

MINUTES OF THE SENATE COMMERCE COMMITTEE

The meeting was called to order by Chairman Susan Wagle at 8:30 a.m. on January 19, 2011, in Room 548-S of the Capitol.

All members were present.

Committee staff present:

Ms. Margaret Cianciarulo, Committee Assistant
Mr. Reed Holwegner, Kansas Legislative Research Department
Ms. Dorothy Noblit, Kansas Legislative Research Department
Mr. Ken Wilke, Kansas Office of the Revisor of Statutes

Conferees appearing before the Committee:

Mrs. Karin Brownlee, Acting Secretary, Department of Labor
Mr. Inayat Noormohmad, Director, LMIS & UI Divisions

Others attending:

See attached list.

Handout

Upon opening the meeting, Chairperson Wagle referred the Committee to the first sheet before them entitled, "Federal Advances on UI Loans", that was put together by Ms. Kathie Sparks, Deputy Secretary, Department of Labor in response to a request from the Chair during the January 13, 2011 meeting. The sheet lists all of the states that have borrowed funds from the US Treasury and how much they have borrowed. A copy of this handout is (Attachment 1) attached hereto and incorporated into the Minutes as referenced.

Introduction of bills

The Chair then called on Mrs. Karin Brownlee, Acting Secretary, Department of Labor, who requested the Committee introduce legislation before testifying. She stated some type of surcharge is needed to collect the interest due to the US Treasury in September of this year, and as they currently do not have a mechanism to collect this surcharge, this conceptual bill would be based on the work this Committee did last year to stabilizing the fund and meet the Federal requirement to pay back the loan.

Lastly, she has asked Mr. Inayat Noormohmad, Director, LMIS & UI Divisions, DOL to work on answering the following question, if we were to reduce the waiting week and the trailing spouse would that help reduce what employers have to pay?

A motion was made by Senator Steineger that the Committee introduce the proposed legislation. It was seconded by Senator Masterson and the motion carried.

Overview of the Department of Labor

Acting Secretary Brownlee then began her testimony listing the agency's responsibilities including the Unemployment Insurance Program, workers compensation, oversees job safety for public employees, and employment standards (ex. enforces the employment laws for Kansas.)

Regarding the Unemployment Insurance Program (UIP), in 2010 through State and Federal programs, the DOL paid out nearly \$1.2 billion in unemployment benefits to out of work UI claimants. She knows the benefits are critical for workers but the goal is to get people back to work in the private sector.

She offered a chart entitled, "What unemployment benefits are available" that outlines the progression of UI Benefit programs including:

1. Regular Programs – 26 weeks
2. Emergency Unemployment Compensation (EUC)
 - Tier 1 – 20 weeks
 - Tier 2 – 14 weeks

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- Tier 3 – 13 weeks

3. State Extended Benefits (EB – 13 weeks*)

(*EB will trigger off and cease to be available when the average seasonally adjusted total unemployment rate for the most recent three months period falls below 6.5%.)

Also, through the American Recovery and Reinvestment Act (ARRA) and the State and Federal programs, the maximum number of weeks of benefits available to UI claimants has reached 86. These were all additions to unemployment benefits which carried out Federal policy.

She went on to say with this unprecedented workload, it has created significant challenges to the Call Center. On Monday, January 10, the Call Center had over 24,000 forced disconnect phone calls and completed about 1500. They implemented a plan to drive more people to the internet creating GetKansasBenefits.com, making more phone lines available to first time claimants. They have a federal guideline to pay timely. This week, on their first day they answered 1,430 calls, their forced disconnect calls fell to 1,061, and with the increased traffic to the internet there were 1900 forms submitted on line. They are also looking at creating an evening shift. Also in creating Get Kansas Benefits on their website they noticed so much text it makes it difficult to use, so this is another project they will be redoing.

The Chair asked:

1. A question that ties the Call Center to the benefits, there was another extension of benefits recently passed, does this chart reflect that extension or did I hear you say that Kansas did not qualify for the last extension? (This reflects the extension of the three tiers only, we did not qualify for the fourth.)

2. Does the extension of the benefits from the federal government increase phone calls with people possibly thinking they might extend their benefits? (There are sets of questions we are trying to answer and steer people on line to look for those frequently asked questions (located under "Emergency Unemployment Benefits.) Is the trend of overall volume of new claims going down? (The problem is in January, we typically have an up swing but otherwise we are at 377.)

The Chair recognized Senator Merrick who asked how our benefits compare to other states, or is that determined by the federal government? (Referred the Committee to the sheet entitled "Unemployment Insurance Average Weekly Benefit Amount" and ranking states highest to lowest the average benefits for 2009, 2010 is not yet available. (Ms. Sparks said to remember benefits are tied to your threshold, meaning you have to have a higher income in Kansas to qualify for any benefits and the minimum threshold is higher in Kansas than most other states.)

A discussion ensued with Senators Masterson, Lynn, and Steineger, Ms. Kathie Sparks, Deputy Secretary, DOL and Mr. Inayat Noormohmad, Director, Labor market Information services (LMIS) & UI Divisions, DOL, and Acting Secretary Brownlee:

1. The Chair asked about part time or low wage employees? (In terms of looking at calculating your unemployment benefits, we look at the base period wages. There is a minimum qualification because your minimum weekly amount of benefits is \$108 and you have to have earned a certain amount which is 108 X 30, which is about three thousand plus dollars in one quarter in the past five quarters to qualify to receive unemployment benefits.) Who sets this threshold? (It is state policy.) A comment was made, if you are that low of an income level you are most likely on other forms of assistance than unemployment which would be unnecessary.

2. The Chair commented that on this sheet of paper the benefits are high for Kansas and we are being told that in comparison to other states they are low. We are hearing from employers saying their employment costs are much higher than other states. (Texas is different from every other jurisdiction in that they bond everything so the employer has a longer period of time to pay that amount out. The Committee was then referred to Attachment 1 as Texas may not be a fair comparison.)

3. Referring back to the chart, Unemployment Insurance Average Weekly Benefit Amount, Senator Steineger feels there should be a sheet 2 and sheet 1 showing the threshold qualifications so you could compute and look at sheet 2, saying this is not a request, but might be easier to understand. (As this whole

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process is confusing, staff would offer a UI workshop with Ms. Sparks and Mr. Noormohmad assembling Q & A ahead of time.)

Continuing on with her testimony, Acting Secretary Brownlee covered the Unemployment Insurance Modernization (UIM) project which is a \$50M computer rebuild project, and despite the fact that six years have passed, the ultimate goal that began back in 2004 has not been reached. She did, however, share some of the accomplishments of the UIM project including:

1. UI debit cards – we got out of the check-writing business. Estimated saving of \$300,00 annually, however given the surge in unemployment claims, the saving has topped 41M in the first year. (2008.)
2. Federal New Hires Fraud Cross-Match- again in 2008, they implemented and began cross-matching federal new hires data to the state new hires fraud match program increasing the possibility of detecting fraud.
3. Automatic Registration - if you apply on line or phone you are connected with the Kansas Workforce Centers and their services allowing the DOL to reach more individuals, re-train them, and get them back into the workforce sooner.
4. Customer service projects – added a customer survey to the online initial application.

With the above approaches, specific parts of the project have been implemented to assist the workload including:

1. Claimants able to update their address, phone number and e-mail address online, reducing the number of calls to the Call Center;
2. Can reset user name and password on line;
3. Streamlined the online process making it easier to understand and take less time to complete.
4. Implemented a fax service at the contact Center, electronically routing information faxed into the agency.

Next, regarding the Unemployment Insurance Trust Fund, she stated Ms. Sparks had testified before the Committee on January 13 on this issue. Ms. Sparks also covered the process of receiving Title X11 loans from the Federal Unemployment Account, the effect the recession has had on employer tax rates, and the impact of **HB2676** which amended the Employment Security Law regarding contribution rates, penalties, and interest. However, she said this interest-free provision in the bill may have negatively impacted some Kansas employers, as contributions paid after July 31st were not factored into the calculation of their account balance and consequently, the determination of their CY2011 tax rate. She recommends this provision which is currently in effect through CY2011, be considered by the Legislature.

Lastly she covered the Work Compensation Annual Statistical Report offering a chart showing “Kansas Total Occupational Injuries and Illnesses by Severity” and the work place safety and health programs including “The Safety and Health Achievement Recognition Program (SHARP) and the Kansas State Safety Award Program (Ksafe.) A copy of her testimony and handouts is (Attachment 2) attached and incorporated into the Minutes as referenced.

Questions and comments came from:

1.Senator Merrick suggested the Secretaries get together and decide as a group, what direction we need to go regarding the IT's, for example, do we all need our own programs? (Need to move to CLOUD computing where someone is creating a server capacity that you need and we need to get off the mainframe.)

2. The Chairperson asked how many ITs do you have for this \$40M computer? (72 plus an additional five in workers comp.) Has there been communication with payroll software companies, for example when

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filing corporate tax, the DOL form was rejected on each page, and when the software company was contacted, they said Kansas had not returned the call to tell them the form was acceptable. (Will check into this.).

As there were no further questions or discussions, the Chairperson recognized Mr. Noormohmad, who offered updates of the Labor Market Information Services (LMIS) and Unemployment Insurance (UI), Kansas DOL including charts showing:

- A. Total Non farm employment in Kansas & the U.S. (Jan.2000 to Nov. 2010)
- B. Manufacturing employment in Kansas &the U.S (Jan. 2001 to Nov. 2010)
- C. Seasonably adjusted unemployment rate in Kansas & the U.S. (Jan. 2000 to Nov. 2010)
- D. Unemployment insurance - initial claims by Program in Kansas (Jan. 2005 to Nov. 2010)
 - benefit payments by program in Kansas (2006 – 2010)
 - trust fund balance by month (Jan. 1994 – Dec. 2010)
- E. Lastly, a history on on the UI Divisions

A copy of his testimony is (Attachment 3) attached and incorporated into the Minutes as referenced.

Adjournment

The meeting was adjourned at 9:31 a.m with the next meeting scheduled for January 25, 2011.

Federal Advances on UI Loans

As of: January 12, 2011

Alabama	\$234,132,413.05
Arizona	\$280,455,183.05
Arkansas	\$330,853,383.31
California	\$10,058,274,233.37
Colorado	\$477,093,944.82
Connecticut	\$584,187,705.05
Delaware	\$41,838,456.48
Florida	\$2,055,500,000.00
Georgia	\$601,500,000.00
Idaho	\$202,401,700.22
Illinois	\$2,578,262,918.81
Indiana	\$2,039,033,357.77
Hawaii	\$36,715,882.76
Kansas	\$88,159,421.40
Kentucky	\$838,700,000.00
Massachusetts	\$92,313,332.10
Michigan	\$3,710,300,954.73
Minnesota	\$630,805,176.00
Missouri	\$780,173,350.22
Nevada	\$668,557,535.20
New Hampshire	\$444,314.15
New Jersey	\$1,775,998,259.31
New York	\$3,413,270,817.95
North Carolina	\$2,624,750,667.93
Ohio	\$2,314,186,799.00
Pennsylvania	\$3,245,004,364.19
Rhode Island	\$225,472,937.00
South Carolina	\$919,507,771.59
Vermont	\$50,730,402.60
Virginia	\$397,226,000.00
Virgin Islands	\$18,332,531.54
Wisconsin	\$1,475,275,589.47
Totals	\$42,789,459,403.07

Note: The states of Maryland, South Dakota, Tennessee and Texas have repaid their Loans in total or have received prior authorization to borrow but have not as of this date borrowed any funds.

*Senate Commerce Committee
Date: January 19, 2011
Attachment 1*

**Testimony before the
Senate Committee on Commerce
Karin Brownlee
Secretary of Labor
19 January 2011**

Chairwoman Wagle and Members of the Committee:

Welcome back and thank you for providing me the opportunity to present an update of activities within the Kansas Department of Labor.

The agency has many responsibilities:

- Unemployment Insurance Program
 - Processing claims for benefits and collecting unemployment taxes to fund the system
- Workers Compensation
- Industrial Safety and Health
 - Offers free workplace safety consultations for private employers
 - Oversees job safety involving public employees
- Employment Standards
 - Enforces the employment laws for Kansas including Child Labor laws and the Wage Payment Act
- Labor Market Information Services
 - Compiles data on the workforce and industries in Kansas
- Oversees Public Acts
 - Public Employers and Employees Relations Act
 - Public Negotiations Act
- Our customers are the 73,000 employers and the over 1.4 million workers in Kansas

Unemployment Insurance Program

The Unemployment Insurance (UI) Program has worked with thousands of Kansans and Kansas families to ensure they have unemployment benefits.

The director of our Labor Market Information Services division, Inayat Noormohmad, has put together some charts that will outline how the recession has impacted the unemployment insurance program, which he will be sharing with you momentarily.

In 2010, through State and Federal programs, we paid out nearly \$1.2 billion in unemployment benefits to out-of-work UI claimants. These payments are critical for laid off workers and the cash infusion is considered helpful to our economy.

I have included in the appendix a chart that outlines the progression of UI Benefit programs. Through the American Recovery and Reinvestment Act (ARRA) and other State and Federal programs, the maximum number of weeks of benefits available to UI claimants has reached 86:

- Regular Program – 26 weeks

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- Emergency Unemployment Compensation (EUC)
 - Tier I – 20 weeks
 - Tier II – 14 weeks
 - Tier III – 13 weeks
- State Extended Benefits (EB) – 13 weeks*
 - *State Extended Benefits will trigger off and cease to be available when the average seasonally adjusted total unemployment rate for the most recent three month period falls below 6.5%.

While we've been responding to this unprecedented workload, it has created some significant challenges in the Contact Center. Our Customer Service is not functioning at the level that I would like it to be. However, each of our staff members is responding to this workload increase, as we are taking significant measures and implementing new strategies to address these challenges. For example, beginning this week, we have:

- Revised our www.GetKansasBenefits.com website for increased ease of use
- Modified our policies regarding UI claimant inquiries to reduce the number of individuals waiting on hold with the Contact Center
- Created an online form on which claimants can submit their inquiries
- Set the goal of responding to all claimant inquiries within 72 hours

Though these changes became effective only yesterday, they appear to be having a positive effect on agency efficiency and the experience of our claimants. For example, on Monday, Jan. 10th, more than 24,000 calls were forced disconnected from the Contact Center. As of midday on Tuesday, Jan 18th, just 454 calls were forced disconnected.

Unemployment Insurance Modernization (UIM) project

The UIM project originally began in 2004 in the aftermath of the challenges the agency encountered in implementing the federal Temporary Extended Unemployment Compensation (TEUC) program that Congress created during the recession of 2002-03. Despite the fact that six years have passed since its inception, the ultimate goals of the project have not yet been reached. Additionally, expenditures and obligations for the UIM project combined exceed \$50 million. Going forward, we will be doing a detailed cost/benefit analysis of the UIM project and determining the added value that each proposed change related to UIM will bring to the State of Kansas.

Let me share some of the accomplishments of the UIM project:

- *UI Debit Cards*—On November 17, 2008, KDOL got out of the check-writing business. We now make all payments using debit cards. This change means significant savings for our agency. It was initially estimated to save \$300,000 annually in operational costs. However, given the surge in unemployment claims, the savings has topped \$1 million in the first year.

- *Federal New Hires Fraud Cross-Match*—In 2008, we implemented and began cross-matching federal new hires data to the state new hires fraud cross-match program. This increased the possibility of detecting fraud.
- *Automatic Registration*—Anyone who applies online or by phone for unemployment benefits are automatically registered with KANSASWORKS.com. We implemented this program in July 2009. This connects unemployed claimants with the Kansas Workforce Centers and their services, allowing us to reach more individuals; retrain them, and get them back into the workforce sooner.
- *Customer service projects*—In November 2009, we recognized the importance of our customers' feedback and added a customer survey to the online initial application. We now gather the claimant feedback and use it for future enhancements to the online site as well as other customer service applications.

With these approaches, specific parts of the project have been implemented to assist the workload:

- *Change personal information*—Claimants can now update their address, phone number, and e-mail address online. This reduces the number of calls to the Contact Center.
- *Reset username and password online*—Our customers now have access to their online account to reset their username and password. This too reduces Contact Center calls.
- *Streamlined online application*—We have streamlined the online application making it easier to understand and take less time to complete. We have also begun a marketing campaign to encourage claimants to apply online rather than by phone.
- *Fax server*—KDOL has implemented a fax server at the Contact Center. This electronically routes information faxed into the agency. The goal is to eliminate manual work and distribute information more quickly.

Unemployment Insurance Trust Fund

Kathie Sparks, the newly appointed Deputy Secretary of the Kansas Department of Labor testified before you on January 13th regarding the unemployment insurance Trust Fund, the process of receiving Title XII loans from the Federal Unemployment Account, the affect that this recession has had on the employer tax rates, and the impact of House Bill 2676. As such, I'll not belabor you with information which has previously been provided, but simply highlight some important considerations for the coming year.

As you'll recall, the Legislature enacted 2010 HB 2676 which amended the Employment Security Law regarding contribution rates, penalties, and interest. The law provides that for calendar year 2010 and 2011, the charge for contributing employers in rate groups 1 through 32 be that of the 2010 original tax rate computation table which lowered the amount of funding coming into the trust fund. Additionally, contributing employers in rate groups 33 through 51 are capped at a 5.4 percent contribution rate, which is the statutory maximum rate allowed for positive balance employers. In addition, employers have 90 days past the due date to file their contribution without being charged interest for the first three quarters of each of the two years.

However, this interest-free provision may have negatively impacted some Kansas employers, as contributions paid after July 31st were not factored into the calculation of their account balance, and consequently, the determination of their CY 2011 tax rate. As such, I recommend that this provision which is currently in effect through CY 2011 be reconsidered by the Legislature.

Labor Market Information Services

Our Labor Market Information Division operates pursuant to a cooperative agreement with the U.S. Bureau of Labor Statistics and in accordance with BLS guidelines to compile statistics on the labor market in Kansas—estimates on the labor force, employment levels, unemployment rates, wages paid, and projections of future occupation trends. Again, the LMIS Director will be highlighting a few of the services LMIS offers. I have also enclosed brochures concerning several of these reports.

Workers Compensation

The Workers Compensation 36th Annual Statistical Report provides the following information:

Table 2-1
Kansas Total Occupational Injuries & Illnesses by Severity
FY 1995 – FY 2010

Fiscal Year	No Time Lost Injuries & Illnesses		Time Lost Injuries & Illnesses		Fatal Injuries		Total Injuries & Illnesses
	Total No Time Lost	% of Total Injuries & Illnesses	Total Time Lost	% of Total Injuries & Illnesses	Total Fatal	% of Total Injuries & Illnesses	
FY 1995	52,473	55.49%	42,030	44.44%	67	0.07%	94,570
FY 1996	68,674	71.79%	26,929	28.15%	60	0.06%	95,663
FY 1997	73,415	75.14%	24,220	24.79%	64	0.07%	97,699
FY 1998	63,071	63.77%	35,767	36.16%	70	0.07%	98,908
FY 1999	68,995	72.07%	26,674	27.86%	61	0.06%	95,730
FY 2000	71,327	79.21%	18,653	20.71%	69	0.08%	90,049
FY 2001	64,533	75.97%	20,368	23.98%	44	0.05%	84,945
FY 2002	52,549	72.16%	20,223	27.77%	53	0.07%	72,825
FY 2003	55,101	80.87%	12,994	19.07%	42	0.06%	68,137
FY 2004	48,298	75.03%	16,032	24.90%	44	0.07%	64,374
FY 2005	36,335	56.11%	28,369	43.81%	57	0.09%	64,761
FY 2006	37,619	56.60%	28,800	43.33%	50	0.08%	66,469
FY 2007	37,444	54.10%	31,718	45.83%	49	0.07%	69,211
FY 2008	38,778	55.19%	31,442	44.75%	43	0.06%	70,263
FY 2009	32,076	50.81%	31,020	49.14%	34	0.05%	63,130
FY 2010	27,401	47.09%	30,741	52.83%	46	0.05%	58,188

Source: Kansas Division of Workers Compensation

Workplace safety and health programs

KDOL is committed to making workplace safety a top priority for the State of Kansas and offers consultative services to employers in an effort to help them prevent injuries and illnesses in the workplace.

Kansas has two programs that recognize employers and businesses for their dedication to workplace safety.

- **The Safety and Health Achievement Recognition Program (SHARP)** is a partnership with OSHA designed to recognize businesses that have worked with KDOL to develop exemplary safety programs. These are the premier worksites for safety. Companies that achieve the SHARP designation are exempt from OSHA inspections for two years. Kansas has the second most SHARP worksites in the nation. Some of our 2010 KSafe Award recipients include:

- ADM Grain (Trousdale), Belpre
- Bradbury-Cust. Rollforming, Moundridge
- Farmway CO-OP, Inc., Clay Center
- Farmway CO-OP, Inc., Lincoln
- Farmway CO-OP, Inc., Glen Elder
- Farmway CO-OP, Inc., Cawker City
- Farmway CO-OP, Inc., Hunter
- Farmway CO-OP, Inc., Vesper
- Farmway CO-OP, Inc., Leonardville
- Farmway CO-OP, Inc., Denmark
- Farmway CO-OP, Inc., Miltonvale
- Farmway CO-OP, Inc., Tipton
- Farmway CO-OP, Inc., Westfall
- Good Samaritan Society, Hutchinson
- Good Samaritan Society, Liberal
- Southern Pioneer Electric, Liberal
- Southern Pioneer Electric, Medicine Lodge
- Tension Envelope, Marysville
- The Bradbury Company, Moundridge
- The Scoular Company, Goodland
- Underground Vaults, Hutchinson

- **The Kansas State Safety Award Program (KSafe)** recognizes private employers across the state who are dedicated to providing safe work environments for their employees and who have reached major milestones in their safe operations (100,000 hours, 500,000 hours and 1 million work hours without a lost time injury). The awards are given based on the number of hours an employer has avoided a workplace injury. Some of our 2010 KSafe Award recipients include:

- **100,000 work hours accident free**
Bettis Asphalt and Construction, Topeka
Camoplast Rockland, Ltd, Emporia
Industrial Insulation Services, Inc., El Dorado
Jostens, Topeka
Team Stanley, Ft. Riley

- **500,000 work hours accident free**
 Collins Bus Company, Hutchinson
 Creekstone Farms, Arkansas City
 Exline Inc., Salina
 Flame Engineering, LaCrosse
 Kansas Ethanol LLC, Lyons
 Natoma Corp., Norton
 Schwan's Logistics, LLC, Salina
 Skyline Corp, Arkansas City
 Solomon Corp., Solomon
- **1,000,000 work hours accident free**
 Cargill-Hutchinson Salt, Hutchinson

If you have any questions regarding the testimony provided, or about operations within the Kansas Department of Labor, please feel free to contact me by email at Karin.Brownlee@dol.ks.gov or by phone at 785-296-7474.

Furthermore, if you have constituent inquiries which require assistance from KDOL, please contact Jenna Keesling by email at Jenna.Keesling@dol.ks.gov or by phone at 785-296-7474.

What unemployment benefits are available?

Up to 86 weeks of unemployment benefits available



26 weeks	20 weeks	14 weeks	13 weeks	13 weeks
Regular Unemployment Benefits	Emergency Unemployment Compensation 2008 (EUC 08) Benefits	Tier II EUC Benefits	Tier III EUC Benefits	State Extended Benefits (EB)
<ul style="list-style-type: none"> ★ Available for up to 26 weeks (length depends on employment history and earnings) ★ To receive unemployment benefits, you must be: <ul style="list-style-type: none"> • Able and available to work • Actively seeking employment • Unemployed due to no fault of your own 	<ul style="list-style-type: none"> ★ Program began July 6, 2008 ★ Up to 20 weeks of extended unemployment benefits are available under the Emergency Unemployment Compensation (EUC08) Act. ★ Workers potentially eligible for extended benefits: <ul style="list-style-type: none"> • Have filed a valid UI claim and exhausted all regular UI benefits • Have no rights to regular compensation • Have had 20 weeks of full-time insured employment or the equivalent in insured wages • Are fully or partially unemployed on or after July 6, 2008 and meet all eligibility criteria such as being ready, willing and able to work ★ If you were moved to the EB program while waiting for Congress to extend the deadline to apply for EUC, you must exhaust those EB benefits before moving back to the EUC program. 	<ul style="list-style-type: none"> ★ Effective June 7, 2009 ★ Originally provided up to 13 weeks of additional benefits. ★ Legislation passed on Nov. 6, 2009, extended the total weeks available from 13 to 14. One-week extension effective week ending Nov. 14, 2009. ★ Nov. 6 legislation removed a requirement that the state's average seasonally adjusted unemployment rate be 6.0 percent or higher for three consecutive months in order to trigger on to the program. ★ If you received EUC Tier I benefits, you are likely to be eligible for Tier II benefits. <ul style="list-style-type: none"> • If eligible, benefits will roll over from Tier I to Tier II and claimants will not need to fill out an additional application ★ If you were moved to the EB program while waiting for Congress to extend the deadline to apply for EUC, you must exhaust those EB benefits before moving back to the EUC program. 	<ul style="list-style-type: none"> ★ Effective Nov. 8, 2009 ★ Up to an additional 13 weeks of benefits are available under Tier III EUC. ★ To be eligible for Tier III benefits, individuals must meet the following criteria: <ul style="list-style-type: none"> • Exhausted regular state unemployment insurance benefits and Tier I and II EUC benefits • Not eligible for a new state unemployment insurance claim in any state or in Canada ★ If you were moved to the EB program while waiting for Congress to extend the deadline to apply for EUC, you must exhaust those EB benefits before moving back to the EUC program. 	<ul style="list-style-type: none"> ★ The first week a Kansas claimant was eligible for state extended benefits was the week ending August 8, 2009. ★ Up to 13 weeks of additional benefits are available through the State Extended Benefits program. ★ The program kicks in when the state's seasonally adjusted unemployment rate is 6.5% or more for three consecutive months. The program remains in effect until the state's seasonally adjusted unemployment rate drops below 6.5%. ★ To be eligible you must meet the following criteria: <ul style="list-style-type: none"> • Exhausted regular state unemployment insurance benefits, EUC Tier I, II and III benefits • Not eligible for a new state unemployment insurance claim in any state or in Canada ★ If you haven't exhausted all EUC benefits and were moved to the EB program while waiting for Congress to extend the deadline to apply for EUC, you must exhaust those EB benefits before moving back to the EUC program.
Funded 100% with State UI Trust Fund	Funded 100% with Federal Funds	Funded 100% with Federal Funds	Funded 100% with Federal Funds	Funded 100% with Federal Funds through the week ending Jan. 7, 2012,

Unemployment Insurance Average Weekly Benefit Amount
Calendar Year 2009
All States and Territories

State	AWBA	State	AWBA
Hawaii	\$423.02	Vermont	\$306.33
Massachusetts	\$419.18	Virginia	\$304.01
Washington	\$401.51	District of Columbia	\$303.01
New Jersey	\$395.73	New Mexico	\$300.29
Rhode Island	\$382.96	Oklahoma	\$295.38
Colorado	\$360.96	Wisconsin	\$287.50
Minnesota	\$359.95	Georgia	\$283.03
Kansas	\$354.38	New Hampshire	\$282.65
Pennsylvania	\$352.16	Maine	\$281.62
Wyoming	\$347.40	Arkansas	\$281.53
Connecticut	\$342.16	Idaho	\$275.40
Illinois	\$327.86	West Virginia	\$271.76
Virgin Islands	\$327.34	Montana	\$270.27
Texas	\$324.98	Delaware	\$261.80
Ohio	\$321.01	Missouri	\$256.41
Utah	\$320.77	South Dakota	\$253.90
Iowa	\$319.76	South Carolina	\$250.08
Nevada	\$317.36	Nebraska	\$249.45
New York	\$314.51	Florida	\$237.58
Oregon	\$313.26	Alaska	\$234.86
Maryland	\$310.90	Louisiana	\$230.74
California	\$310.56	Tennessee	\$226.36
North Dakota	\$310.52	Arizona	\$220.17
Michigan	\$308.68	Alabama	\$208.04
Kentucky	\$307.64	Mississippi	\$195.63
Indiana	\$306.90	Puerto Rico	\$115.34
North Carolina	\$306.70		

Source: US Department of Labor, Employment and Training Administration

www.dol.ks.gov



KANSAS
DEPARTMENT OF LABOR

**Labor Market Information Services (LMIS)
Unemployment Insurance (UI)
Kansas Department of Labor**

Brief Updates

**Kansas Senate Commerce Committee
January 19th, 2011**

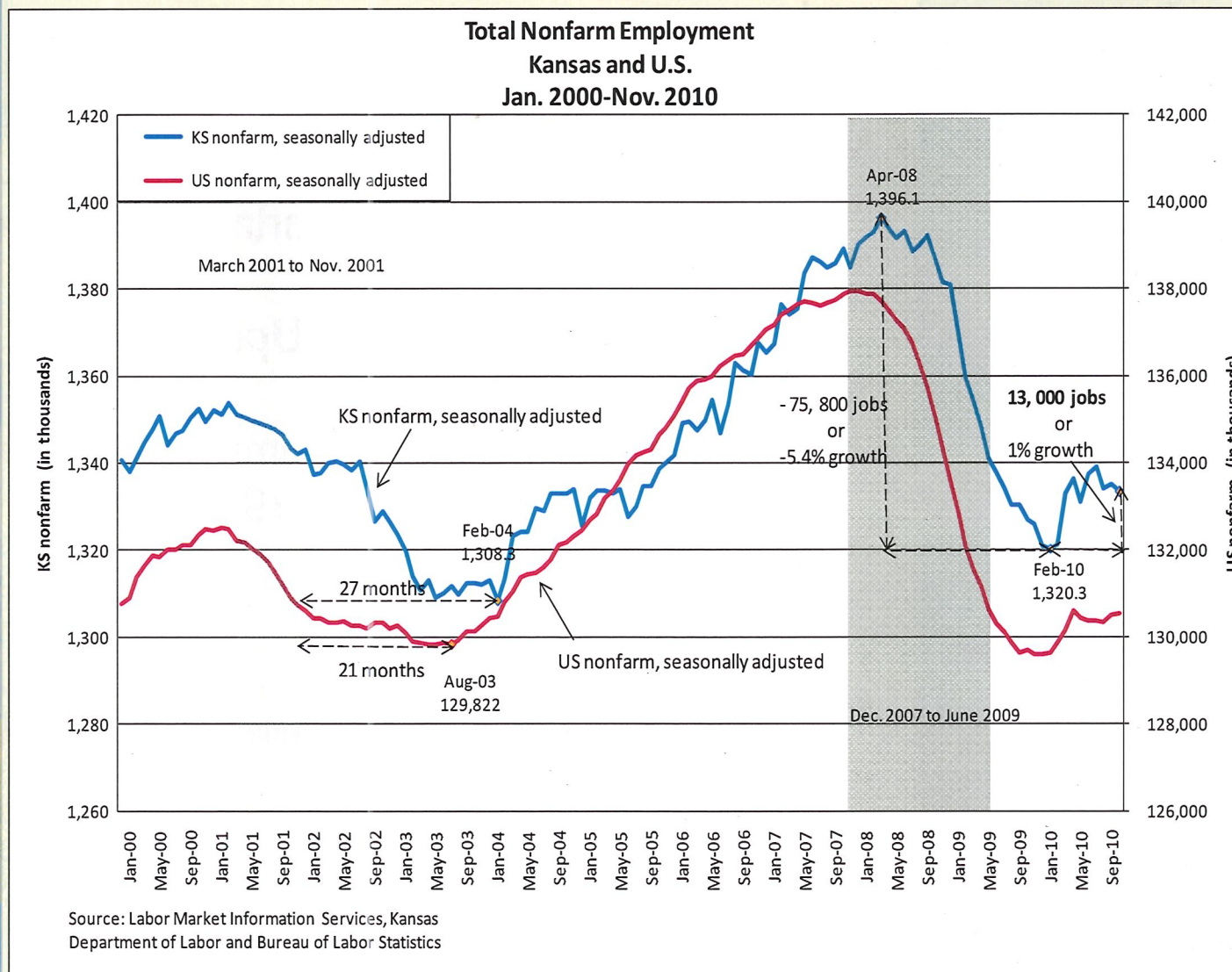
**Karin Brownlee,
Secretary, Kansas Department of Labor**

**Inayat Noormohmad
Director, LMIS & UI Divisions**

*Senate Commerce Committee
Date: January 19, 2011
Attachment 3*

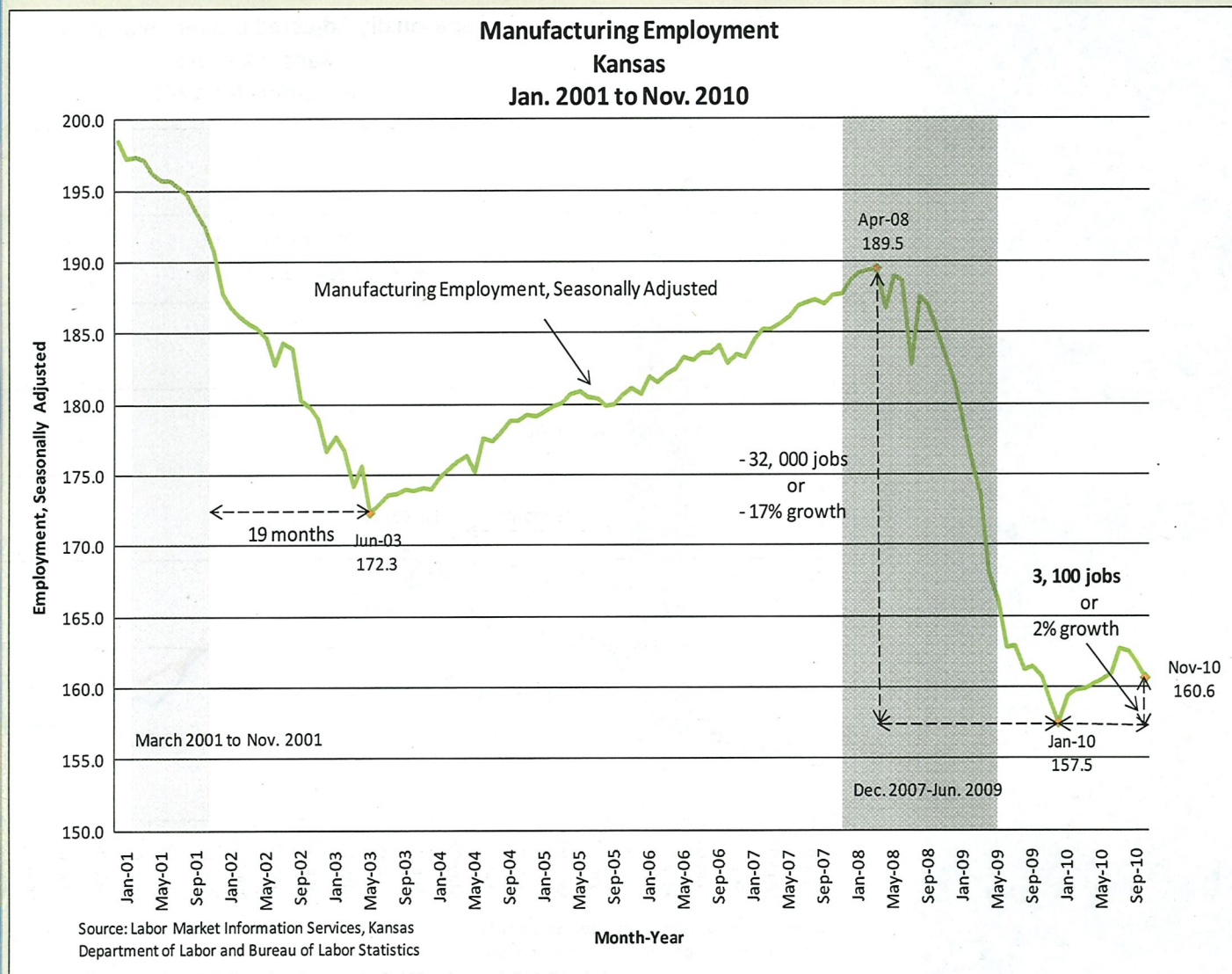


Nonfarm Jobs in Kansas & U.S.



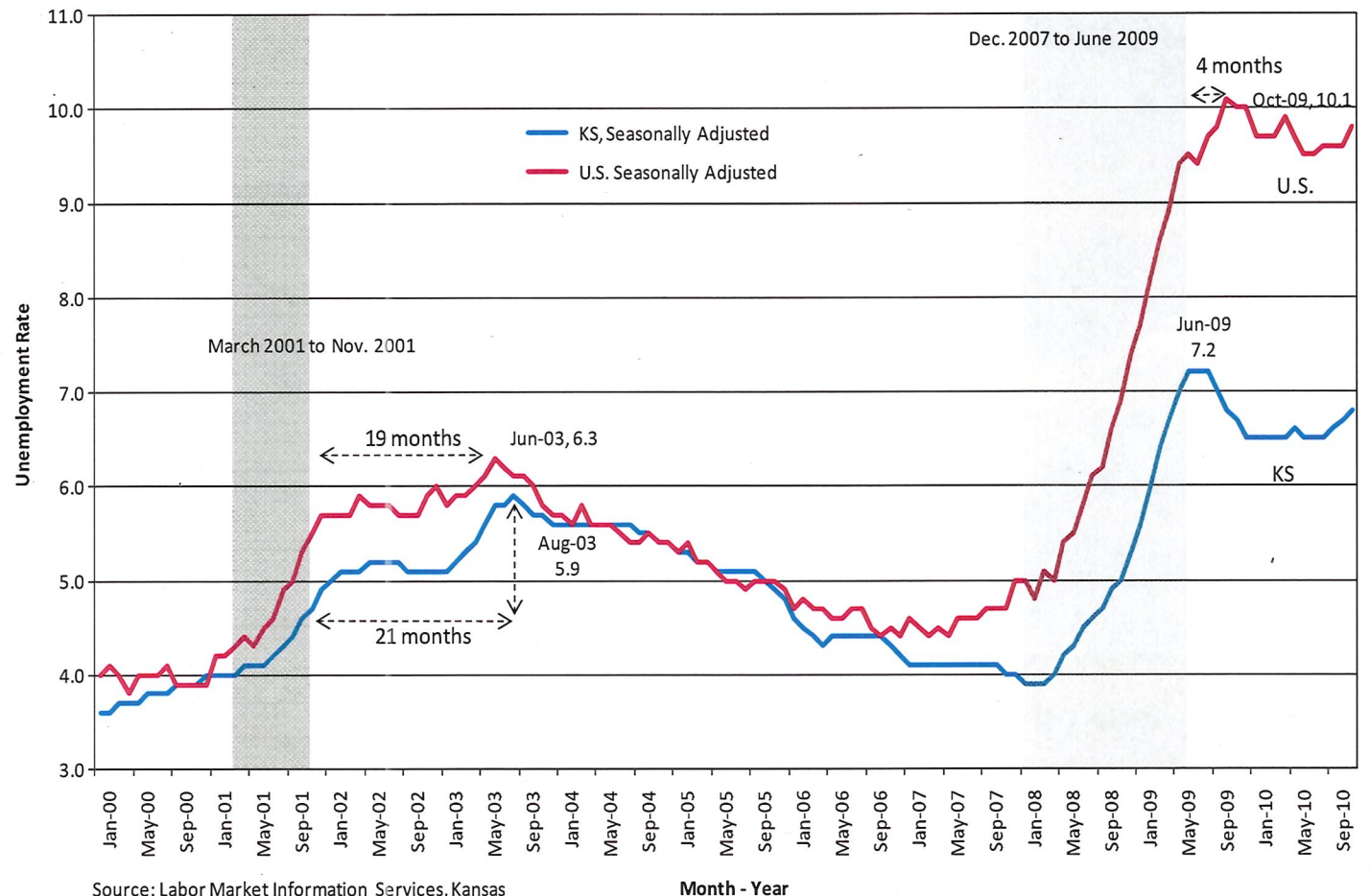
Manufacturing Jobs

3-3

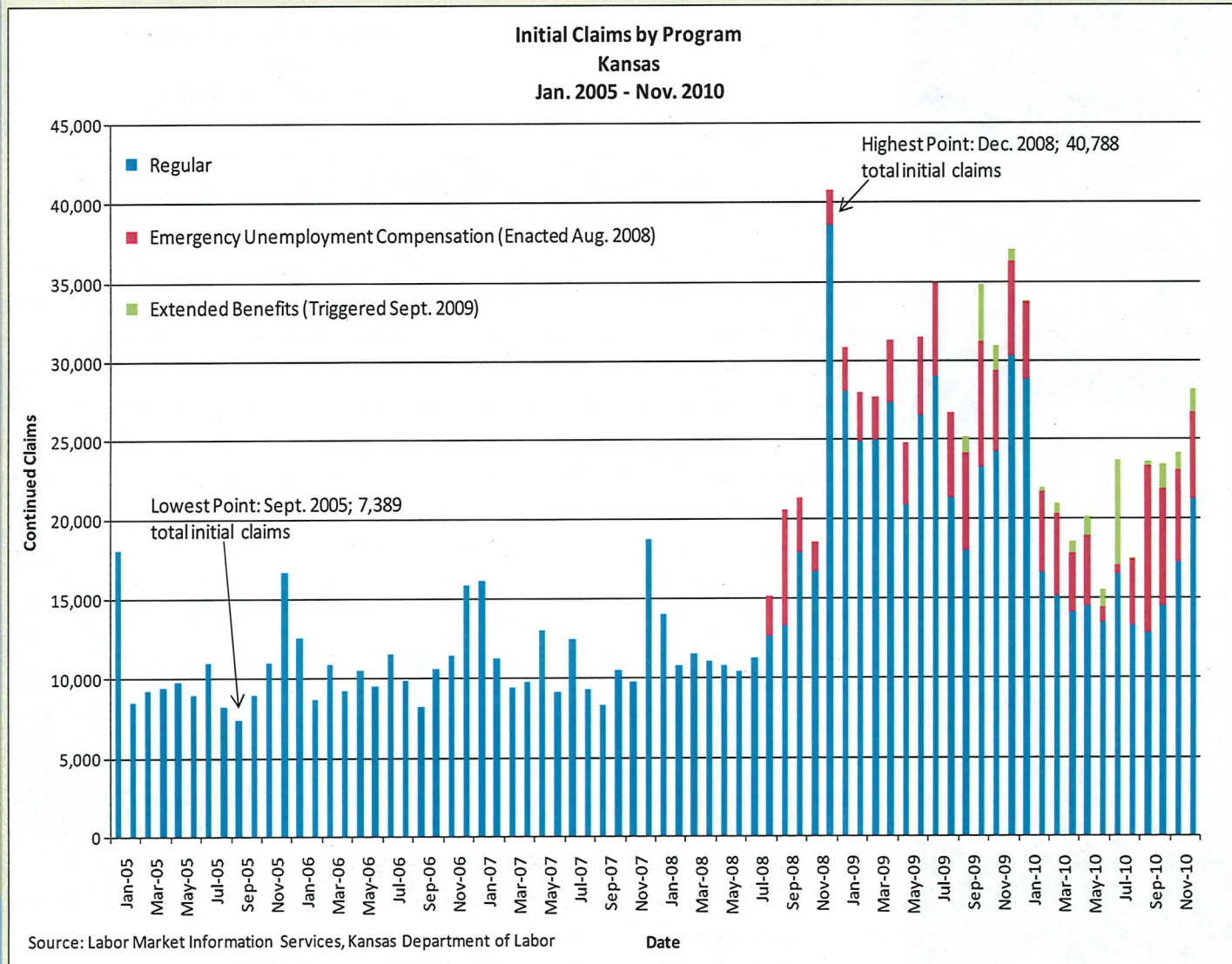


Unemployment Rate

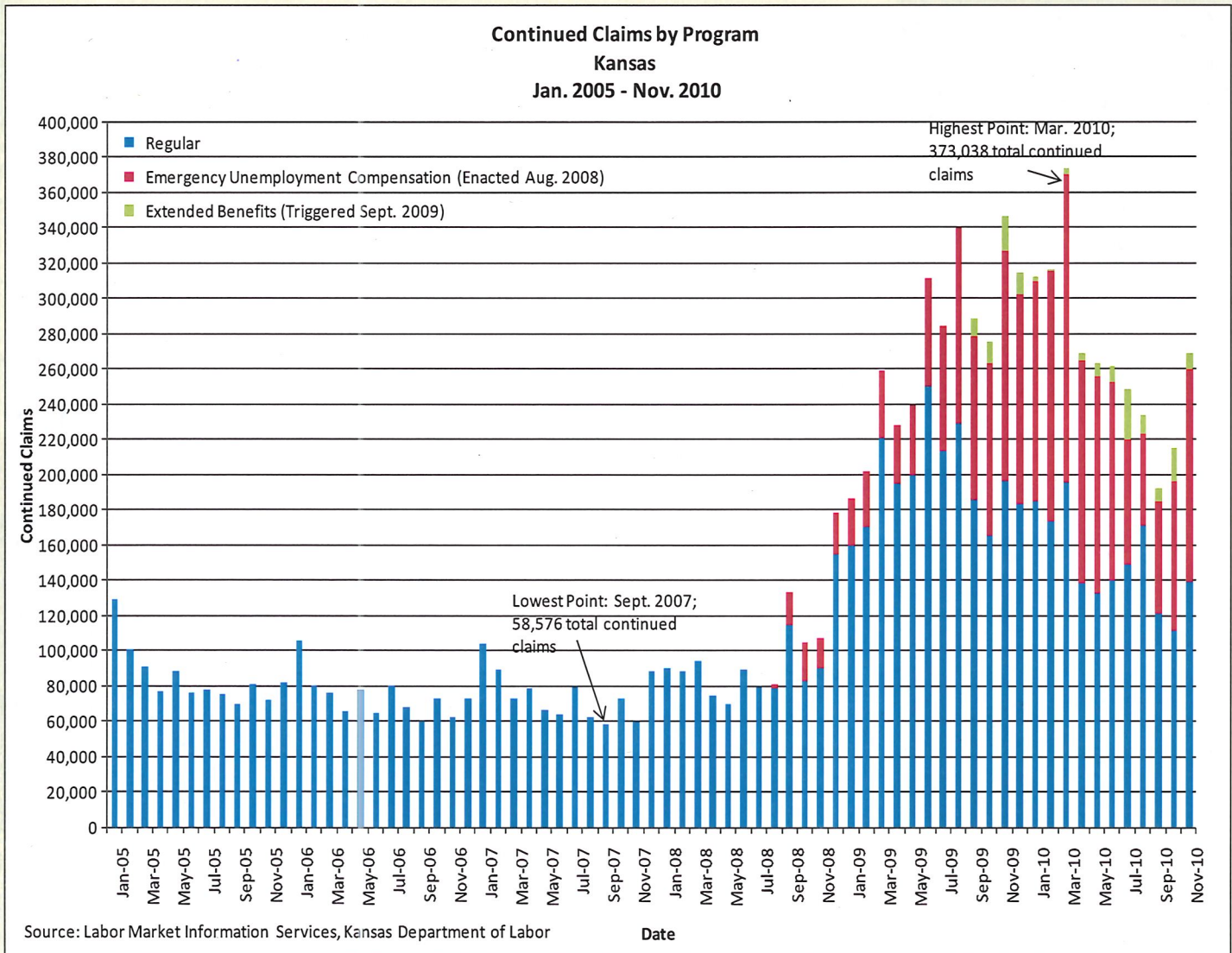
Seasonally Adjusted Unemployment Rate
Kansas and U.S.
Jan. 2000 - Nov. 2010



Unemployment Insurance - Initial Claims

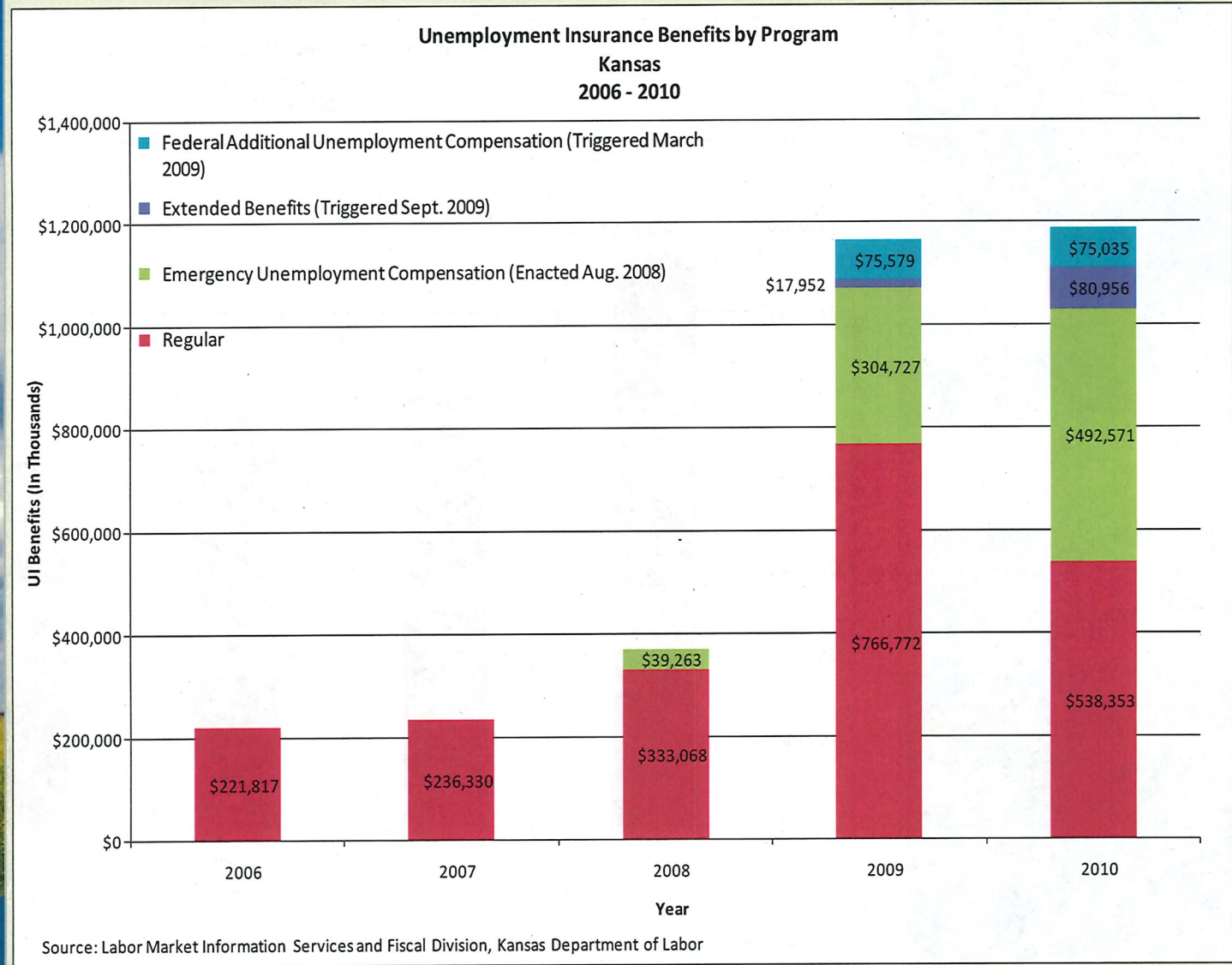


Unemployment Insurance - Continued Claims

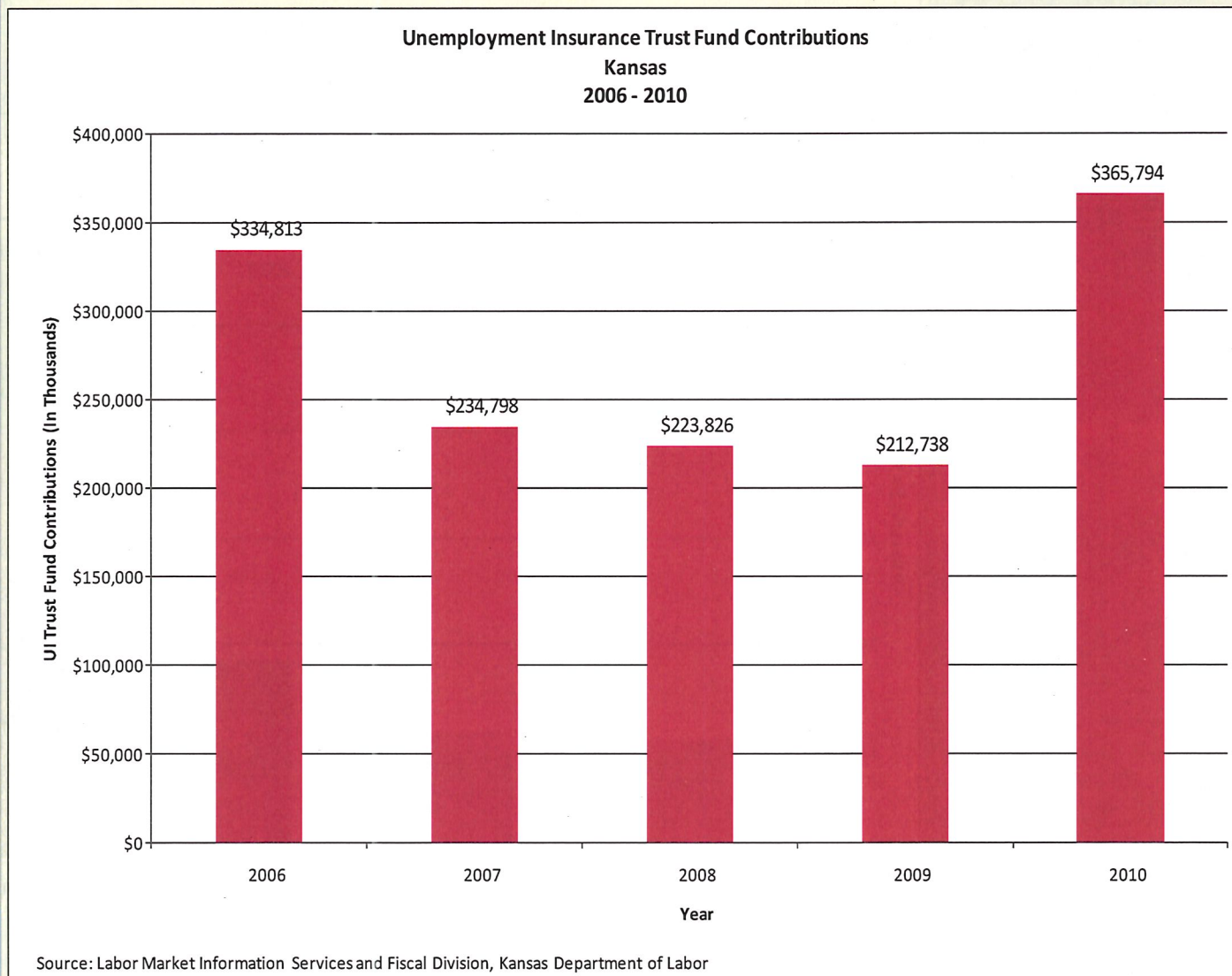


Unemployment Insurance - Benefit Payments

6.8



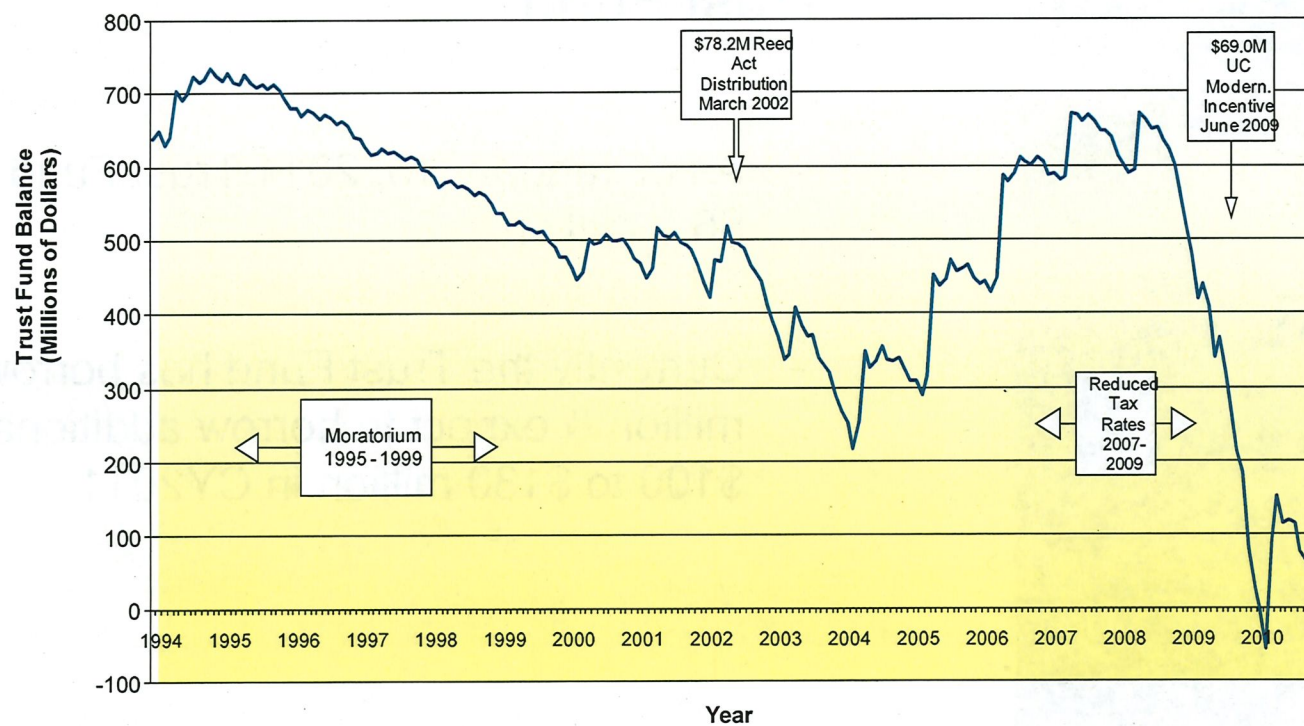
Unemployment Insurance - Contributions/Tax



Unemployment Insurance - Trust Fund

3-9

Trust Fund Balance by Month
January 1994 - December 2010



Unemployment Insurance - Trust Fund

- Trust Fund
 - As of January 15, 2011 Trust Fund balance was \$6.7 million
 - Currently the Trust Fund has borrowed \$88.2 million & expect to borrow additional approximately \$100 to \$130 million in CY2011

Labor Market Information Services Division

- Statistical branch of the Kansas Department of Labor
 - Serve as state partners with Federal-State partnership with U.S. Department of Labor
- Collect Labor Market Statistics
 - Unemployment rate, Jobs by industry
 - Employment data by employer, economic report
 - Future jobs and skills, job vacancies in Kansas
- Working with other workforce development partners on multitude of projects



Labor Market Information Services Division

- Recent Publications
 - November 2010 Labor Report
 - 2010 Kansas Wage Survey
 - 2010 Kansas Economic Report
 - 2010 Job Vacancy Survey
 - Kansas Green Jobs Survey

Unemployment Insurance (Performance, Tax & Appeals) Division

- Key Responsibilities include
 - Provide employer services to more than 73,000 employers
 - Employer account maintenance
 - Respond to appeals from employers regarding tax rates and other matters
 - Process quarterly wage reports
 - Provide statistical performance evaluation for UI operations
 - Ensuring federal requirements are met for UI operations
 - Hold hearings for employers and employees
 - Perform Audits & Investigations of employers



Unemployment Insurance (Performance, Tax & Appeals) Division

- Better Service for Employers

- Moving employer data from mainframe to web based system for easy access and self-service
- Improved web based services (including new online Wage Report)
 - Now resulting in more employers filing via website
 - Small employers still have the option of filling out paper forms which are now optically scanned for faster and easier access
- Appeal hearings digitally stored
- Hosted 12 free webinars for employers/CPAs
 - Nearly 1,000 employers participated
 - 84% employers said they were satisfied
 - 75% employer said the webinar was “informative” or “very informative”