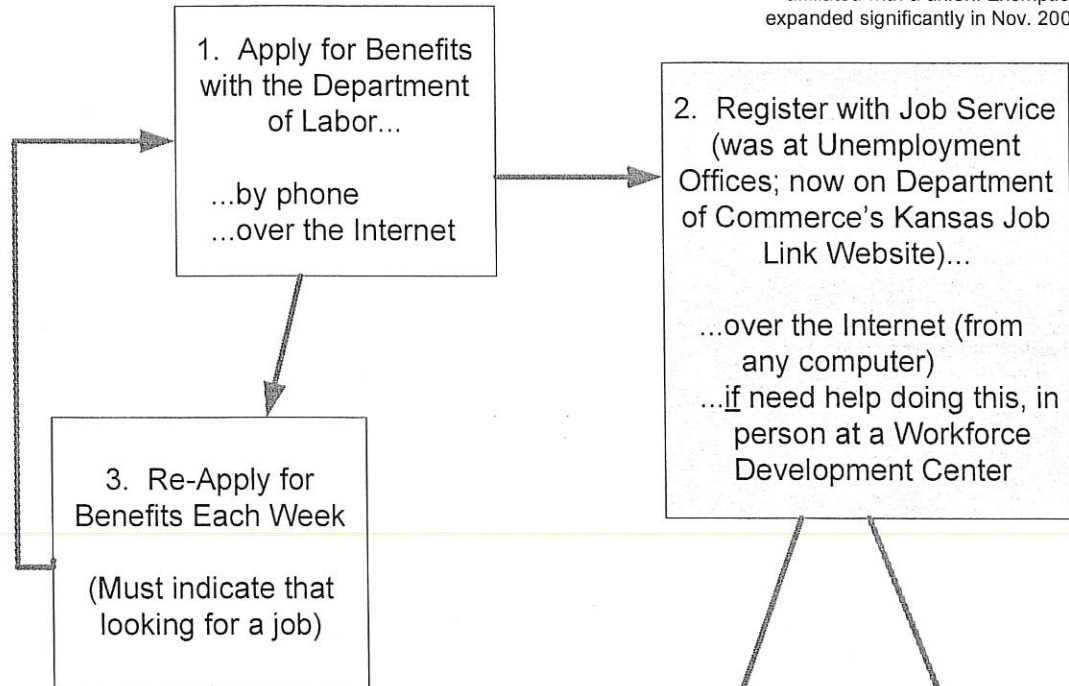
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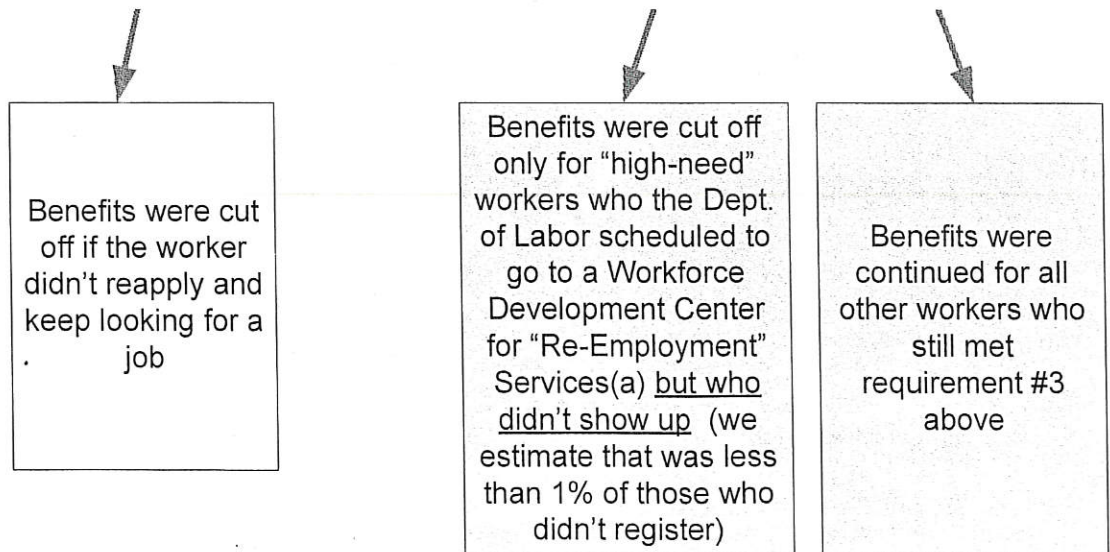
The Process Unemployed Workers Have To Follow To Be Eligible for Benefits Under State Law

Before Nov. 2006, registration not required for workers who were temporarily or partially unemployed, or affiliated with a union. Exemptions expanded significantly in Nov. 2006(a).

Among other things, to be eligible under State law to receive unemployment benefits, the unemployed worker has to:



If unemployed workers don't follow these requirements, they aren't eligible under State law to receive benefits. Here's what has happened in the past:



(a) In the last quarter of FY 2006, the Department of Labor determined that 1,924 of the 9,251 unemployed workers required to register with Job Service (21%) were "high-need" (likely to exhaust their benefits before finding a job). The Department ultimately referred about a third of those high-need unemployed workers (729) to a Workforce Development Center for "re-employment" services, because that's all the Workforce Development Centers said they could handle. Under the new November 2006 regulation, the only people who are now required to register with Job Service are the equivalent of these 729 people.

House Commerce Labor 2-1-07
(Attach 1)

My Home - unemployedworker

Register with Job Service (Staff Assisted Services)

Complete a Job Service Registration in order to receive additional government services or as directed by Unemployment Insurance to complete a staff assisted services registration.

Post My Resumé

Enter a resumé that employers can search on and review.

Find Employers

Search for employers that use KJL and view their current employment opportunities.

Manage My Account

Manage your account and set your preferences.

Find Training Providers

Search for educational and training providers in your area, to obtain that degree or certificate you've been thinking about.

Disability Resources

Information relating to disability resources and other needs.

JobFit Assessment Survey

If you are interested in exploring employer job opportunities that utilize the JobFit Assessment Survey and learn more about your job skills and aptitudes, you may take the survey providing you have a current JobLink resume and Job Service, or Workforce Investment Act, or Trade Adjustment Assistance enrollment.

Search Jobs

Search for job openings by occupation, keyword, or employer. Also, access your saved searches.

Research Career Information

Search for the latest information on job openings and current wages in Kansas.

UI Claims

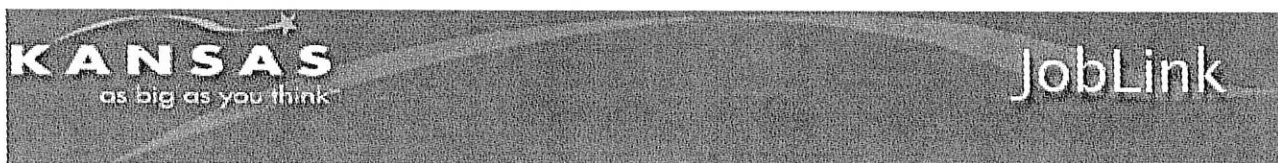
File your initial UI claim, re-open an existing claim, or file weekly claims.

Find Service Providers

Search for organizations in your area that provide the following services: health care, day care, transportation, etc.

Jobseeker's Page

This page has been designed to provide you with a structured, all-in-one, guided tour of the job hunt process, using the best of available tools and information. Links are available to web sites with information on resume building, job interviewing, and general job search planning.

[Home.](#)[Feedback](#)[Logout.](#)[Printable Version.](#)

[My Home](#)
[My Resume](#)
[Search Jobs](#)
[My Account](#)
[Career Info](#)
[Providers](#)
[Logout](#)

Need Help?

You can get help
by e-mail or you
can call
785-296-0295
(in Topeka) or
1-800-255-2458
(toll-free).

Feedback

Please provide us
with feedback on
our system.

Statistics

4191 Jobs
20304 Resumes

Kansas Registration Information

You will be asked to provide information to identify yourself and enable Workforce Center staff to assist you in your work search activities. If you do not provide this information your registration cannot be processed. Your e-mail address and telephone number, while not required, will provide a means for staff and employers to contact you with employment opportunities.

Data Privacy Notice

If you accept the terms of this notice, you may continue the registration process. If you decline the terms of this notice, you will be returned to the My Home page and your registration cannot be completed.

You will be asked to enter information related to your general characteristics, work and educational background and experience. Information that is required is identified with a red asterisk. This information will be helpful in determining eligibility for workforce programs and services.

Information regarding your Social Security Number, date of birth, gender, disability, race, and ethnic status is for statistical and federal reporting purposes only and is not made available to employers or the public. This information could be used to monitor agency compliance with the equal opportunity and nondiscrimination requirements.

It will also be used to assist the agency in evaluating and improving efforts to conduct outreach to diverse population groups, including racial and ethnic minorities and persons with disabilities.

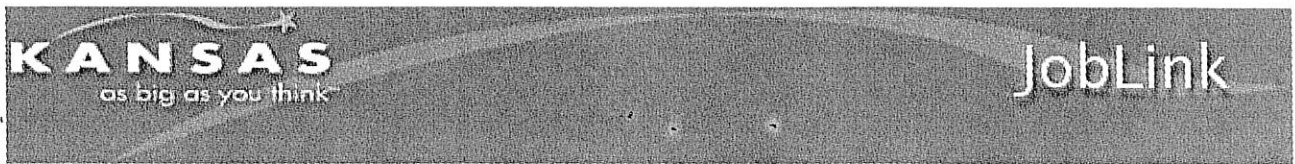
It is your responsibility to keep your information updated.

Your employment information may be shared with Workforce Center partners and other public agencies that provide job seeking and employment assistance. You control the type of employment information that is shared with employers who are approved to use this site.

I accept the Data Privacy Notice terms and am legally eligible to work in the US:

☐ I Accept☐ I Decline

Copyright © 2001-2007 AJLA | Section 508 Compliant | Privacy Policy | Equal Opportunity | Browser Settings



Home.



Feedback



Logout.



Printable Version.

Authorization to Obtain Information

In the course of providing employment assistance, other agencies/organizations may require access to your personal information. Please review and mark all that apply:

- ☐ I authorize the ServiceLink System to release and/or provide, on a need-to-know basis, that information which is reasonably necessary to accomplish the goals and objectives of my employment and training plan or self-sufficiency plan, unless the release or provision of such information is otherwise prohibited by law or regulation.

I authorize release of information, as above, to any of the ServiceLink One-Stop partner programs that are service providers as part of my employment or self-sufficiency plan. I authorize release of information, as above, to any service provider from whom I request additional services over and above those that are part of my employment or self-sufficiency plan.

I HEREBY authorize release of the following information to the Service Link One-Stop Case Management System, unless the release or provision of such information is otherwise prohibited by law or regulation:

As a condition to my authorization the Service Link System agrees to use the information obtained solely for purposes authorized by law and regulation including, but not limited to, determining eligibility for employment and training programs, developing an appropriate employment or self-sufficiency plan, and helping me achieve my occupational goals. This authorization is valid for a period of thirty-six (36) months from this date or until the date of exit from programs and services, whichever is sooner. This authorization is valid for the purpose of obtaining information for program performance reporting and participant follow-up activities related to post-exit employment and earnings, to include wage record information, and for the purpose of obtaining educational information relating to vocational certification for a period not to exceed eighteen (18) months from the date of exit from programs and services.

- ☒ Social and Rehabilitation Services (SRS) may provide information regarding my participation in Economic Employment Support Programs (EES) and/or Rehabilitation Services Programs (RS).
- ☒ The Department of Labor may provide information related to employer reported wage records, employer reported new hire information, and Unemployment Insurance Benefit information.
- ☒ The Department of Commerce may provide information regarding my participation in Employment, Reemployment, and Training programs.

1-5

- ☒ The Department of Education may provide my GED test scores and records relating to my current and past education, as maintained by local and state education programs.
- ☒ The Board of Regents may provide my GED test scores and records relating to current and past education, as maintained by members of the Regents system.
- ☒ Employment information maintained by current and past employers.

As authorization of approval verification you must provide your account:

* **User ID** : unemployedworker

* **Password** :

[Start Registration](#)

[Return To Menu](#)



www.dol.ks.gov

Unemployment Benefits: Eligibility and the Job Registration Requirement

January 31, 2007

House Commerce & Labor
Date: 2-1-07
Attachment # 2

**KANSAS**
DEPARTMENT OF LABOR



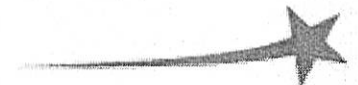
Overview

- Review some requirements for UI eligibility
- Fraud rates in Kansas UI program
- Technical errors in Kansas UI program
- Questions



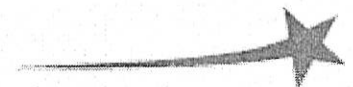
Unemployment Eligibility

- There are numerous requirements that unemployed workers must satisfy to be eligible for unemployment benefits.
- Some current requirements are:
 - Separated from a job by no fault of their own
 - File a weekly claim for benefits
 - Able and available for work
 - Searching for work
 - Register for work, if profiled as likely to exhaust benefits
- Claims are filed either by phone or on the KDOL Web site.



Unemployment Eligibility

- To receive unemployment, a worker must meet all basic federal eligibility requirements.



Work Search

- The work search requirement is separate from the job registration requirement.
- Claimants must report each week that they have searched for work.
- Every month, a form is mailed to all claimants asking for records of their work search.
- Benefits are stopped if claimants don't provide appropriate documentation of their work search.
- Claimants still must meet all federal eligibility requirements.

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Profiling System

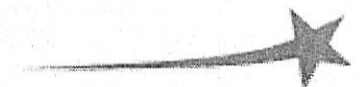
- Once a worker files for benefits, they are profiled to determine if they need job search assistance.
- Profiling is mandated by the U.S. Department of Labor.
- Elements of the profile include:
 - Occupation
 - Industry
 - Area of residence
 - Unemployment rate in their area of residence
- Workers profiled as likely to exhaust their benefits are put into a computer system, so the Workforce Centers can schedule appointments for the workers to receive services.

KANSAS
DEPARTMENT OF LABOR

Tutorial
help interview skills
Training - if approved training - still draw benefits

History of Workforce Center Registration

- This requirement was written in law in 1937.
- Much has changed since 1937.



Workforce Center Registration Today

- Claimants profiled as likely to exhaust unemployment benefits and selected for re-employment services must register at a public Workforce Center.
- This can be done either in person or on the Internet.
- These claimants are scheduled for appointments at the Workforce Center.
- All claimants, including those profiled and selected for re-employment services, must continue to meet all federal eligibility requirements for UI.

Consolidation of Workforce Centers

1981 = 53

2007 = 25

Monster
Careerbuilder

Laborready
Manpower

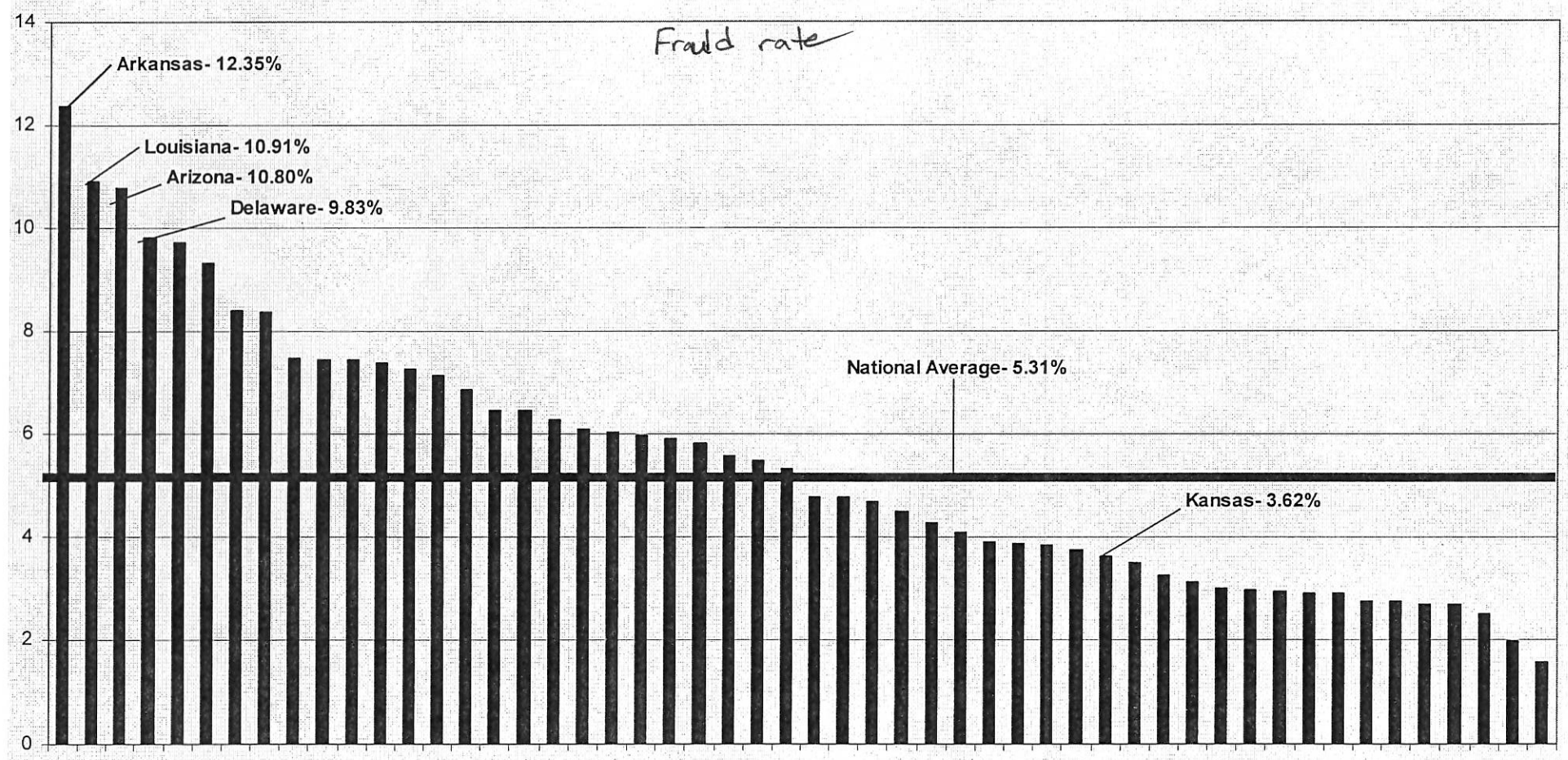
Kelley Services

Unemployment Fraud

- Kansas operational statistics
 - Kansas operational rate: 3.62% 2005
 - National operational rate: 5.31% 2005
- What is the operational rate?
- Kansas does well at preventing and detecting fraud.
- We are implementing new tools to improve fraud prevention and detection.
 - National Directory of New Hires cross match
 - Vital Statistics cross match

Payment of benefits to people who are working, or separated for a bad reason.

State by State Comparisons of BAM Operational Rates CY 2005

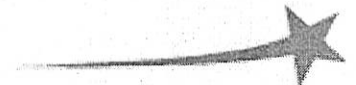


Source: U.S. Department of Labor

Technical Errors

- The issue in the audit is about technical errors in unemployment.
- These are technical errors because the claimants meet all the federal eligibility requirements for unemployment.

State requirement to register with work force center



Technical Errors Continued

- Kansas law required all unemployment claimants were required to register with the public Workforce Centers.
- Kansas laws says the Secretary of Labor can exempt workers from this requirement.
 - Workers on temporary layoff were exempted under K.A.R. 50-3-2(e).

Summer 2005 - came to Sec attention. - Angry, outraged
1937 law - not enforced for decades
No longer walk in.

How to address the problem

Practice out of sync with the law

Proposed New regulation - review - AG - joint comm

New Regulation

Nov. 2006

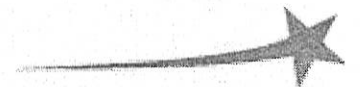
- The new regulation requires claimants profiled as likely to exhaust unemployment benefits and selected for re-employment services to register with a public Workforce Center.
- The regulation was reviewed and approved by:
 - Kansas Attorney General
 - Joint Legislative Committee on Rules and Regulations
 - U.S. Department of Labor
 - Other KDOL Stakeholders
- Presented in agency update to House and Senate Committees.



Automatic Registration

- KDOL is preparing to look into developing a way to automatically register claimants.
- Pursuing automatic registration will take time and additional resources.

New registration^{Rule} eliminated the need to
Spend the money to do this.
1100 Cobal programs



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Questions?

**KANSAS**
DEPARTMENT OF LABOR



KSAS DEPARTMENT OF LABOR

SSN:
BYB: 9-10-2006
MAILED: 10-25-2006
DOT: 00000000

YOU WERE NOTIFIED TO REPORT TO

EMPORIA WORKFORCE CENTER
512 MARKET ST
EMPORIA KS
66801-0707

ON DATE OCT 20, 2006

TIME 08:30-AM

YOU WERE SCHEDULED TO REPORT FOR SPECIAL EMPLOYMENT ASSISTANCE AS SHOWN. YOU HAVE FAILED TO KEEP THIS APPOINTMENT OR NOTIFY THE OFFICE OF YOUR REASON FOR NOT APPEARING.

THE KANSAS EMPLOYMENT SECURITY LAW REQUIRES THAT YOU APPEAR IN PERSON FOR SPECIAL EMPLOYMENT ASSISTANCE AS SCHEDULED BY THIS AGENCY.

BEFORE WE CAN DETERMINE IF YOU CONTINUE TO BE ELIGIBLE FOR BENEFITS, IT IS NECESSARY THAT YOU ADVISE US, ON THE REVERSE SIDE OF THIS FORM, YOUR REASON FOR FAILING TO REPORT AS SCHEDULED. IF IT IS DETERMINED THAT YOU HAD GOOD CAUSE FOR YOUR FAILURE TO REPORT, YOU WILL BE RESCHEDULED FOR THESE SERVICES.

FAILURE TO ANSWER WITHIN FIVE DAYS FROM THE DATE OF THIS NOTICE MAY RESULT IN DENIAL OF BENEFITS AND MAY CREATE AN OVERPAYMENT.

MAIL YOUR REPLY TO:

U. I. CALL CENTER
P O BOX 3539
TOPEKA KS
66601-3539
785-575-1460
1-800-292-6333

REPLY TO THIS ADDRESS
KANSAS DEPARTMENT OF LABOR
401 SW TOPEKA BOULEVARD
TOPEKA KS 66603-3182

OFFICE NUMBER: 710
SSN:
BYB: 7-18-2004
MAILED: 8-19-2004

PLEASE REPORT TO

WORKFORCE DEVELOPMENT CENTER
105 W EUCLID
PITTSBURG KS 66762-5115

REPORT DATE: SEP 01, 2004
TIME: 09:00 AM

TELEPHONE: (620) 231-4250

YOU HAVE BEEN SELECTED TO RECEIVE SPECIAL EMPLOYMENT ASSISTANCE THROUGH THE WORKER RE-EMPLOYMENT SERVICES PROGRAM. THIS PROGRAM IS DESIGNED TO PROVIDE UNEMPLOYMENT INSURANCE CLAIMANTS ASSISTANCE IN MAKING A SUCCESSFUL TRANSITION TO NEW EMPLOYMENT. TO RECEIVE ASSISTANCE AND TO MEET ELIGIBILITY REQUIREMENTS FOR CONTINUED BENEFITS, PLEASE VISIT THE OFFICE SHOWN ABOVE OR YOUR NEAREST WORKFORCE DEVELOPMENT CENTER ON THE DATE SHOWN ABOVE. WORKFORCE DEVELOPMENT CENTER STAFF WILL PROVIDE ASSISTANCE WITH YOUR RE-EMPLOYMENT NEEDS AND DETERMINE IF YOU ARE ELIGIBLE FOR RE-TRAINING ASSISTANCE DURING YOUR INTERVIEW. PLEASE BRING THIS LETTER WITH YOU.

PLEASE BRING ANY INFORMATION YOU MAY HAVE REGARDING EMPLOYMENT ASSISTANCE OR TRAINING YOU ARE CURRENTLY PARTICIPATING IN OR HAVE RECENTLY COMPLETED.

IF YOU FAIL TO REPORT AS SCHEDULED, YOUR UNEMPLOYMENT BENEFITS WILL STOP. IN ADDITION, A FAILURE TO REPORT COULD RESULT IN AN OVERPAYMENT OF BENEFITS PREVIOUSLY RECEIVED.

IF YOU HAVE RETURNED TO FULL-TIME WORK, COMPLETE THE EMPLOYER INFORMATION BELOW AND RETURN THIS FORM TO THE WORKFORCE DEVELOPMENT CENTER SHOWN ABOVE.

IF YOU ARE WORKING "PART TIME", YOU MUST STILL REPORT TO THE WORKFORCE DEVELOPMENT CENTER AT THE DATE AND TIME SHOWN ABOVE.

EMPLOYER NAME: _____ DATE RETURNED TO WORK _____
ADDRESS: _____
CITY/STATE: _____ ZIP CODE: _____
IS THIS JOB: _____ FULL TIME _____ PART TIME
SIGNED (CLAIMANT) _____ DATE: _____