

## HOUSE BILL No. 2764

By Committee on Commerce, Labor and Economic Development

Requested by Representative Tarwater

2-6

1 AN ACT concerning labor and employment; relating to the employment  
2 security law; prohibiting amendments, suspensions or repeals of  
3 employment security law provisions through budget provisos,  
4 appropriations bills or temporary fiscal measures without following  
5 specified review procedures; authorizing the secretary of labor to  
6 recognize and approve employer-sponsored supplemental  
7 unemployment benefit plans if such plans meet specific criteria,  
8 including compliance with federal guidance and being employer-  
9 funded; ensuring that supplemental unemployment benefit plans do not  
10 disqualify employees from state unemployment benefits; requiring the  
11 secretary to maintain a registry of authorized plans and monitor the  
12 impact of such plans on the employment security trust fund; updating  
13 terminology to reflect modern labor arrangements; reorganizing  
14 sections for improved readability and compliance; enhancing federal  
15 conformity by incorporating references to federal laws and guidelines;  
16 integrating supplemental unemployment benefit plans into the current  
17 statutory framework; updating the criteria for determining suitable  
18 work and disqualification conditions for unemployment benefits;  
19 clarifying procedures for filing claims, determining eligibility and  
20 handling appeals and emphasizing electronic submissions and secure  
21 online portals for employer responses; specifying timelines for appeals  
22 and decisions; updating the structure and responsibilities of the  
23 employment security board of review; amending K.S.A. 44-701, 44-  
24 702, 44-704a, 44-704b, 44-710d, 44-710e, 44-710f, 44-710i, 44-711,  
25 44-712, 44-713, 44-713a, 44-714, 44-715, 44-716, 44-716a, 44-718,  
26 44-719, 44-720, 44-721, 44-722, 44-723, 44-724, 44-725, 44-727, 44-  
27 758, 44-759, 44-760, 44-765, 44-766, 44-767, 44-768, 44-769, 44-770,  
28 44-773 and 44-777 and K.S.A. 2025 Supp. 44-703, 44-704, 44-705, 44-  
29 706, 44-709, 44-709b, 44-710, 44-710a, 44-710b, 44-717, 44-757, 44-  
30 772, 44-774, 44-775 and 79-3234 and repealing the existing sections;  
31 also repealing K.S.A. 44-706a, 44-761, 44-762, 44-763 and 44-764.  
32

33 *Be it enacted by the Legislature of the State of Kansas:*

34 New Section 1. (a) The legislature intends that all provisions of the  
35 Kansas employment security law be administered with transparency,

1 consistency and fiscal integrity with an emphasis on long-term  
2 perspectives. The legislature finds that, to facilitate this intent,  
3 amendments by the legislature to employment security law benefit  
4 eligibility, definitions, benefit duration or administrative procedures shall  
5 be made only upon review and consideration by the legislature pursuant to  
6 subsection (c). The legislature further finds that employment security law  
7 eligibility, definitions, benefit duration or administrative procedures shall  
8 not be amended, suspended or repealed by budget provisos, appropriations  
9 bills or temporary fiscal measures, unless the procedures for review and  
10 consideration provided by subsection (c) have been followed with respect  
11 to such action by a committee responsible for labor, budget or economic  
12 development policy of both chambers. Alternatively, the legislature finds  
13 that the intent of this act will be met upon consideration, at a hearing and  
14 prior to taking action, of the record of such a review and consideration  
15 made by another committee responsible for labor, budget or economic  
16 development policy of the same chamber.

17 (b) Except upon review and consideration as provided by subsections  
18 (a) and (c), no provision of any budget provisos, appropriations bills or  
19 temporary fiscal measures shall:

20 (1) Amend the definition of "unemployment," "employment,"  
21 "employer," "employee" or any other term defined in K.S.A. 44-703, and  
22 amendments thereto, for purposes of the employment security law;

23 (2) expand, limit, restrict or modify eligibility requirements for  
24 unemployment insurance benefits, including, but not limited to, duration  
25 of benefits, work search requirements, temporary unemployment status,  
26 waivers or exemptions for specific employee groups or reemployment  
27 program participation;

28 (3) create special classifications, selective exemptions or exceptions  
29 to any provisions of the employment security law for specific groups of  
30 employees, employers or industries, including, but not limited to, such  
31 groups that are subject to collective bargaining agreements; or

32 (4) alter any provision affecting the administration, funding, solvency  
33 or disbursement criteria of the employment security trust fund.

34 (c) Any proposed change to unemployment compensation eligibility,  
35 benefit structure or program administration pursuant to subsection (b) shall  
36 be enacted through an amendment to the employment security law made  
37 upon a thorough and comprehensive legislative review, including, at a  
38 minimum:

39 (1) A formal actuarial impact analysis to assess potential effects on  
40 the unemployment insurance trust fund;

41 (2) opportunity for public comment, with adequate notice and  
42 opportunity for stakeholder input from employers, labor representatives,  
43 economists and the public;

1       (3) hearings by the standing committees of both chambers responsible  
2 for labor, budget or economic development policy, with opportunity for  
3 testimony by stakeholders, including employers, labor organizations,  
4 workforce development representatives and employment security law  
5 experts; and

6       (4) legislative debate and vote in accordance with the full customary  
7 legislative process for amending statutory law.

8       (d) In the event of a conflict between a provision of the substantive  
9 employment security law and any budget provision or appropriations act  
10 proviso that is enacted without compliance with this section, the  
11 substantive employment security law shall govern.

12       (e) This section shall be a part of and supplemental to the  
13 employment security law.

14       New Sec. 2. (a) It is the intent of the legislature to support  
15 responsible workforce transition strategies during periods of temporary  
16 layoffs while safeguarding the fiscal integrity of the unemployment  
17 insurance system. Employer-sponsored supplemental unemployment  
18 benefit plans meeting the requirements of this section, as determined by  
19 the secretary of labor and accordingly authorized by the secretary, shall  
20 serve as a voluntary, employer-funded mechanism to supplement state  
21 unemployment compensation benefits.

22       (b) Employers may establish supplemental unemployment benefit  
23 plans to provide income support to employees who are involuntarily laid  
24 off due to lack of work and eligible for state unemployment insurance  
25 benefits. The secretary shall recognize and authorize such plans if, in the  
26 secretary's judgment, such plans:

27           (1) Are properly documented in writing and filed with the secretary  
28 prior to implementation;

29           (2) comply with applicable federal guidance, including United States  
30 internal revenue service rulings 56-249 and 90-72, and satisfy relevant  
31 requirements of 26 U.S.C. § 501(c)(17) concerning trust arrangements for  
32 supplemental unemployment compensation benefits;

33           (3) are funded entirely by the employer, and the supplemental  
34 unemployment benefits do not constitute wages for purposes of state  
35 unemployment insurance calculations;

36           (4) do not disqualify laid-off employees from receiving state  
37 unemployment insurance benefits;

38           (5) provide supplemental unemployment benefits to laid-off  
39 employees in periodic payments that align with the state unemployment  
40 insurance benefit schedule. Lump-sum distributions shall not qualify as  
41 valid supplemental unemployment plan payments; and

42           (6) terminate supplemental unemployment benefit payments when  
43 laid-off employees become reemployed, are no longer eligible for state

1 unemployment benefits or otherwise fail to meet eligibility criteria  
2 established by the plan or rules and regulations adopted by the secretary  
3 pursuant to subsection (g).

4 (c) (1) Notwithstanding any other provision of the employment  
5 security law, laid-off employees shall not be denied unemployment  
6 insurance benefits or have such benefits reduced, offset or otherwise  
7 limited solely because such employees are receiving payments from  
8 employer-sponsored supplemental unemployment benefit plans if, as  
9 determined by the secretary, such plans:

10 (A) Meet the requirements of subsection (b), including that such  
11 plans:

12 (i) Are funded entirely by the employer;  
13 (ii) are provided only to employees who are unemployed due to lack  
14 of work and are eligible for state benefits under the employment security  
15 law;

16 (iii) supplement rather than replace state unemployment  
17 compensation; and

18 (iv) are not paid in a lump sum or in lieu of wages; and

19 (B) comply with the criteria set forth in 26 U.S.C. § 3306(b)(9),  
20 United States internal revenue service revenue rulings 56-249 and 90-72  
21 and applicable federal guidance.

22 (2) Payments made pursuant to supplemental unemployment benefit  
23 plans meeting the requirements of subsections (b) and (c), as determined  
24 by the secretary, shall not be considered wages or remuneration for  
25 purposes of eligibility or disqualification for state unemployment  
26 insurance benefits, the waiting week or the calculation of weekly benefit  
27 amounts pursuant to the employment security law.

28 (3) This subsection shall be construed to be in conformity with 26  
29 U.S.C. § 3304(a)(4) and 42 U.S.C. § 503(a) and interpreted in accordance  
30 with United States department of labor conformity guidance.

31 (d) The secretary shall maintain and publish a registry on the  
32 secretary's website of authorized supplemental unemployment benefit  
33 plans submitted by employers to the secretary and may offer technical  
34 guidance to assist employers in developing compliant plans.

35 (e) (1) The secretary shall monitor the interaction between  
36 supplemental unemployment benefit plans and state unemployment  
37 insurance claims to ensure continued solvency of the employment security  
38 trust fund.

39 (2) For the fiscal year beginning on July 1, 2025, and each fiscal year  
40 thereafter, the secretary shall publish the following information for the  
41 fiscal year on the secretary's website on or before December 1 following  
42 the end of such fiscal year, in conjunction with the information required to  
43 be published on such website by K.S.A. 44-774, and amendments thereto.

1     Additionally, the secretary shall report such information to the legislature  
2     at the beginning of each next succeeding legislative session. Such  
3     information shall include:

4         (A) The number of active supplemental unemployment benefit plans  
5     on file;

6         (B) aggregate claimant data for laid-off employees concurrently  
7     receiving supplemental unemployment benefits and state unemployment  
8     insurance benefits; and

9         (C) any actuarial analysis or findings concerning the impact of  
10    supplemental unemployment benefit plan usage on the employment  
11    security trust fund.

12         (3) If the secretary finds that supplemental unemployment benefit  
13    plan usage materially increases unemployment insurance costs that may  
14    affect the employment security trust fund for all other rated employers, the  
15    secretary shall advise the legislature in the report submitted pursuant to  
16    paragraph (2) and recommend modifications to program regulations or  
17    propose statutory amendments to mitigate adverse impacts.

18         (f) This section shall apply uniformly to all employers and  
19    employees, regardless of union affiliation, industry classification or  
20    business size. The secretary and the employer shall administer  
21    supplemental unemployment benefit plans without discrimination and  
22    shall not provide disproportionate or preferential treatment to officers,  
23    executives or specific classes of employees except as may be required by  
24    federal law.

25         (g) The secretary shall adopt rules and regulations as necessary to  
26    implement and administer this section, including, but not limited to:

27             (1) Procedures for submission, review and approval of supplemental  
28    unemployment benefit plans;

29             (2) employer reporting and documentation requirements;

30             (3) oversight and audit mechanisms to ensure plan compliance and  
31    fiscal responsibility; and

32             (4) alignment with federal standards. All rules and regulations  
33    adopted by the secretary pursuant to this section shall conform to the  
34    requirements of 26 U.S.C. § 3304, 42 U.S.C. § 503 and any conformity  
35    guidance issued by the United States department of labor that is necessary  
36    to maintain state certification and eligibility for federal tax offset and  
37    administrative funding.

38         (h) This section and all other provisions of the employment security  
39    law relating to supplemental unemployment insurance plans shall be  
40    liberally construed to promote transparency, solvency and fair access to  
41    unemployment compensation. The secretary shall ensure that all policies,  
42    procedures and enforcement actions related to the recognition, operation  
43    and administration of supplemental unemployment benefit plans are

1 consistent with federal law and guidance issued by the United States  
2 department of labor, including all conformity and compliance criteria that  
3 are necessary to maintain the state's certification under 26 U.S.C. § 3304.

4 (i) This section shall be a part of and supplemental to the employment  
5 security law.

6 Sec. 3. K.S.A. 44-701 is hereby amended to read as follows: 44-701.  
7 ~~This act K.S.A. 44-701 through 44-777, and amendments thereto, and~~  
8 ~~sections 1 and 2, and amendments thereto,~~ shall be known and may be  
9 cited as the "employment security law."

10 Sec. 4. K.S.A. 44-702 is hereby amended to read as follows: 44-702.  
11 (a) As a guide to the interpretation and application of ~~this act the~~ ~~employment security law~~, the public policy of this state is declared to be as  
12 follows:

13 (1) ~~Economic insecurity, due to caused by involuntary~~  
14 ~~unemployment, is poses a serious menace threat to the health, morals,~~  
15 ~~well-being and welfare of the people of this state. Involuntary~~  
16 ~~unemployment is therefore a subjeet economic stability of individuals,~~  
17 ~~families and communities throughout Kansas. Unemployment is a matter~~  
18 ~~of general interest and concern that requires appropriate action by the~~  
19 ~~legislature requiring proactive legislative measures to reduce its impact~~  
20 ~~and prevent its spread and~~.

21 (2) (A) ~~The legislature finds that achieving economic security for~~  
22 ~~Kansans includes the establishment of a compulsory unemployment~~  
23 ~~insurance system. The primary goals of this system are to lighten its~~  
24 ~~burden that now so often falls with crushing force upon the~~:

25 (i) ~~Provide financial stability to unemployed worker and such~~  
26 ~~worker's family. The achievement of social security requires protection~~  
27 ~~against this greatest hazard of our economic life. This can be provided~~  
28 ~~workers;~~

29 (ii) ~~stabilize the economy during downturns by maintaining consumer~~  
30 ~~purchasing power; and~~

31 (iii) ~~encourage reemployment through active job search requirements~~  
32 ~~and coordinated workforce services.~~

33 (B) ~~These goals are supported by encouraging employers to provide~~  
34 ~~more stable employment and by requiring the systematic accumulation of~~  
35 ~~funds unemployment insurance reserves, funded through employer~~  
36 ~~contributions during periods of active employment. Such reserves are used~~  
37 ~~to provide benefits for temporary wage replacement for eligible~~  
38 ~~individuals during periods of unemployment, thus maintaining purchasing~~  
39 ~~power and limiting the serious social consequences of poor relief~~  
40 ~~joblessness, helping to sustain economic activity and reduce reliance on~~  
41 ~~public assistance programs. The legislature, therefore, declares that in its~~  
42 ~~considered judgment the public good and the general welfare of the~~

1 citizens of this state require the enactment of this measure,

2 (b) *The employment security law is enacted under the police powers*  
3 ~~of the state, for to promote the compulsory setting aside general welfare of~~  
4 ~~the citizens of the state of Kansas and to ensure the responsible and~~  
5 ~~equitable administration of unemployment reserves to be used for the~~  
6 ~~benefit of persons unemployed compensation benefits.~~

7 (c) The state of Kansas is committed to maintaining—and  
8 ~~strengthening~~ *equitable* access to the unemployment—compensation  
9 ~~insurance~~ system, including ~~through~~ *fair and timely processing* of both  
10 initial and continuing claims. All ~~persons~~ *individuals* and employers are  
11 entitled to a neutral, *transparent and impartial* interpretation of the  
12 employment security law.

13 (d) *The administration of the employment security law shall align*  
14 *with applicable federal standards and shall be coordinated with state*  
15 *workforce development initiatives to support timely reemployment,*  
16 *economic resilience and long-term public confidence in the unemployment*  
17 *insurance system.*

18 (e) (1) *The administration and interpretation of the employment*  
19 *security law shall remain in conformity with applicable federal laws and*  
20 *guidance to ensure continued federal certification of Kansas'*  
21 *unemployment compensation program, including, but not limited to:*

22 (A) 20 C.F.R. part 603, which concerns confidentiality and disclosure  
23 of unemployment compensation information;

24 (B) 20 C.F.R. part 625, which concerns disaster unemployment  
25 assistance;

26 (C) 2 C.F.R. part 200, which concerns uniform administrative  
27 requirements for federal grants; and

28 (D) the edition in force of the employment and training  
29 administration handbook No. 401, which concerns unemployment  
30 insurance state quality service plan and reporting requirements.

31 (2) *These references shall guide state agency implementation,*  
32 *recordkeeping and benefit administration to ensure continued federal*  
33 *certification and funding eligibility.*

34 Sec. 5. K.S.A. 2025 Supp. 44-703 is hereby amended to read as  
35 follows: 44-703. As used in ~~this act~~ *the employment security law*, unless  
36 the context clearly requires otherwise:

37 (a) (1) ~~"Annual payroll"~~ means the total amount of wages paid or  
38 payable by an employer during the calendar year.

39 (2) ~~"Average annual payroll"~~ means the average of the annual  
40 payrolls of any employer for the last three calendar years immediately  
41 preceding the computation date as hereinafter defined if the employer has  
42 been continuously subject to contributions during those three calendar  
43 years and has paid some wages for employment during each of such years.

1 In determining contribution rates for the calendar year, if an employer has  
2 not been continuously subject to contribution for the three calendar years  
3 immediately preceding the computation date but has paid wages subject to  
4 contributions during only the two calendar years immediately preceding  
5 the computation date, such employer's "average annual payroll" shall be  
6 the average of the payrolls for those two calendar years.

7 (3) "Total wages" means the total amount of wages paid or payable  
8 by an employer during the calendar year, including that part of  
9 remuneration in excess of the limitation prescribed as provided in  
10 subsection (o)(1).

11 (b) "Base period" means the first four of the last five completed  
12 calendar quarters immediately preceding the first day of an individual's  
13 benefit year, except that the base period in respect to combined wage  
14 claims means the base period as defined in the law of the paying state.

15 (1) If an individual lacks sufficient base period wages in order to  
16 establish a benefit year in the manner set forth above and satisfies the  
17 requirements of subsection (hh) and K.S.A. 44-705(g), and amendments  
18 thereto, the claimant shall have an alternative base period substituted for  
19 the current base period so as not to prevent establishment of a valid claim.  
20 For the purposes of this subsection, "alternative base period" means the  
21 last four completed quarters immediately preceding the date the qualifying  
22 injury occurred. In the event the wages in the alternative base period have  
23 been used on a prior claim, then they shall be excluded from the new  
24 alternative base period.

25 (2) For the purposes of this chapter, the term "base period" includes  
26 the alternative base period.

27 (e) (1) "Benefits" means the money payments payable to an  
28 individual, as provided in this act, with respect to such individual's  
29 unemployment.

30 (2) "Regular benefits" means benefits payable to an individual under  
31 this act or under any other state law, including benefits payable to federal  
32 civilian employees and to ex-service men pursuant to 5 U.S.C. chapter 85,  
33 other than extended benefits.

34 (d) "Benefit year" with respect to any individual, means the period  
35 beginning with the Sunday of the first week for which such individual files  
36 a valid claim for benefits, and such benefit year shall continue for one full  
37 year. In the case of a combined wage claim, the benefit year shall be the  
38 benefit year of the paying state. Following the termination of a benefit  
39 year, a subsequent benefit year shall commence on the Sunday of the first  
40 week with respect to which an individual next files a claim for benefits.  
41 Any claim for benefits made in accordance with K.S.A. 44-709(a), and  
42 amendments thereto, shall be deemed to be a "valid claim" for the  
43 purposes of this subsection if the individual has been paid wages for

1 insured work as required under K.S.A. 44-705(e), and amendments  
2 thereto.

3 (e) "Commissioner" or "secretary" means the secretary of labor.

4 (f) (1) "Contributions" means the money payments to the state  
5 employment security fund that are required to be made by employers on  
6 account of employment under K.S.A. 44-710, and amendments thereto,  
7 and voluntary payments made by employers pursuant to such statute.

8 (2) "Payments in lieu of contributions" means the money payments to  
9 the state employment security fund from employers that are required to  
10 make or that elect to make such payments under K.S.A. 44-710(e), and  
11 amendments thereto.

12 (g) "Employing unit" means any individual or type of organization,  
13 including any partnership, association, limited liability company, agency  
14 or department of the state of Kansas and political subdivisions thereof,  
15 trust, estate, joint stock company, insurance company or corporation,  
16 whether domestic or foreign including nonprofit corporations, or the  
17 receiver, trustee in bankruptcy, trustee or successor thereof, or the legal  
18 representatives of a deceased person, that has in its employ one or more  
19 individuals performing services for it within this state. All individuals  
20 performing services within this state for any employing unit that maintains  
21 two or more separate establishments within this state shall be deemed to be  
22 employed by a single employing unit for all the purposes of this act. Each  
23 individual employed to perform or to assist in performing the work of any  
24 agent or employee of an employing unit shall be deemed to be employed  
25 by such employing unit for all the purposes of this act, whether such  
26 individual was hired or paid directly by such employing unit or by such  
27 agent or employee, provided the employing unit had actual or constructive  
28 knowledge of the employment.

29 (h) "Employer" means:

30 (1) (A) Any employing unit for which agricultural labor as defined in  
31 subsection (w) is performed and during any calendar quarter in either the  
32 current or preceding calendar year paid remuneration in cash of \$20,000 or  
33 more to individuals employed in agricultural labor or for some portion of a  
34 day in each of 20 different calendar weeks, whether or not such weeks  
35 were consecutive, in either the current or the preceding calendar year,  
36 employed in agricultural labor 10 or more individuals, regardless of  
37 whether they were employed at the same moment of time.

38 (B) For the purpose of this subsection (h)(1), any individual who is a  
39 member of a crew furnished by a crew leader to perform services in  
40 agricultural labor for any other person shall be treated as an employee of  
41 such crew leader if:

42 (i) Such crew leader holds a valid certificate of registration under the  
43 federal migrant and seasonal agricultural workers protection act or

1 substantially all the members of such crew operate or maintain tractors,  
2 mechanized harvesting or cropdusting equipment or any other mechanized  
3 equipment, that is provided by such crew leader; and

4 (ii) such individual is not in the employment of such other person  
5 within the meaning of subsection (i).

6 (C) For the purpose of this subsection (h)(1), in the case of any  
7 individual who is furnished by a crew leader to perform services in  
8 agricultural labor for any other person and who is not treated as an  
9 employee of such crew leader:

10 (i) Such other person and not the crew leader shall be treated as the  
11 employer of such individual; and

12 (ii) such other person shall be treated as having paid cash  
13 remuneration to such individual in an amount equal to the amount of cash  
14 remuneration paid to such individual by the crew leader, either on the crew  
15 leader's own behalf or on behalf of such other person, for the services in  
16 agricultural labor performed for such other person.

17 (D) For the purposes of this subsection (h)(1) "crew leader" means an  
18 individual who:

19 (i) Furnishes individuals to perform services in agricultural labor for  
20 any other person;

21 (ii) pays, either on such individual's own behalf or on behalf of such  
22 other person, the individuals so furnished by such individual for the  
23 services in agricultural labor performed by them; and

24 (iii) has not entered into a written agreement with such other person  
25 under which such individual is designated as an employee of such other  
26 person.

27 (2) (A) Any employing unit that for calendar year 2007 and each  
28 calendar year thereafter: (i) In any calendar quarter in either the current or  
29 preceding calendar year paid for services in employment wages of \$1,500  
30 or more; (ii) for some portion of a day in each of 20 different calendar  
31 weeks, whether or not such weeks were consecutive, in either the current  
32 or preceding calendar year, had in employment at least one individual,  
33 whether or not the same individual was in employment in each such day;  
34 or (iii) elects to have an unemployment tax account established at the time  
35 of initial registration in accordance with K.S.A. 44-711(e), and  
36 amendments thereto.

37 (B) Employment of individuals to perform domestic service or  
38 agricultural labor and wages paid for such service or labor shall not be  
39 considered in determining whether an employing unit meets the criteria of  
40 this subsection (h)(2).

41 (3) Any employing unit for which service is employment as defined  
42 in subsection (i)(3)(E).

43 (4) (A) Any employing unit, whether or not it is an employing unit

1 under subsection (g), that acquires or in any manner succeeds to: (i)  
2 Substantially all of the employing enterprises, organization, trade or  
3 business; or (ii) substantially all the assets, of another employing unit that  
4 at the time of such acquisition was an employer subject to this act;

5 (B) any employing unit that is controlled substantially, either directly  
6 or indirectly by legally enforceable means or otherwise, by the same  
7 interest or interests, whether or not such interest or interests are an  
8 employing unit under subsection (g), acquires or in any manner succeeds  
9 to a portion of an employer's annual payroll, is less than 100% of such  
10 employer's annual payroll, and intends to continue the acquired portion as  
11 a going business.

12 (5) Any employing unit that paid cash remuneration of \$1,000 or  
13 more in any calendar quarter in the current or preceding calendar year to  
14 individuals employed in domestic service as defined in subsection (aa).

15 (6) Any employing unit that having become an employer under this  
16 subsection (h) has not, under K.S.A. 44-711(b), and amendments thereto,  
17 ceased to be an employer subject to this act.

18 (7) Any employing unit that has elected to become fully subject to  
19 this act in accordance with K.S.A. 44-711(e), and amendments thereto.

20 (8) Any employing unit not an employer by reason of any other  
21 paragraph of this subsection (h), for which within either the current or  
22 preceding calendar year services in employment are or were performed  
23 with respect to which such employing unit is liable for any federal tax  
24 against which credit may be taken for contributions required to be paid  
25 into a state unemployment compensation fund; or that, as a condition for  
26 approval of this act for full tax credit against the tax imposed by the  
27 federal unemployment tax act, is required, pursuant to such act, to be an  
28 "employer" under this act.

29 (9) Any employing unit described in section 501(e)(3) of the federal  
30 internal revenue code of 1986 that is exempt from income tax under  
31 section 501(a) of the code that had four or more individuals in  
32 employment for some portion of a day in each of 20 different weeks,  
33 whether or not such weeks were consecutive, within either the current or  
34 preceding calendar year, regardless of whether they were employed at the  
35 same moment of time.

36 (i) "Employment" means:

37 (1) Subject to the other provisions of this subsection, service,  
38 including services in interstate commerce, performed by:

39 (A) Any active officer of a corporation;

40 (B) any individual who, under the usual common law rules applicable  
41 in determining the employer-employee relationship, has the status of an  
42 employee subject to the provisions of subsection (i)(3)(D); or

43 (C) any individual other than an individual who is an employee under

1 subsection (i)(1)(A) or subsection (i)(1)(B) above who performs services  
2 for remuneration for any person:

3 (i) As an agent driver or commission driver engaged in distributing  
4 meat products, vegetable products, fruit products, bakery products,  
5 beverages, other than milk, or laundry or dry-cleaning services, for such  
6 individual's principal; or

7 (ii) as a traveling or city salesman, other than as an agent driver or  
8 commission driver, engaged upon a full-time basis in the solicitation on  
9 behalf of, and the transmission to, a principal, except for side-line sales  
10 activities on behalf of some other person, of orders from wholesalers,  
11 retailers, contractors, or operators of hotels, restaurants, or other similar  
12 establishments for merchandise for resale or supplies for use in their  
13 business operations.

14 For purposes of subsection (i)(1)(C), the term "employment" includes  
15 services described in paragraphs (i) and (ii) above only if:

16 (a) The contract of service contemplates that substantially all of the  
17 services are to be performed personally by such individual;

18 (b) the individual does not have a substantial investment in facilities  
19 used in connection with the performance of the services, other than in  
20 facilities for transportation; and

21 (c) the services are not in the nature of a single transaction that is not  
22 part of a continuing relationship with the person for whom the services are  
23 performed.

24 (2) The term "employment" includes an individual's entire service  
25 within the United States, even though performed entirely outside this state  
26 if:

27 (A) The service is not localized in any state;

28 (B) the individual is one of a class of employees who are required to  
29 travel outside this state in performance of their duties; and

30 (C) the individual's base of operations is in this state, or if there is no  
31 base of operations, then the place where service is directed or controlled is  
32 in this state.

33 (3) The term "employment" also includes:

34 (A) Services performed within this state but not covered by the  
35 provisions of subsection (i)(1) or subsection (i)(2) shall be deemed to be  
36 employment subject to this act if contributions are not required and paid  
37 with respect to such services under an unemployment compensation law of  
38 any other state or of the federal government.

39 (B) Services performed entirely without this state, with respect to no  
40 part of which contributions are required and paid under an unemployment  
41 compensation law of any other state or of the federal government, shall be  
42 deemed to be employment subject to this act only if the individual  
43 performing such services is a resident of this state and the secretary

1 approved the election of the employing unit for whom such services are  
2 performed that the entire service of such individual shall be deemed to be  
3 employment subject to this act.

4 (C) Services covered by an arrangement pursuant to K.S.A. 44-  
5 714(j), and amendments thereto, between the secretary and the agency  
6 charged with the administration of any other state or federal  
7 unemployment compensation law, pursuant to which all services  
8 performed by an individual for an employing unit are deemed to be  
9 performed entirely within this state, shall be deemed to be employment if  
10 the secretary has approved an election of the employing unit for whom  
11 such services are performed, pursuant to which the entire service of such  
12 individual during the period covered by such election is deemed to be  
13 insured work.

14 (D) Services performed by an individual for wages or under any  
15 contract of hire shall be deemed to be employment subject to this act if the  
16 business for which activities of the individual are performed retains not  
17 only the right to control the end result of the activities performed, but the  
18 manner and means by which the end result is accomplished.

19 (E) Services performed by an individual in the employ of a state or  
20 any instrumentality thereof, any political subdivision of a state or any  
21 instrumentality thereof, or in the employ of an Indian tribe, as defined  
22 pursuant to section 3306(u) of the federal unemployment tax act, any  
23 instrumentality of more than one of the foregoing or any instrumentality  
24 that is jointly owned by this state or a political subdivision thereof or  
25 Indian tribes and one or more other states or political subdivisions of this  
26 or other states, provided that such service is excluded from "employment"  
27 as defined in the federal unemployment tax act by reason of section  
28 3306(e)(7) of that act and is not excluded from "employment" under  
29 subsection (i)(4)(A) of this section. For purposes of this section, the  
30 exclusions from employment in subsections (i)(4)(A) and (i)(4)(L) shall  
31 also be applicable to services performed in the employ of an Indian tribe.

32 (F) Services performed by an individual in the employ of a religious,  
33 charitable, educational or other organization that is excluded from the term  
34 "employment" as defined in the federal unemployment tax act solely by  
35 reason of section 3306(e)(8) of that act, and is not excluded from  
36 employment under subsection (i)(4)(I) through (M).

37 (G) The term "employment" includes the services of an individual  
38 who is a citizen of the United States, performed outside the United States  
39 except in Canada, in the employ of an American employer, other than  
40 service that is deemed "employment" under the provisions of subsection (i)  
41 (2) or subsection (i)(3) or the parallel provisions of another state's law, if:

42 (i) The employer's principal place of business in the United States is  
43 located in this state; or

1        (ii) the employer has no place of business in the United States, but:  
2        (a) The employer is an individual who is a resident of this state;  
3        (b) the employer is a corporation which is organized under the laws  
4 of this state; or  
5        (c) the employer is a partnership or a trust and the number of the  
6 partners or trustees who are residents of this state is greater than the  
7 number who are residents of any other state; or  
8        (iii) none of the criteria of (i)(3)(G)(i) and (ii) are met but the  
9 employer has elected coverage in this state or, the employer having failed  
10 to elect coverage in any state, the individual has filed a claim for benefits,  
11 based on such service, under the law of this state.

12        (H) An "American employer," for purposes of subsection (i)(3)(G),  
13 means a person who is:  
14        (i) An individual who is a resident of the United States;  
15        (ii) a partnership if  $\frac{2}{3}$  or more of the partners are residents of the  
16 United States;  
17        (iii) a trust, if all of the trustees are residents of the United States; or  
18        (iv) a corporation organized under the laws of the United States or of  
19 any state.  
20        (I) Notwithstanding subsection (i)(2), all services performed by an  
21 officer or member of the crew of an American vessel or American aircraft  
22 on or in connection with such vessel or aircraft, if the operating office,  
23 from which the operations of such vessel or aircraft operating within, or  
24 within and without, the United States are ordinarily and regularly  
25 supervised, managed, directed and controlled is within this state.  
26        (J) Notwithstanding any other provisions of this subsection (i),  
27 services with respect to which a tax is required to be paid under any  
28 federal law imposing a tax against which credit may be taken for  
29 contributions required to be paid into a state unemployment compensation  
30 fund or that as a condition for full tax credit against the tax imposed by the  
31 federal unemployment tax act is required to be covered under this act.  
32        (K) Domestic service in a private home, local college club or local  
33 chapter of a college fraternity or sorority performed for a person who paid  
34 each remuneration of \$1,000 or more in any calendar quarter in the current  
35 calendar year or the preceding calendar year to individuals employed in  
36 such domestic service.  
37        (4) The term "employment" does not include: (A) Services performed  
38 in the employ of an employer specified in subsection (h)(3) if such service  
39 is performed by an individual in the exercise of duties:  
40        (i) As an elected official;  
41        (ii) as a member of a legislative body, or a member of the judiciary, of  
42 a state, political subdivision or of an Indian tribe;  
43        (iii) as a member of the state national guard or air national guard;

1       (iv) as an employee serving on a temporary basis in case of fire,  
2 storm, snow, earthquake, flood or similar emergency;

3       (v) in a position that, under or pursuant to the laws of this state or  
4 tribal law, is designated as a major nontenured policymaking or advisory  
5 position or as a policymaking or advisory position the performance of the  
6 duties of which ordinarily does not require more than eight hours per  
7 week;

8       (B) services with respect to which unemployment compensation is  
9 payable under an unemployment compensation system established by an  
10 act of congress;

11       (C) services performed by an individual in the employ of such  
12 individual's son, daughter or spouse, and services performed by a child  
13 under the age of 21 years in the employ of such individual's father or  
14 mother;

15       (D) services performed in the employ of the United States  
16 government or an instrumentality of the United States exempt under the  
17 constitution of the United States from the contributions imposed by this  
18 act, except that to the extent that the congress of the United States shall  
19 permit states to require any instrumentality of the United States to make  
20 payments into an unemployment fund under a state unemployment  
21 compensation law, all of the provisions of this act shall be applicable to  
22 such instrumentalities, and to services performed for such  
23 instrumentalities, in the same manner, to the same extent and on the same  
24 terms as to all other employers, employing units, individuals and services.  
25 If this state shall not be certified for any year by the federal security  
26 agency under section 3304(e) of the federal internal revenue code of 1986,  
27 the payments required of such instrumentalities with respect to such year  
28 shall be refunded by the secretary from the fund in the same manner and  
29 within the same period as is provided in K.S.A. 44-717(h), and  
30 amendments thereto, with respect to contributions erroneously collected;

31       (E) services covered by an arrangement between the secretary and the  
32 agency charged with the administration of any other state or federal  
33 unemployment compensation law pursuant to which all services performed  
34 by an individual for an employing unit during the period covered by such  
35 employing unit's duly approved election, are deemed to be performed  
36 entirely within the jurisdiction of such other state or federal agency;

37       (F) services performed by an individual under the age of 18 in the  
38 delivery or distribution of newspapers or shopping news, not including  
39 delivery or distribution to any point for subsequent delivery or  
40 distribution;

41       (G) services performed by an individual for an employing unit as an  
42 insurance agent or as an insurance solicitor, if all such service performed  
43 by such individual for such employing unit is performed for remuneration

1        ~~solely by way of commission;~~

2        ~~(H) services performed in any calendar quarter in the employ of any~~  
3        ~~organization exempt from income tax under section 501(a) of the federal~~  
4        ~~internal revenue code of 1986, other than an organization described in~~  
5        ~~section 401(a) or under section 521 of such code, if the remuneration for~~  
6        ~~such service is less than \$50. In construing the application of the term~~  
7        ~~"employment," if services performed during ½ or more of any pay period~~  
8        ~~by an individual for the person employing such individual constitute~~  
9        ~~employment, all the services of such individual for such period shall be~~  
10        ~~deemed to be employment; but if the services performed during more than~~  
11        ~~½ of any such pay period by an individual for the person employing such~~  
12        ~~individual do not constitute employment, then none of the services of such~~  
13        ~~individual for such period shall be deemed to be employment. As used in~~  
14        ~~this subsection (i)(4)(H) the term "pay period" means a period, of not more~~  
15        ~~than 31 consecutive days, for which a payment of remuneration is~~  
16        ~~ordinarily made to the individual by the person employing such individual.~~  
17        ~~This subsection (i)(4)(H) shall not be applicable with respect to services~~  
18        ~~with respect to which unemployment compensation is payable under an~~  
19        ~~unemployment compensation system established by an act of congress;~~

20        ~~(I) services performed in the employ of a church or convention or~~  
21        ~~association of churches, or an organization which is operated primarily for~~  
22        ~~religious purposes and which is operated, supervised, controlled, or~~  
23        ~~principally supported by a church or convention or association of~~  
24        ~~churches;~~

25        ~~(J) services performed by a duly ordained, commissioned, or licensed~~  
26        ~~minister of a church in the exercise of such individual's ministry or by a~~  
27        ~~member of a religious order in the exercise of duties required by such~~  
28        ~~order;~~

29        ~~(K) services performed in a facility conducted for the purpose of~~  
30        ~~carrying out a program of:~~

31        ~~(i) Rehabilitation for individuals whose earning capacity is impaired~~  
32        ~~by age or physical or mental deficiency or injury, or~~

33        ~~(ii) providing remunerative work for individuals who because of their~~  
34        ~~impaired physical or mental capacity cannot be readily absorbed in the~~  
35        ~~competitive labor market, by an individual receiving such rehabilitation or~~  
36        ~~remunerative work;~~

37        ~~(L) services performed as part of an employment work-relief or work-~~  
38        ~~training program assisted or financed in whole or in part by any federal~~  
39        ~~agency or an agency of a state or political subdivision thereof or of an~~  
40        ~~Indian tribe, by an individual receiving such work relief or work training;~~

41        ~~(M) services performed by an inmate of a custodial or correctional~~  
42        ~~institution;~~

43        ~~(N) services performed, in the employ of a school, college, or~~

1 university, if such service is performed by a student who is enrolled and is  
2 regularly attending classes at such school, college or university;

3 (O) services performed by an individual who is enrolled at a  
4 nonprofit or public educational institution that normally maintains a  
5 regular faculty and curriculum and normally has a regularly organized  
6 body of students in attendance at the place where its educational activities  
7 are carried on as a student in a full time program, taken for credit at such  
8 institution, that combines academic instruction with work experience, if  
9 such service is an integral part of such program, and such institution has so  
10 certified to the employer, except that this subsection (i)(4)(O) shall not  
11 apply to service performed in a program established for or on behalf of an  
12 employer or group of employers;

13 (P) services performed in the employ of a hospital licensed, certified  
14 or approved by the secretary of health and environment, if such service is  
15 performed by a patient of the hospital;

16 (Q) services performed as a qualified real estate agent. As used in this  
17 subsection (i)(4)(Q) the term "qualified real estate agent" means any  
18 individual who is licensed by the Kansas real estate commission as a  
19 salesperson under the real estate brokers' and salespersons' license act and  
20 for whom:

21 (i) Substantially all of the remuneration, whether or not paid in cash,  
22 for the services performed by such individual as a real estate salesperson is  
23 directly related to sales or other output, including the performance of  
24 services, rather than to the number of hours worked; and

25 (ii) the services performed by the individual are performed pursuant  
26 to a written contract between such individual and the person for whom the  
27 services are performed and such contract provides that the individual will  
28 not be treated as an employee with respect to such services for state tax  
29 purposes;

30 (R) services performed for an employer by an extra in connection  
31 with any phase of motion picture or television production or television  
32 commercials for less than 14 days during any calendar year. As used in this  
33 subsection, the term "extra" means an individual who pantomimes in the  
34 background, adds atmosphere to the set and performs such actions without  
35 speaking and "employer" shall not include any employer that is a  
36 governmental entity or any employer described in section 501(e)(3) of the  
37 federal internal revenue code of 1986 that is exempt from income taxation  
38 under section 501(a) of the code;

39 (S) services performed by an oil and gas contract pumper. As used in  
40 this subsection (i)(4)(S), "oil and gas contract pumper" means a person  
41 performing pumping and other services on one or more oil or gas leases, or  
42 on both oil and gas leases, relating to the operation and maintenance of  
43 such oil and gas leases, on a contractual basis for the operators of such oil

1 and gas leases and "services" shall not include services performed for a  
2 governmental entity or any organization described in section 501(e)(3) of  
3 the federal internal revenue code of 1986 that is exempt from income  
4 taxation under section 501(a) of the code;

5 (T) service not in the course of the employer's trade or business  
6 performed in any calendar quarter by an employee, unless the cash  
7 remuneration paid for such service is \$200 or more and such service is  
8 performed by an individual who is regularly employed by such employer  
9 to perform such service. For purposes of this paragraph, an individual shall  
10 be deemed to be regularly employed by an employer during a calendar  
11 quarter only if:

12 (i) On each of some 24 days during such quarter such individual  
13 performs for such employer for some portion of the day service not in the  
14 course of the employer's trade or business; or

15 (ii) such individual was regularly employed, as determined under  
16 subparagraph (i), by such employer in the performance of such service  
17 during the preceding calendar quarter.

18 Such excluded service shall not include any services performed for an  
19 employer that is a governmental entity or any employer described in  
20 section 501(e)(3) of the federal internal revenue code of 1986 that is  
21 exempt from income taxation under section 501(a) of the code;

22 (U) service which is performed by any person who is a member of a  
23 limited liability company and that is performed as a member or manager of  
24 that limited liability company; and

25 (V) services performed as a qualified direct seller. The term "direct  
26 seller" means any person if:

27 (i) Such person:

28 (a) Is engaged in the trade or business of selling or soliciting the sale  
29 of consumer products to any buyer on a buy-sell basis or a deposit-  
30 commission basis for resale, by the buyer or any other person, in the home  
31 or otherwise rather than in a permanent retail establishment; or

32 (b) is engaged in the trade or business of selling or soliciting the sale  
33 of consumer products in the home or otherwise than in a permanent retail  
34 establishment;

35 (ii) substantially all the remuneration whether or not paid in cash for  
36 the performance of the services described in subparagraph (i) is directly  
37 related to sales or other output including the performance of services rather  
38 than to the number of hours worked;

39 (iii) the services performed by the person are performed pursuant to a  
40 written contract between such person and the person for whom the services  
41 are performed and such contract provides that the person will not be  
42 treated as an employee for federal and state tax purposes;

43 (iv) for purposes of this act, a sale or a sale resulting exclusively from

1 a solicitation made by telephone, mail, or other telecommunications  
2 method, or other nonpersonal method does not satisfy the requirements of  
3 this subsection;

4 (W) services performed as an election official or election worker, if  
5 the amount of remuneration received by the individual during the calendar  
6 year for services as an election official or election worker is less than  
7 \$1,000;

8 (X) services performed by agricultural workers who are aliens  
9 admitted to the United States to perform labor pursuant to section 1101(a)  
10 (15)(H)(ii)(a) of the immigration and nationality act;

11 (Y) services performed by an owner operator of a motor vehicle that  
12 is leased or contracted to a licensed motor carrier with the services of a  
13 driver and is not treated under the terms of the lease agreement or contract  
14 with the licensed motor carrier as an employee for purposes of the federal  
15 insurance contribution act, 26 U.S.C. § 3101 et seq., the federal social  
16 security act, 42 U.S.C. § 301 et seq., the federal unemployment tax act, 26  
17 U.S.C. § 3301 et seq., and the federal statutes prescribing income tax  
18 withholding at the source, 26 U.S.C. § 3401 et seq. Employees or agents of  
19 the owner operator shall not be considered employees of the licensed  
20 motor carrier for purposes of employment security taxation or  
21 compensation. As used in this subsection (Y), the following definitions  
22 apply: (i) "Motor vehicle" means any automobile, truck-trailer, semitrailer,  
23 tractor, motor bus or any other self-propelled or motor-driven vehicle used  
24 upon any of the public highways of Kansas for the purpose of transporting  
25 persons or property; (ii) "licensed motor carrier" means any person, firm,  
26 corporation or other business entity that holds a certificate of convenience  
27 and necessity or a certificate of public service from the state corporation  
28 commission or is required to register motor carrier equipment pursuant to  
29 49 U.S.C. § 14504; and (iii) "owner operator" means a person, firm,  
30 corporation or other business entity that is the owner of a single motor  
31 vehicle that is driven exclusively by the owner under a lease agreement or  
32 contract with a licensed motor carrier; and

33 (Z) services performed by a petroleum landman on a contractual  
34 basis. As used in this subparagraph, "petroleum landman" means an  
35 individual performing services on a contractual basis who is not an  
36 individual who is an active officer of a corporation as described in  
37 subsection (i)(1)(A) that may include:

38 (i) Negotiating for the acquisition or divestiture of mineral rights;  
39 (ii) negotiating business agreements that provide exploration for or  
40 development of minerals;

41 (iii) determining ownership in minerals through the research of public  
42 and private records;

43 (iv) reviewing the status of title, curing title defects, providing title

1 due diligence and otherwise reducing title risk associated with ownership  
2 in minerals or the acquisition and divestiture of mineral properties;

3 (v) managing rights or obligations derived from ownership of  
4 interests in minerals; or

5 (vi) unitizing or pooling of interests in minerals. For purposes of this  
6 subparagraph, "minerals" includes oil, natural gas or petroleum. "Servicees"  
7 does not include services performed for a governmental entity or any  
8 organization described in section 501(c)(3) of the federal internal revenue  
9 code of 1986, or a federally recognized Indian tribe that is exempt from  
10 income taxation under section 501(a) of the code.

11 (j) "Employment office" means any office operated by this state and  
12 maintained by the secretary of labor for the purpose of assisting persons to  
13 become employed.

14 (k) "Fund" means the employment security fund established by this  
15 act, to which all contributions and reimbursement payments required and  
16 from which all benefits provided under this act shall be paid and including  
17 all money received from the federal government as reimbursements  
18 pursuant to section 204 of the federal-state extended compensation act of  
19 1970, and amendments thereto.

20 (l) "State" includes, in addition to the states of the United States of  
21 America, any dependency of the United States, the Commonwealth of  
22 Puerto Rico, the District of Columbia and the Virgin Islands.

23 (m) "Unemployment." An individual shall be deemed "unemployed"  
24 with respect to any week during which such individual performs no  
25 services and with respect to which no wages are payable to such  
26 individual, or with respect to any week of less than full-time work if the  
27 wages payable to such individual with respect to such week are less than  
28 such individual's weekly benefit amount.

29 (n) "Employment security administration fund" means the fund  
30 established by this act, from which administrative expenses under this act  
31 shall be paid.

32 (o) "Wages" means all compensation for services, including  
33 commissions, bonuses, back pay and the cash value of all remuneration,  
34 including benefits, paid in any medium other than cash. The reasonable  
35 cash value of remuneration in any medium other than cash, shall be  
36 estimated and determined in accordance with rules and regulations  
37 prescribed by the secretary. Compensation payable to an individual that  
38 has not been actually received by that individual within 21 days after the  
39 end of the pay period in which the compensation was earned shall be  
40 considered to have been paid on the 21<sup>st</sup> day after the end of that pay  
41 period. Effective January 1, 1986, gratuities, including tips received from  
42 persons other than the employing unit, shall be considered wages when  
43 reported in writing to the employer by the employee. Employees must

1 furnish a written statement to the employer, reporting all tips received if  
2 they total \$20 or more for a calendar month whether the tips are received  
3 directly from a person other than the employer or are paid over to the  
4 employee by the employer. This includes amounts designated as tips by a  
5 customer who uses a credit card to pay the bill. Notwithstanding the other  
6 provisions of this subsection (o), wages paid in back pay awards or  
7 settlements shall be allocated to the week or weeks and reported in the  
8 manner as specified in the award or agreement, or, in the absence of such  
9 specificity in the award or agreement, such wages shall be allocated to the  
10 week or weeks in which such wages, in the judgment of the secretary,  
11 would have been paid. The term "wages" shall not include:

12 (1) For calendar years 2016 through 2025, that part of the  
13 remuneration that has been paid in a calendar year to an individual by an  
14 employer or such employer's predecessor in excess of \$14,000, except that  
15 if the definition of the term "wages" as contained in the federal  
16 unemployment tax act is amended to include remuneration paid to an  
17 individual by an employer under the federal act in excess of \$14,000 with  
18 respect to employment during calendar years 2016 through 2025, wages  
19 shall include remuneration paid in a calendar year to an individual by an  
20 employer subject to this act or such employer's predecessor with respect to  
21 employment during any calendar year up to an amount equal to the dollar  
22 limitation specified in the federal unemployment tax act. For the purposes  
23 of this subsection (o)(1), the term "employment" shall include service-  
24 constituting employment under any employment security law of another  
25 state or of the federal government;

26 (2) (A) For the calendar year as set forth below, except as provided by  
27 subparagraph (B), for contributing rated employers assigned rate groups 0-  
28 N11, that part of the remuneration that has been paid in a calendar year to  
29 an individual by an employer or such employer's predecessor in excess of  
30 the specified percentage of the statewide average annual wage paid to  
31 employees in insured work during the previous calendar year and rounded  
32 to the nearest multiple of \$100:

33 (i) calendar years 2026 through 2027, 25%;  
34 (ii) calendar year 2028, 30%;  
35 (iii) calendar year 2029, 35%;  
36 (iv) calendar years 2030 through 2031, 40%; and  
37 (v) calendar year 2032 and all ensuing calendar years thereafter:  
38 (a) 40%, except as provided in subelause (b); and  
39 (b) 45% if any combination of employer rate schedules G through M,  
40 as provided in K.S.A. 44-710(a)(4)(C), and amendments thereto, is in  
41 effect for any five consecutive preceding calendar years occurring after  
42 calendar year 2031. The specified percentage of 45% shall then remain in  
43 effect for all ensuing calendar years thereafter notwithstanding any

1 changes to the employer rate schedules in effect during such ensuing  
2 calendar years:

3 (B) If the definition of the term "wages" as contained in the federal  
4 unemployment tax act is amended to include the remuneration paid to an  
5 individual by an employer under the federal act in excess of the amount  
6 calculated pursuant to subparagraph (A), then with respect to employment  
7 during all calendar years thereafter, wages shall include the remuneration  
8 paid in a calendar year to an individual by an employer subject to this act  
9 or such employer's predecessor with respect to employment during any  
10 calendar year up to an amount equal to the dollar limitation specified in the  
11 federal unemployment tax act.

12 (C) For purposes of subparagraphs (A) and (B):

13 (i) "Employment" includes service constituting employment under  
14 any employment security law of another state or of the federal  
15 government; and

16 (ii) "statewide average annual wage" means the statewide average  
17 annual wage as defined by subsection (jj) and computed by the secretary  
18 on July 1 each year, as provided by K.S.A. 44-704, and amendments  
19 thereto;

20 (3) the amount of any payment, including any amount paid by an  
21 employing unit for insurance or annuities, or into a fund, to provide for  
22 any such payment, made to, or on behalf of, an employee or any of such  
23 employee's dependents under a plan or system established by an employer  
24 that makes provisions for employees generally, for a class or classes of  
25 employees or for such employees or a class or classes of employees and  
26 their dependents, on account of:

27 (A) Sickness or accident disability, except in the case of any payment  
28 made to an employee or such employee's dependents, this subparagraph  
29 shall exclude from the term "wages" only payments that are received under  
30 a workers compensation law. Any third party that makes a payment  
31 included as wages by reason of this subparagraph shall be treated as the  
32 employer with respect to such wages;

33 (B) medical and hospitalization expenses in connection with sickness  
34 or accident disability; or

35 (C) death;

36 (4) any payment on account of sickness or accident disability, or  
37 medical or hospitalization expenses in connection with sickness or  
38 accident disability, made by an employer to, or on behalf of, an employee  
39 after the expiration of six calendar months following the last calendar  
40 month in which the employee worked for such employer;

41 (5) any payment made to, or on behalf of, an employee or such  
42 employee's beneficiary;

43 (A) From or to a trust described in section 401(a) of the federal

1 internal revenue code of 1986 that is exempt from tax under section 501(a)  
2 of the federal internal revenue code of 1986 at the time of such payment  
3 unless such payment is made to an employee of the trust as remuneration  
4 for services rendered as such employee and not as a beneficiary of the  
5 trust;

6 (B) under or to an annuity plan that, at the time of such payment, is a  
7 plan described in section 403(a) of the federal internal revenue code of  
8 1986;

9 (C) under a simplified employee pension as defined in section 408(k)  
10 (I) of the federal internal revenue code of 1986, other than any  
11 contribution described in section 408(k)(6) of the federal internal revenue  
12 code of 1986;

13 (D) under or to an annuity contract described in section 403(b) of the  
14 federal internal revenue code of 1986, other than a payment for the  
15 purchase of such contract that was made by reason of a salary reduction  
16 agreement whether evidenced by a written instrument or otherwise;

17 (E) under or to an exempt governmental deferred compensation plan  
18 as defined in section 3121(v)(3) of the federal internal revenue code of  
19 1986;

20 (F) to supplement pension benefits under a plan or trust described in  
21 any of the foregoing provisions of this subparagraph to take into account  
22 some portion or all of the increase in the cost of living, as determined by  
23 the secretary of labor, since retirement but only if such supplemental  
24 payments are under a plan that is treated as a welfare plan under section  
25 3(2)(B)(ii) of the federal employee retirement income security act of 1974;  
26 or

27 (G) under a cafeteria plan within the meaning of section 125 of the  
28 federal internal revenue code of 1986;

29 (H) the payment by an employing unit, without deduction from the  
30 remuneration of the employee, of the tax imposed upon an employee under  
31 section 3101 of the federal internal revenue code of 1986 with respect to  
32 remuneration paid to an employee for domestic service in a private home  
33 of the employer or for agricultural labor;

34 (I) remuneration paid in any medium other than cash to an employee  
35 for service not in the course of the employer's trade or business;

36 (J) remuneration paid to or on behalf of an employee if and to the  
37 extent that at the time of the payment of such remuneration it is reasonable  
38 to believe that a corresponding deduction is allowable under section 217 of  
39 the federal internal revenue code of 1986 relating to moving expenses;

40 (K) any payment or series of payments by an employer to an  
41 employee or any of such employee's dependents that is paid:

42 (A) Upon or after the termination of an employee's employment  
43 relationship because of (i) death or (ii) retirement for disability; and

1       (B) under a plan established by the employer that makes provisions  
2 for employees generally, a class or classes of employees or for such  
3 employees or a class or classes of employees and their dependents, other  
4 than any such payment or series of payments that would have been paid if  
5 the employee's employment relationship had not been so terminated;

6       (10) remuneration for agricultural labor paid in any medium other  
7 than cash;

8       (11) any payment made, or benefit furnished, to or for the benefit of  
9 an employee if at the time of such payment or such furnishing it is  
10 reasonable to believe that the employee will be able to exclude such  
11 payment or benefit from income under section 129 of the federal internal  
12 revenue code of 1986 that relates to dependent care assistance programs;

13       (12) the value of any meals or lodging furnished by or on behalf of  
14 the employer if at the time of such furnishing it is reasonable to believe  
15 that the employee will be able to exclude such items from income under  
16 section 119 of the federal internal revenue code of 1986;

17       (13) any payment made by an employer to a survivor or the estate of  
18 a former employee after the calendar year in which such employee died;

19       (14) any benefit provided to or on behalf of an employee if at the time  
20 such benefit is provided it is reasonable to believe that the employee will  
21 be able to exclude such benefit from income under section 74(e), 117 or  
22 132 of the federal internal revenue code of 1986;

23       (15) any payment made, or benefit furnished, to or for the benefit of  
24 an employee, if at the time of such payment or such furnishing it is  
25 reasonable to believe that the employee will be able to exclude such  
26 payment or benefit from income under section 127 of the federal internal  
27 revenue code of 1986 relating to educational assistance to the employee; or

28       (16) any payment made to or for the benefit of an employee if at the  
29 time of such payment it is reasonable to believe that the employee will be  
30 able to exclude such payment from income under section 106(d) of the  
31 federal internal revenue code of 1986 relating to health savings accounts.

32       Nothing in any paragraph of subsection (o), other than paragraphs (1)  
33 and (2), shall exclude from the term "wages": (1) Any employer  
34 contribution under a qualified cash or deferred arrangement, as defined in  
35 section 401(k) of the federal internal revenue code of 1986, to the extent  
36 that such contribution is not included in gross income by reason of section  
37 402(a)(8) of the federal internal revenue code of 1986; or (2) any amount  
38 treated as an employer contribution under section 414(h)(2) of the federal  
39 internal revenue code of 1986.

40       Any amount deferred under a nonqualified deferred compensation plan  
41 shall be taken into account for purposes of this section as of the later of  
42 when the services are performed or when there is no substantial risk of  
43 forfeiture of the rights to such amount. Any amount taken into account as

1 wages by reason of this paragraph, and the income attributable thereto,  
2 shall not thereafter be treated as wages for purposes of this section. For  
3 purposes of this paragraph, the term "nonqualified deferred compensation  
4 plan" means any plan or other arrangement for deferral of compensation  
5 other than a plan described in subsection (o)(5).

6 (p) "Week" means such period or periods of seven consecutive  
7 calendar days, as the secretary may by rules and regulations prescribe.

8 (q) "Calendar quarter" means the period of three consecutive calendar  
9 months ending March 31, June 30, September 30 or December 31, or the  
10 equivalent thereof as the secretary may by rules and regulations prescribe.

11 (r) "Insured work" means employment for employers.

12 (s) "Approved training" means any vocational training course or  
13 course in basic education skills, including a job training program  
14 authorized under the federal workforce investment act of 1998, approved  
15 by the secretary or a person or persons designated by the secretary.

16 (t) "American vessel" or "American aircraft" means any vessel or  
17 aircraft documented or numbered or otherwise registered under the laws of  
18 the United States; and any vessel or aircraft that is neither documented or  
19 numbered or otherwise registered under the laws of the United States nor  
20 documented under the laws of any foreign country, if its crew performs  
21 service solely for one or more citizens or residents of the United States or  
22 corporations organized under the laws of the United States or of any state.

23 (u) "Institution of higher education," for the purposes of this section,  
24 means an educational institution that:

25 (1) Admits as regular students only individuals having a certificate of  
26 graduation from a high school, or the recognized equivalent of such a  
27 certificate;

28 (2) is legally authorized in this state to provide a program of  
29 education beyond high school;

30 (3) provides an educational program for which it awards a bachelor's  
31 or higher degree, or provides a program that is acceptable for full credit  
32 toward such a degree, a program of postgraduate or postdoctoral studies,  
33 or a program of training to prepare students for gainful employment in a  
34 recognized occupation; and

35 (4) is a public or other nonprofit institution.

36 Notwithstanding any of the foregoing provisions of this subsection (u),  
37 all colleges and universities in this state are institutions of higher education  
38 for purposes of this section, except that no college, university, junior  
39 college or other postsecondary school or institution that is operated by the  
40 federal government or any agency thereof shall be an institution of higher  
41 education for purposes of the employment security law.

42 (v) "Educational institution" means any institution of higher  
43 education, as defined in subsection (u), or any institution, except private

1 for profit institutions, in which participants, trainees or students are offered  
2 an organized course of study or training designed to transfer to them  
3 knowledge, skills, information, doctrines, attitudes or abilities from, by or  
4 under the guidance of an instructor or teacher and that is approved,  
5 licensed or issued a permit to operate as a school by the state department  
6 of education or other government agency that is authorized within the state  
7 to approve, license or issue a permit for the operation of a school or to an  
8 Indian tribe in the operation of an educational institution. The courses of  
9 study or training that an educational institution offers may be academic,  
10 technical, trade or preparation for gainful employment in a recognized  
11 occupation.

12 (w) (1) "Agricultural labor" means any remunerated service:

13 (A) On a farm, in the employ of any person, in connection with  
14 cultivating the soil, or in connection with raising or harvesting any  
15 agricultural or horticultural commodity, including the raising, shearing,  
16 feeding, caring for, training, and management of livestock, bees, poultry,  
17 and furbearing animals and wildlife.

18 (B) In the employ of the owner or tenant or other operator of a farm,  
19 in connection with the operating, management, conservation,  
20 improvement, or maintenance of such farm and its tools and equipment, or  
21 in salvaging timber or clearing land of brush and other debris left by a  
22 hurricane, if the major part of such service is performed on a farm.

23 (C) In connection with the production or harvesting of any  
24 commodity defined as an agricultural commodity in section (15)(g) of the  
25 agricultural marketing act, as amended, 46 Stat. 1500, see. 3; 12 U.S.C. §  
26 1441j, or in connection with the ginning of cotton, or in connection with  
27 the operation or maintenance of ditches, canals, reservoirs or waterways,  
28 not owned or operated for profit, used exclusively for supplying and  
29 storing water for farming purposes.

30 (D) (i) In the employ of the operator of a farm in handling, planting,  
31 drying, packing, packaging, processing, freezing, grading, storing, or  
32 delivering to storage or to market or to a carrier for transportation to  
33 market, in its unmanufactured state, any agricultural or horticultural  
34 commodity, but only if such operator produced more than  $\frac{1}{2}$  of the  
35 commodity with respect to which such service is performed;

36 (ii) in the employ of a group of operators of farms, or a cooperative  
37 organization of which such operators are members, in the performance of  
38 services described in paragraph (i), but only if such operators produced  
39 more than  $\frac{1}{2}$  of the commodity with respect to which such service is  
40 performed;

41 (iii) the provisions of paragraphs (i) and (ii) shall not be deemed to be  
42 applicable with respect to services performed in connection with any  
43 commercial canning or commercial freezing or in connection with any

1 agricultural or horticultural commodity after its delivery to a terminal  
2 market for distribution for consumption.

3 (E) On a farm operated for profit if such service is not in the course  
4 of the employer's trade or business.

5 (2) "Agricultural labor" does not include services performed prior to  
6 January 1, 1980, by an individual who is an alien admitted to the United  
7 States to perform service in agricultural labor pursuant to sections 214(c)  
8 and 101(a)(15)(H) of the federal immigration and nationality act.

9 (3) As used in this subsection, the term "farm" includes stock, dairy,  
10 poultry, fruit, fur-bearing animal, and truck farms, plantations, ranches,  
11 nurseries, ranges, greenhouses, or other similar structures used primarily  
12 for the raising of agricultural or horticultural commodities, and orchards.

13 (4) For the purpose of this section, if an employing unit does not  
14 maintain sufficient records to separate agricultural labor from other  
15 employment, all services performed during any pay period by an  
16 individual for the person employing such individual shall be deemed to be  
17 agricultural labor if services performed during ½ or more of such pay  
18 period constitute agricultural labor; but if the services performed during  
19 more than ½ of any such pay period by an individual for the person  
20 employing such individual do not constitute agricultural labor, then none  
21 of the services of such individual for such period shall be deemed to be  
22 agricultural labor. As used in this subsection, the term "pay period" means  
23 a period of not more than 31 consecutive days for which a payment of  
24 remuneration is ordinarily made to the individual by the person employing  
25 such individual.

26 (x) "Reimbursing employer" means any employer who makes  
27 payments in lieu of contributions to the employment security fund as  
28 provided in K.S.A. 44-710(e), and amendments thereto.

29 (y) "Contributing employer" means any employer other than a  
30 reimbursing employer or rated governmental employer.

31 (z) "Wage combining plan" means a uniform national arrangement  
32 approved by the United States secretary of labor in consultation with the  
33 state unemployment compensation agencies and in which this state shall  
34 participate, whereby wages earned in one or more states are transferred to  
35 another state, called the "paying state," and combined with wages in the  
36 paying state, if any, for the payment of benefits under the laws of the  
37 paying state and as provided by an arrangement so approved by the United  
38 States secretary of labor.

39 (aa) "Domestic service" means any services for a person in the  
40 operation and maintenance of a private household, local college club or  
41 local chapter of a college fraternity or sorority, as distinguished from  
42 service as an employee in the pursuit of an employer's trade, occupation,  
43 profession, enterprise or vocation.

1       (bb) "Rated governmental employer" means any governmental entity  
2 that elects to make payments as provided by K.S.A. 44-710d, and  
3 amendments thereto.

4       (ee) "Benefit cost payments" means payments made to the  
5 employment security fund by a governmental entity electing to become a  
6 rated governmental employer.

7       (dd) "Successor employer" means any employer, as described in  
8 subsection (h), that acquires or in any manner succeeds to: (1)  
9 Substantially all of the employing enterprises, organization, trade or  
10 business of another employer; or (2) substantially all the assets of another  
11 employer.

12       (ee) "Predecessor employer" means an employer, as described in  
13 subsection (h), who has previously operated a business or portion of a  
14 business with employment to which another employer has succeeded.

15       (ff) "Lessor employing unit" means any independently established  
16 business entity that engages in the business of providing leased employees  
17 to a client lessee.

18       (gg) "Client lessee" means any individual, organization, partnership,  
19 corporation or other legal entity leasing employees from a lessor  
20 employing unit.

21       (hh) "Qualifying injury" means a personal injury by accident arising  
22 out of and in the course of employment within the coverage of the Kansas  
23 workers compensation act, K.S.A. 44-501 et seq., and amendments\*.

24       (ii) "Temporary unemployment," "temporarily unemployed" or  
25 "temporary layoff" means that the individual has been laid off due to lack  
26 of work by an employing unit for which the individual has most recently  
27 worked full time and for which the individual reasonably expects to  
28 resume full-time work at a future date within eight weeks, and that the  
29 individual's employment with the employing unit, although temporarily  
30 suspended, has not been terminated. Except as otherwise provided by  
31 K.S.A. 44-775(a)(3), and amendments thereto, "temporary unemployment"  
32 shall not exceed eight consecutive weeks. An extension of additional  
33 weeks of temporary unemployment at the request of an employer for an  
34 individual may be granted by the secretary as provided by K.S.A. 44-  
35 775(a)(3), and amendments thereto. The maximum amount of temporary  
36 unemployment for an individual in a benefit year, including any extension  
37 granted by the secretary, shall be as provided by K.S.A. 44-775(a)(3), and  
38 amendments thereto.

39       (jj) "Statewide average annual wage" or "SAAW" means the quotient,  
40 obtained by dividing gross wages by average monthly covered  
41 employment for the same determination period, rounded to the nearest  
42 cent.

43       (kk) "Statewide average weekly wage" or "SAWW" means the

1     quotient, obtained by dividing the statewide average annual wage by 52,  
2     rounded to the nearest cent.

3         (a) "Agricultural labor" means any remunerated service as defined  
4         below:

5             (i) Services performed:

6                 (A) On a farm, in the employ of any person and in connection with:  
7                     (i) Cultivating the soil; or

8                     (ii) raising or harvesting any agricultural or horticultural  
9                     commodity, including the raising, shearing, feeding, caring for, training  
10                     and management of livestock, bees, poultry, furbearing animals and  
11                     wildlife;

12                 (B) in the employ of the owner, tenant or other operator of a farm, in  
13                     connection with:

14                     (i) The operation, management, conservation, improvement or  
15                     maintenance of such farm and such farm's tools and equipment; or

16                     (ii) salvaging timber or clearing land of brush and debris left by a  
17                     hurricane, if the major part of such service is performed on a farm;

18                     (C) in connection with:

19                     (i) The production or harvesting of any agricultural commodity as  
20                     defined in 12 U.S.C. § 1141j, as in effect on July 1, 2026;

21                     (ii) the ginning of cotton; or

22                     (iii) the operation or maintenance of ditches, canals, reservoirs or  
23                     waterways not owned or operated for profit, if used exclusively for  
24                     supplying and storing water for farming purposes;

25                     (D) (i) in the employ of the operator of a farm, in handling, planting,  
26                     drying, packing, packaging, processing, freezing, grading, storing or  
27                     delivering to storage, market or a carrier for transportation to market any  
28                     agricultural or horticultural commodity in such commodity's  
29                     unmanufactured state, if such operator produced more than 50% of such  
30                     commodity for which the service is performed;

31                     (ii) in the employ of a group of farm operators or a cooperative  
32                     organization of which such operators are members, in performing the  
33                     services described in paragraph (i), provided that the operators  
34                     collectively produced more than 50% of the commodity for which the  
35                     service is performed; or

36                     (iii) services under (i) and (ii) shall not include services performed in  
37                     connection with commercial canning or freezing or any agricultural or  
38                     horticultural commodity after its delivery to a terminal market for  
39                     distribution or consumption; or

40                     (E) on a farm operated for profit, where the service is not performed  
41                     in the course of the employer's trade or business.

42         (2) For purposes of this subsection, "farm" includes stock, dairy,  
43                     poultry, fruit, fur-bearing animal and truck farms, plantations, ranches,

1     *nurseries, ranges, greenhouses or similar structures primarily used for the*  
2     *raising of agricultural or horticultural commodities and orchards.*

3       (3) *For determining coverage under this act, if an employing unit*  
4     *does not maintain sufficient records to distinguish agricultural labor from*  
5     *other employment:*

6           (A) *All services performed during a pay period shall be deemed*  
7     *agricultural labor if 50% or more of the individual's services during such*  
8     *period constitute agricultural labor; or*

9           (B) *no services shall be deemed agricultural labor if less than 50% of*  
10     *such services constitute agricultural labor.*

11       (b) *"American vessel" or "American aircraft" means a vessel or*  
12     *aircraft registered or documented under the laws of the United States or*  
13     *operated by companies or citizens that are based in the United States.*

14       (c) (1) *"Annual payroll" means the total wages paid or payable by an*  
15     *employer during the calendar year.*

16       (2) *"Average annual payroll" means the average of the annual*  
17     *payrolls of an employer for the last three calendar years immediately*  
18     *preceding the computation date, provided the employer has been*  
19     *continuously subject to contributions and has paid wages during each of*  
20     *those years. If an employer has only been subject to contributions for the*  
21     *two most recent calendar years preceding the computation date, the*  
22     *"average annual payroll" shall be the average for those two years.*

23       (3) *"Total wages" means the total amount of wages paid or payable*  
24     *by an employer during the calendar year, including amounts exceeding the*  
25     *taxable wage base.*

26       (d) *"Approved training" means any training or education program*  
27     *approved by the secretary or the secretary's designee, including those*  
28     *authorized under federal workforce programs.*

29       (e) *"Average high cost multiple" means the measure of trust fund*  
30     *solvency calculated by dividing the trust fund balance by the average of*  
31     *the three highest calendar year benefit cost rates in the previous 20 years.*  
32     *An average high cost multiple of 1.0 indicates sufficient reserves to pay*  
33     *one year of high-cost benefits without additional revenue, as*  
34     *recommended by the United States department of labor.*

35       (f) *"Base period" means the first four of the last five completed*  
36     *calendar quarters immediately preceding the start of an individual's*  
37     *benefit year, except for combined wage claims, in which the base period is*  
38     *defined by the paying state.*

39           (1) *If an individual does not have sufficient wages in the standard*  
40     *base period to establish a claim and meets the requirements of K.S.A. 44-*  
41     *705(e), and amendments thereto, an "alternative base period" may be*  
42     *used, defined as the last four completed quarters immediately before the*  
43     *date of a qualifying injury. Wages previously used for another claim shall*

1    be excluded.

2       (2) For the purposes of this act, the term "base period" includes both  
3       the standard and alternative base periods.

4       (g) "Benefit account" means the account established within the  
5       employment security fund for the disbursement of unemployment  
6       insurance benefits, consisting of moneys requisitioned from this state's  
7       account in the federal unemployment trust fund.

8       (h) "Benefit cost payments" means amounts paid by rated  
9       governmental employers to fund unemployment benefits.

10      (i) "Benefit cost rate" means the total benefits paid during a fiscal  
11       year divided by total covered payrolls.

12      (j) "Benefit liability" means the amount of unemployment insurance  
13       benefits attributed to an employer's account or obligation, either through  
14       experience rating, reimbursement or benefit charging, including amounts  
15       subject to offset or relief as provided under this act.

16      (k) "Benefit year" means the 52-week period beginning on the Sunday  
17       of the week in which an individual files a valid claim for benefits. A  
18       subsequent benefit year may begin only after the preceding benefit year  
19       ends. In combined wage claims, the benefit year is determined by the  
20       paying state.

21      (l) (1) "Benefits" means money payments payable to an individual  
22       with respect to unemployment, as provided under this act.

23      (2) "Regular benefits" means benefits payable under this act or under  
24       any other state law, including federal benefits to civilian employees or ex-  
25       service members under 5 U.S.C. Ch. 85, excluding extended benefits.

26      (m) "Calendar quarter" means a three-month period ending on  
27       March 31, June 30, September 30 or December 31.

28      (n) "Clearing account" means the account within the employment  
29       security fund used to temporarily hold contributions and remittances prior  
30       to their deposit into the federal unemployment trust fund or other  
31       authorized accounts.

32      (o) "Client lessee" means any individual, organization, partnership,  
33       corporation or other legal entity that obtains the services of workers by  
34       leasing such workers from a lessor employing unit under a contractual  
35       arrangement.

36      (p) (1) "Computation date" means June 30 of the calendar year  
37       preceding the applicable rate year, or such other date as may be  
38       designated by rules and regulations adopted by the secretary, used for  
39       calculating employer experience ratings and contribution rates applicable  
40       to the following calendar year beginning on January 1.

41      (2) For the purpose of calculating experience ratings and  
42       contribution rates, contributions paid on or before July 31 following the  
43       computation date shall be considered, provided they relate to employment

1     *occurring on or before the computation date.*

2       (3) *The experience ratings and contribution rates shall apply to any*  
3 *contributing employer that has been subject to this act for a sufficient*  
4 *period to have a rate computed pursuant to K.S.A. 44-710a(a)(2), and*  
5 *amendments thereto.*

6       (q) *"Contributing employer" means any employer required to pay*  
7 *regular unemployment insurance contributions, excluding reimbursing or*  
8 *rated governmental employers.*

9       (r) *"Contribution receipts" means all amounts collected from subject*  
10 *employers under the employment security law, including contributions,*  
11 *penalties and interest, unless otherwise excluded by statute or regulation.*

12       (s) (1) *"Contributions" means required payments by employers to the*  
13 *state employment security fund pursuant to K.S.A. 44-710, and*  
14 *amendments thereto, including voluntary payments.*

15       (2) *"Payments in lieu of contributions" means payments made by*  
16 *reimbursing employers instead of contributions pursuant to K.S.A. 44-*  
17 *710(e), and amendments thereto.*

18       (t) *"Domestic service" means services performed for a person in the*  
19 *operation and maintenance of a private household, local college club or*  
20 *local chapter of a college fraternity or sorority. This term is distinct from*  
21 *employment performed in the course of an employer's trade, occupation,*  
22 *profession, enterprise or vocation.*

23       (u) *"Educational institution" means any accredited institution, except*  
24 *private for-profit entities, that offers organized courses of study approved*  
25 *by a relevant government authority or tribal authority.*

26       (v) *"Employer" means:*

27       (A) *Any employing unit for which agricultural labor as defined in*  
28 *this section is performed and, during any calendar quarter in either the*  
29 *current or preceding calendar year, paid remuneration in cash in an*  
30 *amount of \$20,000 or more to individuals employed in agricultural labor*  
31 *or for some portion of a day in each of 20 calendar weeks, whether or not*  
32 *such weeks were consecutive, in either the current or the preceding*  
33 *calendar year, or employed 10 or more individuals in agricultural labor,*  
34 *regardless of whether they were employed at the same time.*

35       (B) *For the purposes of this subsection, any individual who is a*  
36 *member of a crew furnished by a crew leader to perform services in*  
37 *agricultural labor for any other person shall be considered an employee of*  
38 *such crew leader if:*

39       (i) *Such crew leader holds a valid certificate of registration under the*  
40 *federal migrant and seasonal agricultural workers protection act or*  
41 *substantially all the members of such crew operate or maintain tractors,*  
42 *mechanized harvesting or cropdusting equipment or any other mechanized*  
43 *equipment that is provided by such crew leader; and*

1       (ii) such individual is not in the employment of such other person as  
2 defined in this section.

3       (C) For the purposes of this subsection, in the case of any individual  
4 who is furnished by a crew leader to perform services in agricultural  
5 labor for any other person and is not an employee of such crew leader:

6       (i) Such other person shall be considered the employer of such  
7 individual; and

8       (ii) such other person shall be deemed to have paid cash  
9 remuneration to such individual in an amount equal to the amount of cash  
10 remuneration paid to such individual by the crew leader, either on the  
11 crew leader's own behalf or on behalf of such other person, for the  
12 services in agricultural labor performed for such other person.

13       (D) For the purposes of this subsection, "crew leader" means an  
14 individual who:

15       (i) Furnishes individuals to perform services in agricultural labor for  
16 any other person;

17       (ii) pays, either on such crew leader's own behalf or on behalf of such  
18 other person, the individuals so furnished by such crew leader for the  
19 services in agricultural labor performed by such individuals; and

20       (iii) has not entered into a written agreement with such other person  
21 under which such individual is designated as an employee of such other  
22 person.

23       (2) (A) Any employing unit that:

24       (i) Paid wages of \$1,500 or more in any calendar quarter during the  
25 current or preceding calendar year;

26       (ii) employed at least one individual for some portion of a day in  
27 each of 20 weeks during the current or preceding calendar year; or

28       (iii) elected to establish an unemployment tax account pursuant to  
29 K.S.A. 44-711(c), and amendments thereto.

30       (B) Wages and employment related to domestic service or  
31 agricultural labor shall be excluded when determining employer status  
32 under this paragraph.

33       (3) Any employing unit for which service is deemed employment  
34 under subsection (x)(3)(E);

35       (4) (A) any employing unit that acquires or succeeds to:

36       (i) Substantially all of the business, trade, organization or  
37 operations; or

38       (ii) substantially all of the assets of an employer subject to this act.

39       (B) Any employing unit controlled substantially, directly or indirectly,  
40 by the same interest or interests that acquires less than 100% of another  
41 employer's payroll and intends to operate such acquired portion of payroll  
42 as a continuing business;

43       (5) any employing unit that paid \$1,000 or more in cash wages in any

1    *calendar quarter in the current or preceding calendar year for domestic*  
2    *service;*

3        *(6) any employing unit that, having become subject to this act as an*  
4    *employer, has not ceased to be an employer pursuant to K.S.A. 44-711(b),*  
5    *and amendments thereto;*

6        *(7) any employing unit that elects full coverage under this act and*  
7    *pursuant to K.S.A. 44-711(c), and amendments thereto;*

8        *(8) any employing unit not otherwise defined as an employer under*  
9    *this subsection that is subject to federal unemployment tax requirements or*  
10   *must be defined as an employer for Kansas to maintain conformity with*  
11   *federal law; or*

12        *(9) any organization that is tax exempt under 26 U.S.C. § 501(c)(3)*  
13   *that employed four or more individuals for some portion of a day in each*  
14   *of 20 weeks during the current or preceding calendar year, regardless of*  
15   *whether the employees worked simultaneously.*

16        *(w) (1) "Employing unit" means any individual or legal entity,*  
17   *including, but not limited to, a partnership, corporation, limited liability*  
18   *company, trust, estate, association, government agency or nonprofit*  
19   *organization that has employed one or more individuals in this state.*

20        *(2) All individuals working at multiple locations operated by the*  
21   *same entity shall be considered employed by one employing unit for the*  
22   *purposes of this act.*

23        *(3) Any individual who performs work under the direction of another*  
24   *individual employed by the unit, whether hired directly or indirectly, shall*  
25   *be considered employed by the employing unit if the unit had actual or*  
26   *constructive knowledge of such work.*

27        *(x) "Employment" means:*

28        *(1) Subject to the provisions of this subsection, service, including*  
29   *service in interstate commerce, performed by:*

30        *(A) Any active officer of a corporation;*

31        *(B) any individual who is determined to be an employee under the*  
32   *common law test for employer-employee status, subject to paragraph (3)*  
33   *(D); or*

34        *(C) any individual who is not included under subparagraphs (A) or*  
35   *(B) but performs services for remuneration under occupational*  
36   *classifications such as:*

37        *(i) An agent-driver or commission-driver distributing goods or*  
38   *services for a principal; or*

39        *(ii) a traveling or city salesperson working full time soliciting orders*  
40   *for merchandise or supplies for use in business operations.*

41        *(D) Employment under paragraph (1)(C) is recognized only if:*

42        *(i) The contract requires that substantially all services be performed*  
43   *personally;*

1       (ii) *the individual does not own a substantial investment in facilities*  
2 *used, except transport; and*  
3       (iii) *the work reflects a continuing business relationship.*

4       (2) *"Employment" includes all services performed entirely outside of*  
5 *Kansas if:*

6       (A) *The work is not localized in any one state;*  
7       (B) *the individual is part of a class of traveling employees; and*  
8       (C) *the base of operations or supervisory control is located in*  
9 *Kansas.*

10      (3) *"Employment" also includes:*

11       (A) *Services performed in Kansas but not covered under paragraphs*  
12 *(1) or (2), if no other state or federal unemployment tax applies;*

13       (B) *services performed entirely outside of Kansas by a resident in*  
14 *which the employer elects to cover the service under Kansas law and no*  
15 *other state has jurisdiction;*

16       (C) *services subject to an interstate reciprocal arrangement pursuant*  
17 *to K.S.A. 44-714(h), and amendments thereto, in which all services are*  
18 *deemed to occur in Kansas and the secretary approves the election;*

19       (D) *services for remuneration under a contract of hire in which the*  
20 *employer retains control over both the result and manner of performance;*

21       (E) *services for state, local or tribal governments and political*  
22 *subdivisions, as well as joint instrumentalities with Indian tribes, to the*  
23 *extent permitted under federal law and not excluded in paragraph (4)(A);*

24       (F) *services for religious, charitable or educational organizations*  
25 *excluded from coverage under the federal unemployment tax act solely by*  
26 *26 U.S.C. 3306(c)(8) but not otherwise excluded under paragraph (4)(I)–*  
27 *(M);*

28       (G) (i) *out-of-country services by citizens of the United States. For*  
29 *the purposes of the employment security law, "employment" includes*  
30 *services performed outside of the United States, except in Canada, by an*  
31 *individual who is a citizen of the United States and employed by an*  
32 *American employer; as such term is defined in subclause (ii), provided*  
33 *such service is not already deemed "employment" under paragraphs (2) or*  
34 *(3) or the corresponding provisions of another state's law, and one of the*  
35 *following conditions applies:*

36       (a) *The employer's principal place of business within the United*  
37 *States is located in Kansas; or*

38       (b) *the employer has no place of business in the United States, but:*

39       (I) *If the employer is an individual, such individual is a resident of*  
40 *Kansas;*

41       (2) *if the employer is a corporation, such corporation is organized*  
42 *under the laws of Kansas; or*

43       (3) *if the employer is a partnership or a trust, the number of partners*

1 or trustees who are Kansas residents exceeds the number residing in any  
2 other state; or

3 (c) if none of the above criteria are met, the employer has elected to  
4 cover such services under the employment security law, or, in the absence  
5 of such an election in any state, the individual has filed a claim for  
6 benefits under the employment security law.

7 (ii) For the purposes of paragraph (3)(G)(i), an "American  
8 employer" means any of the following entities:

9 (a) An individual who is a resident of the United States;

10 (b) a partnership in which two-thirds or more of the partners are  
11 residents of the United States;

12 (c) a trust in which all trustees are residents of the United States; or

13 (d) a corporation organized under the laws of the United States or  
14 any of its states;

15 (H) services performed on American vessels and aircraft.  
16 Notwithstanding paragraph (2), services performed by an officer or crew  
17 member aboard an American vessel or American aircraft, whether  
18 operating solely within the United States or both within and outside of the  
19 United States, shall be deemed employment under the employment security  
20 law if the operating office from which the vessel's or aircraft's operations  
21 are ordinarily and regularly supervised, managed, directed and controlled  
22 is located within the state of Kansas;

23 (I) services required to be compliant under the federal unemployment  
24 tax act. Notwithstanding any other provisions of this subsection,  
25 "employment" includes any services for which a federal tax is required to  
26 be paid under a law that permits a credit for contributions made to a state  
27 unemployment compensation fund, or for which coverage is required  
28 under the employment security law as a condition of receiving the full tax  
29 credit allowed under the federal unemployment tax act; and

30 (J) domestic service performed in a private home, local college club  
31 or local chapter of a college fraternity or sorority for any person who paid  
32 cash wages totaling \$1,000 or more in any calendar quarter during the  
33 current or preceding calendar year to one or more individuals employed  
34 in such domestic service.

35 (4) The term "employment" does not include the following services:

36 (A) Services performed for an employer described in paragraph (3)  
37 (E), if the individual performs duties:

38 (i) As an elected official;

39 (ii) as a member of a legislative body or the judiciary of a state,  
40 political subdivision or Indian tribe;

41 (iii) as a member of the Kansas army or air national guard;

42 (iv) on a temporary basis in response to emergencies, such as fire,  
43 storm, snow, earthquake, flood or similar events; or

1       (v) in a position designated under state or tribal law as a major  
2 nontenured policymaking or advisory role, or one that ordinarily requires  
3 less than eight hours of service per week;

4       (B) services for which unemployment compensation is payable under  
5 a federal unemployment compensation system established by an act of  
6 congress;

7       (C) services performed by an individual in the employ of such  
8 individual's spouse, son, or daughter or by a child under the age of 21 in  
9 the employ of the child's parent;

10     (D) services for the United States government or the United State's  
11 instrumentalities that are exempt from state contributions under the  
12 constitution of the United States. However, if federal law permits such  
13 instrumentalities to make payments into a state unemployment fund, all  
14 provisions of this act apply. If Kansas fails to be certified for a year under  
15 26 U.S.C. 3304(c), payments made by such instrumentalities shall be  
16 refunded in accordance with K.S.A. 44-717(h), and amendments thereto;

17     (E) reciprocal coverage agreements. "Employment" does not include  
18 services performed by an individual for an employing unit when all such  
19 services during a specified period are covered under a reciprocal  
20 arrangement approved pursuant to K.S.A. 44-714(h), and amendments  
21 thereto, pursuant to which the secretary and the agency administering  
22 another state or federal unemployment compensation law have agreed that  
23 such services are deemed to be performed entirely within the jurisdiction  
24 of that other state or federal agency for purposes of unemployment  
25 insurance coverage;

26     (F) exempt newspaper delivery by minors. Services performed by an  
27 individual under the age of 18 in the delivery or distribution of  
28 newspapers or shopping news shall not be deemed employment, provided  
29 such services do not include delivery or distribution to any location for  
30 subsequent delivery or distribution;

31     (G) insurance agents and solicitors. Services performed by an  
32 individual for an employing unit as an insurance agent or solicitor shall  
33 be excluded from employment if all such services are performed for  
34 remuneration solely by way of commission;

35     (H) low-paid work for certain tax-exempt organizations. Services  
36 performed in any calendar quarter for an organization exempt from  
37 income tax under 26 U.S.C. § 501(a), excluding organizations described  
38 in 26 U.S.C. §§ 401(a) or 521, shall be excluded from employment if total  
39 remuneration is less than \$50 for such quarter. For the purposes of this  
40 subsection:

41       (i) If services performed during  $\frac{1}{2}$  or more of any pay period  
42 constitute employment, then all services performed by such individual  
43 during such pay period shall be deemed employment;

1       (ii) if services performed during more than 1/2 of any pay period do  
2 not constitute employment, then none of the services during that period  
3 shall be deemed employment; and

4       (iii) this exclusion shall not apply where unemployment  
5 compensation is payable under a federal unemployment compensation  
6 system;

7       (I) religious employment, including services performed in the employ  
8 of a church, convention or association of churches or by an organization  
9 operated primarily for religious purposes and under the supervision,  
10 control or support of such church entities;

11       (J) ministers and religious order members, including services  
12 performed by a duly ordained, commissioned or licensed minister of a  
13 church in the exercise of their ministry or a member of a religious order in  
14 the exercise of required duties;

15       (K) rehabilitation and sheltered work services, including services  
16 performed in a facility operated to conduct a program of:

17       (i) Rehabilitation for individuals whose earning capacity is impaired  
18 by age, physical or mental deficiency or injury; or

19       (ii) remunerative work for individuals who, due to such impairments,  
20 cannot readily be absorbed into the competitive labor market;

21       (L) work-relief or work-training programs, including services  
22 performed under an employment work-relief or work-training program  
23 financed in whole or in part by any federal agency or agency of a state,  
24 political subdivision or Indian tribe, by individuals receiving such work  
25 relief or training;

26       (M) services performed by an inmate of a custodial or correctional  
27 institution;

28       (N) student employees of educational institutions. Services performed  
29 in the employ of a school, college or university by a student who is  
30 enrolled and regularly attending classes at such institution shall be  
31 excluded from employment;

32       (O) work-study programs. Services performed as part of a full-time,  
33 for-credit work-study program at a nonprofit or public educational  
34 institution shall be excluded from employment, provided the institution  
35 certifies that:

36       (i) The service is an integral part of the student's academic program;  
37 and

38       (ii) the position was not established primarily for or by the employer;

39       (P) services performed in the employ of a hospital licensed, certified  
40 or approved by the secretary of health and environment, if such services  
41 are performed by a patient of the hospital;

42       (Q) services performed as a qualified real estate agent. A "qualified  
43 real estate agent" means any individual who:

1       (i) *Is licensed by the Kansas real estate commission as a salesperson  
2 under the real estate brokers' and salespersons' license act;*

3       (ii) *receives substantially all remuneration, whether or not paid in  
4 cash, for services as a real estate salesperson based directly on sales or  
5 other output rather than hours worked; and*

6       (iii) *performs such services pursuant to a written contract with the  
7 person for whom the services are performed, and such contract specifies  
8 that the individual will not be considered an employee for state tax  
9 purposes;*

10     (R) *services performed by an extra for an employer in connection  
11 with any phase of motion picture, television production or television  
12 commercials for fewer than 14 days in any calendar year. "Extra" means  
13 an individual who pantomimes in the background, adds atmosphere to the  
14 set and performs such actions without speaking. This exclusion does not  
15 apply to services performed for a governmental entity or an organization  
16 described in 26 U.S.C. § 501(c)(3) that is exempt under 26 U.S.C. §  
17 501(a).*

18     (S) *services performed by an oil and gas contract pumper. "Oil and  
19 gas contract pumper" means a person performing pumping and related  
20 services on one or more oil or gas leases on a contractual basis for the  
21 lease operators concerning the operation and maintenance of such leases.  
22 This exclusion does not apply to services performed for a governmental  
23 entity or an organization described in 26 U.S.C. § 501(c)(3) that is exempt  
24 under 26 U.S.C. § 501(a);*

25     (T) (i) *casual services not in the course of the employer's trade or  
26 business performed in any calendar quarter, unless:*

27       (a) *Cash remuneration paid for such service is \$200 or more; and*

28       (b) *the individual is regularly employed by the employer to perform  
29 such service;*

30       (ii) *for the purposes of this subparagraph, an individual is "regularly  
31 employed" during a calendar quarter if:*

32       (a) *On 24 or more days in such quarter, the individual performs some  
33 portion of such casual services; or*

34       (b) *the individual met the standard in subparagraph (a) in the  
35 preceding calendar quarter;*

36       (iii) *this exclusion shall not apply to services performed for a  
37 governmental entity or an organization described in 26 U.S.C. § 501(c)(3)  
38 that is exempt under 26 U.S.C. § 501(a);*

39     (U) *services performed by a member or manager of a limited liability  
40 company in their capacity as a member or manager of such limited  
41 liability company.*

42     (V) *services performed as a qualified direct seller. A "qualified direct  
43 seller" means a person who:*

1       (i) *Is engaged in selling or soliciting the sale of consumer products*  
2 *without a permanent retail establishment, including through buy-sell,*  
3 *deposit-commission or similar arrangements;*

4       (ii) *receives substantially all remuneration directly related to sales or*  
5 *output rather than hours worked;*

6       (iii) *performs services pursuant to a written contract stating that the*  
7 *individual will not be considered an employee for federal and state tax*  
8 *purposes; and*

9       (iv) *does not rely exclusively on nonpersonal solicitation methods*  
10 *such as telephone, mail or other telecommunication means to make sales;*

11       (W) *services performed as an election official or election worker, if*  
12 *the total remuneration received in a calendar year is less than \$1,000;*

13       (X) *services performed by agricultural workers admitted to the*  
14 *United States under H-2A visas in accordance with 8 U.S.C. § 1101(a)(15)*  
15 *(H)(ii)(a);*

16       (Y) *services performed by an owner-operator of a motor vehicle that*  
17 *is leased or contracted to a licensed motor carrier with the services of a*  
18 *driver and is considered an employee under the terms of the lease*  
19 *agreement or contract with the licensed motor carrier for the purposes of*  
20 *the federal insurance contribution act, 26 U.S.C. § 3101 et seq., the*  
21 *federal social security act, 42 U.S.C. § 301 et seq., the federal*  
22 *unemployment tax act, 26 U.S.C. § 3301 et seq., and the federal statutes*  
23 *prescribing income tax withholding at the source, 26 U.S.C. § 3401 et seq.*  
24 *Employees or agents of the owner-operator shall not be considered*  
25 *employees of the licensed motor carrier for purposes of employment*  
26 *security taxation or compensation. As used in this subparagraph, the*  
27 *following definitions apply:*

28       (i) *"Motor vehicle" means any automobile, truck-trailer, semitrailer,*  
29 *tractor, motor bus or any other self-propelled or motor-driven vehicle used*  
30 *upon any of the public highways of Kansas for the purpose of transporting*  
31 *persons or property;*

32       (ii) *"licensed motor carrier" means any person, firm, corporation or*  
33 *other business entity that holds a certificate of convenience and necessity*  
34 *or a certificate of public service from the state corporation commission or*  
35 *is required to register motor carrier equipment pursuant to 49 U.S.C. §*  
36 *14504; and*

37       (iii) *"owner-operator" means a person, firm, corporation or other*  
38 *business entity that is the owner of a single motor vehicle that is driven*  
39 *exclusively by the owner under a lease agreement or contract with a*  
40 *licensed motor carrier; and*

41       (Z) (i) *services performed by a petroleum landman under a*  
42 *contractual arrangement, provided such individual is not acting as a*  
43 *corporate officer. "Petroleum landman" includes a person performing one*

1     *or more of the following services:*

- 2       (a) *Negotiating acquisition or divestiture of mineral rights;*
- 3       (b) *negotiating agreements for mineral exploration or development;*
- 4       (c) *researching public or private records to determine mineral*
- 5       *ownership;*
- 6       (d) *reviewing and curing title defects or providing due diligence;*
- 7       (e) *managing mineral rights or obligations derived from such rights;*
- 8     *or*
- 9       (f) *coordinating unitization or pooling of mineral interests;*

10      (ii) *This exclusion does not apply to services performed for a*  
11 *governmental entity, a federally recognized Indian tribe or an*  
12 *organization described in 26 U.S.C. § 501(c)(3) that is exempt under 26*  
13 *U.S.C. § 501(a).*

14      (y) *"Employment office" means any office operated or authorized by*  
15 *the department of labor or the department of commerce, as applicable, for*  
16 *the purpose of connecting individuals with employment opportunities and*  
17 *workforce services.*

18      (z) *"Employment security administration fund" means the fund from*  
19 *which all administrative expenses for the Kansas unemployment insurance*  
20 *program are paid.*

21      (aa) *"Experience rating factors" means the components used to*  
22 *calculate an employer's contribution rate, including the employer's*  
23 *cumulative benefit charges, contributions paid and annual taxable payroll*  
24 *over the relevant experience period as defined in K.S.A. 44-710a, and*  
25 *amendments thereto.*

26      (bb) *"Federal unemployment trust fund" means the fund established*  
27 *under 42 U.S.C. § 1104 that is held by the secretary of the treasury of the*  
28 *United States and where each state maintains a separate account for the*  
29 *deposit and requisition of unemployment insurance contributions and*  
30 *benefit payments.*

31      (cc) *"Fraud" means knowingly making a false statement or*  
32 *representation or knowingly failing to disclose a material fact in order to*  
33 *obtain or increase unemployment benefits in violation of this act or any*  
34 *other unemployment compensation law administered by the secretary.*

35      (dd) *"Improper payment" means any unemployment benefit paid to a*  
36 *claimant who was not eligible for such benefits or who failed to comply*  
37 *with applicable eligibility conditions, including payments issued as a*  
38 *result of administrative error, claimant error or fraud.*

39      (ee) *"Institution of higher education" means an accredited, nonprofit*  
40 *or public educational institution authorized to offer programs beyond high*  
41 *school and award degrees or training for gainful employment.*

42      (ff) *"Insured work" means employment for a covered employer under*  
43 *the employment security law.*

1       (gg) "Lessor employing unit" means any individual, organization,  
2 partnership, corporation or other legal entity that provides its employees  
3 to one or more client lessees through a contractual arrangement and that  
4 retains the right to hire, assign, reassign and discharge those employees.

5       (hh) (1) "Meritorious service award" means a non-monetary form of  
6 recognition authorized by the secretary to honor eligible employees for  
7 continuous or cumulative satisfactory service in the administration of the  
8 employment security law, provided that a majority of such employee's  
9 compensation is paid from the employment security administration fund.

10      (2) Such awards may include, but are not limited to, service pins,  
11 certificates, framed commendations, engraved plaques or other modest  
12 commemorative items.

13      (3) The total cost of each award, including materials and  
14 presentation, shall not exceed \$100 per employee, unless a higher amount  
15 is explicitly authorized in the agency's annual administrative budget and  
16 approved in accordance with federal grant requirements.

17      (4) All meritorious service award expenses shall be paid from the  
18 employment security administration fund and shall comply with applicable  
19 federal cost principles, including 2 C.F.R. Part 200, and relevant United  
20 States department of labor conformity requirements or guidance,  
21 including ETA Handbook 401.

22      (ii) "Negative account balance" means the condition in which the  
23 total benefit charges to an employer's account exceed the total  
24 contributions paid and any other credits assigned to such account as of  
25 the applicable computation date.

26      (jj) "Negative account balance employer" means any eligible  
27 employer whose cumulative unemployment insurance benefit charges  
28 exceed the total contributions that the employer has paid into the system  
29 over all applicable years.

30      (kk) "Pay period" means a period of not more than 31 consecutive  
31 days for which remuneration is ordinarily paid.

32      (ll) (1) "Performance of official duties" means the administration or  
33 enforcement of federal, state or local law, including, but not limited to, the  
34 collection of debts owed to courts and the enforcement of child support  
35 obligations.

36      (2) "Performance of official duties" includes conducting research  
37 directly related to the administration of such laws.

38      (3) "Performance of official duties" does not include solicitation of  
39 contributions or expenditures to or on behalf of any candidate for public  
40 office, political party or political action committee.

41      (mm) "Pooled money investment board" means the board established  
42 pursuant to K.S.A. 75-4221a, and amendments thereto, responsible for  
43 investing idle funds of the state and authorizing loans to the employment

1    *security fund pursuant to K.S.A. 75-4209(d), and amendments thereto.*

2    (nn) "Predecessor employer" means an employer who has previously  
3    operated a business or portion of a business involving employment to  
4    which another employer has succeeded, whether by acquisition, merger,  
5    consolidation or any other form of legal succession.

6    (oo) "Qualifying injury" means a work-related injury covered under  
7    the Kansas workers compensation act, K.S.A. 44-501, and amendments  
8    thereto.

9    (pp) "Rate group" means the classification assigned to an employer  
10   based on the employer's reserve ratio under standard rate schedule G.

11   (qq) "Rate year" means the calendar year beginning on January 1  
12   and ending on December 31 during which an employer's assigned  
13   unemployment insurance contribution rate is in effect.

14   (rr) "Rated governmental employer" means any governmental entity  
15   that elects to finance unemployment compensation benefits by making  
16   contributions as provided pursuant to K.S.A. 44-710d, and amendments  
17   thereto, through periodic payments determined by experience rating  
18   rather than on a reimbursement basis.

19   (ss) (1) "Reasonable commute" means the geographic distance,  
20   travel time and available transportation options that are customarily  
21   accepted by workers in the individual's customary occupation and labor  
22   market area.

23   (2) A commute is presumed reasonable if it does not exceed the  
24   distance or time the individual traveled for prior employment, unless  
25   substantially equivalent work is available closer to the individual's  
26   residence.

27   (3) Reasonableness shall take into account the claimant's physical  
28   capabilities, transportation limitations and labor market conditions.

29   (tt) "Reemployment services" means:

30   (1) Services provided to unemployment insurance claimants to assist  
31   with rapid return to work, including, but not limited to, job search  
32   assistance, job placement services, skills assessments, resume writing  
33   assistance, labor market information, career counseling and referrals to  
34   training or support services.

35   (2) Reemployment services may be provided by the department of  
36   labor, KansasWorks or other entities authorized under federal or state  
37   workforce programs.

38   (3) Failure to participate in reemployment services without good  
39   cause may result in disqualification pursuant to K.S.A. 44-705, and  
40   amendment thereto.

41   (uu) "Reimbursing employer" means an employer who elects to make  
42   payments in lieu of contributions as allowed by law.

43   (vv) "Requisition" means the process by which the secretary formally

1     *requests the transfer of funds from this state's account in the federal  
2     unemployment trust fund to the benefit account for the purpose of paying  
3     unemployment insurance benefits.*

4         (ww) "Reserve fund ratio" means the ratio of total trust fund assets,  
5     excluding federal funds not withdrawn and uncollected contributions, to  
6     total contributing employer payrolls for the preceding fiscal year ending  
7     on June 30.

8         (xx) "Secretary" means the secretary of labor of the state of Kansas.

9         (yy) "Section 903 funds" means moneys credited to the state's  
10    account in the federal unemployment trust fund under 42 U.S.C. § 1103  
11    and may include funds made available for administration of the  
12    unemployment insurance program or public employment offices, subject to  
13    federal and state conditions.

14         (zz) "Solvency certification" means the annual report prepared by the  
15    secretary pursuant to K.S.A. 44-712(g), and amendments thereto,  
16    evaluating the status of the unemployment insurance trust fund and its  
17    ability to meet benefit obligations under varying economic scenarios.

18         (aaa) "Standard rate schedule" means the base contribution rate  
19    schedule adopted by the secretary and published annually pursuant to  
20    K.S.A. 44-710a, and amendments thereto, without application of solvency  
21    or credit adjustments.

22         (bbb) "State" includes the states of the United States, the District of  
23    Columbia, Puerto Rico, the Virgin Islands and any dependency of the  
24    United States.

25         (ccc) "Statewide average annual wage" means the total annual  
26    covered wages divided by the average number of employees, rounded to  
27    the nearest cent.

28         (ddd) "Statewide average weekly wage" means the statewide average  
29    annual wage divided by 52, rounded to the nearest cent.

30         (eee) "Successor employer" means any employer who acquires  
31    substantially all of the operations or assets of another employer.

32         fff) "Supplemental unemployment benefit plan" means a private,  
33    employer-sponsored plan that provides additional income to an eligible  
34    individual who is unemployed due to a temporary layoff, designed to  
35    supplement state unemployment compensation without disqualifying the  
36    recipient from benefits, consistent with federal guidance under IRS  
37    revenue rulings 56-249 and 90-72 and 26 U.S.C. § 501(c)(17).  
38    Supplemental unemployment benefit plans shall comply with the  
39    requirements set forth in section 2, and amendments thereto.

40         (ggg) (1) "Temporary unemployment" means a period during which  
41    an individual is completely separated from employment due to a short-  
42    term, bona fide interruption of work with a reasonable expectation of  
43    recall to the same employer, under conditions that:

1       (A) Are attributable to temporary economic conditions, seasonal  
2 operations, equipment maintenance, inventory adjustments, weather-  
3 related interruptions or other similar short-term business circumstances;

4       (B) are designated in writing by the employer at the time of  
5 separation, including an estimated duration of the temporary  
6 unemployment;

7       (C) are not intended to be permanent, indefinite or open-ended; and

8       (D) except as otherwise provided by K.S.A. 44-775, and amendments  
9 thereto, do not exceed eight weeks in duration.

10     (2) Temporary unemployment does not include partial reduction in  
11 hours or partial unemployment.

12     (3) The employer shall affirmatively remove the designation of  
13 temporary unemployment if the circumstances giving rise to the  
14 designation materially change, including when the employer no longer has  
15 a reasonable expectation of recall within a determinable period or when  
16 the individual becomes fully unemployed without expectation of recall or  
17 permanently separated, and shall notify the secretary in the manner  
18 prescribed by the secretary.

19     (4) The secretary may require documentation sufficient to verify that  
20 the designation of temporary unemployment is consistent with the  
21 conditions set forth in this subsection.

22     (5) An extension of additional weeks of temporary unemployment at  
23 the request of an employer for an individual may be granted by the  
24 secretary as provided by K.S.A. 44-775, and amendments thereto.

25     (6) The maximum amount of temporary unemployment for an  
26 individual in a benefit year, including any extension granted by the  
27 secretary, shall be as provided by K.S.A. 44-775, and amendments thereto.

28     (7) An individual shall not be considered to be on temporary  
29 unemployment if the employer has no reasonable expectation of recall  
30 within a determinable period or if the designation is used to avoid  
31 obligations otherwise applicable under this act.

32     (hhh) "Training program" means:

33       (1) A course or series of courses, classes, apprenticeships or  
34 structured learning activities offered by an educational institution, public  
35 agency or approved provider that is designed to enhance the claimant's  
36 occupational skills, employability or ability to obtain suitable work.

37       (2) Approved training programs may include, but are not limited to,  
38 those under:

39       (A) The workforce innovation and opportunity act, 29 U.S.C. Ch. 32;

40       (B) the trade adjustment assistance act, 19 U.S.C. §§ 2271 et seq.;

41       (C) community or technical colleges; and

42       (D) other vocational or remedial instruction approved by the  
43 secretary.

1       (iii) "Trust fund account" means this state's separate account within  
2 the federal unemployment trust fund:

3           (1) That is used to hold all contributions collected under the  
4 employment security law; and

5           (2) from which moneys are requisitioned to the benefit account for  
6 the payment of unemployment insurance benefits.

7       (jjj) "Trust fund solvency standard" means the minimum financial  
8 benchmark, as recommended by the United States department of labor,  
9 indicating whether a state's unemployment insurance trust fund has  
10 sufficient reserves to withstand a recession, typically measured using the  
11 average high cost multiple.

12       (lll) "Unemployment insurance benefits" or "unemployment  
13 compensation benefits" means the monetary payments provided to eligible  
14 claimants under the employment security law and federal law for periods  
15 of unemployment, including regular benefits, extended benefits and any  
16 federally funded or supplemental unemployment compensation.

17       (mmm) "Unemployment" means the status of an individual who  
18 performs no services and receives no wages in a given week or performs  
19 less than full-time work and earns less than such individual's weekly  
20 benefit amount.

21       (nn) (1) "Unemployment insurance" means the system established  
22 under the employment security law to provide temporary income support  
23 to eligible individuals who are unemployed through no fault of their own  
24 and who meet the requirements set forth in the employment security law.

25           (2) "Unemployment insurance" includes all benefits, contributions,  
26 eligibility criteria, administrative procedures and enforcement provisions  
27 governed by the employment security law and applicable federal law.

28       (ooo) "Wage combining plan" means a uniform national  
29 arrangement:

30           (1) Approved by the United States secretary of labor in consultation  
31 with state unemployment compensation agencies in which the state of  
32 Kansas participates;

33           (2) where wages earned in one or more participating states are  
34 transferred to another state, referred to as the "paying state," and  
35 combined with wages earned in the paying state, if any, for the purpose of  
36 determining eligibility for and the payment of benefits under the  
37 unemployment compensation laws of the paying state in accordance with  
38 the arrangement approved by the secretary of labor.

39       (ppp) (1) "Wages" means all forms of compensation provided to an  
40 individual in exchange for services rendered. This includes commissions,  
41 bonuses, back pay and the fair cash value of any noncash remuneration or  
42 benefits. The cash value of noncash compensation shall be determined in  
43 accordance with rules and regulations issued by the secretary.

1 Compensation that has not been received by the individual within 21 days  
2 after the end of the pay period in which it was earned shall be considered  
3 paid on the 21<sup>st</sup> day after that pay period. Effective January 1, 1986,  
4 gratuities, including tips received from any source other than the  
5 employing unit, shall be considered wages when reported in writing to the  
6 employer by the employee. Employees must report in writing all tips  
7 totaling \$20 or more in a calendar month, whether received directly or  
8 through a credit card from the customer or passed through by the  
9 employer. Wages paid pursuant to back pay awards or settlements shall be  
10 allocated to the specific weeks outlined in the award or agreement. If the  
11 award or agreement lacks such specificity, the secretary shall allocate  
12 such wages to the weeks in which the compensation, in the secretary's  
13 judgment, would have ordinarily been paid.

14 (2) "Wages" does not include the following:

15 (A) For calendar years 2016 through 2025, remuneration exceeding  
16 \$14,000 paid to an individual in a calendar year by an employer or such  
17 employer's predecessor. If the federal unemployment tax act increases this  
18 threshold, Kansas shall conform to the higher amount;

19 (B) (i) for contributing rated employers assigned to rate groups 0-  
20 N11, beginning in 2026, the following thresholds apply, based on a  
21 percentage of the statewide average annual wage as determined by the  
22 secretary, rounded to the nearest \$100:

23 (a) 2026-2027: 25%;

24 (b) 2028: 30%;

25 (c) 2029: 35%;

26 (d) 2030-2031: 40%; and

27 (e) 2032 and beyond: 40%, increasing to 45% if any combination of  
28 employer rate schedules G-M is in effect for five consecutive years  
29 following 2031. Once increased to 45%, the threshold shall remain  
30 regardless of future schedule changes;

31 (ii) if the federal unemployment tax act is amended to set a higher  
32 threshold than provided above, Kansas shall adopt the federal threshold;

33 (C) payments made under an employer-established plan or system  
34 covering employees or classes thereof, or such employee's dependents,  
35 made for:

36 (i) Sickness or accident disability, excluding workers' compensation  
37 payments;

38 (ii) medical or hospitalization expenses related to sickness or  
39 disability; or

40 (iii) death benefits;

41 (D) payments related to sickness, accident or hospitalization made by  
42 an employer after six months following the employee's last month of work;

43 (E) payments made to or for an employee or beneficiary from a tax-

1     *qualified retirement plan or annuity, including, but not limited to:*  
2         *(i) Plans under 26 U.S.C. §§ 401(a), 403(a), 403(b), 408(k) and*  
3         *457(b);*  
4         *(ii) supplemental cost-of-living pension payments under 29 U.S.C. §*  
5         *1002(2)(B)(ii); and*  
6         *(iii) cafeteria plans under 26 U.S.C. § 125;*  
7         *(F) employer-paid social security tax for domestic or agricultural*  
8         *workers, when not deducted from the employee's wages;*  
9         *(G) noncash remuneration for work outside the employer's trade or*  
10         *business;*  
11         *(H) moving expense reimbursements that qualify as deductible under*  
12         *26 U.S.C. § 217;*  
13         *(I) severance or death or disability-related payments made under an*  
14         *employer-established plan and conditioned on the employee's separation*  
15         *due to retirement or death;*  
16         *(J) noncash payments for agricultural labor;*  
17         *(K) dependent care benefits excludable under 26 U.S.C. § 129;*  
18         *(L) meals or lodging provided by the employer excludable under 26*  
19         *U.S.C. § 119;*  
20         *(M) payments made to the estate or survivors of a deceased employee*  
21         *in the year following the employee's death;*  
22         *(N) educational or fringe benefits excludable under 26 U.S.C. §§*  
23         *74(c), 117 or 132;*  
24         *(O) educational assistance benefits excludable under 26 U.S.C. §*  
25         *127;*  
26         *(P) health savings account contributions excludable under 26 U.S.C.*  
27         *§ 106(d).*  
28         *(Q) payments made under an approved employer-funded*  
29         *supplemental unemployment benefit plan, provided such payments meet*  
30         *the requirements of 26 U.S.C. § 3306(b)(9) revenue rulings 56-249 and*  
31         *90-72, and are not paid in a lump sum or in lieu of wages. For recognition*  
32         *purposes under the Kansas employment security law, such plans shall*  
33         *comply with the requirements of section 2, and amendments thereto.*  
34         *(3) None of the exclusions in paragraph (2), except subparagraphs*  
35         *(2)(A) and (B), shall exclude:*  
36             *(A) Employer contributions to qualified 401(k) plans not included in*  
37             *income under 26 U.S.C. § 402(a)(8); or*  
38             *(B) contributions treated as employer contributions under 26 U.S.C.*  
39             *§ 414(h)(2).*  
40         *(4) Deferred compensation under a nonqualified deferred*  
41         *compensation plan shall be treated as wages at the later of the time that*  
42         *services are performed or the right to the compensation is no longer*  
43         *subject to substantial risk of forfeiture. Such deferred wages and their*

1 *attributable income shall not be treated as wages again once counted.*  
2 *"Nonqualified deferred compensation plan" means any plan not described*  
3 *in paragraph (2)(E).*

4 (qqq) *"Week" means a seven-day period as defined by regulation of*  
5 *the secretary.*

6 Sec. 6. K.S.A. 2025 Supp. 44-704 is hereby amended to read as  
7 follows: 44-704. (a) *Payment of benefits.* All benefits provided herein shall  
8 be payable from the fund. All benefits shall be paid through the secretary  
9 of labor, in accordance with such rules and regulations as the secretary  
10 may adopt. Benefits based on service in employment defined in K.S.A. 44-  
11 703(i)(3)(E) and (i)(3)(F), and amendments thereto, shall be payable in the  
12 same amount, on the same terms and subject to the same conditions as  
13 compensation payable on the basis of other service subject to this act  
14 except as provided in K.S.A. 44-705(e) and 44-711(e), and amendments  
15 thereto.

16 (b) *Determined weekly benefit amount.* An individual's determined  
17 weekly benefit amount shall be an amount equal to 4.25% of the  
18 individual's total wages for insured work paid during that calendar quarter  
19 of the individual's base period that such total wages were highest, subject  
20 to the following limitations:

21 (1) If an individual's determined weekly benefit amount is less than  
22 the minimum weekly benefit amount, it shall be raised to such minimum  
23 weekly benefit amount;

24 (2) if the individual's determined weekly benefit amount is more than  
25 the maximum weekly benefit amount, it shall be reduced to the maximum  
26 weekly benefit amount; and

27 (3) if the individual's determined weekly benefit amount is not a  
28 multiple of \$1, it shall be reduced to the next lower multiple of \$1.

29 (e) *Maximum weekly benefit amount.* For initial claims effective on or  
30 after July 1, 2024, the maximum weekly benefit amount shall be  
31 determined as follows: On July 1 of each year, the secretary shall  
32 determine the maximum weekly benefit amount by computing 55% of the  
33 statewide average weekly wages paid to employees in insured work during  
34 the previous calendar year and shall, prior to that date, announce the  
35 maximum weekly benefit amount so determined by publication in the  
36 Kansas register. Such computation of the statewide average weekly wage  
37 shall be made by dividing the statewide average annual wage, as defined in  
38 K.S.A. 44-703(jj), and amendments thereto, determined for the period of  
39 the previous calendar year, by 52, as set forth by K.S.A. 44-703(kk), and  
40 amendments thereto. The maximum weekly benefit amount so determined  
41 and announced for the 12-month period shall apply only to those claims  
42 filed in that period qualifying for maximum payment under the foregoing  
43 formula. All claims qualifying for payment at the maximum weekly

1 benefit amount shall be paid at the maximum weekly benefit amount in  
2 effect when the benefit year to which the claim relates was first  
3 established, notwithstanding a change in the maximum benefit amount for  
4 a subsequent 12-month period. If the computed maximum weekly benefit  
5 amount is not a multiple of \$1, then the computed maximum weekly  
6 benefit amount shall be reduced to the next lower multiple of \$1.

7 (d) *Minimum weekly benefit amount.* The minimum weekly benefit  
8 amount payable to any individual shall be 25% of the maximum weekly  
9 benefit amount effective as of the beginning of the individual's benefit  
10 year. If the minimum weekly benefit amount is not a multiple of \$1 it shall  
11 be reduced to the next lower multiple of \$1. The minimum weekly benefit  
12 amount shall apply through the benefit year, notwithstanding a change in  
13 the minimum weekly benefit amount.

14 (e) All claims qualifying for payment at the maximum weekly benefit  
15 amount shall be paid at the maximum weekly benefit amount in effect  
16 when the benefit year to which the claim relates was first established,  
17 notwithstanding a subsequent change in the maximum weekly benefit  
18 amount.

19 (f) *Weekly benefit payable.* Each eligible individual who is  
20 unemployed with respect to any week, except as to final payment, shall be  
21 paid with respect to such week a benefit in an amount equal to such  
22 individual's determined weekly benefit amount, less that part of the wage,  
23 if any, payable to such individual with respect to such week that is in  
24 excess of the amount that is equal to 25% of such individual's determined  
25 weekly benefit amount, and if the resulting amount is not a multiple of \$1,  
26 it shall be reduced to the next lower multiple of \$1.

27 (1) For the purposes of this section, remuneration received under the  
28 following circumstances shall be construed as wages:

29 (A) Vacation or holiday pay that was attributable to a week that the  
30 individual claimed benefits; and

31 (B) severance pay, if paid as scheduled, and all other employment  
32 benefits within the employer's control, as defined in subsection (f)(3), if  
33 continued as though the severance had not occurred, except as set out in  
34 subsection (f)(2)(C).

35 (2) For the purposes of this section, remuneration received under the  
36 following circumstances shall not be construed as wages:

37 (A) Remuneration received for services performed on a public  
38 assistance work project;

39 (B) severance pay, in lieu of notice, under the provisions of public  
40 law 100-379, the federal worker adjustment and retraining notification act,  
41 29 U.S.C. §§ 2101 through 2109;

42 (C) all other severance pay, separation pay, bonuses, wages in lieu of  
43 notice or remuneration of a similar nature that is payable after the

1 severance of the employment relationship, except as set out in subsection  
2 (f)(1)(B); and

3       (D) moneys received as federal social security payments.

4       (3) For the purposes of this subsection, "employment benefits within  
5 the employer's control" means benefits offered by the employer to  
6 employees that are employee benefit plans as defined by section 3 of the  
7 federal employee retirement income security act of 1974, as amended, 29  
8 U.S.C. § 1002, and that the employer has the option to continue to provide  
9 to the employee after the last day that the employee worked for that  
10 employer.

11       (g) *Duration of benefits.* Any otherwise eligible individual shall be  
12 entitled during any benefit year to a total amount of benefits equal to  
13 whichever is the lesser of 26 times such individual's weekly benefit  
14 amount, or  $\frac{4}{3}$  of such individual's wages for insured work paid during such  
15 individual's base period. Such total amount of benefits, if not a multiple of  
16 \$1, shall be reduced to the next lower multiple of \$1.

17       (h) For the purposes of this section, wages shall be counted as "wages  
18 for insured work" for benefit purposes with respect to any benefit year  
19 only if such benefit year begins subsequent to the date when the  
20 employing unit by whom such wages were paid has satisfied the  
21 conditions of K.S.A. 44-703(h), and amendments thereto, with respect to  
22 becoming an employer.

23       (i) Notwithstanding any other provisions of this section to the  
24 contrary, any benefit otherwise payable for any week shall be reduced by  
25 the amount of any separation, termination, severance or other similar  
26 payment paid to a claimant at the time of or after the claimant's separation  
27 from employment during the benefit year.

28       (1) If any payment pursuant to this subsection is paid with respect to  
29 a month, then the amount deemed to be received with respect to any week  
30 during such month shall be computed by multiplying such monthly  
31 amount by 12 and dividing the product by 52. If there is no designation of  
32 the period with respect to which payments to an individual are made under  
33 this section, then an amount equal to such individual's normal weekly  
34 wage shall be attributed to and deemed paid with respect to the first and  
35 each succeeding week following payment of the separation pay to the  
36 individual until such amount so paid is exhausted.

37       (2) If benefits for any week, when reduced as provided in this  
38 subsection, result in an amount that is not a multiple of \$1, such benefits  
39 shall be rounded to the next lower multiple of \$1.

40       (3) Notwithstanding the reemployment provisions of K.S.A. 44-  
41 705(e), and amendments thereto, any individual whose benefit amount is  
42 completely reduced under this subsection for 52 or more weeks shall, upon  
43 exhaustion of the separation pay, be entitled to a new benefit year based

1 upon entitlement from the base period of the claim that was reduced.

2 (j) (1) For weeks commencing on and after September 5, 2021, if at  
3 the beginning of the benefit year, the three-month seasonally adjusted  
4 average unemployment rate for the state of Kansas is: (1) Less than 5%, a  
5 claimant shall be eligible for a maximum of 16 weeks of benefits; (2) at  
6 least 5% but less than 6%, a claimant shall be eligible for a maximum of  
7 20 weeks of benefits; or (3) at least 6%, a claimant shall be eligible for a  
8 maximum of 26 weeks of benefits.

9 (2) The maximum number of weeks of benefits allowed in a benefit  
10 year pursuant to paragraph (1) shall apply to the combined total of any  
11 weeks of traditional and temporary unemployment in such benefit year.

12 (k) Upon the secretary of labor's receipt of notification that the  
13 claimant has become employed, the secretary shall notify the secretary of  
14 the department for children and families in order that the secretary for  
15 children and families may determine the claimant's eligibility for state or  
16 federal benefits provided or facilitated by the department for children and  
17 families. The department of labor and the department for children and  
18 families shall enter into a memorandum of understanding that shall  
19 provide for the transfer of information as provided in this subsection. (a)

20 *Benefit payments.*

21 (1) All unemployment insurance benefits shall be paid from the  
22 unemployment insurance trust fund and administered by the secretary of  
23 labor in accordance with applicable rules and regulations.

24 (2) All benefit payments made under the employment security law  
25 shall be issued with the greatest promptness that is administratively  
26 feasible and in accordance with the standards of promptness established  
27 under 42 U.S.C. § 503(a)(1) and (5) and applicable federal regulations.

28 (3) The following services shall be paid on equal terms and  
29 conditions as other covered services, except as modified under K.S.A. 44-  
30 705(e) and 44-711(e), and amendments thereto:

31 (A) Services for state, local or tribal governments and political  
32 subdivisions, as well as joint instrumentalities with Indian tribes that are  
33 deemed "employment" pursuant to K.S.A. 44-703, and amendments  
34 thereto; and

35 (B) services for religious, charitable or educational organizations  
36 that are deemed "employment" pursuant to K.S.A. 44-703, and  
37 amendments thereto.

38 (b) *Weekly benefit amount.* An individual's weekly benefit amount  
39 shall equal 4.25% of the total wages paid during the highest-earning  
40 calendar quarter in the individual's base period. The weekly benefit  
41 amount is subject to the following:

42 (1) If the calculated weekly benefit amount is less than the minimum  
43 weekly amount, the calculated weekly benefit amount shall be increased to

1 such minimum.

2 (2) If the calculated weekly benefit amount exceeds the maximum  
3 allowed, the calculated weekly benefit amount shall be reduced to the  
4 maximum.

5 (3) If not a whole dollar, the calculated weekly benefit amount shall  
6 be rounded down to the next lower dollar.

7 (c) Maximum weekly benefit amount. (1) Beginning July 1, 2024, the  
8 maximum weekly benefit amount shall be 55% of the statewide average  
9 weekly wage from the previous calendar year. The maximum weekly  
10 benefit amount shall remain fixed for the duration of each benefit year. If  
11 the computed amount is not a whole dollar, the maximum weekly benefit  
12 amount shall be rounded down.

13 (2) Prior to July 1 each year, the secretary shall announce the  
14 maximum weekly benefit amount so determined by publication in the  
15 Kansas register.

16 (d) Minimum weekly benefit amount. (1) The minimum weekly benefit  
17 amount shall:

18 (A) Be 25% of the maximum weekly benefit amount that is effective at  
19 the start of the individual's benefit year;

20 (B) remain fixed for that benefit year; and

21 (C) be rounded down to the nearest whole dollar.

22 (2) Prior to July 1 each year, the secretary shall announce the  
23 minimum weekly benefit amount so determined by publication in the  
24 Kansas register.

25 (e) Weekly benefits for partial unemployment. (1) Eligible individuals  
26 shall receive a weekly benefit amount reduced by any wages earned  
27 during the benefit week that exceed 25% of such individual's weekly  
28 benefit amount.

29 (2) The result shall be rounded down to the nearest dollar.

30 (f) Treatment of other payments. (1) Payments treated as wages  
31 include:

32 (A) Vacation or holiday pay that is attributable to the claimed week;  
33 and

34 (B) severance or employer-provided benefits that continue post-  
35 separation, unless excluded below.

36 (2) Payments not treated as wages include:

37 (A) Public assistance work program earnings;

38 (B) severance in lieu of notice under 29 U.S.C. Ch. 23;

39 (C) lump-sum severance or bonuses unrelated to ongoing benefits;

40 (D) social security payments; and

41 (E) payments made under an approved employer-funded  
42 supplemental unemployment benefit plan for the purposes of benefit offset,  
43 provided the plan meets the requirements of 26 U.S.C. § 3306(b)(9), IRS

1 revenue rulings 56-249 and 90-72 and section 2, and amendments thereto.

2 (g) Total benefit entitlement during benefit year. (1) (A) Any  
3 otherwise eligible individual shall be entitled to a maximum total amount  
4 of benefits during any benefit year equal to the lesser of:

5 (i) The individual's determined weekly benefit amount multiplied by  
6 the maximum number of weeks of benefits for which the individual is  
7 eligible during the benefit year as determined pursuant to subsection (h)  
8 of this section; or

9 (ii) one-third of the individual's wages for insured work paid during  
10 the individual's base period.

11 (B) Such total amount of benefits, if not a multiple of \$1, shall be  
12 reduced to the next lower multiple of \$1.

13 (2) (A) Notwithstanding the provisions of paragraph (1), if an  
14 individual is designated by the individual's employer as being on  
15 temporary unemployment as defined in K.S.A. 44-703, and amendments  
16 thereto, the individual's total benefit entitlement during the benefit year  
17 shall be limited to an amount equal to the individual's determined weekly  
18 benefit amount multiplied by not more than eight weeks, regardless of the  
19 maximum number of weeks otherwise applicable under subsection (h) of  
20 this section.

21 (B) Such limitation shall apply only during the period in which the  
22 individual is designated as being on temporary unemployment and shall  
23 not diminish the individual's remaining balance of benefit entitlement  
24 otherwise payable during the benefit year if the individual subsequently  
25 becomes fully unemployed.

26 (3) Upon designation of an individual as being on temporary  
27 unemployment, the secretary shall issue a monetary determination to the  
28 employer that submitted the designation. Such determination shall clearly  
29 state that:

30 (A) Benefits payable during the period of temporary unemployment  
31 are limited to not more than eight weeks; and

32 (B) benefit exhaustion for purposes of temporary unemployment shall  
33 occur upon payment of eight weeks of benefits, unless an extension is  
34 approved pursuant to K.S.A. 44-775, and amendments thereto.

35 (4) Benefits paid during a period of temporary unemployment,  
36 including any extension approved pursuant to K.S.A. 44-775, and  
37 amendments thereto, shall be charged in the same manner and to the same  
38 extent as other unemployment insurance benefits paid during the benefit  
39 year and shall not be treated as a separate or nonchargeable category of  
40 benefits.

41 (5) Upon designation of an individual as being on temporary  
42 unemployment, the secretary shall issue a written notice to the individual.  
43 Such notice shall clearly state that:

1       (A) Benefits payable during the period of temporary unemployment  
2 are limited to not more than eight weeks;

3       (B) benefit exhaustion for purposes of temporary unemployment shall  
4 occur upon payment of eight weeks of benefits, unless an extension is  
5 approved pursuant to K.S.A. 44-775, and amendments thereto; and

6       (C) such limitation applies only during the period of temporary  
7 unemployment and does not reduce the individual's remaining entitlement  
8 to benefits otherwise payable during the benefit year if the individual  
9 subsequently becomes fully unemployed.

10     (6) Nothing in this subsection shall be construed to alter the  
11 treatment of supplemental unemployment benefit payments made pursuant  
12 to a bona fide supplemental unemployment benefit plan under applicable  
13 state or federal law.

14     (h) Variable duration based on state unemployment rate. (1) For  
15 weeks commencing on or after September 5, 2021, the maximum total  
16 number of weeks an individual may receive unemployment insurance  
17 benefits during a benefit year, including weeks of traditional  
18 unemployment and temporary unemployment, shall be determined by the  
19 three-month seasonally adjusted average unemployment rate for the state  
20 of Kansas at the beginning of the benefit year, as follows. If the seasonally  
21 adjusted average employment rate is:

22       (A) Less than 5%, the claimant shall be eligible for up to 16 weeks of  
23 benefits;

24       (B) at least 5% but less than 6%, the claimant shall be eligible for up  
25 to 20 weeks of benefits; and

26       (C) 6% or higher, the claimant shall be eligible for up to 26 weeks of  
27 benefits.

28       (i) Qualifying wages. Only wages from employers shall count toward  
29 benefit eligibility.

30       (j) Reduction for separation payments. Benefits shall be reduced by  
31 any separation pay, termination pay or similar compensation received  
32 after separation.

33       (1) Monthly payments shall be prorated weekly as follows: Monthly  
34 amount  $\times 12 \div 52$ .

35       (2) If no period is specified, the claimant's normal weekly wage shall  
36 be assigned until the amount is exhausted.

37       (3) If benefits are fully offset for 52 or more weeks due to separation  
38 pay, the individual may establish a new benefit year using the same base  
39 period.

40       (k) Interagency employment notification. When the secretary of labor  
41 receives notice of a claimant's return to work, the secretary shall notify the  
42 secretary for children and families to assess eligibility for other state or  
43 federal assistance. A memorandum of understanding shall govern secure

1 and timely data exchange between the agencies.

2 (l) For the purposes of this section, any payments received by a  
3 claimant under an employer-sponsored supplemental unemployment  
4 benefit plan recognized under section 2, and amendments thereto, shall  
5 not be considered wages, earnings or disqualifying income, provided such  
6 plan meets the conditions set forth in subsection (h) of that section.

7 Sec. 7. K.S.A. 44-704a is hereby amended to read as follows: 44-  
8 704a. (a) ~~Definitions.~~ As used in this section, unless the context clearly  
9 requires otherwise:

10 (1) "Extended benefit period" means a period which:

11 (A) Begins with the third week after a week for which there is an  
12 "on" indicator; and

13 (B) ends with either of the following weeks, whichever occurs later:

14 (i) The third week after the first week for which there is an "off" indicator;  
15 or (ii) the 13<sup>th</sup> consecutive week of such period, except that no extended  
16 benefit period may begin by reason of an "on" indicator before the 14<sup>th</sup>  
17 week following the end of a prior extended benefit period which was in  
18 effect with respect to this state.

19 (2) For the purposes of this section:

20 (A) There is an "on" indicator for this state for a week if the secretary  
21 of labor determines, in accordance with the regulations of the United  
22 States secretary of labor, that, for the period consisting of such week and  
23 the immediately preceding 12 weeks, the rate of insured unemployment  
24 (not seasonally adjusted) under this act: (i) Equalled or exceeded 5% and  
25 equalled or exceeded 120% of the average of such rates for the  
26 corresponding 13-week period ending in each of the preceding two  
27 calendar years and the state of Kansas pays a portion of such benefits in  
28 accordance with the provisions of K.S.A. 44-710(e)(2)(C) and 44-710(e),  
29 and amendments thereto; or (ii) equalled or exceeded 5% and equalled or  
30 exceeded 120% of the average of such rates for the corresponding 13-week  
31 period ending in each of the preceding three calendar years and until on or  
32 before the earlier of the latest date permitted under federal law or the end  
33 of the fourth week prior to the last week for which federal sharing is  
34 provided as authorized by section 2005(a) of public law 111-5 without  
35 regard to section 2005(e) of public law 111-5; or (iii) equalled or exceeded  
36 6%; or (iv) with respect to benefits for weeks of unemployment beginning  
37 after March 6, 1993, (a) the average rate of total unemployment  
38 (seasonally adjusted), as determined by the United States secretary of  
39 labor, for the period consisting of the most recent three months for which  
40 data for all states are published before the close of such week equals or  
41 exceeds 6.5%, and (b) the average rate of total unemployment for this state  
42 (seasonally adjusted), as determined by the United States secretary of  
43 labor, for the three-month period referred to in clause (iv)(a)(1), equals or

1 exceeds 110% of such average for either or both of the corresponding  
2 three-month periods ending in the two preceding calendar years; or (2)  
3 equals or exceeds 110% of such average for any or all of the  
4 corresponding three-month periods ending in each of the three preceding  
5 calendar years and until on or before the earlier of the latest date permitted  
6 under federal law or the end of the fourth week prior to the last week for  
7 which federal sharing is provided as authorized by section 2005(a) of  
8 public law 111-5 without regard to section 2005(e) of public law 111-5.

9 (B) (i) There is an "off" indicator for this state for a week if the  
10 secretary of labor determines, in accordance with the regulations of the  
11 United States secretary of labor, that for the period consisting of such week  
12 and the immediately preceding 12 weeks, the rate of insured  
13 unemployment (not seasonally adjusted) under this act: (a) (1) Was less  
14 than 5% or less than 120% of the average of such rates for the  
15 corresponding 13-week period ending in each of the preceding two  
16 calendar years; or (2) was less than 5% or less than 120% of the average of  
17 such rates for the corresponding 13-week period ending in any or all of the  
18 three preceding calendar years and until on or before the earlier of the  
19 latest date permitted under federal law or the end of the fourth week prior  
20 to the last week for which federal sharing is provided as authorized by  
21 section 2005(a) of public law 111-5 without regard to section 2005(e) of  
22 public law 111-5; and (b) was less than 5%.

23 (ii) There is an "off" indicator for this state for a week only if, for the  
24 period consisting of such week and the immediately preceding 12 weeks,  
25 none of the conditions specified in subsection (a)(2)(A) of this section  
26 result in an "on" indicator.

27 (3) "Rate of insured unemployment," for purposes of paragraphs (2)  
28 (A) and (2)(B) of this subsection, means the percentage derived by  
29 dividing:

30 (A) The average weekly number of individuals filing claims for  
31 regular benefits in this state for weeks of unemployment with respect to  
32 the most recent 13-consecutive-week period, as determined by the  
33 secretary of labor on the basis of reports to the United States secretary of  
34 labor; by

35 (B) the average monthly employment covered under this act for the  
36 first four of the most recent six completed calendar quarters ending before  
37 the end of such 13-week period.

38 (4) "Extended entitlement period" of an individual means the period  
39 consisting of the weeks of the individual's benefit year which begin in an  
40 extended benefit period and, if the individual's benefit year ends within  
41 such extended benefit period, any weeks thereafter which begin in such  
42 period.

43 (5) "Extended benefits" means benefits (including benefits payable to

1 federal civilian employees and to ex-service personnel pursuant to 5  
2 U.S.C.A. chapter 85) payable to an individual under the provisions of the  
3 act for weeks of unemployment in the individual's extended entitlement  
4 period.

5 (6) "Exhaustee" means an individual who, with respect to any week  
6 of unemployment in the individual's extended entitlement period:

7 (A) Has received, prior to such week, all of the regular benefits that  
8 were available to the individual under this act or any other state law  
9 (including dependents' allowances and benefits payable to federal civilian  
10 employees and ex-service personnel under 5 U.S.C.A. chapter 85) in the  
11 individual's current benefit year that includes such week, provided that, for  
12 the purposes of this paragraph (6)(A), an individual shall be deemed to  
13 have received all of the regular benefits that were available to the  
14 individual although the individual may subsequently be determined to be  
15 entitled to added regular benefits as a result of a pending appeal with  
16 respect to wages that were not considered in the original monetary  
17 determination of the individual's benefit year; or

18 (B) the individual's benefit year having expired prior to such week,  
19 has no, or insufficient, wages on the basis of which the individual could  
20 establish a new benefit year that would include such week; and

21 (C) (i) has no right to unemployment benefits or allowances, as the  
22 case may be, under the federal railroad unemployment insurance act and  
23 such other federal laws as are specified in regulations issued by the United  
24 States secretary of labor; and (ii) has not received and is not seeking  
25 unemployment benefits under the unemployment compensation law of  
26 Canada; but if the individual is seeking such benefits and the appropriate  
27 agency finally determines that the individual is not entitled to benefits  
28 under such law the individual is considered an exhaustee.

29 (7) "State law" means the unemployment compensation law of any  
30 state, approved by the United States secretary of labor under section 3304  
31 of the federal internal revenue code of 1986.

32 (b) *Payment of extended benefits.* Extended benefits shall be payable  
33 to eligible individuals with respect to weeks of unemployment in their  
34 extended entitlement periods. The extended benefits provided by this  
35 section and K.S.A. 44-704b, and amendments thereto, shall be payable  
36 from the fund. All extended benefits shall be paid through the employment  
37 offices, in accordance with such rules and regulations as the secretary of  
38 labor may adopt.

39 (e) *Beginning and termination of extended benefit period.* (1)  
40 Whenever an extended benefit period is to become effective in this state as  
41 a result of an "on" indicator, or an extended benefit period is to be  
42 terminated in this state as a result of an "off" indicator, the secretary of  
43 labor shall make an appropriate public announcement.

1       (2) Computations required by the provisions of subsection (a)(3) of  
2 this section shall be made by the secretary of labor, in accordance with  
3 regulations prescribed by the United States secretary of labor.

4       (d) *Weekly extended benefit amount.* The weekly extended benefit  
5 amount payable to an individual for a week of total unemployment in the  
6 individual's extended entitlement period shall be an amount equal to the  
7 regular weekly benefit amount payable to the individual during the  
8 individual's applicable benefit year, except that for any week during a  
9 period in which federal payments to states under section 204 of the  
10 federal-state extended unemployment compensation act of 1970 are  
11 reduced pursuant to an order issued under section 252 of the federal  
12 balanced budget and emergency deficit control act of 1985, the weekly  
13 extended benefit amount payable to an individual for a week of total  
14 unemployment in the individual's eligibility period shall be reduced by a  
15 percentage amount which is equivalent to the reduction in the federal  
16 payment. If such reduced weekly extended benefit amount is not a  
17 multiple of \$1, it shall be reduced to the next lower multiple of \$1.

18       (e) *Total extended benefit amount.* (1) Except as otherwise provided  
19 in subsection (e)(2) or (e)(3) of this section, the total extended benefit  
20 amount payable to any eligible individual with respect to the individual's  
21 applicable benefit year shall be the least of the following amounts:

22       (A) Fifty percent of the total amount of regular benefits which were  
23 payable to the individual under this act in the individual's applicable  
24 benefit year; or

25       (B) thirteen times the individual's weekly benefit amount which was  
26 payable to the individual under this act for a week of total unemployment  
27 in the applicable benefit year.

28       (2) Effective with respect to weeks beginning in a high  
29 unemployment period, the provisions of subsection (e)(1) of this section  
30 shall be applied by substituting "80%" for "50%" in subparagraph (A) of  
31 that subsection (e)(1), and by substituting "20" for "13" in subparagraph  
32 (B) of that subsection (e)(1). For purposes of this subsection (e)(2), the  
33 term "high unemployment period" means any period during which an  
34 extended benefit period would be in effect if the provisions of subsection  
35 (a)(2)(A)(iii) of this section were applied after substituting "8%" for  
36 "6.5%" in clause (a) of that subsection (a)(2)(A)(iii).

37       (3) During any fiscal year in which federal payments to states under  
38 section 204 of the federal-state extended unemployment compensation act  
39 of 1970 are reduced pursuant to an order issued under section 252 of the  
40 federal balanced budget and emergency deficit control act of 1985, the  
41 total extended benefit amount payable to an individual with respect to the  
42 individual's applicable benefit year shall be reduced by an amount equal to  
43 the total of all of the reductions under subsection (d) of this section in the

1 weekly extended benefit amounts paid to the individual.

2 (f) *Eligibility requirements for extended benefits.* An individual shall  
3 be eligible to receive extended benefits with respect to any week of  
4 unemployment in the individual's extended entitlement period only if the  
5 secretary of labor, or a person or persons designated by the secretary, finds  
6 that with respect to such week:

7 (1) The individual is an "exhaustee" as defined in subsection (a)(6) of  
8 this section;

9 (2) the individual is qualified and eligible for extended benefits  
10 pursuant to K.S.A. 44-704b, and amendments thereto;

11 (3) the individual is entitled to benefits pursuant to the provisions of  
12 this act which apply to claims for, or the payment of regular benefits which  
13 are not inconsistent with the provisions of K.S.A. 44-704b, and  
14 amendments thereto; and

15 (4) the individual, during the base period, (A) was paid wages for  
16 insured work equal to or greater than 1½ times the amount of total wages  
17 paid for the quarter in which such wages were highest during the  
18 individual's base period; or (B) has been paid an amount equal to or  
19 exceeding 40 times the individual's most recent weekly benefit amount in  
20 the individual's base period.

21 (g) *Limitation on amount of combined regular, extended and trade-  
22 readjustment act benefits received.* Notwithstanding any other provisions  
23 of this section or K.S.A. 44-704b, and amendments thereto, if the benefit  
24 year of any individual ends within an extended entitlement period, the  
25 remaining balance of extended benefits that the individual would, but for  
26 this section, be entitled to receive in that extended entitlement period, with  
27 respect to weeks of unemployment beginning after the end of the benefit  
28 year, shall be reduced (but not below zero) by the product of the number of  
29 weeks for which the individual received any amounts as trade-  
30 readjustment allowances within that benefit year, multiplied by the  
31 individual's weekly benefit amount for extended benefits.

32 (a) *Definitions.* For the purposes of this section, unless otherwise  
33 indicated:

34 (1) "Exhaustee" means an individual who, for a given week in the  
35 extended entitlement period:

36 (A) Has received all regular benefits available under this or another  
37 state's law;

38 (B) cannot establish a new benefit year due to insufficient wages;

39 (C) is not eligible for unemployment benefits under 45 U.S.C. Ch. 11;  
40 or

41 (D) has not received or is not seeking benefits under Canadian law  
42 or has been found ineligible for such benefits.

43 (2) "Extended benefits" means additional benefits payable under this

1   act, including for federal employees and ex-service personnel under 5  
2   U.S.C. Ch. 85, during an extended entitlement period.

3    (3) (A) "Extended benefit period" means a period that begins in the  
4   third week following a week for which there is an "on" indicator and ends  
5   in the later of:

6     (i) The third week after the first week for which there is an "off"  
7   indicator; or

8     (ii) the 13<sup>th</sup> consecutive week of the extended benefit period.

9     (B) An extended benefit period shall not begin because of an "on"  
10   indicator until at least 14 weeks have passed since the preceding extended  
11   benefit period ended.

12    (4) "Extended entitlement period" means the weeks within an  
13   individual's benefit year that fall within an extended benefit period and  
14   any weeks beyond such year that fall within the extended benefit period.

15    (5) "High unemployment period" means a period when the United  
16   States unemployment rate exceeds 8% and Kansas meets federal  
17   thresholds.

18     (6) "On indicator" means:

19       (A) An "on" indicator exists for a given week in Kansas if the  
20   secretary of labor determines, in accordance with United States  
21   department of labor regulations, that:

22         (i) The rate of insured unemployment, not seasonally adjusted, for the  
23   most recent 13-week period:

24           (a) Equals or exceeds 5%;

25           (b) is at least 120% of the average for the corresponding 13-week  
26   periods in the two preceding calendar years;

27           (c) Kansas shares in funding extended benefits as provided pursuant  
28   to K.S.A. 44-710, and amendments thereto;

29         (ii) the insured unemployment rate equals or exceeds 6%; or

30         (iii) on March 6, 1993:

31           (a) The United States' seasonally adjusted total unemployment rate  
32   for the most recent 3-month period is at least 6.5%; and

33           (b) Kansas' 3-month average unemployment rate is at least 110% of  
34   the same period in one or both of the two preceding years.

35         (B) The secretary shall conduct calculations under subparagraph (A)  
36   (iii) in accordance with federal regulations.

37         (7) "Off indicator" means an "off indicator" exists if:

38           (A) None of the "on" indicator conditions are met for a given 13-  
39   week period; or

40           (B) the insured unemployment rate falls below 5% or below 120% of  
41   the corresponding periods in prior years.

42         (8) "Rate of insured unemployment" means the rate that is calculated  
43   as the average weekly number of claims filed during the most recent 13

1 weeks, divided by the average monthly covered employment for the first  
2 four of the last six completed calendar quarters.

3 (9) "State law" means the unemployment compensation law of any  
4 state of the United States approved under 26 U.S.C. § 3304.

5 (b) Payment of extended benefits. Extended benefits shall be paid to  
6 eligible individuals during an extended entitlement period. Payments shall  
7 be made in accordance with rules and regulations adopted by the  
8 secretary of labor. Such benefits shall be paid from the unemployment  
9 insurance trust fund.

10 (c) Supplemental unemployment benefit plans. Notwithstanding any  
11 other provision of this section, payments made under a supplemental  
12 unemployment benefit plan shall not be included in the computation of  
13 earnings or used to reduce the amount of partial unemployment benefits  
14 otherwise payable under this section.

15 (d) Notice. When an extended benefit period begins or ends, the  
16 secretary of labor shall issue a public announcement.

17 (e) Weekly extended benefit amount. The weekly extended benefit  
18 amount equals the individual's regular weekly benefit amount. If federal  
19 reimbursement to states is reduced, benefits shall be reduced  
20 proportionally. If not a multiple of \$1, the amount shall be rounded down.

21 (f) Maximum duration of extended benefits. (1) The maximum  
22 extended benefit amount in a benefit year is the lesser of:

23 (A) 50% of regular benefits paid; or

24 (B) the individual's weekly benefit amount multiplied by 13.

25 (2) During a high unemployment period, the limits shall be increased  
26 to 80% and 20 weeks, respectively.

27 (3) If federal extended benefit funding is reduced, the maximum  
28 payable benefit shall be reduced by the total reductions in weekly benefit  
29 amounts under subsection (e).

30 (g) Eligibility for extended benefits. To be eligible for extended  
31 benefits, an individual must:

32 (1) Be an exhaustee;

33 (2) meet eligibility pursuant to K.S.A. 44-704b, and amendments  
34 thereto;

35 (3) satisfy all regular unemployment insurance eligibility criteria  
36 consistent with K.S.A. 44-704b, and amendments thereto; and

37 (4) during the base period, have earned, at a minimum, such  
38 individual's:

39 (A) Highest quarter wages multiplied by 1.5; or

40 (B) most recent weekly benefit amount multiplied by 40.

41 (h) Coordination with trade readjustment allowances. If an individual  
42 received trade readjustment allowances during the benefit year, the  
43 remaining extended benefit balance shall be reduced by the product of:

1       (1) *The number of weeks of trade readjustment allowance received;*  
2 *and*

3       (2) *the individual's weekly extended benefit amount.*

4       Sec. 8. K.S.A. 44-704b is hereby amended to read as follows: 44-  
5 ~~704b. (a) Cessation of extended benefits when paid under an interstate~~  
6 ~~claim in a state where an extended benefit period is not in effect:~~

7       (1) ~~Except as provided in subsection (a)(2), an individual shall not be~~  
8 ~~eligible for extended benefits for any week if:~~

9       (A) ~~Extended benefits are payable for such week pursuant to an~~  
10 ~~interstate claim filed in any state under the interstate benefit payment plan;~~  
11 ~~and~~

12       (B) ~~no extended benefit period is in effect for such week in the state~~  
13 ~~where the claim for extended benefits was filed.~~

14       (2) ~~Subsection (a)(1) shall not apply with respect to the first two~~  
15 ~~weeks for which extended benefits are payable, determined without regard~~  
16 ~~to this subsection, pursuant to an interstate claim filed under the interstate~~  
17 ~~benefit payment plan to the individual from the extended benefit account~~  
18 ~~established for the individual with respect to the benefit year.~~

19       (b) *Disqualification conditions.* (1) ~~An individual shall be disqualified~~  
20 ~~for payment of extended benefits for any week of unemployment in the~~  
21 ~~individual's extended entitlement period and until the individual has been~~  
22 ~~employed in each of four subsequent weeks, whether or not consecutive,~~  
23 ~~and has had earnings of at least four times the weekly extended benefit~~  
24 ~~amount if the secretary of labor finds that during such period:~~

25       (A) ~~The individual failed to accept any offer of suitable work, as~~  
26 ~~defined under subsection (b)(2), or failed to apply for any suitable work as~~  
27 ~~defined in subsection (b)(2) to which the individual was referred by the~~  
28 ~~secretary of labor; or~~

29       (B) ~~the individual failed to actively engage in seeking work as~~  
30 ~~prescribed under subsection (b)(4).~~

31       (2) ~~For purposes of this subsection (b), the term "suitable work"~~  
32 ~~means, with respect to any individual, any work which is within such~~  
33 ~~individual's capabilities, provided, however, that the gross average weekly~~  
34 ~~remuneration payable for the work must exceed the sum of:~~

35       (A) ~~The individual's weekly extended benefit amount, plus the~~  
36 ~~amount, if any, of supplemental unemployment benefits, as defined in~~  
37 ~~section 501(c)(17)(D) of the internal revenue code of 1954, payable to~~  
38 ~~such individual for such week; and further;~~

39       (B) ~~pays wages not less than the higher of:~~

40       (i) ~~The minimum wage provided by section 6(a)(1) of the fair labor~~  
41 ~~standards act of 1938, without regard to any exemption; or~~

42       (ii) ~~the applicable state or local minimum wage;~~

43       (C) ~~except that no individual shall be denied extended benefits for~~

1 failure to accept an offer of or apply for any job which meets the definition  
2 of suitability as described above if:

3       (i) The position was not offered to such individual in writing by an  
4 employing unit or was not listed with the employment service; or

5       (ii) such failure could not result in a denial of benefits under the  
6 definition of suitable work for regular benefit claimants in subsection (e)  
7 of K.S.A. 44-706, and amendments thereto, to the extent that the criteria of  
8 suitability in that section are not inconsistent with the provisions of this  
9 subsection (b)(2); or

10      (iii) the individual furnishes satisfactory evidence to the secretary of  
11 labor that the individual's prospects for obtaining work in the individual's  
12 customary occupation within a reasonably short period are good. If such  
13 evidence is deemed satisfactory for this purpose, the determination of  
14 whether any work is suitable with respect to such individual shall be made  
15 in accordance with the definition of suitable work for regular benefit  
16 claimants in subsection (e) of K.S.A. 44-706, and amendments thereto,  
17 without regard to the definition specified by this subsection (b)(2).

18      (3) No work shall be determined suitable work for an individual  
19 which does not accord with the labor standard provisions required by  
20 section 3304(a)(5) of the internal revenue code of 1954. Notwithstanding  
21 any other provisions of this act, an otherwise eligible individual shall not  
22 be disqualified for refusing an offer of suitable employment, or failing to  
23 apply for suitable employment when notified by an employment office, or  
24 for leaving such individual's most recent work accepted during approved  
25 training, if the acceptance of or applying for suitable employment or  
26 continuing such work would require the individual to terminate approved  
27 training and no work shall be deemed suitable and benefits shall not be  
28 denied under this act to any otherwise eligible individual for refusing to  
29 accept new work under any of the following conditions:

30       (A) If the position offered is vacant due directly to a strike, lockout or  
31 other labor dispute;

32       (B) if the remuneration, hours or other conditions of the work offered  
33 are substantially less favorable to the individual than those prevailing for  
34 similar work in the locality; or

35       (C) if as a condition of being employed, the individual would be  
36 required to join or to resign from or refrain from joining any labor  
37 organization.

38      (4) For the purposes of subsection (b)(1)(B), an individual shall be  
39 treated as actively engaged in seeking work during any week if:

40       (A) The individual has engaged in a systematic and sustained effort to  
41 obtain work during such week; and

42       (B) the individual furnishes tangible evidence that the individual has  
43 engaged in such effort during such week.

1       (5) The employment service shall refer any individual entitled to  
2 extended benefits under this act to any suitable work which meets the  
3 criteria prescribed in subsection (b)(2). (a) Extended benefits paid through  
4 interstate claims. (1) General disqualification. Except as provided in  
5 paragraph (2), an individual shall not be eligible to receive extended  
6 benefits for any week if:

7           (A) Such benefits are payable for that week under an interstate claim  
8 filed pursuant to the interstate benefit payment plan; and

9           (B) no extended benefit period is in effect in the state where the  
10 individual's claim was filed.

11           (2) Two-week exception. The disqualification under paragraph (1)  
12 shall not apply to the first two weeks of extended benefits payable under  
13 an interstate claim, without regard to this subsection, from the individual's  
14 extended benefit account for the applicable benefit year.

15           (b) Disqualification from extended benefits. (1) An individual shall be  
16 disqualified from receiving extended benefits for any week of  
17 unemployment during such individual's extended entitlement period and  
18 shall remain disqualified until the individual:

19           (A) Has been employed for at least four subsequent weeks, whether  
20 consecutive or not; and

21           (B) has earned wages in an amount equal to or greater than four  
22 times such individual's weekly extended benefit amount, if the secretary of  
23 labor finds that, during the extended entitlement period, the individual:

24           (i) Failed to accept an offer of suitable work as defined in paragraph  
25 (2), or apply for such work when referred by the secretary; or

26           (ii) failed to actively engage in a search for work as required under  
27 subsection (d).

28           (2) For the purposes of this subsection, "suitable work" means any  
29 employment that:

30           (A) Is within the individual's physical and mental capabilities;

31           (B) provides a gross average weekly remuneration that exceeds the  
32 sum of:

33           (i) The individual's weekly extended benefit amount; and

34           (ii) any supplemental unemployment benefits payable for the week  
35 under a recognized employer-sponsored supplemental unemployment  
36 benefits plan that complies with 26 U.S.C. § 501(c)(17)(D) and section 2,  
37 and amendments thereto; and

38           (C) pays wages that are not less than the greater of:

39           (i) The federal minimum wage as prescribed in 29 U.S.C. § 206(a)  
40 (1); or

41           (ii) the applicable state or local minimum wage.

42           (3) No disqualification shall apply for failure to accept or apply for  
43 work that otherwise meets the criteria in subsection (b)(2) if:

1       (A) *The job offer was not made in writing by an employing unit or*  
2 *was not listed with the state employment service;*

3       (B) *the individual's refusal would not constitute disqualification*  
4 *pursuant to K.S.A. 44-706(c), and amendments thereto, to the extent such*  
5 *criteria are not inconsistent with this subsection;*

6       (C) *the individual provides satisfactory evidence to the secretary of*  
7 *labor showing a strong likelihood of reemployment in such individual's*  
8 *customary occupation within a reasonably short period. In such cases,*  
9 *suitability shall be determined in accordance with K.S.A. 44-706(c), and*  
10 *amendments thereto; or*

11       (D) *the individual is enrolled in or has been accepted to an approved*  
12 *training program or is subject to a pending determination under 42 U.S.C.*  
13 *§ 503(a)(12). In such cases, disqualification for refusal of suitable work*  
14 *shall not apply during periods of verified participation or pending*  
15 *eligibility determination.*

16       (c) *Labor standards and training protections. No work shall be*  
17 *considered suitable and no disqualification shall result if:*

18           (1) *The position is vacant due to a strike, lockout or other labor*  
19 *dispute;*

20           (2) *the wages, hours or other working conditions are substantially*  
21 *less favorable than those prevailing for similar work in the locality;*

22           (3) *acceptance of the position would require the individual to join,*  
23 *resign from or refrain from joining a labor organization; or*

24           (4) *acceptance of or application for the job would require the*  
25 *individual to terminate or interrupt participation in approved training.*

26       (d) *Active work search requirement. An individual shall be deemed to*  
27 *be actively seeking work during any week if:*

28           (1) *The individual has engaged in a systematic and sustained effort to*  
29 *obtain employment; and*

30           (2) *the individual provides tangible, verifiable evidence of job search*  
31 *activity, including, but not limited to, applications submitted, interviews*  
32 *attended, contacts with potential employers, use of job boards or*  
33 *participation in employment services.*

34       (e) *Referrals by employment service. The employment service shall*  
35 *refer individuals receiving extended benefits to any job that meets the*  
36 *definition of suitable work under subsection (b)(2).*

37       Sec. 9. K.S.A. 2025 Supp. 44-705 is hereby amended to read as  
38 follows: 44-705. ~~Except as provided by K.S.A. 44-757, and amendments~~  
39 ~~thereto, an unemployed individual shall be eligible to receive benefits with~~  
40 ~~respect to any week only if the secretary, or a person or persons designated~~  
41 ~~by the secretary, finds that:~~

42       (a) ~~The claimant has registered for work at and thereafter continued~~  
43 ~~to report at an employment office in accordance with rules and regulations~~

1 adopted by the secretary, except that, subject to the provisions of K.S.A.  
2 44-704(a), and amendments thereto, the secretary may adopt rules and  
3 regulations that waive or alter either or both of the requirements of this  
4 subsection.

5 (b) The claimant has made a claim for benefits with respect to such  
6 week in accordance with rules and regulations adopted by the secretary.

7 (e) (1) The claimant is able to perform the duties of such claimant's  
8 customary occupation or the duties of other occupations that the claimant  
9 is reasonably fitted by training or experience, and is available for work, as  
10 demonstrated by the claimant's pursuit of the full course of action most  
11 reasonably calculated to result in the claimant's reemployment except that,  
12 notwithstanding any other provisions of this section, an unemployed  
13 claimant otherwise eligible for benefits shall not become ineligible for  
14 benefits:

15 (A) Because of the claimant's enrollment in and satisfactory pursuit  
16 of approved training, including training approved under section 236(a)(1)  
17 of the trade act of 1974;

18 (B) solely because such individual is seeking only part time  
19 employment if the individual is available for a number of hours per week  
20 that are comparable to the individual's part time work experience in the  
21 base period; or

22 (C) because a claimant is not actively seeking work:

23 (i) During a state of disaster emergency proclaimed by the governor  
24 pursuant to K.S.A. 48-924 and 48-925, and amendments thereto;

25 (ii) in response to the spread of the public health emergency of  
26 COVID-19; and

27 (iii) the state's temporary waiver of the work search requirement  
28 under the employment security law for such claimant is in compliance  
29 with the families first coronavirus response act, public law 116-127.

30 (2) The secretary shall develop and implement procedures to address  
31 claimants who refuse to return to suitable work or refuse to accept an offer  
32 of suitable work without good cause. Such procedures shall include the  
33 receipt and processing of job refusal reports from employers, the  
34 evaluation of such reports in consideration of the claimant's work history  
35 and skills and suitability of the offered employment and guidelines for a  
36 determination of whether the claimant shall remain eligible for  
37 unemployment benefits or has failed to meet the work search requirements  
38 of this subsection or the requirements of K.S.A. 44-706(e), and  
39 amendments thereto. In determining whether the employment offered is  
40 suitable, the secretary's considerations shall include whether the  
41 employment offers wages comparable to the claimant's recent employment  
42 and work duties that correspond to the claimant's education level and  
43 previous work experience. The secretary shall also consider whether the

1 employment offers wages of at least the amount of the claimant's  
2 maximum weekly benefits.

3 (3) To facilitate the requirements of paragraph (2), the secretary shall  
4 provide readily accessible means for employers to notify the department  
5 when a claimant refuses to return to work or refuses an offer of  
6 employment, including by telephone, email or an online web portal. The  
7 secretary shall create or cause to be created in the new unemployment  
8 insurance information technology system as provided by K.S.A. 44-772,  
9 and amendments thereto, an audit process for employers to submit reports  
10 regarding activities related to the work search requirement or to the my  
11 reemployment plan, established by K.S.A. 44-775, and amendments  
12 thereto, and applicants that accept interview appointments but do not  
13 participate or notify the interviewing employer of their inability to  
14 participate in the scheduled interview. The secretary shall not be required  
15 to implement such audit process prior to January 1, 2026. Nothing in this  
16 subsection shall be construed as to require an employer to notify the  
17 department of such job refusals or such failures to appear for a scheduled  
18 interview without notifying the interviewing employer to the department.

19 (4) At the time of receipt of notice from an employer pursuant to  
20 paragraph (3), the secretary shall, within 10 business days of receipt of  
21 such notice from the employer, provide a notice to the claimant who has  
22 refused to return to work or to accept an offer of suitable work without  
23 good cause. The method of providing the notice to the claimant shall be  
24 consistent with other correspondence from the department to the claimant  
25 and may include mail, telephone, email or through an online web portal.  
The notice shall, at minimum, include the following information:

26 (A) A summary of state employment security law regarding a  
27 claimant's duties to return to work or accept suitable work;

28 (B) a statement that the claimant has been or may be disqualified and  
29 the claimant's right to collect benefits has been or may be terminated for  
30 refusal to return to work or accept suitable work without good cause, as  
31 provided by this subsection and K.S.A. 44-706(c), and amendments  
32 thereto;

33 (C) an explanation of what constitutes suitable work under the  
34 employment security law; and

35 (D) instructions for contesting a denial of a claim if the denial is  
36 based upon a report by an employer that the claimant has refused to return  
37 to work or has refused to accept an offer of suitable work.

38 (5) The secretary shall include notices to all active employers  
39 regarding work search noncompliance reporting options provided in  
40 paragraph (3) in the department of labor's annual summary of benefit  
41 charges pursuant to K.S.A. 44-710b(d), and amendments thereto, and in  
42 the rate notices to employers pursuant to K.S.A. 44-710b(a), and

1 amendments thereto. The secretary shall not be required to implement such  
2 notice requirements prior to the completion of the new unemployment  
3 insurance information technology system, as provided by K.S.A. 44-772,  
4 and amendments thereto.

5 (6) For the purposes of this subsection, an inmate of a custodial or  
6 correctional institution shall be deemed to be unavailable for work and not  
7 eligible to receive unemployment compensation while incarcerated.

8 (d) (1) Except as provided further, the claimant has been unemployed  
9 for a waiting period of one week or the claimant is unemployed and has  
10 satisfied the requirement for a waiting period of one week under the shared  
11 work unemployment compensation program as provided in K.S.A. 44-  
12 757(k)(4), and amendments thereto, and that period of one week, in either  
13 ease, occurs within the benefit year that includes the week for which the  
14 claimant is claiming benefits. No week shall be counted as a week of  
15 unemployment for the purposes of this subsection:

16 (A) If benefits have been paid for such week;

17 (B) if the individual fails to meet with the other eligibility  
18 requirements of this section; or

19 (C) if an individual is seeking unemployment benefits under the  
20 unemployment compensation law of any other state or of the United  
21 States, except that if the appropriate agency of such state or of the United  
22 States finally determines that the claimant is not entitled to unemployment  
23 benefits under such other law, this subparagraph shall not apply.

24 (2) (A) The waiting week requirement of paragraph (1) shall not  
25 apply to:

26 (i) New claims by claimants who become unemployed as a result of  
27 an employer terminating business operations within this state, declaring  
28 bankruptcy or initiating a work force reduction pursuant to public law 100-  
29 379, the federal worker adjustment and retraining notification act, 29  
30 U.S.C. §§ 2101 through 2109, as amended; or

31 (ii) new claims filed on or after April 5, 2020, through December 26,  
32 2020, in accordance with the families first coronavirus response act, public  
33 law 116-127 and the federal CARES act, public law 116-136.

34 (B) The secretary shall adopt rules and regulations to administer the  
35 provisions of this paragraph.

36 (3) If the waiting week requirement of paragraph (1) applies, a  
37 claimant shall become eligible to receive compensation for the waiting  
38 period of one week, pursuant to paragraph (1), upon completion of three  
39 weeks of unemployment consecutive to such waiting period. This  
40 paragraph shall not apply to initial claims effective on and after April 1,  
41 2021.

42 (e) For benefit years established on and after the effective date of this  
43 act, the claimant has been paid total wages for insured work in the

1 claimant's base period of not less than 30 times the claimant's weekly  
2 benefit amount and has been paid wages in more than one quarter of the  
3 claimant's base period, except that the wage credits of an individual earned  
4 during the period commencing with the end of a prior base period and  
5 ending on the date that such individual filed a valid initial claim shall not  
6 be available for benefit purposes in a subsequent benefit year unless, in  
7 addition thereto, such individual has returned to work and subsequently  
8 earned wages for insured work in an amount equal to at least eight times  
9 the claimant's current weekly benefit amount.

10 (f) The claimant participates in reemployment services, such as job  
11 search assistance services, if the individual has been determined to be  
12 likely to exhaust regular benefits and needs reemployment services  
13 pursuant to a profiling system established by the secretary, unless the  
14 secretary determines that: (1) The individual has completed such services;  
15 or (2) there is justifiable cause for the claimant's failure to participate in  
16 such services.

17 (g) The claimant is returning to work after a qualifying injury and has  
18 been paid total wages for insured work in the claimant's alternative base  
19 period of not less than 30 times the claimant's weekly benefit amount and  
20 has been paid wages in more than one quarter of the claimant's alternative  
21 base period if:

22 (1) The claimant has filed for benefits within four weeks of being  
23 released to return to work by a licensed and practicing health care  
24 provider;

25 (2) the claimant files for benefits within 24 months of the date the  
26 qualifying injury occurred; and

27 (3) the claimant attempted to return to work with the employer where  
28 the qualifying injury occurred, but the individual's regular work or  
29 comparable and suitable work was not available. Except as provided by  
30 K.S.A. 44-757, and amendments thereto, an unemployed individual is  
31 eligible to receive benefits for any week only if the secretary of labor or a  
32 designated representative determines that all of the following conditions  
33 are met:

34 (a) *Work registration.* (1) The claimant has registered for work and  
35 continues to report to an authorized employment office in accordance with  
36 regulations adopted by the secretary.

37 (2) The secretary may waive or modify this requirement by rule,  
38 including for individuals participating in approved reemployment or  
39 training programs pursuant to K.S.A. 44-704(a), and amendments thereto.

40 (3) All eligibility and availability requirements under the employment  
41 security law shall be construed and administered in accordance with 20  
42 C.F.R. part 604 and any successor regulations issued by the United States  
43 department of labor to ensure conformity with 42 U.S.C. § 503(a)(12).

1       (b) *Weekly claim filing.* (1) *The claimant has filed a claim for benefits*  
2 *for the applicable week, following the procedures established by the*  
3 *secretary.*

4       (2) (A) *All claims, forms, notices and documents required or*  
5 *permitted under the employment security law may be filed, submitted or*  
6 *issued by electronic means, including through secure online systems, email*  
7 *or other electronic platforms, provided such methods are consistent with*  
8 *federal law, including 20 C.F.R. part 640 and related United States*  
9 *department of labor guidance.*

10       (B) *Electronic transmission and signatures shall carry the same legal*  
11 *effect as paper-based methods in accordance with K.S.A. 16-1601 et seq.,*  
12 *and amendments thereto, unless otherwise prohibited by federal law.*

13       (c) *Availability for work and work refusal.* (1) *The claimant shall be*  
14 *able and available to work, as demonstrated by actively pursuing*  
15 *reemployment in the claimant's customary occupation or another field for*  
16 *which the claimant is reasonably qualified by experience or training. The*  
17 *claimant shall not be disqualified solely because such claimant:*

18       (A) *Is enrolled in and satisfactorily pursuing approved training,*  
19 *including training under 19 U.S.C. § 2296(a)(1);*

20       (B) *is seeking part-time work consistent with such claimant's base*  
21 *period experience and is available for a comparable number of hours per*  
22 *week;*

23       (C) *is temporarily excused from active work search under a declared*  
24 *state of disaster emergency or public health emergency, such as COVID-*  
25 *19, in compliance with applicable federal law.*

26       (2) (A) *Claimants may be disqualified for refusing an offer of suitable*  
27 *work or failing to apply for suitable work, unless good cause is shown.*  
28 *The secretary shall consider:*

29       (i) *The claimant's work history, skills and past wages;*  
30       (ii) *whether the offer involves comparable duties, conditions and*  
31 *wages; and*

32       (iii) *whether the offer meets or exceeds the claimant's weekly benefit*  
33 *amount.*

34       (B) *Work shall not be deemed suitable and shall not disqualify the*  
35 *claimant if:*

36       (i) *The job was not formally offered or listed with the employment*  
37 *service;*

38       (ii) *the job would not qualify as suitable work pursuant to K.S.A. 44-*  
39 *706(c), and amendments thereto; or*

40       (iii) *the claimant can demonstrate a reasonable expectation of*  
41 *returning to such claimant's own customary occupation in a short period.*

42       (3) *The secretary shall provide a telephone, email and online web*  
43 *portal for employers to optionally report:*

1       (A) *Claimant refusals to return to work or accept a job offer;*  
2       (B) *failures to appear for scheduled interviews; and*  
3       (C) *noncompliance with the my reemployment plan, K.S.A. 44-775,*  
4 *and amendments thereto, or work search requirements. An automated*  
5 *audit process for such reports shall be implemented and maintained under*  
6 *the unemployment insurance system.*

7       (4) (A) *Upon receiving an employer's report under paragraph (3), the*  
8 *secretary shall notify the claimant within 10 business days. The notice*  
9 *shall include:*

10       (i) *A summary of relevant legal obligations;*  
11       (ii) *a statement that eligibility may be denied due to refusal of*  
12 *suitable work;*  
13       (iii) *an explanation of what constitutes suitable work; and*  
14       (iv) *instructions for contesting a potential denial.*

15       (B) *The claimant shall have 10 business days from the date of such*  
16 *notice to respond or submit evidence contesting the potential*  
17 *disqualification. Failure to respond within the time period may result in*  
18 *denial of benefits, subject to appeal rights provided pursuant to K.S.A. 44-*  
19 *709, and amendments thereto.*

20       (5) *Information about work search noncompliance reporting options*  
21 *shall be included in annual benefit charge summaries and rate notices sent*  
22 *to employers pursuant to K.S.A. 44-710b(a) and (d), and amendments*  
23 *thereto.*

24       (6) *An individual who is incarcerated in a correctional or custodial*  
25 *institution shall be deemed unavailable for work and ineligible for benefits*  
26 *during the period of confinement.*

27       (7) *No individual shall be denied unemployment compensation under*  
28 *the employment security law solely on the basis of such individual's*  
29 *immigration status if such individual is lawfully present and authorized to*  
30 *work in the United States, in accordance with 42 U.S.C. § 503(a)(10).*

31       (d) *Waiting week requirement.* (1) *The claimant shall be unemployed*  
32 *for a waiting period of one week within the benefit year. No compensation*  
33 *shall be paid for the waiting week and it shall not count if:*

34       (A) *Benefits were paid for the week;*  
35       (B) *other eligibility conditions were not met; or*  
36       (C) *the claimant is seeking benefits under another state or federal*  
37 *law, unless ultimately denied under that law.*

38       (2) (A) *The waiting week requirement does not apply to new claims*  
39 *arising from business closures, bankruptcy or mass layoffs subject to 29*  
40 *U.S.C. Ch. 23.*

41       (B) *The secretary shall adopt rules and regulations to implement this*  
42 *subsection. The waiting week requirement may be waived for claims*  
43 *resulting from employer closures, mass layoffs covered by 29 U.S.C. Ch.*

1       23 or during periods of declared public emergency or disaster, as  
2       authorized by federal waivers or conformity guidance issued under 42  
3       U.S.C. § 503 or applicable United States department of labor rules.

4       (e) *Base period earnings.* (1) To qualify for benefits, the claimant  
5       shall have:

6       (A) *Earned total wages for insured work equal to at least 30 times the  
7       weekly benefit amount during the base period; and*

8       (B) *earned wages in more than one calendar quarter of the base  
9       period.*

10      (2) *Wages earned after the end of the base period may not be used  
11       again unless the claimant has returned to work and earned at least eight  
12       times the current weekly benefit amount in new wages for insured work.*

13      (f) *Reemployment services participation.* A claimant identified  
14       through the secretary's profiling system as likely to exhaust regular  
15       benefits shall participate in reemployment services, such as job search  
16       assistance, unless:

17       (1) *The claimant has already completed such services; or*

18       (2) *the claimant has justifiable cause for nonparticipation.*

19      (g) *Qualifying injury and alternative base period.* Claimants  
20       returning from a qualifying injury may establish benefit eligibility using an  
21       alternative base period if:

22       (1) *The claim is filed within four weeks of medical clearance to  
23       return to work;*

24       (2) *the injury occurred within the past 24 months; and*

25       (3) *the claimant attempted to return to such claimant's former  
26       employer, but no suitable position was available.*

27      (h) *Supplemental unemployment benefit plan payments.* Payments  
28       received under a supplemental unemployment benefit plan recognized in  
29       accordance with section 2, and amendments thereto, shall not affect a  
30       claimant's eligibility determination, availability for work status or job  
31       search requirements, provided such payments meet the conditions  
32       described in subsection (h) of that section.

33      Sec. 10. K.S.A. 2025 Supp. 44-706 is hereby amended to read as  
34       follows: 44-706. The secretary shall examine whether an individual has  
35       separated from employment for each week claimed. The secretary shall  
36       apply the provisions of this section to the individual's most recent  
37       employment prior to the week claimed. An individual shall be disqualified  
38       for benefits:

39       (a) ~~If the individual left work voluntarily without good cause  
40       attributable to the work or the employer, subject to the other provisions of  
41       this subsection. For purposes of this subsection, "good cause" is cause of  
42       such gravity that would impel a reasonable, not supersensitive, individual  
43       exercising ordinary common sense to leave employment. Good cause~~

1 requires a showing of good faith of the individual leaving work, including  
2 the presence of a genuine desire to work. Failure to return to work after  
3 expiration of approved personal or medical leave, or both, shall be  
4 considered a voluntary resignation. After a temporary job assignment,  
5 failure of an individual to affirmatively request an additional assignment  
6 on the next succeeding workday, if required by the employment  
7 agreement, after completion of a given work assignment, shall constitute  
8 leaving work voluntarily. The disqualification shall begin the day  
9 following the separation and shall continue until after the individual has  
10 become reemployed and has had earnings from insured work of at least  
11 three times the individual's weekly benefit amount. An individual shall not  
12 be disqualified under this subsection if:

13 (1) The individual was forced to leave work because of illness or  
14 injury upon the advice of a licensed and practicing healthcare provider  
15 and, upon learning of the necessity for absence, immediately notified the  
16 employer thereof, or the employer consented to the absence, and after  
17 recovery from the illness or injury, when recovery was certified by a  
18 practicing health care provider, the individual returned to the employer and  
19 offered to perform services and the individual's regular work or  
20 comparable and suitable work was not available. As used in this paragraph  
21 "healthcare provider" means any person licensed by the proper licensing  
22 authority of any state to engage in the practice of medicine and surgery,  
23 osteopathy, chiropractic, dentistry, optometry, podiatry or psychology;

24 (2) the individual left temporary work to return to the regular  
25 employer;

26 (3) the individual left work to enter active service in the armed forces  
27 of the United States but was rejected or delayed from entry;

28 (4) The spouse of an individual who is a member of the armed forces  
29 of the United States who left work because of the voluntary or involuntary  
30 transfer of the individual's spouse from one job to another job that is for  
31 the same employer or for a different employer, at a geographic location  
32 that makes it unreasonable for the individual to continue work at the  
33 individual's job. For the purposes of this provision "member of the armed  
34 forces" means a person performing active service in the army, navy,  
35 marine corps, air force, space force, coast guard or any component of the  
36 military reserves of the United States;

37 (5) the individual left work because of hazardous working conditions;  
38 in determining whether or not working conditions are hazardous for an  
39 individual, the degree of risk involved to the individual's health, safety and  
40 morals, the individual's physical fitness and prior training and the working  
41 conditions of workers engaged in the same or similar work for the same  
42 and other employers in the locality shall be considered; as used in this  
43 paragraph, "hazardous working conditions" means working conditions that

1 could result in a danger to the physical or mental well-being of the  
2 individual; each determination as to whether hazardous working  
3 conditions exist shall include, but shall not be limited to, a consideration  
4 of: (A) The safety measures used or the lack thereof; and (B) the condition  
5 of equipment or lack of proper equipment; no work shall be considered  
6 hazardous if the working conditions surrounding the individual's work are  
7 the same or substantially the same as the working conditions generally  
8 prevailing among individuals performing the same or similar work for  
9 other employers engaged in the same or similar type of activity;

10 (6) the individual left work to enter training approved under section  
11 236(a)(1) of the federal trade act of 1974, provided the work left is not of a  
12 substantially equal or higher skill level than the individual's past adversely  
13 affected employment, as defined for purposes of the federal trade act of  
14 1974, and wages for such work are not less than 80% of the individual's  
15 average weekly wage as determined for the purposes of the federal trade  
16 act of 1974;

17 (7) the individual left work because of unwelcome harassment of the  
18 individual by the employer or another employee of which the employing  
19 unit had knowledge and that would impel the average worker to give up  
20 such worker's employment;

21 (8) the individual left work to accept better work; each determination  
22 as to whether or not the work accepted is better work shall include, but  
23 shall not be limited to, consideration of: (A) The rate of pay, the hours of  
24 work and the probable permanency of the work left as compared to the  
25 work accepted; (B) the cost to the individual of getting to the work left in  
26 comparison to the cost of getting to the work accepted; and (C) the  
27 distance from the individual's place of residence to the work accepted in  
28 comparison to the distance from the individual's residence to the work left;

29 (9) the individual left work as a result of being instructed or requested  
30 by the employer, a supervisor or a fellow employee to perform a service or  
31 commit an act in the scope of official job duties that is in violation of an  
32 ordinance or statute;

33 (10) the individual left work because of a substantial violation of the  
34 work agreement by the employing unit and, before the individual left, the  
35 individual had exhausted all remedies provided in such agreement for the  
36 settlement of disputes before terminating. For the purposes of this  
37 paragraph, a demotion based on performance does not constitute a  
38 violation of the work agreement;

39 (11) after making reasonable efforts to preserve the work, the  
40 individual left work due to a personal emergency of such nature and  
41 compelling urgency that it would be contrary to good conscience to  
42 impose a disqualification; or

43 (12) (A) the individual left work due to circumstances resulting from

1 domestic violence, including:

2     (i) The individual's reasonable fear of future domestic violence at or  
3     en route to or from the individual's place of employment;

4     (ii) the individual's need to relocate to another geographic area in  
5     order to avoid future domestic violence;

6     (iii) the individual's need to address the physical, psychological and  
7     legal impacts of domestic violence;

8     (iv) the individual's need to leave employment as a condition of  
9     receiving services or shelter from an agency that provides support services  
10    or shelter to victims of domestic violence; or

11    (v) the individual's reasonable belief that termination of employment  
12    is necessary to avoid other situations that may cause domestic violence and  
13    to provide for the future safety of the individual or the individual's family.

14    (B) An individual may prove the existence of domestic violence by  
15    providing one of the following:

16     (i) A restraining order or other documentation of equitable relief by a  
17     court of competent jurisdiction;

18     (ii) a police record documenting the abuse;

19     (iii) documentation that the abuser has been convicted of one or more  
20     of the offenses enumerated in articles 34 and 35 of chapter 21 of the  
21     Kansas Statutes Annotated, prior to their repeal, or articles 54 or 55 of  
22     chapter 21 of the Kansas Statutes Annotated, or K.S.A. 21-6104, 21-6325,  
23     21-6326 or 21-6418 through 21-6422, and amendments thereto, where the  
24     victim was a family or household member;

25     (iv) medical documentation of the abuse;

26     (v) a statement provided by a counselor, social worker, health care  
27     provider, clergy, shelter worker, legal advocate, domestic violence or  
28     sexual assault advocate or other professional who has assisted the  
29     individual in dealing with the effects of abuse on the individual or the  
30     individual's family; or

31     (vi) a sworn statement from the individual attesting to the abuse.

32    (C) No evidence of domestic violence experienced by an individual,  
33     including the individual's statement and corroborating evidence, shall be  
34     disclosed by the department of labor unless consent for disclosure is given  
35     by the individual.

36    (b) If the individual has been discharged or suspended for misconduct  
37     connected with the individual's work. The disqualification shall begin the  
38     day following the separation and shall continue until after the individual  
39     becomes reemployed and in cases where the disqualification is due to  
40     discharge for misconduct has had earnings from insured work of at least  
41     three times the individual's determined weekly benefit amount, except that  
42     if an individual is discharged for gross misconduct connected with the  
43     individual's work, such individual shall be disqualified for benefits until

1 such individual again becomes employed and has had earnings from  
2 insured work of at least eight times such individual's determined weekly  
3 benefit amount. In addition, all wage credits attributable to the  
4 employment from which the individual was discharged for gross  
5 misconduct connected with the individual's work shall be canceled. No  
6 such cancellation of wage credits shall affect prior payments made as a  
7 result of a prior separation.

8 (1) As used in this subsection, "misconduct" means a violation of a  
9 duty or obligation reasonably owed the employer as a condition of  
10 employment including, but not limited to, a violation of a company rule,  
11 including a safety rule, if: (A) The individual knew or should have known  
12 about the rule; (B) the rule was lawful and reasonably related to the job;  
13 and (C) the rule was fairly and consistently enforced.

14 (2) (A) Failure of the employee to notify the employer of an absence  
15 and an individual's leaving work prior to the end of such individual's  
16 assigned work period without permission shall be considered *prima facie*  
17 evidence of a violation of a duty or obligation reasonably owed the  
18 employer as a condition of employment.

19 (B) For the purposes of this subsection, misconduct shall include, but  
20 not be limited to, violation of the employer's reasonable attendance  
21 expectations if the facts show:

22 (i) The individual was absent or tardy without good cause;  
23 (ii) the individual had knowledge of the employer's attendance  
24 expectation; and

25 (iii) the employer gave notice to the individual that future absence or  
26 tardiness may or will result in discharge.

27 (C) For the purposes of this subsection, if an employee disputes being  
28 absent or tardy without good cause, the employee shall present evidence  
29 that a majority of the employee's absences or tardiness were for good  
30 cause. If the employee alleges that the employee's repeated absences or  
31 tardiness were the result of health related issues, such evidence shall  
32 include documentation from a licensed and practicing healthcare provider  
33 as defined in subsection (a)(1).

34 (3) (A) The term "gross misconduct" as used in this subsection shall  
35 be construed to mean conduct evincing extreme, willful or wanton  
36 misconduct as defined by this subsection. Gross misconduct shall include,  
37 but not be limited to: (i) Theft; (ii) fraud; (iii) intentional damage to  
38 property; (iv) intentional infliction of personal injury; or (v) any conduct  
39 that constitutes a felony.

40 (B) For the purposes of this subsection, the following shall be  
41 conclusive evidence of gross misconduct:

42 (i) The use of alcoholic liquor, cereal malt beverage or a  
43 nonprescribed controlled substance by an individual while working;

- (ii) the impairment caused by alcoholic liquor, cereal malt beverage or a nonprescribed controlled substance by an individual while working;
  - (iii) a positive breath alcohol test or a positive chemical test, if:
    - (a) The test was either:
      - (1) Required by law and was administered pursuant to the drug free workplace act, 41 U.S.C. § 701 et seq.;
      - (2) administered as part of an employee assistance program or other drug or alcohol treatment program in which the employee was participating voluntarily or as a condition of further employment;
      - (3) requested pursuant to a written policy of the employer of which the employee had knowledge and was a required condition of employment;
      - (4) required by law and the test constituted a required condition of employment for the individual's job; or
      - (5) there was reasonable suspicion to believe that the individual used, had possession of, or was impaired by alcoholic liquor, cereal malt beverage or a nonprescribed controlled substance while working;
    - (b) the test sample was collected either:
      - (1) As prescribed by the drug free workplace act, 41 U.S.C. § 701 et seq.;
      - (2) as prescribed by an employee assistance program or other drug or alcohol treatment program in which the employee was participating voluntarily or as a condition of further employment;
      - (3) as prescribed by the written policy of the employer of which the employee had knowledge and that constituted a required condition of employment;
      - (4) as prescribed by a test that was required by law and which constituted a required condition of employment for the individual's job; or
      - (5) at a time contemporaneous with the events establishing probable cause;
      - (e) the collecting and labeling of a chemical test sample was performed by a licensed health care professional or any other individual certified pursuant to paragraph (b)(3)(A)(iii)(f) or authorized to collect or label test samples by federal or state law, or a federal or state rule or regulation having the force or effect of law, including law enforcement personnel;
      - (d) the chemical test was performed by a laboratory approved by the United States department of health and human services or licensed by the department of health and environment, except that a blood sample may be tested for alcohol content by a laboratory commonly used for that purpose by state law enforcement agencies;
      - (e) the chemical test was confirmed by gas chromatography, gas chromatography-mass spectroscopy or other comparably reliable

1 analytical method, except that no such confirmation is required for a blood  
2 alcohol sample or a breath alcohol test;

3 (f) the breath alcohol test was administered by an individual trained  
4 to perform breath tests, the breath testing instrument used was certified  
5 and operated strictly according to a description provided by the  
6 manufacturers and the reliability of the instrument performance was  
7 assured by testing with alcohol standards; and

8 (g) the foundation evidence establishes, beyond a reasonable doubt,  
9 that the test results were from the sample taken from the individual;

10 (iv) an individual's refusal to submit to a chemical test or breath  
11 alcohol test, if:

12 (a) The test meets the standards of the drug free workplace act, 41-  
13 U.S.C. § 701 et seq.;

14 (b) the test was administered as part of an employee assistance  
15 program or other drug or alcohol treatment program in which the  
16 employee was participating voluntarily or as a condition of further  
17 employment;

18 (e) the test was otherwise required by law and the test constituted a  
19 required condition of employment for the individual's job;

20 (d) the test was requested pursuant to a written policy of the employer  
21 of which the employee had knowledge and was a required condition of  
22 employment; or

23 (e) there was reasonable suspicion to believe that the individual used,  
24 possessed or was impaired by alcoholic liquor, cereal malt beverage or a  
25 nonprescribed controlled substance while working; and

26 (v) an individual's dilution or other tampering of a chemical test.

27 (C) For purposes of this subsection:

28 (i) "Alcohol concentration" means the number of grams of alcohol  
29 per 210 liters of breath;

30 (ii) "alcoholic liquor" means the same as defined in K.S.A. 41-102,  
31 and amendments thereto;

32 (iii) "cereal malt beverage" means the same as defined in K.S.A. 41-  
33 2701, and amendments thereto;

34 (iv) "chemical test" includes, but is not limited to, tests of urine,  
35 blood or saliva;

36 (v) "controlled substance" means the same as defined in K.S.A. 21-  
37 5701, and amendments thereto;

38 (vi) "required by law" means required by a federal or state law, a  
39 federal or state rule or regulation having the force and effect of law, a  
40 county resolution or municipal ordinance, or a policy relating to public  
41 safety adopted in an open meeting by the governing body of any special  
42 district or other local governmental entity;

43 (vii) "positive breath test" means a test result showing an alcohol

1 concentration of 0.04 or greater, or the levels listed in 49 C.F.R. part 40, if  
2 applicable, unless the test was administered as part of an employee  
3 assistance program or other drug or alcohol treatment program in which  
4 the employee was participating voluntarily or as a condition of further  
5 employment, in which case "positive chemical test" means a test result  
6 showing an alcohol concentration at or above the levels provided for in the  
7 assistance or treatment program; and

8 (viii) "positive chemical test" means a chemical result showing a  
9 concentration at or above the levels listed in K.S.A. 44-501, and  
10 amendments thereto, or 49 C.F.R. part 40, as applicable, for the drugs or  
11 abuse listed therein, unless the test was administered as part of an  
12 employee assistance program or other drug or alcohol treatment program  
13 in which the employee was participating voluntarily or as a condition of  
14 further employment, in which case "positive chemical test" means a  
15 chemical result showing a concentration at or above the levels provided for  
16 in the assistance or treatment program.

17 (4) An individual shall not be disqualified under this subsection if the  
18 individual is discharged under the following circumstances:

19 (A) The employer discharged the individual after learning the  
20 individual was seeking other work or when the individual gave notice of  
21 future intent to quit, except that the individual shall be disqualified after  
22 the time that such individual intended to quit and any individual who  
23 commits misconduct after such individual gives notice to such individual's  
24 intent to quit shall be disqualified;

25 (B) the individual was making a good faith effort to do the assigned  
26 work but was discharged due to:

27 (i) Inefficiency;  
28 (ii) unsatisfactory performance due to inability, incapacity or lack of  
29 training or experience;

30 (iii) isolated instances of ordinary negligence or inadvertence;

31 (iv) good faith errors in judgment or discretion; or

32 (v) unsatisfactory work or conduct due to circumstances beyond the  
33 individual's control; or

34 (C) the individual's refusal to perform work in excess of the contract  
35 of hire.

36 (e) If the individual has failed, without good cause, to either apply for  
37 suitable work when so directed by the employment office of the secretary  
38 of labor, or to accept suitable work when offered to the individual by the  
39 employment office, the secretary of labor, or an employer, such  
40 disqualification shall begin with the week in which such failure occurred  
41 and shall continue until the individual becomes reemployed and has had  
42 earnings from insured work of at least three times such individual's  
43 determined weekly benefit amount. In determining whether or not any

1 work is suitable for an individual, the secretary of labor, or a person or  
2 persons designated by the secretary, shall consider the degree of risk  
3 involved to health, safety and morals, physical fitness and prior training,  
4 experience and prior earnings, length of unemployment and prospects for  
5 securing local work in the individual's customary occupation or work for  
6 which the individual is reasonably fit by training or experience, and the  
7 distance of the available work from the individual's residence.  
8 Notwithstanding any other provisions of this act, an otherwise eligible  
9 individual shall not be disqualified for refusing an offer of suitable  
10 employment, or failing to apply for suitable employment when notified by  
11 an employment office, or for leaving the individual's most recent work  
12 accepted during approved training, including training approved under  
13 section 236(a)(1) of the trade act of 1974, if the acceptance of or applying  
14 for suitable employment or continuing such work would require the  
15 individual to terminate approved training and no work shall be deemed  
16 suitable and benefits shall not be denied under this act to any otherwise  
17 eligible individual for refusing to accept new work under any of the  
18 following conditions:

19 (1) If the position offered is vacant due directly to a strike, lockout or  
20 other labor dispute;

21 (2) if the remuneration, hours or other conditions of the work offered  
22 are substantially less favorable to the individual than those prevailing for  
23 similar work in the locality;

24 (3) if as a condition of being employed, the individual would be  
25 required to join or to resign from or refrain from joining any labor  
26 organization; and

27 (4) if the individual left employment as a result of domestic violence,  
28 and the position offered does not reasonably accommodate the individual's  
29 physical, psychological, safety, or legal needs relating to such domestic  
30 violence.

31 (d) For any week with respect to which the secretary of labor, or a  
32 person or persons designated by the secretary, finds that the individual's  
33 unemployment is due to a stoppage of work that exists because of a labor  
34 dispute or there would have been a work stoppage had normal operations  
35 not been maintained with other personnel previously and currently  
36 employed by the same employer at the factory, establishment or other  
37 premises at which the individual is or was last employed, except that this  
38 subsection (d) shall not apply if it is shown to the satisfaction of the  
39 secretary of labor, or a person or persons designated by the secretary, that:

40 (1) The individual is not participating in or financing or directly  
41 interested in the labor dispute that caused the stoppage of work; and

42 (2) the individual does not belong to a grade or class of workers of  
43 which, immediately before the commencement of the stoppage, there were

1 members employed at the premises where the stoppage occurs any of  
2 whom are participating in or financing or directly interested in the dispute.  
3 If in any case separate branches of work that are commonly conducted as  
4 separate businesses in separate premises are conducted in separate  
5 departments of the same premises, each such department shall, for the  
6 purpose of this subsection be deemed to be a separate factory,  
7 establishment or other premises. For the purposes of this subsection,  
8 failure or refusal to cross a picket line or refusal for any reason during the  
9 continuance of such labor dispute to accept the individual's available and  
10 customary work at the factory, establishment or other premises where the  
11 individual is or was last employed shall be considered as participation and  
12 interest in the labor dispute.

13 (e) For any week or a part of the week in which the individual has  
14 received or is seeking unemployment benefits under the unemployment  
15 compensation law of any other state or of the United States, except that if  
16 the appropriate agency of such other state or the United States finally  
17 determines that the individual is not entitled to such unemployment  
18 benefits, this disqualification shall not apply.

19 (f) For any week in which the individual is entitled to receive any  
20 unemployment allowance or compensation granted by the United States  
21 under an act of congress to former members of the armed forces in  
22 recognition of former service with the military, naval, air or space services  
23 of the United States.

24 (g) If the individual, or another in such individual's behalf with the  
25 knowledge of the individual, has knowingly made a false statement or  
26 representation, or has knowingly failed to disclose a material fact to obtain  
27 or increase benefits under this act or any other unemployment  
28 compensation law administered by the secretary of labor, unless the  
29 individual has repaid the full amount of the overpayment as determined by  
30 the secretary or the secretary's designee, including, but not limited to, the  
31 total amount of money erroneously paid as benefits or unlawfully  
32 obtained, interest, penalties and any other costs or fees provided by law. If  
33 the individual has made such repayment, the individual shall be  
34 disqualified for a period of one year for the first occurrence or five years  
35 for any subsequent occurrence, beginning with the first day following the  
36 date the department of labor confirmed the individual has successfully  
37 repaid the full amount of the overpayment. In addition to the penalties set  
38 forth in K.S.A. 44-719, and amendments thereto, an individual who has  
39 knowingly made a false statement or representation or who has knowingly  
40 failed to disclose a material fact to obtain or increase benefits under this  
41 act or any other unemployment compensation law administered by the  
42 secretary of labor shall be liable for a penalty in the amount equal to 25%  
43 of the amount of benefits unlawfully received. Notwithstanding any other

1 provision of law, such penalty shall be deposited into the employment  
2 security trust fund. No person who is a victim of identify theft shall be  
3 subject to the provisions of this subsection. The secretary shall investigate  
4 all cases of an alleged false statement or representation or failure to  
5 disclose a material fact to ensure no victim of identity theft is disqualified,  
6 required to repay or subject to any penalty as provided by this subsection  
7 as a result of identity theft.

8 (h) For any week in which the individual is receiving compensation  
9 for temporary total disability or permanent total disability under the  
10 workmen's compensation law of any state or under a similar law of the  
11 United States.

12 (i) For any week of unemployment on the basis of service in an  
13 instructional, research or principal administrative capacity for an  
14 educational institution as defined in K.S.A. 44-703(v), and amendments  
15 thereto, if such week begins during the period between two successive  
16 academic years or terms or, when an agreement provides instead for a  
17 similar period between two regular but not successive terms during such  
18 period or during a period of paid sabbatical leave provided for in the  
19 individual's contract, if the individual performs such services in the first of  
20 such academic years or terms and there is a contract or a reasonable  
21 assurance that such individual will perform services in any such capacity  
22 for any educational institution in the second of such academic years or  
23 terms.

24 (j) For any week of unemployment on the basis of service in any  
25 capacity other than service in an instructional, research, or administrative  
26 capacity in an educational institution, as defined in K.S.A. 44-703(v), and  
27 amendments thereto, if such week begins during the period between two  
28 successive academic years or terms if the individual performs such  
29 services in the first of such academic years or terms and there is a  
30 reasonable assurance that the individual will perform such services in the  
31 second of such academic years or terms, except that if benefits are denied  
32 to the individual under this subsection and the individual was not offered  
33 an opportunity to perform such services for the educational institution for  
34 the second of such academic years or terms, such individual shall be  
35 entitled to a retroactive payment of benefits for each week for which the  
36 individual filed a timely claim for benefits and such benefits were denied  
37 solely by reason of this subsection.

38 (k) For any week of unemployment on the basis of service in any  
39 capacity for an educational institution as defined in K.S.A. 44-703(v), and  
40 amendments thereto, if such week begins during an established and  
41 customary vacation period or holiday recess, if the individual performs  
42 services in the period immediately before such vacation period or holiday  
43 recess and there is a reasonable assurance that such individual will perform

1 such services in the period immediately following such vacation period or  
2 holiday recess.

3 (l) For any week of unemployment on the basis of any services,  
4 consisting of participating in sports or athletic events or training or  
5 preparing to so participate, if such week begins during the period between  
6 two successive sport seasons or similar period if such individual  
7 performed services in the first of such seasons or similar periods and there  
8 is a reasonable assurance that such individual will perform such services in  
9 the later of such seasons or similar periods.

10 (m) For any week on the basis of services performed by an alien  
11 unless such alien is an individual who was lawfully admitted for  
12 permanent residence at the time such services were performed, was  
13 lawfully present for purposes of performing such services, or was  
14 permanently residing in the United States under color of law at the time  
15 such services were performed, including an alien who was lawfully present  
16 in the United States as a result of the application of the provisions of  
17 section 212(d)(5) of the federal immigration and nationality act. Any data  
18 or information required of individuals applying for benefits to determine  
19 whether benefits are not payable to them because of their alien status shall  
20 be uniformly required from all applicants for benefits. In the case of an  
21 individual whose application for benefits would otherwise be approved, no  
22 determination that benefits to such individual are not payable because of  
23 such individual's alien status shall be made except upon a preponderance  
24 of the evidence.

25 (n) For any week in which an individual is receiving a governmental  
26 or other pension, retirement or retired pay, annuity or other similar  
27 periodic payment under a plan maintained by a base period employer and  
28 to which the entire contributions were provided by such employer, except  
29 that:

30 (1) If the entire contributions to such plan were provided by the base  
31 period employer but such individual's weekly benefit amount exceeds such  
32 governmental or other pension, retirement or retired pay, annuity or other  
33 similar periodic payment attributable to such week, the weekly benefit  
34 amount payable to the individual shall be reduced, but not below zero, by  
35 an amount equal to the amount of such pension, retirement or retired pay,  
36 annuity or other similar periodic payment that is attributable to such week;  
37 or

38 (2) if only a portion of contributions to such plan were provided by  
39 the base period employer, the weekly benefit amount payable to such  
40 individual for such week shall be reduced, but not below zero, by the  
41 prorated weekly amount of the pension, retirement or retired pay, annuity  
42 or other similar periodic payment after deduction of that portion of the  
43 pension, retirement or retired pay, annuity or other similar periodic

1 payment that is directly attributable to the percentage of the contributions  
2 made to the plan by such individual; or

3 (3) if the entire contributions to the plan were provided by such  
4 individual, or by the individual and an employer, or any person or  
5 organization, who is not a base period employer, no reduction in the  
6 weekly benefit amount payable to the individual for such week shall be  
7 made under this subsection; or

8 (4) whatever portion of contributions to such plan were provided by  
9 the base period employer, if the services performed for the employer by  
10 such individual during the base period, or remuneration received for the  
11 services, did not affect the individual's eligibility for, or increased the  
12 amount of, such pension, retirement or retired pay, annuity or other similar  
13 periodic payment, no reduction in the weekly benefit amount payable to  
14 the individual for such week shall be made under this subsection. No  
15 reduction shall be made for payments made under the social security act or  
16 railroad retirement act of 1974.

17 (o) For any week of unemployment on the basis of services  
18 performed in any capacity and under any of the circumstances described in  
19 subsection (i), (j) or (k) that an individual performed in an educational  
20 institution while in the employ of an educational service agency. For the  
21 purposes of this subsection, the term "educational service agency" means a  
22 governmental agency or entity that is established and operated exclusively  
23 for the purpose of providing such services to one or more educational  
24 institutions.

25 (p) For any week of unemployment on the basis of service as a school  
26 bus or other motor vehicle driver employed by a private contractor to  
27 transport pupils, students and school personnel to or from school related  
28 functions or activities for an educational institution, as defined in K.S.A.  
29 44-703(v), and amendments thereto, if such week begins during the period  
30 between two successive academic years or during a similar period between  
31 two regular terms, whether or not successive, if the individual has a  
32 contract or contracts, or a reasonable assurance thereof, to perform  
33 services in any such capacity with a private contractor for any educational  
34 institution for both such academic years or both such terms. An individual  
35 shall not be disqualified for benefits as provided in this subsection for any  
36 week of unemployment.

37 (1) That the individual is a participating employee in a short-term  
38 compensation program established pursuant to K.S.A. 44-757, and  
39 amendments thereto; or

40 (2) on the basis of service as a bus or other motor vehicle driver  
41 employed by a private contractor to transport persons to or from  
42 nonschool related functions or activities.

43 (q) For any week of unemployment on the basis of services

1 performed by the individual in any capacity and under any of the  
2 circumstances described in subsection (i), (j), (k) or (o) that are provided  
3 to or on behalf of an educational institution, as defined in K.S.A. 44-  
4 703(v), and amendments thereto, while the individual is in the employ of  
5 an employer that is a governmental entity, Indian tribe or any employer  
6 described in section 501(e)(3) of the federal internal revenue code of 1986  
7 that is exempt from income under section 501(a) of the code.

8 (r) For any week in which an individual is registered at and attending  
9 an established school, training facility or other educational institution, or is  
10 on vacation during or between two successive academic years or terms. An  
11 individual shall not be disqualified for benefits as provided in this  
12 subsection if:

13 (1) The individual was engaged in full-time employment concurrent  
14 with the individual's school attendance;

15 (2) the individual is attending approved training as defined in K.S.A.  
16 44-703(s), and amendments thereto; or

17 (3) the individual is attending evening, weekend or limited day time  
18 classes that would not affect availability for work, and is otherwise eligible  
19 under K.S.A. 44-705(e), and amendments thereto.

20 (s) For any week in which an individual is receiving or has received  
21 remuneration in the form of a back pay award or settlement. The  
22 remuneration shall be allocated to the week or weeks in the manner as  
23 specified in the award or agreement, or in the absence of such specificity  
24 in the award or agreement, such remuneration shall be allocated to the  
25 week or weeks for which such remuneration, in the judgment of the  
26 secretary, would have been paid.

27 (1) For any such weeks that an individual receives remuneration in  
28 the form of a back pay award or settlement, an overpayment will be  
29 established in the amount of unemployment benefits paid and shall be  
30 collected from the claimant.

31 (2) If an employer chooses to withhold from a back pay award or  
32 settlement, amounts paid to a claimant while they claimed unemployment  
33 benefits, such employer shall pay the department the amount withheld.  
34 With respect to such amount, the secretary shall have available all of the  
35 collection remedies authorized or provided in K.S.A. 44-717, and  
36 amendments thereto.

37 (t) (1) Any applicant for or recipient of unemployment benefits who  
38 tests positive for unlawful use of a controlled substance or controlled  
39 substance analog shall be required to complete a substance abuse treatment  
40 program approved by the secretary of labor, secretary of commerce or  
41 secretary for children and families, and a job skills program approved by  
42 the secretary of labor, secretary of commerce or the secretary for children  
43 and families. Subject to applicable federal laws, any applicant for or

1 recipient of unemployment benefits who fails to complete or refuses to  
2 participate in the substance abuse treatment program or job skills program  
3 as required under this subsection shall be ineligible to receive  
4 unemployment benefits until completion of such substance abuse  
5 treatment and job skills programs. Upon completion of both substance  
6 abuse treatment and job skills programs, such applicant for or recipient of  
7 unemployment benefits may be subject to periodic drug screening, as  
8 determined by the secretary of labor. Upon a second positive test for  
9 unlawful use of a controlled substance or controlled substance analog, an  
10 applicant for or recipient of unemployment benefits shall be ordered to  
11 complete again a substance abuse treatment program and job skills  
12 program, and shall be terminated from unemployment benefits for a period  
13 of 12 months, or until such applicant for or recipient of unemployment  
14 benefits completes both substance abuse treatment and job skills programs,  
15 whichever is later. Upon a third positive test for unlawful use of a  
16 controlled substance or controlled substance analog, an applicant for or a  
17 recipient of unemployment benefits shall be terminated from receiving  
18 unemployment benefits, subject to applicable federal law.

19 (2) Any individual who has been discharged or refused employment  
20 for failing a preemployment drug screen required by an employer may  
21 request that the drug screening specimen be sent to a different drug testing  
22 facility for an additional drug screening. Any such individual who requests  
23 an additional drug screening at a different drug testing facility shall be  
24 required to pay the cost of drug screening.

25 (u) If the individual was found not to have a disqualifying  
26 adjudication or conviction under K.S.A. 39-970 or 65-5117, and  
27 amendments thereto, was hired and then was subsequently convicted of a  
28 disqualifying felony under K.S.A. 39-970 or 65-5117, and amendments  
29 thereto, and discharged pursuant to K.S.A. 39-970 or 65-5117, and  
30 amendments thereto. The disqualification shall begin the day following the  
31 separation and shall continue until after the individual becomes  
32 reemployed and has had earnings from insured work of at least three times  
33 the individual's determined weekly benefit amount.

34 (v) Notwithstanding the provisions of any subsection, an individual  
35 shall not be disqualified for such week of part-time employment in a  
36 substitute capacity for an educational institution if such individual's most  
37 recent employment prior to the individual's benefit year begin date was for  
38 a non-educational institution and such individual demonstrates application  
39 for work in such individual's customary occupation or for work for which  
40 the individual is reasonably fit by training or experience. The secretary of  
41 labor shall determine whether an individual is disqualified from receiving  
42 unemployment benefits based on the nature and circumstances of such  
43 individual's separation from employment. This determination shall apply

1 to the individual's most recent employment prior to each week claimed.

2 (a) Voluntary separation. An individual shall be disqualified for  
3 benefits if they voluntarily leave employment without good cause  
4 attributable to the work or employer.

5 (1) (A) "Good cause" means a compelling reason that would lead a  
6 reasonable, non-supersensitive person, using sound judgment and acting  
7 in good faith, to voluntarily leave employment. A genuine desire to remain  
8 employed must be present.

9 (B) "Voluntarily leave employment" includes, but is not limited to:

10 (i) Failing to return from approved personal or medical leave; or  
11 (ii) failing to request reassignment after completing a temporary  
12 assignment, if required by an agreement.

13 (2) The following exceptions shall not result in disqualification:

14 (A) The individual left work due to illness or injury under the advice  
15 of a licensed healthcare provider, notified the employer and, upon  
16 recovery, offered to return to suitable work.

17 (B) The individual left work temporary employment to return to a  
18 regular employer.

19 (C) The individual left work for military service but was rejected or  
20 delayed from entry.

21 (D) The individual left work due to a spouse's transfer within the  
22 armed forces to a different geographic area.

23 (E) The individual left work due to unsafe or hazardous conditions  
24 that could jeopardize such individual's health or well-being.

25 (F) The individual left work to attend federally approved training  
26 under 19 U.S.C. Ch. 12.

27 (G) The individual left work due to workplace harassment that the  
28 employer knew about and failed to correct.

29 (H) The individual left work for employment that offered better  
30 wages, hours, benefits or permanency.

31 (I) The individual left work after being asked to commit an unlawful  
32 act.

33 (J) The individual left work after the employer substantially violated  
34 the terms of employment.

35 (K) The individual left work after making reasonable efforts to keep  
36 such individual's job due to a serious personal emergency.

37 (L) An individual shall not be disqualified for benefits if such  
38 individual left work due to circumstances related to domestic violence with  
39 documented evidence.

40 (i) Examples of domestic violence may include:

41 (a) Reasonable fear of future violence at or near the workplace;

42 (b) need to relocate for safety;

43 (c) need to address the physical, psychological or legal effects of

1 abuse;

2 (d) requirement to leave work to receive shelter or services; or

3 (e) a reasonable belief that leaving employment is necessary to

4 protect the individual or their family.

5 (ii) Evidence of domestic violence may include:

6 (a) A court-issued restraining order or similar relief;

7 (b) a police report;

8 (c) court records showing the abuser's conviction of a qualifying

9 offense;

10 (d) medical documentation;

11 (e) a statement from a qualified professional, such as a counselor,

12 healthcare provider or advocate; or

13 (f) a sworn statement from the individual attesting the abuse.

14 (iii) Any evidence of domestic violence provided by an individual,

15 including personal statements and supporting documentation, shall

16 remain confidential and shall not be disclosed by the department of labor

17 without the individual's explicit consent.

18 (b) Disqualification for misconduct or gross misconduct. (1) An

19 individual shall be disqualified from receiving benefits if discharged or

20 suspended for misconduct connected to the individual's work.

21 Disqualification shall begin the day after separation and shall continue

22 until the individual is reemployed and has earned:

23 (A) At least three times the individual's weekly benefit amount from

24 insured work if the discharge was for misconduct; or

25 (B) at least eight times the weekly benefit amount if the discharge

26 was for gross misconduct. In cases of gross misconduct, all wage credits

27 from the disqualifying employer shall be canceled. This cancellation shall

28 not affect benefits already paid from a prior separation.

29 (2) "Misconduct" includes any willful violation of a duty or

30 obligation reasonably owed to the employer. This includes, but is not

31 limited to, breaking a known and consistently enforced company rule,

32 including safety rules, that are lawful and job-related.

33 (A) Failing to notify the employer of an absence or leaving work

34 early without permission constitutes *prima facie* misconduct.

35 (B) Repeated violations of reasonable attendance policies may be

36 deemed misconduct if:

37 (i) Absences or tardiness were without good cause;

38 (ii) the employee knew of the attendance expectations; and

39 (iii) the employer warned the employee that further absences could

40 lead to discharge.

41 (C) If an employee disputes the attendance-related disqualification,

42 the burden is on the employee to demonstrate that a majority of absences

43 or tardiness were for good cause. If health-related, such demonstration

1     *requires documentation from a licensed healthcare provider.*

2         (3) "Gross misconduct" means extreme, willful or wanton behavior,  
3     *and includes, but is not limited to:*

4             (A) *Theft, fraud, intentional property damage, intentional personal*  
5     *injury or conduct constituting a felony;*

6             (B) *use, possession or impairment by alcohol or nonprescribed*  
7     *controlled substances while working;*

8             (C) *a positive alcohol or drug test meeting the following conditions:*

9                 (i) *The test was legally required or part of a written employment*  
10     *policy;*

11                 (ii) *the sample was properly collected, labeled and tested by certified*  
12     *professionals;*

13                 (iii) *the test result was confirmed by reliable methods, such as gas*  
14     *chromatography;*

15                 (iv) *breath tests were administered using certified instruments by*  
16     *trained personnel; and*

17                 (v) *results are clearly linked to the tested individual.*

18             (D) *A refusal to submit to a lawful test or tampering with a chemical*  
19     *test.*

20             (E) *As used in this subsection:*

21                 (i) "Alcohol concentration" means grams of alcohol per 210 liters of  
22     *breath;*

23                 (ii) "alcoholic liquor" means the same as defined in K.S.A. 41-102,  
24     *and amendments thereto;*

25                 (iii) "cereal malt beverage" means the same as defined in K.S.A. 41-  
26     *2701, and amendments thereto;*

27                 (iv) "controlled substance" means the same as defined in K.S.A. 21-  
28     *5701, and amendments thereto;*

29                 (v) "positive chemical test" means test results exceeding thresholds  
30     *listed pursuant to K.S.A. 44-501, and amendments thereto, or 49 C.F.R.*  
31     *part 40;*

32                 (vi) "required by law" includes federal, state or local laws or policies  
33     *adopted in an open meeting.*

34             (4) *An individual shall not be disqualified for the following*  
35     *discharges:*

36                 (A) *Termination after the individual gave notice of intent to quit or*  
37     *was known to be seeking other employment, except if the individual*  
38     *commits misconduct after such notice;*

39                 (B) *discharge for inefficiency, inability, isolated negligence, good*  
40     *faith errors or circumstances beyond the individual's control; or*

41                 (C) *refusal to work hours beyond the agreed contract or terms of*  
42     *hire.*

43                 (c) *Refusal or failure to apply for suitable work. An individual shall*

1    *be disqualified from receiving benefits if, without good cause, they fail to*  
2    *apply for or accept suitable work when directed by the employment office,*  
3    *the secretary of labor or an employer. The disqualification shall begin*  
4    *with the week in which the refusal or failure occurred and shall continue*  
5    *until the individual becomes reemployed and earns wages from insured*  
6    *work equal to at least three times such individual's determined weekly*  
7    *benefit amount.*

8       (1) *In determining whether work is "suitable," the secretary of labor*  
9    *or the secretary's designee shall consider the following factors:*

10       (A) *Risk to health, safety or morals;*

11       (B) *the individual's physical fitness;*

12       (C) *prior training, experience and earnings;*

13       (D) *length of unemployment and job prospects in the individual's*  
14 *customary occupation or similar work for which such individual is*  
15 *reasonably qualified; and*

16       (E) *the distance between the available job and the individual's*  
17 *residence.*

18       (2) *An otherwise eligible individual shall not be disqualified for*  
19 *refusing to apply for or accept work or for leaving such individual's most*  
20 *recent employment accepted during approved training, if any of the*  
21 *following apply:*

22       (A) *The job is vacant due directly to a strike, lockout or labor*  
23 *dispute;*

24       (B) *the wages, hours or working conditions are substantially less*  
25 *favorable than those for similar jobs in the area;*

26       (C) *employment would require the individual to join, resign from or*  
27 *refrain from joining a labor union;*

28       (D) *the individual left previous employment due to domestic violence*  
29 *and the new job does not reasonably accommodate such individual's*  
30 *physical, psychological, safety or legal needs related to such violence; or*

31       (E) *accepting, applying for or continuing in the job would require the*  
32 *individual to terminate approved training, including training under 19*  
33 *U.S.C. § 2296(a).*

34       (d) *Labor dispute disqualification. An individual shall be disqualified*  
35 *from receiving benefits for any week in which the secretary determines*  
36 *that the individual's unemployment is due to a work stoppage caused by a*  
37 *labor dispute at the factory, establishment or premises where the*  
38 *individual is or was last employed. This disqualification also applies if a*  
39 *stoppage would have occurred but was avoided because operations were*  
40 *maintained by other employees previously or currently employed at the*  
41 *same location.*

42       (1) *This disqualification shall not apply if the secretary determines*  
43 *both of the following:*

1       (A) The individual is not participating in, financing or directly  
2 involved in the labor dispute that caused the work stoppage; and

3       (B) the individual does not belong to a grade or class of workers, any  
4 of whom were employed at the premises immediately before the stoppage,  
5 who are participating in, financing or directly involved in the dispute.

6       (2) For the purposes of this subsection:

7       (A) If distinct branches of work typically conducted as separate  
8 businesses in separate locations are instead carried out in separate  
9 departments within the same premises, each department shall be  
10 considered a separate establishment.

11       (B) An individual who refuses or fails to cross a picket line or  
12 otherwise declines to perform such individual's own customary work  
13 during the labor dispute at such individual's usual worksite shall be  
14 deemed to be participating in and directly interested in the dispute.

15       (e) Disqualification due to benefits from another jurisdiction. An  
16 individual shall be disqualified from receiving benefits for any week or  
17 part of a week in which the individual is receiving or actively seeking  
18 unemployment benefits under the laws of another state or the federal  
19 government. This disqualification shall not apply if the appropriate  
20 agency of such other state or the United States makes a final  
21 determination that the individual is not entitled to such benefits.

22       (f) Disqualification due to federal military unemployment  
23 compensation. An individual shall be disqualified from receiving state  
24 unemployment benefits for any week in which the individual is entitled to  
25 receive federal unemployment compensation or allowances provided  
26 under an act of congress for former members of the United States armed  
27 forces, including military, naval, air or space services, in recognition of  
28 such members' prior service.

29       (g) Disqualification for fraud or misrepresentation. An individual  
30 shall be disqualified from receiving benefits if such individual or someone  
31 acting on such individual's behalf with such individual's knowledge  
32 knowingly make a false statement or representation or fails to disclose a  
33 material fact in order to obtain or increase unemployment benefits under  
34 this act or any other unemployment compensation law administered by the  
35 secretary.

36       (1) The disqualification shall apply unless the individual has repaid  
37 the full amount of the overpayment, including all benefits improperly or  
38 unlawfully received and any applicable interest, penalties, fees and costs  
39 as required by law.

40       (A) Once repayment is made and beginning on the day after the  
41 department of labor confirms full repayment, the individual shall be  
42 disqualified for:

43       (i) One year for a first occurrence; or

1       (ii) *five years for any subsequent occurrence.*

2       (2) *In addition to other penalties pursuant to K.S.A. 44-719, and*  
3 *amendments thereto, any individual who knowingly commits fraud or*  
4 *misrepresentation shall also be liable for a penalty equal to 25% of the*  
5 *total amount of benefits unlawfully received. This penalty shall be*  
6 *deposited into the employment security trust fund.*

7       (3) *No individual who is a verified victim of identity theft shall be*  
8 *subject to the disqualification, repayment or penalty provisions of this*  
9 *subsection. The secretary shall investigate all suspected cases of false*  
10 *statements or nondisclosure to ensure that identity theft victims are not*  
11 *wrongfully penalized.*

12       (h) *Disability compensation. An individual is not eligible to receive*  
13 *unemployment benefits for any week in which such individual is receiving*  
14 *compensation for temporary total or permanent total disability under the*  
15 *workers' compensation laws of any state or under a comparable federal*  
16 *law.*

17       (i) *Instructional, research or administrative roles in education. An*  
18 *individual is not eligible for unemployment benefits for any week of*  
19 *unemployment based on services performed in an instructional, research*  
20 *or principal administrative capacity for an educational institution, if the*  
21 *week:*

22           (1) *Falls between two successive academic years or terms;*

23           (2) *occurs during a similar break between two nonconsecutive terms*  
24 *under an agreement; or*

25           (3) *occurs during a paid sabbatical leave provided in the individual's*  
26 *contract and the individual performed services in the first academic year*  
27 *or term and has a contract or reasonable assurance of performing*  
28 *services in the second academic year or term.*

29       (j) *Other educational institution roles. (1) Disqualification applies to:*

30           (A) *Educational staff between school years or terms with reasonable*  
31 *assurance of reemployment.*

32           (B) *School transportation workers under contract or with reasonable*  
33 *assurance.*

34           (C) *Educational service agency staff in similar academic cycle*  
35 *breaks.*

36           (2) (A) *"Reasonable assurance" means a written, verbal or implied*  
37 *commitment given by an educational institution to an individual indicating*  
38 *that the individual will perform services in the same or a similar capacity*  
39 *during the next academic year or term.*

40           (B) *"Reasonable assurance" shall be made by an authorized*  
41 *representative of the institution and must be based on a genuine offer of*  
42 *employment, contingent only on factors within the employer's normal*  
43 *hiring practices such as enrollment, program funding or course*

1     availability.

2         (C) "Reasonable assurance" does not exist if:

3             (i) The offer is conditional on the occurrence of events wholly outside

4             the employer's usual control or discretion;

5             (ii) the individual's prior employment was as a substitute or on-call

6             basis without consistent work history;

7             (iii) there is a significant reduction in earnings potential, work hours

8             or job duties compared to the preceding academic term; or

9             (iv) the assurance is vague, speculative or not communicated in good

10             faith.

11         (k) Established vacation periods and holiday recess. An individual

12         shall be disqualified from receiving benefits for any week of unemployment

13         that falls within an established and customary vacation period or holiday

14         recess if:

15             (1) The individual performed services for an educational institution

16             as defined in K.S.A. 44-703, and amendments thereto, during the period

17             immediately before the vacation or recess; and

18             (2) the individual has a reasonable assurance of performing similar

19             services for any educational institution during the period immediately

20             following the vacation or recess.

21             (l) Sports or athletic events. An individual is disqualified from

22             receiving benefits for any week of unemployment based on services

23             performed in sports or athletic events or while training or preparing for

24             such participation if the week falls between two sports seasons or similar

25             periods and the individual performed such services in the first season or

26             period and has reasonable assurance of performing the same in the

27             second.

28         (m) Immigration status. (1) An individual is disqualified from

29         receiving benefits for any week in which the services were performed by a

30         noncitizen unless the individual was:

31             (A) Lawfully admitted for permanent residence;

32             (B) lawfully present in the United States for the purpose of

33             performing such services; or

34             (C) permanently residing under color of law, including under 8

35             U.S.C. § 1182(d)(5).

36             (2) All applicants must provide the same data regarding immigration

37             status. Disqualification based on alien status may only be made upon a

38             preponderance of the evidence.

39         (n) Pension and retirement pay. An individual is disqualified from

40         receiving benefits for any week in which they receive a pension, retirement

41         pay, annuity or similar periodic payment from a base period employer,

42         unless:

43             (I) The weekly benefit exceeds the pension amount, in which case

1     *benefits are reduced by the pension amount;*  
2         *(2) only part of the pension was funded by the base period employer,*  
3     *in which case benefits are reduced proportionately;*  
4         *(3) the pension was funded entirely by the individual or an entity*  
5     *other than the base period employer, in which case no reduction applies;*  
6     *or*  
7         *(4) the individual's base period services did not contribute to or*  
8     *increase the pension, in which case no reduction applies. No reduction*  
9     *shall apply for payments made under 42 U.S.C. Ch. 7 or 45 U.S.C. § 231*  
10    *et seq.*

11     *(o) Disqualification also applies to services performed under*  
12    *subsections (i), (j) or (k) for an educational institution while employed by*  
13    *an educational service agency. An "educational service agency" means a*  
14    *governmental entity established solely to provide services to educational*  
15    *institutions.*

16     *(p) Transporting students and school personnel. (1) An individual is*  
17    *disqualified for any week of unemployment based on services as a school*  
18    *bus or vehicle driver for a private contractor transporting students or*  
19    *school personnel, if the week falls between academic years or terms and*  
20    *the individual has a contract or reasonable assurance as defined in*  
21    *subsection (j). This disqualification does not apply if:*

22         *(A) The individual participates in a short-term compensation plan*  
23    *pursuant to K.S.A. 44-757, and amendments thereto; or*

24         *(B) the services involve nonschool-related transportation.*

25     *(q) Disqualification also applies for any week of unemployment*  
26    *based on services described in subsections (i), (j), (k) or (o), performed for*  
27    *or on behalf of an educational institution while employed by a*  
28    *governmental entity, Indian tribe or a nonprofit exempt under 26 U.S.C. §*  
29    *501(c)(3).*

30     *(r) Student attendance. An individual is disqualified for any week*  
31    *during which such individual is enrolled in or attending an established*  
32    *educational institution or is on break between academic terms, unless such*  
33    *individual:*

34         *(1) Is concurrently engaged in full-time employment;*  
35         *(2) is attending approved training as defined in K.S.A. 44-703, and*  
36    *amendments thereto; or*

37         *(3) is attending evening, weekend or limited daytime classes that do*  
38    *not affect work availability and otherwise meet the work availability*  
39    *criteria pursuant to K.S.A. 44-705, and amendments thereto.*

40     *(s) Back pay or settlement pay. An individual is disqualified for any*  
41    *week in which such individual receives back pay or settlement related to*  
42    *prior employment. Payment shall be allocated according to the terms of*  
43    *the agreement or, if unspecified, as determined by the secretary. The*

1 following conditions apply:

2 (1) Any unemployment benefits paid for such weeks shall be  
3 considered overpayments and must be repaid.

4 (2) If the employer withholds amounts equal to unemployment  
5 benefits from the back pay, such amounts must be submitted to the  
6 department of labor and may be collected pursuant to K.S.A. 44-717, and  
7 amendments thereto.

8 (t) Drug use and testing. An individual who tests positive for illegal  
9 drug use shall complete approved substance abuse and job skills  
10 programs. Failure to complete the programs shall result in  
11 disqualification until completion.

12 (1) (A) A second offense shall require repetition of both programs  
13 and result in disqualification for 12 months or until completion, whichever  
14 is later.

15 (B) A third offense shall result in permanent disqualification, subject  
16 to federal law.

17 (2) An individual discharged or denied employment due to a failed  
18 pre-employment drug screen may request retesting at a different facility at  
19 such individual's own expense.

20 (u) Criminal history. An individual is disqualified if such individual is  
21 found not to have a disqualifying adjudication or conviction pursuant to  
22 K.S.A. 39-970 or 65-5117, and amendments thereto, was hired and  
23 subsequently convicted of a disqualifying felony and discharged pursuant  
24 to such provisions.

25 (v) Substitute educational work. An individual is not disqualified for  
26 part-time substitute work for an educational institution if such individual's  
27 prior employment was not with an educational employer and such  
28 individual is actively seeking suitable work.

29 (w) Supplemental unemployment benefits plans and eligibility.  
30 Receipt of income from an employer-sponsored supplemental  
31 unemployment benefit plan shall not, by itself, disqualify an individual  
32 from receiving benefits under this act, provided such plan complies with  
33 the requirements set forth in section 2, and amendments thereto.

34 Sec. 11. K.S.A. 2025 Supp. 44-709 is hereby amended to read as  
35 follows: 44-709. (a) Filing. Claims for benefits shall be made in  
36 accordance with rules and regulations adopted by the secretary. The  
37 secretary shall furnish a copy of such rules and regulations to any  
38 individual requesting them. Each employer shall: (1) Post and maintain  
39 printed statements furnished by the secretary without cost to the employer  
40 in places readily accessible to individuals in the service of the employer;  
41 and (2) provide any other notification to individuals in the service of the  
42 employer as required by the secretary pursuant to the families first  
43 coronavirus response act, public law 116-127.

1       (b) *Determination.* (1) Except as otherwise provided in this  
2 paragraph, a representative designated by the secretary, and hereinafter  
3 referred to as an examiner, shall promptly examine the claim and, on the  
4 basis of the facts found by the examiner, shall determine whether or not  
5 the claim is valid. If the examiner determines that the claim is valid, the  
6 examiner shall determine the first day of the benefit year, the weekly  
7 benefit amount and the total amount of benefits payable with respect to the  
8 benefit year. If the claim is determined to be valid, the examiner shall send  
9 a notice to the last employing unit who shall respond within 10 days by  
10 providing the examiner all requested information including all information  
11 required for a decision under K.S.A. 44-706, and amendments thereto. The  
12 information may be submitted by the employing unit in person at an  
13 employment office of the secretary or by mail, by telefacsimile machine or  
14 by electronic mail. If the required information is not submitted or  
15 postmarked within a response time limit of 10 days after the examiner's  
16 notice was sent, the employing unit shall be deemed to have waived its  
17 standing as a party to the proceedings arising from the claim and shall be  
18 barred from protesting any subsequent decisions about the claim by the  
19 secretary, a referee, the employment security board of review or any court,  
20 except that the employing unit's response time limit may be waived or  
21 extended by the examiner or upon appeal, if timely response was  
22 impossible due to excusable neglect. In any case in which the payment or  
23 denial of benefits will be determined by the provisions of K.S.A. 44-  
24 706(d), and amendments thereto, the examiner shall promptly transmit the  
25 claim to a special examiner designated by the secretary to make a  
26 determination on the claim after the investigation as the special examiner  
27 deems necessary. The parties shall be promptly notified of the special  
28 examiner's decision and any party aggrieved by the decision may appeal to  
29 the referee as provided in subsection (e). The claimant and the claimant's  
30 most recent employing unit shall be promptly notified of the examiner's or  
31 special examiner's decision.

32       (2) The examiner may for good cause reconsider the examiner's  
33 decision and shall promptly notify the claimant and the most recent  
34 employing unit of the claimant, that the decision of the examiner is to be  
35 reconsidered, except that no reconsideration shall be made after the  
36 termination of the benefit year.

37       (3) Notwithstanding the provisions of any other statute, a decision of  
38 an examiner or special examiner shall be final unless the claimant or the  
39 most recent employing unit of the claimant files an appeal from the  
40 decision as provided in subsection (e), except that the time limit for appeal  
41 may be waived or extended by the referee or board of review if a timely  
42 response was impossible due to excusable neglect. The appeal must be  
43 filed within 16 calendar days after the mailing of notice to the last known

1 addresses of the claimant and employing unit or, if notice is not by mail,  
2 within 16 calendar days after the delivery of the notice to the parties.

3 (e) *Appeals.* Unless the appeal is withdrawn, a referee, after affording  
4 the parties reasonable opportunity for fair hearing, shall affirm or modify  
5 the findings of fact and decision of the examiner or special examiner. The  
6 parties shall be duly notified of the referee's decision, together with the  
7 reasons for the decision. The decision shall be final, notwithstanding the  
8 provisions of any other statute, unless a further appeal to the employment  
9 security board of review is filed within 16 calendar days after the mailing  
10 of the decision to the parties' last known addresses or, if notice is not by  
11 mail, within 16 calendar days after the delivery of the decision, except that  
12 the time limit for appeal may be waived or extended by the referee or  
13 board of review if a timely response was impossible due to excusable  
14 neglect.

15 (d) *Referees.* The secretary shall appoint, in accordance with K.S.A.  
16 44-714(e), and amendments thereto, one or more referees to hear and  
17 decide disputed claims.

18 (e) *Time, computation and extension.* In computing the period of time  
19 for an employing unit response or for appeals under this section from the  
20 examiner's or the special examiner's determination or from the referee's  
21 decision, the day of the act, event or default from which the designated  
22 period of time begins to run shall not be included. The last day of the  
23 period shall be included unless it is a Saturday, Sunday or legal holiday, in  
24 which event the period runs until the end of the next day that is not a  
25 Saturday, Sunday or legal holiday.

26 (f) *Board of review.* There is hereby created an employment security  
27 board of review, hereinafter referred to as the board.

28 (1) (A) Except as provided in subparagraph (B), the board shall  
29 consist of three members. Each member of the board shall be appointed for  
30 a term of four years as provided in this subsection. Not more than two  
31 members of the board shall belong to the same political party.

32 (B) The board shall consist of six members. The six-member board  
33 shall consist of the following: (i) Three members appointed under  
34 subparagraph (A); and (ii) three members appointed for a term that shall  
35 expire upon the expiration of this subparagraph. Each member of the board  
36 appointed under subparagraph (B)(ii) shall be appointed as provided in this  
37 subsection. Not more than four members of the six-member board shall  
38 belong to the same political party. The provisions of this subparagraph  
39 shall expire on June 30, 2024.

40 (2) (A) When a vacancy on the employment security board of review  
41 occurs, the workers compensation and employment security boards  
42 nominating committee established under K.S.A. 44-551, and amendments  
43 thereto, shall convene and submit a qualified nominee to the governor for

1 appointment to each vacancy on the employment security board of review,  
2 subject to confirmation by the senate as provided by K.S.A. 75-4315b, and  
3 amendments thereto. Minimum qualifications for qualified candidates for  
4 appointment to the employment security board of review, in order of  
5 priority, shall be:

6 (i) At least eight years direct experience with human resources  
7 processes, policies\*, guidelines or employee relations;  
8 (ii) at least three years direct experience with employment security  
9 laws and processes; and

10 (iii) knowledge of unemployment and labor laws.

11 (B) Applications for employment security board of review positions  
12 shall be submitted to the director of unemployment. The director shall  
13 determine if an applicant meets the qualifications for an employment  
14 security review board member as prescribed in paragraph (A). Qualified  
15 applicants for a position of employment security review board member  
16 shall be submitted by the director to the workers compensation and  
17 employment security boards nominating committee for consideration. The  
18 workers compensation and employment security boards nominating  
19 committee shall nominate a candidate for consideration by the governor.

20 (C) The governor shall either accept and submit to the senate for  
21 confirmation the person nominated by the nominating committee or reject  
22 the nomination and request the nominating committee to nominate another  
23 person for that position. Except as provided by K.S.A. 46-2601, and  
24 amendments thereto, no person appointed to the employment security  
25 board of review, whose appointment is subject to confirmation by the  
26 senate, shall exercise any power, duty or function as a member until  
27 confirmed by the senate.

28 (3) No member of the employment security board of review shall  
29 serve more than two consecutive terms. This paragraph shall not apply to  
30 members of the board appointed under subsection (f)(1)(B)(ii). The service  
31 of a board member appointed under subsection (f)(1)(B)(ii) shall not  
32 constitute a term as contemplated in this paragraph.

33 (4) Each member of the employment security board shall serve until a  
34 successor has been appointed and confirmed. Any vacancy in the  
35 membership of the board occurring prior to expiration of a term shall be  
36 filled by appointment for the unexpired term in the same manner as  
37 provided for original appointment of the member.

38 (5) Each member of the employment security board of review shall  
39 be entitled to receive as compensation for the member's services at the rate  
40 of \$15,000 per year, together with the member's travel and other necessary  
41 expenses actually incurred in the performance of the member's official  
42 duties in accordance with rules and regulations adopted by the secretary.  
43 Members' compensation and expenses shall be paid from the employment

1 security administration fund.

2 (6) The employment security board of review shall organize annually  
3 by the election of a chairperson from among its members. The chairperson  
4 shall serve in that capacity for a term of one year and until a successor is  
5 elected. For the purpose of hearing and determining cases, the board  
6 members may sit in panels. A board panel shall consist of three members  
7 with not more than two members belonging to the same political party.  
8 The chairperson may sit as a member of a panel and shall preside over  
9 such panel. When the chairperson is not a member of a hearing panel, the  
10 chairperson shall appoint a member of the panel to preside. The board or  
11 board panel shall meet on the first Monday of each month or on the call of  
12 the chairperson or any two members of the board at the place designated.  
13 The secretary of labor shall appoint an executive secretary of the board  
14 and the executive secretary or the executive secretary's designee shall  
15 attend the meetings of the board and board panels.

16 (7) The employment security board of review or board panel, on its  
17 own motion, may affirm, modify or set aside any decision of a referee on  
18 the basis of the evidence previously submitted in the case; may direct the  
19 taking of additional evidence; or may permit any of the parties to initiate  
20 further appeal before it. The board or board panel shall permit such further  
21 appeal by any of the parties interested in a decision of a referee that  
22 overrules or modifies the decision of an examiner. The board or board  
23 panel may remove to itself the proceedings on any claim pending before a  
24 referee. Any proceedings so removed to the board or board panel shall be  
25 heard in accordance with the requirements of subsection (e). The board or  
26 board panel shall promptly notify the interested parties of its findings and  
27 decision.

28 (8) A simple majority of the members of the employment security  
29 board of review or board panel shall constitute a quorum and no action of  
30 the board or board panel shall be valid unless it has the concurrence of a  
31 majority of its members. A vacancy on the board shall not impair the right  
32 of a quorum to exercise all the rights and perform all the duties of the  
33 board.

34 (g) *Procedure.* The manner that disputed claims are presented, the  
35 reports on claims required from the claimant and from employers and the  
36 conduct of hearings and appeals shall be in accordance with rules of  
37 procedure prescribed by the employment security board of review for  
38 determining the rights of the parties, whether or not such rules conform to  
39 common law or statutory rules of evidence and other technical rules of  
40 procedure. A full and complete record shall be kept of all proceedings and  
41 decisions in connection with a disputed claim. All testimony at any hearing  
42 upon a disputed claim shall be recorded, but need not be transcribed unless  
43 the disputed claim is further appealed. In the performance of its official

1       duties, the board or board panel shall have access to all of the records that  
2       pertain to the disputed claim and are in the custody of the secretary of  
3       labor and shall receive the assistance of the secretary upon request.

4       (h) *Witness fees.* Witnesses subpoenaed pursuant to this section shall  
5       be allowed fees and necessary travel expenses at rates fixed by the board.  
6       Such fees and expenses shall be deemed a part of the expense of  
7       administering this act.

8       (i) *Review of board action.* Any action of the employment security  
9       board of review including that of a board panel, may not be reconsidered  
10       after the mailing of the decision. An action of the board or board panel  
11       shall become final unless a petition for review in accordance with the  
12       Kansas judicial review act is filed within 16 calendar days after the date of  
13       the mailing of the decision. If an appeal has not been filed within 16  
14       calendar days of the date of the mailing of the decision, the decision  
15       becomes final. No bond shall be required for commencing an action for  
16       such review. In addition to those persons having standing pursuant to  
17       K.S.A. 77-611, and amendments thereto, the examiner shall have standing  
18       to obtain judicial review of an action of such board or board panel. The  
19       review proceeding, and the questions of law certified, shall be heard in a  
20       summary manner and shall be given precedence over all other civil cases  
21       except cases arising under the workers compensation act.

22       (j) Any finding of fact or law, judgment, determination, conclusion or  
23       final order made by the employment security board of review or board  
24       panel or any examiner, special examiner, referee or other person with  
25       authority to make findings of fact or law pursuant to the employment  
26       security law is not admissible or binding in any separate or subsequent  
27       action or proceeding, between a person and a present or previous employer  
28       brought before an arbitrator, court or judge of the state or the United  
29       States, regardless of whether the prior action was between the same or  
30       related parties or involved the same facts.

31       (k) In any proceeding or hearing conducted under this section, a party  
32       to the proceeding or hearing may appear before a referee or the  
33       employment security board of review or board panel either personally or  
34       by means of a designated representative to present evidence and to state  
35       the position of the party. Hearings may be conducted in person, by  
36       telephone or other means of electronic communication. The hearing shall  
37       be conducted by telephone or other means of electronic communication if  
38       none of the parties requests an in-person hearing. If a party requests an in-  
39       person hearing, the referee or board or board panel shall have the  
40       discretion to deny the request in the absence of good cause shown for the  
41       request by the requesting party. If a request for an in-person hearing is  
42       granted, the referee or board or board panel shall have the discretion to  
43       require all parties to appear in person or allow the party not requesting an

1 in-person hearing to appear by telephone or other means of electronic  
2 communication. The notice of hearing shall include notice to the parties of  
3 their right to request an in person hearing and instructions on how to make  
4 the request. (a) *Filing of claims. Claims for unemployment benefits shall*  
5 *be filed in accordance with rules and regulations established by the*  
6 *secretary of labor. The secretary shall provide a copy of such rules to any*  
7 *individual upon request. Each employer shall:*

8 (1) *Post and maintain printed statements, provided at no cost by the*  
9 *secretary, in locations easily accessible to all employees.*

10 (2) *Provide any additional notifications to employees as required*  
11 *under federal law.*

12 (b) *Claim determinations. (1) A designated examiner shall promptly*  
13 *review each claim to determine if it is valid. If the claim is deemed valid,*  
14 *the examiner shall:*

15 (A) *Determine eligibility, benefit year, weekly benefit amount and*  
16 *maximum payable benefits.*

17 (B) *Notice of a valid claim shall be sent to the claimant's most recent*  
18 *employer, who shall submit the required documentation to the examiner*  
19 *within 10 calendar days. The employer's response shall be submitted in*  
20 *person, by mail, fax, electronic mail or designated secure online claim*  
21 *portal. Failure to timely respond constitutes a waiver of protest rights,*  
22 *unless extended by the examiner for good cause due to excusable neglect.*

23 (2) *Claims involving labor disputes pursuant to K.S.A. 44-706(d),*  
24 *and amendments thereto, shall be referred to a designated special*  
25 *examiner. Determinations may be appealed as outlined in subsection (c).*

26 (3) *The examiner may, for good cause, reconsider decisions prior to*  
27 *the end of the benefit year. Notice shall be provided to both parties.*

28 (4) *Decisions are final unless appealed within 16 calendar days from*  
29 *the date of notification, unless extended for good cause.*

30 (c) *Appeals process. (1) Claimants or employers may appeal*  
31 *examiner decisions to an unemployment insurance referee. Hearings shall*  
32 *be conducted with an opportunity for all parties to present evidence.*

33 (2) *Referee decisions shall be issued in writing with rationale and*  
34 *shall become final unless further appealed with the employment security*  
35 *board of review within 16 calendar days, unless extended for good cause.*

36 (d) *Appointment of referees. Referees shall be appointed by the*  
37 *secretary as authorized pursuant to K.S.A. 44-714(c), and amendments*  
38 *thereto, and must meet qualifications established by regulation. Appointed*  
39 *referees shall hear and decide appeals in disputed claims.*

40 (e) *Time computation. Computation of employer response and appeal*  
41 *deadlines shall exclude the date of the triggering event and extend to the*  
42 *next business day if deadlines fall on a weekend or legal holiday.*

43 (f) *Employment security board of review. (1) There is hereby*

1     established the employment security board of review, hereinafter referred  
2     to as the board. The board shall consist of three members, each appointed  
3     for a term of four years. No more than two members shall belong to the  
4     same political party.

5         (2) (A) When a vacancy occurs on the board, the workers  
6         compensation and employment security boards nominating committee,  
7         established pursuant to K.S.A. 44-551, and amendments thereto, shall  
8         convene and nominate a qualified candidate. The nomination shall be  
9         submitted to the governor, subject to senate confirmation pursuant to  
10        K.S.A. 75-4315b, and amendments thereto.

11         (B) Applications must be submitted to the director of unemployment,  
12         who shall verify qualifications. Qualified applicants will be forwarded to  
13         the nominating committee for consideration.

14         (C) Minimum qualifications for nominees, listed in order of priority,  
15         are as follows:

16                 (i) A minimum of eight years of direct experience in human resources,  
17                 including policies, processes or employee relations;

18                 (ii) at least three years of direct experience in employment security  
19                 law or related administrative processes; and

20                 (iii) demonstrated knowledge of unemployment and labor law.

21         (D) The governor may either accept the committee's nominee and  
22         forward the appointment for senate confirmation or request an alternative  
23         nomination. Except as provided by K.S.A. 46-2601, and amendments  
24         thereto, no appointee shall exercise any official duties until confirmed by  
25         the senate.

26         (3) Board members may serve no more than two consecutive terms.

27         (4) Each board member shall serve until a successor has been  
28         appointed and confirmed. Vacancies occurring before term expiration  
29         shall be filled for the unexpired term through the same appointment  
30         process.

31         (5) Board members shall receive \$15,000 annually as compensation,  
32         in addition to reimbursement for actual and necessary travel and related  
33         expenses incurred in performance of such members' duties. Such payments  
34         shall be made in accordance with regulations adopted by the secretary  
35         and shall be paid from the employment security administration fund.

36         (6) (A) The board shall elect a chairperson annually from among its  
37         members, who shall serve a one-year term and continue until a successor  
38         is elected.

39         (B) Meetings shall be held on the first Monday of each month or at  
40         the call of the chairperson or any two members.

41         (C) The secretary shall appoint an executive secretary to the board.  
42         The executive secretary or the secretary's designee shall attend all board  
43         and panel meetings.

1       (7) (A) *The board may, on its own motion:*

2           (i) *Affirm, modify or set aside any decision of a referee based on the*  
3 *existing record;*

4           (ii) *direct the taking of additional evidence;*

5           (iii) *allow further appeal from any party to a referee decision that*  
6 *reverses or modifies an examiner's decision; and*

7           (iv) *remove any claim pending before a referee and conduct a*  
8 *hearing pursuant to subsection (c).*

9       (B) *The board or panel shall promptly notify all parties of its findings*  
10 *and decision.*

11       (8) *A majority of members shall constitute a quorum. No board*  
12 *decision shall be valid without the affirmative vote of a majority of*  
13 *members. A vacancy on the board shall not prevent a quorum from*  
14 *conducting official business.*

15       (g) *Procedure for disputed claims.* (1) *Disputed claims shall be*  
16 *presented, heard and resolved according to procedures established by the*  
17 *employment security board of review. These procedures shall ensure a fair*  
18 *determination of the rights of all parties and may deviate from formal*  
19 *rules of evidence or civil procedure when appropriate for administrative*  
20 *efficiency.*

21       (2) *A complete record shall be maintained for all disputed claims,*  
22 *including all testimony, findings and decisions. Hearings shall be*  
23 *recorded, but transcripts shall only be required if the matter proceeds to*  
24 *further appeal. The board or panel shall have full access to any relevant*  
25 *records held by the secretary and may request assistance from the*  
26 *secretary in carrying out its official duties.*

27       (h) *Witness compensation.* Any witness subpoenaed under this section  
28 shall be entitled to receive fees and necessary travel expenses as set by the  
29 board. These expenses shall be considered part of the administrative costs  
30 of carrying out the employment security act.

31       (i) *Judicial review of board actions.* (1) *Decisions of the employment*  
32 *security board of review shall become final upon mailing, unless a petition*  
33 *for review in accordance with the Kansas judicial review act is filed within*  
34 *16 calendar days of the mailing date of the decision.*

35       (2) *Decisions are not subject to reconsideration once mailed. No*  
36 *bond shall be required to initiate judicial review. In addition to parties*  
37 *authorized pursuant to K.S.A. 77-611, and amendments thereto, the*  
38 *examiner shall also have standing to seek judicial review. Review*  
39 *proceedings shall be expedited and given precedence over all other civil*  
40 *matters, except for workers compensation cases.*

41       (j) *Limitation on use of administrative findings.* (1) *Findings,*  
42 *judgments or decisions made by the board, a panel, an examiner, referee*  
43 *or any authorized decision-maker under the employment security law shall*

1   not be admissible or binding in any separate or future legal action  
2   between the claimant and any current or former employer.

3   (2) The provisions of paragraph (1) shall apply regardless of the  
4   forum and whether the prior case involved similar facts, parties or legal  
5   questions.

6   (k) Hearing participation and format. (1) Parties to any proceeding  
7   under this section may appear in person or through a designated  
8   representative to present evidence and state such party's case.

9   (2) Hearings may be conducted in person or remotely by phone or  
10   video conference.

11   (A) Hearings shall be conducted remotely unless a party requests in-  
12   person attendance with good cause. If granted, the board may require all  
13   parties to appear in person or may allow nonrequesting parties to appear  
14   virtually.

15   (B) Hearing notices shall clearly state the right to request an in-  
16   person hearing and provide instructions on how to do so.

17   Sec. 12. K.S.A. 2025 Supp. 44-709b is hereby amended to read as  
18   follows: 44-709b. (a) An individual aggrieved by a violation of K.S.A.  
19   2025 Supp. 44-663, and amendments thereto, who has filed a claim for  
20   benefits under the employment security law and who is otherwise eligible  
21   for benefits under the employment security law shall not become ineligible  
22   for benefits pursuant to K.S.A. 44-705, and amendments thereto, or be  
23   disqualified from receiving benefits pursuant to K.S.A. 44-706, and  
24   amendments thereto, on the grounds that the claimant:

25   (1) Was discharged or suspended for misconduct if the employer's  
26   conduct in discharging or suspending such claimant was a violation of  
27   K.S.A. 2025 Supp. 44-663, and amendments thereto; or

28   (2) has declined to accept work that requires compliance with a  
29   COVID-19 vaccine requirement if the claimant has requested an  
30   exemption from the prospective employer in accordance with ~~seetion 1~~  
31   K.S.A. 2025 Supp. 44-663, and amendments thereto, and such request was  
32   denied. In such case, such work for such claimant shall be deemed not to  
33   constitute suitable work for purposes of the employment security law.

34   (b) (1) Notwithstanding the time limitations of K.S.A. 44-709, and  
35   amendments thereto, the provisions of K.S.A. 44-706, and amendments  
36   thereto, or any other provision of the employment security law to the  
37   contrary, a claimant upon request shall be retroactively paid benefits for  
38   any week that the claimant would otherwise have been eligible for such  
39   benefits, if such claimant was disqualified from receiving such benefits  
40   during the period of September 9, 2021, through ~~the effeetive date of this~~  
41   ~~at~~ November 23, 2021, on the grounds that the claimant was discharged or  
42   suspended for misconduct as the result of the claimant's refusal to comply  
43   with a COVID-19 vaccine requirement after the claimant requested an

1 exemption or accommodation from such requirement provided by state or  
2 federal law and such request was denied.

3       (2) The secretary of labor shall independently review any claims  
4 denied during the period of September 9, 2021, through ~~the effective date~~  
5 ~~of this act November 23, 2021~~, to determine if the claimant was  
6 disqualified from receiving benefits on the grounds that the claimant was  
7 discharged or suspended for misconduct as the result of the claimant's  
8 refusal to comply with a COVID-19 vaccine requirement after the  
9 claimant requested an exemption or accommodation from such  
10 requirement provided by state or federal law and such request was denied.  
11 If the claimant has not requested retroactive payment of such benefits as  
12 provided by paragraph (1), the secretary shall retroactively pay benefits to  
13 such claimant for any week that the claimant would otherwise have been  
14 eligible for such benefits.

15       (3) The claimant or the employer may appeal an award or denial of  
16 benefits made pursuant to this section as provided in K.S.A. 44-709, and  
17 amendments thereto.

18       (4) The secretary of labor shall develop and implement procedures to  
19 enable claimants to retroactively substantiate and file claims under this  
20 subsection.

21       (c) Benefits awarded to a claimant who receives back pay pursuant to  
22 K.S.A. 2025 Supp. 44-663(c), and amendments thereto, shall be subject to  
23 the ~~repayment back pay or benefit offset and other settlement pay~~  
24 provisions of K.S.A. ~~44-706(s) and 44-719(d)~~ 44-706, and amendments  
25 thereto, if applicable.

26       (d) As used in this section:

27       (1) "COVID-19 vaccine requirement" means the same as in K.S.A.  
28 2025 Supp. 44-663, and amendments thereto; and

29       (2) all other terms mean the same as in the employment security law.

30       (e) (1) *The provisions of this section shall expire and have no further  
31 force or effect on and after July 1, 2027.*

32       (2) *No later than January 15, 2027, the secretary of labor shall  
33 submit a report to the legislature that identifies:*

34       (A) *The number of claims processed under this section;*

35       (B) *any pending reviews or appeals under this section; and*

36       (C) *whether continued application of this section is necessary to  
37 resolve active matters.*

38       (3) *No new claims or requests for retroactive review shall be  
39 accepted pursuant to this section after January 1, 2027. The secretary  
40 shall publish guidance outlining a final submission deadline no later than  
41 August 1, 2026, and ensure such guidance is prominently posted on the  
42 department's website.*

43       (4) *The repeal of this section shall not affect any valid rights,*

1 *determinations, appeals or repayments established prior to this section's*  
2 *expiration date.*

3 Sec. 13. K.S.A. 2025 Supp. 44-710 is hereby amended to read as  
4 follows: 44-710. (a) *Employer contributions and payment obligations.*  
5 ~~Contributions shall accrue and become payable by (1) Each contributing~~  
6 ~~employer shall pay unemployment insurance contributions to the secretary~~  
7 ~~for deposit in the employment security fund for each calendar year that in~~  
8 ~~which the contributing employer is subject to the employment security law~~  
9 ~~with respect to. Contributions shall be calculated based on wages paid for~~  
10 ~~employment. Such contributions shall become due as defined in K.S.A. 44-~~  
11 ~~703, and be amendments thereto, and paid by each contributing employer~~  
12 ~~to the secretary for the employment security fund in accordance with such~~  
13 ~~rules and regulations as adopted by the secretary may adopt and.~~

14 (2) *Contributions shall not be withheld or deducted, in whole or in*  
15 ~~part, from the an employee's wages of individuals in such employer's~~  
16 ~~employ. In the payment of.~~

17 (3) *When calculating contributions due, any contributions, a*  
18 ~~fractional part of \$.01 amount less than \$.005 shall be disregarded unless it~~  
19 ~~amounts to \$.005 or more, in which case it. Any fractional amount equal~~  
20 ~~to or greater than \$.005 shall be increased to \$.01. Should contributions~~  
21 ~~for any calendar quarter be less than \$5, no rounded up to the nearest cent.~~

22 (4) *No contribution payment shall be required for any calendar*  
23 *quarter in which the total calculated contribution is less than five dollars.*

24 (b) *Contribution rates and wage base-of contributions.* (1) Except as  
25 provided in paragraph (2), each contributing employer shall pay  
26 contributions on wages paid by the contributing employer for covered  
27 employment during each calendar year with respect to employment as  
28 provided in K.S.A. 44-710a, and amendments thereto.

29 (2) (A) *If the United States congress of the United States either*  
30 ~~amends or repeals the Wagner-Peyser act, the federal unemployment tax~~  
31 ~~act, the federal social security act; or subtitle C of chapter 23 of the federal~~  
32 ~~internal revenue code of 1986, as amended, or any act or acts~~  
33 ~~supplemental to or in lieu thereof, or any part or parts of any such law, or~~  
34 ~~if any such law, or any part or parts thereof, are of such laws are held~~  
35 ~~invalid with the effect such that federal grants or appropriations of funds~~  
36 ~~by congress and grants thereof to the state of to Kansas for the payment of~~  
37 ~~costs of administration of the employment security law are no longer~~  
38 ~~available for such purposes; or (B) if, Kansas employers in Kansas subject~~  
39 ~~to the payment of tax under the shall receive full credit against the federal~~  
40 ~~unemployment tax act are granted full credit against such tax for~~  
41 ~~contributions or taxes paid to the secretary of labor, state, then, and in~~  
42 ~~either such case, beginning with effective the year that the unavailability of~~  
43 ~~federal appropriations and grants for such purpose occurs or that such~~

1 change in liability for payment of such federal tax occurs such federal  
2 changes take effect and for each year thereafter, the rate of contributions  
3 of. Each contributing-employer employer's rate shall be equal to the total  
4 sum of 0.5% and plus the employer's experience-rated contribution rate of  
5 contributions as determined for such contributing employer under  
6 pursuant to K.S.A. 44-710a, and amendments thereto. The amount of  
7 contributions that each contributing employer becomes liable to pay under  
8 this paragraph over the amount of contributions that such contributing  
9 employer would be otherwise liable to pay

10 (B) Any additional contributions collected pursuant to this subsection  
11 shall be credited to the employment security administration fund to be  
12 disbursed and paid out under the same conditions and shall be used solely  
13 for the same purposes as other moneys are authorized to be paid from the  
14 employment security administration fund, except that, provided by law.

15 (C) If the secretary determines that, as of the first day of January 1 of  
16 any year there is an excess in, the employment security administration  
17 fund over the amount required to be disbursed balance exceeds what is  
18 needed for disbursements during such year, an amount equal to such  
19 excess as determined by the secretary the excess amount shall be  
20 transferred to the employment security fund.

21 (c) Charging of benefit payments to employer accounts. (1) The  
22 secretary shall maintain a separate an individual account for each  
23 contributing employer, and shall credit the contributing employer's that  
24 account with all the contributions paid on the contributing employer's own  
25 behalf. Nothing in the employment security law shall be construed to grant  
26 any employer or individuals in such employer's service prior claims or  
27 rights to the amounts paid remitted by such employer into or on behalf of  
28 the employer. No employer or individual in the employer's service shall  
29 have any vested right or claim to amounts contributed to the employment  
30 security fund either on such employer's own behalf or on behalf of such  
31 individuals by that employer. Benefits paid to a claimant shall be  
32 proportionally charged against to the accounts of each all base period  
33 employer in employers, based on the proportion that the base period ratio  
34 of wages paid to an eligible individual by each such employer bears to the  
35 total wages in the base period. Benefits shall be charged wages. Charges to  
36 contributing employers' accounts employers and rated governmental  
37 employers' accounts upon the basis of employers shall be assessed  
38 quarterly in accordance with benefits paid disbursed during each calendar  
39 quarter.

40 (2)(A) Benefits paid in benefit years established by valid new claims  
41 shall not be charged to the account of a contributing employer or rated  
42 governmental employer who is a base period employer if the examiner  
43 finds that an employer's account under the following conditions:

1       (A) The claimant was separated from the claimant's most recent  
2 employment with such employer under any of the following conditions  
3 employer due to:

4           (i) Discharged by the employer for misconduct or gross  
5 misconduct connected with the individual's related to work; or

6           (ii) leaving work voluntarily quitting without good cause attributable  
7 to the claimant's work or the employer; or

8           (iii) discharged from an employer directly impacted by COVID-19 in  
9 accordance with the families first coronavirus response act, public law  
10 116-127.

11       (B) Where base period wage credits of a contributing employer or  
12 rated governmental employer represent part-time employment and the  
13 claimant continues in that part-time employment with that employer  
14 during the period for which benefits are paid, then that employer's account  
15 shall not be charged with any part of the benefits paid if the employer  
16 provides the secretary with information as required by rules and  
17 regulations. For the purposes of this subparagraph, "part-time  
18 employment" means any employment when an individual works less than  
19 full-time because the individual's services are not required for the  
20 customary, scheduled full-time hours prevailing at the work place or the  
21 individual does not customarily work the regularly scheduled full-time  
22 hours due to personal choice or circumstances.

23       (C) No contributing employer or rated governmental employer's  
24 account shall be charged with any extended benefits paid in accordance  
25 with the employment security law, except for weeks of unemployment  
26 beginning after December 31, 1978, all contributing governmental  
27 employers and governmental rated employers shall be charged an amount  
28 equal to all extended benefits paid.

29       (D) No contributing employer or rated governmental employer's  
30 account will be charged for benefits paid a claimant while pursuing an  
31 approved training course as defined in K.S.A. 44-703(s), and amendments  
32 thereto.

33       (E) No contributing employer or rated governmental employer's  
34 account shall be charged with respect to the benefits paid to any individual  
35 whose base period wages include wages for services not covered by the  
36 employment security law prior to January 1, 1978, to the extent that the  
37 employment security fund is reimbursed for such benefits pursuant to  
38 section 121 of public law 94-566, 90 Stat. 2673.

39       (F) With respect to weeks of unemployment beginning after  
40 December 31, 1977, wages for insured work shall include wages paid for  
41 previously uncovered services. For the purposes of this subparagraph, the  
42 term "previously uncovered services" means services that were not  
43 covered employment, at any time during the one-year period ending

1      December 31, 1975, except to the extent that assistance under title II of the  
2      federal emergency jobs and unemployment assistance act of 1974 was paid  
3      on the basis of such services, and that:

4      (i) Are agricultural labor as defined in K.S.A. 44-703(w), and  
5      amendments thereto, or domestic service as defined in K.S.A. 44-703(aa),  
6      and amendments thereto;

7      (ii) are services performed by an employee of this state or a political  
8      subdivision thereof, as provided in K.S.A. 44-703(i)(3)(E), and  
9      amendments thereto; or

10     (iii) are services performed by an employee of a nonprofit educational  
11     institution that is not an institution of higher education.

12     (G) Contributing employers, rated

13     (B) the employer provided part-time employment during the benefit  
14     period, and the claimant remained employed in the same part-time role;

15     (C) the benefits paid were extended benefits, including such benefits  
16     paid after 1978 for governmental employers and reimbursing, which shall  
17     be charged in full to governmental employers only;

18     (D) the claimant was participating in an approved training program  
19     as defined pursuant to K.S.A. 44-703, and amendments thereto; or

20     (E) the claim was determined to be fraudulent or improper, and the  
21     employer reported it as such. Employers shall be held harmless for and  
22     shall not be required to reimburse the state for claims or benefits paid that  
23     have been reported by the employer to the secretary and determined by the  
24     secretary as fraudulent or as an improper payment, and reimbursed or  
25     credited accordingly unless the secretary determines the claims are claim  
26     was not fraudulent or improper as provided by in K.S.A. 44-710b(b)(2)  
27     (A), and amendments thereto. The time limitation for disputing a claim or  
28     an appeal of a claim as provided by this section, or by any other provision  
29     of the employment security law, shall not apply to identifications of fraud  
30     reported to the secretary for claims or benefits paid during the period  
31     beginning on There is no time limit on reporting fraud for claims filed  
32     between March 15, 2020, through and December 31, 2022. Contributing  
33     employers, rated governmental employers and reimbursing employers  
34     shall be refunded or credited, in the discretion of the employer, as provided  
35     by K.S.A. 44-710b, and amendments thereto, for any claims or benefits  
36     paid that have been reported as fraudulent.

37     (F) For the purposes of this paragraph, "part-time employment"  
38     means work performed for fewer hours than the employer's customary  
39     full-time schedule, either due to employer need or claimant choice.

40     (3) An employer's account shall not be relieved of charges relating to  
41     a payment that was made erroneously if the secretary determines that if:

42     (A) The erroneous payment was made because due to the employer,  
43     employer's or the agent of the employer, was at fault for failing to respond

1 employer's agent's failure to timely or adequately respond to a written the  
2 secretary's request from the secretary for information relating to the claim  
3 for unemployment compensation; and

4 (B) the employer or agent has demonstrated a pattern of  
5 failing failure within the preceding 12 months, defined as:

6 (i) to respond failing to timely or adequately to respond to a request  
7 for information by the secretary two or more times; or

8 (ii) failing to timely or adequately respond to more than 2% of the  
9 requests for information by the secretary.

10 (C) For purposes of this paragraph:

11 (i) "Erroneous payment" means a payment that but for the failure by  
12 the employer or the employer's agent with respect to the claim for  
13 unemployment compensation, would not have been made; and

14 (ii) "pattern of failure" means repeated documented failure on the part  
15 of the employer or the agent of the employer to respond, taking into  
16 consideration the number of instances of failure in relation to the total  
17 volume of requests. An employer or employer's agent failing to respond as  
18 described in subparagraph (A) shall not be determined to have engaged in  
19 a "pattern of failure" if the number of such failures during the year prior to  
20 such request is fewer than two, or less than 2%, of such requests,  
21 whichever is greater.

22 (D) Determinations of the secretary prohibiting the relief of charges  
23 pursuant to this section shall be subject to appeal or protest as other  
24 determinations of the agency with respect to the charging of employer  
25 accounts.

26 (4) The examiner shall notify any base period employer whose  
27 account will be charged with benefits paid Employers shall be notified by  
28 the secretary of claim charges following the filing of a valid new claim  
29 and a determination by the examiner based on all information relating to  
30 the claim contained in the records of the division of employment security.  
31 Such for benefits by a claimant. This notice shall become be final and  
32 benefits charged to the base period employer's account in accordance with  
33 the claim dispositive of the matters as set forth in such notice unless the  
34 employer responds within 10 calendar days from the date the notice was  
35 sent, the base period employer requests in writing that the examiner  
36 reconsider the determination and furnishes any required information in  
37 accordance with the secretary's rules and regulations. In a similar manner,  
38 a notice of an additional claim followed by the first payment of benefits  
39 with respect to the benefit year, filed by an individual during a benefit year  
40 after a period in such year during which such individual was employed,  
41 shall be given to any base period employer of the individual who has  
42 requested such a notice within 10 calendar days from the date the notice of  
43 the valid new claim was sent to such base period employer. For purposes

1 of this paragraph, if the required information is not submitted or  
2 postmarked within a response time limit of 10 days after the base period  
3 employer notice was sent, the base period employer shall be deemed to  
4 have waived its standing as a party to the proceedings arising from the  
5 claim and shall be barred from protesting any subsequent decisions about  
6 the claim by the secretary, a referee, the board of review or any court,  
7 except that the base period employer's response time limit may be waived  
8 or extended by the examiner or upon appeal, if timely response was  
9 impossible due to receipt of such notice with a written request for  
10 reconsideration accompanied by any information requested from such  
11 employer in the notice by the secretary. The failure to respond timely,  
12 without excusable neglect. The examiner shall notify the employer of the  
13 reconsidered determination, which shall be subject to appeal or further  
14 reconsideration, in accordance with the provisions of K.S.A. 44-709, and  
15 amendments thereto, shall result in the loss of protest rights against the  
16 claim by such employer.

17 (5) *Time, computation and extension.* In computing the period of time  
18 for a base period employer response or appeals under any deadline  
19 pursuant to this section from, the date of the examiner's or the special  
20 examiner's determination or from the referee's decision, the day of the act,  
21 triggering event or default from which the designated period of time  
22 begins to run shall not be included. The last day of the period shall be  
23 included unless it is excluded. If the deadline falls on a Saturday, Sunday  
24 or legal holiday, in which event the period runs until the end of extends to  
25 the next day that is not a Saturday, Sunday or legal holiday business day.

26 (d) *Pooled fund.* (1) All contributions and, payments in lieu of  
27 contributions and benefit cost payments to reimbursements deposited into  
28 the employment security fund shall be pooled and available. Such pooled  
29 resources shall be used to pay unemployment insurance benefits to any  
30 individual entitled thereto under eligible individuals pursuant to the  
31 employment security law, regardless of the specific source of such the  
32 contributions or payments in lieu of contributions or benefit cost payments  
33 reimbursements.

34 (2) The secretary shall administer the pooled fund in accordance with  
35 all federal requirements for state unemployment compensation trust funds  
36 and ensure the fund's integrity, solvency and transparency through  
37 published reports and audits as required by law.

38 (e) *Election to become reimbursing employer; payment in lieu of  
39 contributions.* (1) Any governmental entity, Indian tribes tribe or tribal  
40 units, ( unit, including subdivisions, subsidiaries or wholly owned business  
41 enterprises wholly owned by such Indian tribes), for which services are  
42 performed as described in K.S.A. 44-703(i)(3)(E), and amendments  
43 thereto, or any nonprofit organization or group of nonprofit organizations

1 described in exempt under section 501(c)(3) of the federal internal revenue  
2 code of 1986 that is exempt from income tax under section 501(a) of such  
3 code, that becomes subject to the employment security law may elect to  
4 become a reimbursing employer under this paragraph and agree to pay the  
5 secretary for reimburse the employment security fund an amount for  
6 benefits paid instead of paying contributions based on a contribution rate.  
7 The reimbursement shall be equal to the full amount of regular benefits  
8 paid and ½ of the any extended benefits paid that are attributable to  
9 service in the employ of for such reimbursing employer, except that each  
10 reimbursing governmental employer. Governmental entities and Indian  
11 tribes or tribal units shall pay an amount equal to reimburse the full  
12 amount of regular benefits and extended benefits paid for weeks of  
13 unemployment beginning after their respective effective dates under  
14 federal law.

15 (A) To elect reimbursing status, eligible employers shall file a written  
16 notice with the secretary within 30 days of:

- 17 (i) January 1 of any calendar year; or
- 18 (ii) the date of the secretary's determination of such employer's status  
19 as subject to the employment security law, whichever is later.

20 (B) An election shall remain in effect for a minimum of four calendar  
21 years and after such period shall remain in effect until a written  
22 termination notice is filed with the secretary at least 30 days before the  
23 start of a new calendar year.

24 (C) Employers that previously elected to be contributing employers  
25 pursuant to the employment security law and have fulfilled the minimum  
26 time requirement of such election may switch status to that of a  
27 reimbursing employer by filing written notice with the secretary at least 30  
28 days before the start of a new calendar year. Such election shall remain in  
29 effect for a minimum of four calendar years.

30 (D) The secretary may extend filing deadlines or permit retroactive  
31 elections if good cause is shown, but not prior to January 1 of the year  
32 that the election is received by the secretary from the employer.

33 (E) The secretary shall issue written notices of election status,  
34 effective dates and terminations. Such determinations are subject to  
35 appeal pursuant to K.S.A. 44-710b, and amendments thereto.

36 (2) (A) All reimbursing employers, except the state of Kansas, shall:

- 37 (i) Submit quarterly wage reports by the last day of the month  
38 following each calendar quarter; and
- 39 (ii) pay the full amount of regular and ½ of extended benefits paid  
40 during each calendar quarter.

41 (B) Governmental entities and Indian tribes shall pay the full amount  
42 of both regular and extended benefits after applicable federal effective  
43 dates.

1       (C) Payment shall be due within 30 days after the billing notice is  
2 mailed or delivered, unless a redetermination is requested.

3       (D) Reimbursement payments shall not be deducted from employee  
4 wages.

5       (E) Employers shall submit written redetermination requests within  
6 15 days of receiving a billing notice in accordance with K.S.A. 44-710b,  
7 and amendments thereto.

8       (3) (A) Past-due payments are subject to penalties and interest  
9 pursuant to K.S.A. 44-717, and amendments thereto.

10       (B) The secretary may remove delinquent nonprofit or governmental  
11 employers from reimbursement status for two years.

12       (C) Indian tribes failing to make timely payments may lose their right  
13 to reimburse and their employment may be excluded from coverage.  
14 Reinstatement shall require full payment and one year of compliance.

15       (D) The secretary shall notify the internal revenue service and the  
16 United States department of labor of final delinquencies.

17       (E) (i) The secretary may require delinquent or newly electing  
18 employers to post a surety bond or equivalent deposit.

19       (ii) Such bond shall not exceed 5.4% of the previous four quarters'  
20 taxable wages or, if no wages were reported, an amount determined by the  
21 secretary.

22       (iii) A failure to comply by the employer may result in the loss of  
23 reimbursing status for the current and following calendar year.

24       (4) (A) The state shall reimburse benefits at a fiscal year rate  
25 determined annually by the secretary based on account balances, claims  
26 history and wage estimates.

27       (B) Such rate shall apply uniformly across agencies and shall be  
28 certified annually by the secretary to the secretary of administration.

29       (C) Adjustments may be made by the secretary annually to reconcile  
30 over or underpayments.

31       (f) Allocation of benefit costs. (1) The secretary shall charge each  
32 reimbursing employer as follows:

33       (A) The full amount of regular benefits and  $\frac{1}{2}$  of extended benefits  
34 paid to claimants shall be charged to the account of the reimbursing  
35 employer, except as provided by paragraph (B).

36       (B) Reimbursing employers shall be charged for the full amount of  
37 both regular and extended benefits paid for weeks of unemployment  
38 beginning after:

39       (i) December 31, 1978, for governmental employers and December  
40 21, 2000, for Indian tribes or tribal units to individuals for weeks of  
41 unemployment that begin during the effective period of such election.

42       (A) Any employer identified in this paragraph may elect to become a  
43 reimbursing employer for a period encompassing not less than four

1 complete calendar years if such employer files with the secretary a written  
2 notice of such election within the 30-day period immediately following  
3 January 1 of any calendar year or within the 30-day period immediately  
4 following the date when a determination of subjectivity to the employment  
5 security law is issued, whichever occurs later.

6 (B) Any employer that makes an election to become a reimbursing  
7 employer in accordance with subparagraph (A) will continue to be liable  
8 for payments in lieu of contributions until such employer files with the  
9 secretary a written notice terminating its election not later than 30 days  
10 prior to the beginning of the calendar year for which such termination shall  
11 first be effective.

12 (C) Any employer identified in this paragraph that has remained a  
13 contributing employer and has been paying contributions under the  
14 employment security law for a period subsequent to January 1, 1972, may  
15 change to a reimbursing employer by filing with the secretary not later  
16 than 30 days prior to the beginning of any calendar year a written notice of  
17 election to become a reimbursing employer. Such election shall not be  
18 terminable by the employer for four complete calendar years.

19 (D) The secretary may for good cause extend the period within which  
20 a notice of election, or a notice of termination, must be filed and may  
21 permit an election to be retroactive but not any earlier than with respect to  
22 benefits paid after January 1 of the year such election is received.

23 (E) The secretary, in accordance with such rules and regulations as  
24 the secretary may adopt, shall notify each employer identified in this  
25 paragraph of any determination that the secretary may make of its status as  
26 an employer and of the effective date of any election that it makes to  
27 become a reimbursing employer and of any termination of such election.  
28 Such determinations shall be subject to reconsideration, appeal and review  
29 in accordance with the provisions of K.S.A. 44-710b, and amendments  
30 thereto.

31 (2) *Reimbursement reports and payments.* Payments in lieu of  
32 contributions shall be made in accordance with the provisions of  
33 subparagraph (A) by all reimbursing employers except the state of Kansas.  
34 Each reimbursing employer shall report total wages paid during each  
35 calendar quarter by filing quarterly wage reports with the secretary that  
36 shall be filed by the last day of the month following the close of each  
37 calendar quarter. Wage reports are deemed filed as of the date they are  
38 placed in the United States mail.

39 (A) At the end of each calendar quarter, or at the end of any other  
40 period as determined by the secretary, the secretary shall bill each  
41 reimbursing employer, except the state of Kansas: (i) An amount to be paid  
42 that is equal to the full amount of regular benefits plus  $\frac{1}{2}$  of the amount of  
43 extended benefits paid during such quarter or other prescribed period that

1 is attributable to service in the employ of such reimbursing employer; and  
2 (ii) for weeks of unemployment beginning after December 31, 1978, each  
3 reimbursing governmental employer and December 21, 2000, for Indian  
4 tribes or tribal units shall be certified an amount to be paid that is equal to  
5 the full amount of regular benefits and extended benefits paid during such  
6 quarter or other prescribed period that is attributable to service in the  
7 employ of such reimbursing governmental employer.

8 (B) Payment of any bill rendered under subparagraph (A) shall be  
9 made not later than 30 days after such bill was mailed to the last known  
10 address of the reimbursing employer, or otherwise was delivered to such  
11 reimbursing employer, unless there has been an application for review and  
12 redetermination in accordance with subparagraph (D).

13 (C) Payments made by any reimbursing employer under the  
14 provisions of this paragraph shall not be deducted or deductible, in whole  
15 or in part, from the remuneration of individuals in the employ of such  
16 employer.

17 (D) The amount due specified in any bill from the secretary shall be  
18 conclusive on the reimbursing employer, unless, not later than 15 days  
19 after the bill was mailed to the last known address of such employer, or  
20 was otherwise delivered to such employer, the reimbursing employer files  
21 an application for redetermination in accordance with K.S.A. 44-710b, and  
22 amendments thereto.

23 (E) (i) Past due payments of amounts certified by the secretary under  
24 this section shall be subject to the same interest, penalties and actions  
25 required by K.S.A. 44-717, and amendments thereto.

26 (ii) If any nonprofit organization or group of nonprofit organizations  
27 described in section 501(e)(3) of the federal internal revenue code of 1986  
28 or governmental reimbursing employer is delinquent in making payments  
29 of amounts certified by the secretary under this section, the secretary may  
30 terminate such employer's election to make payments in lieu of  
31 contributions as of the beginning of the next calendar year and such  
32 termination shall be effective for such next calendar year and the calendar  
33 year thereafter so that the termination is effective for two complete  
34 calendar years.

35 (iii) Failure of an Indian tribe or tribal unit to make required  
36 payments, including assessment of interest and penalty within 90 days of  
37 receipt of a bill shall cause the Indian tribe to lose the option to make  
38 payments in lieu of contributions as described pursuant to paragraph (e)(1)  
39 for the following tax year unless payment in full is received before  
40 contribution rates for the next tax year are calculated. Any Indian tribe that  
41 loses the option to make payments in lieu of contributions due to late  
42 payment or nonpayment, as described in this paragraph, shall have such  
43 option reinstated, if after a period of one year, all contributions have been

1 made on time and no contributions, payments in lieu of contributions for  
2 benefits paid, penalties or interest remain outstanding.

3 (F) Failure of the Indian tribe or any tribal unit thereof to make  
4 required payments, including assessments of interest and penalties, after  
5 all collection activities deemed necessary by the secretary have been  
6 exhausted, will cause services performed by such tribe to not be treated as  
7 employment for purposes of K.S.A. 44-703(i)(3)(E), and amendments  
8 thereto. If an Indian tribe fails to make payments required under this  
9 section, including assessments of interest and penalties, within 90 days of  
10 a final notice of delinquency, the secretary shall immediately notify the  
11 United States internal revenue service and the United States department of  
12 labor. The secretary may determine that any Indian tribe that loses  
13 coverage pursuant to this paragraph may have services performed on  
14 behalf of such tribe again deemed employment if all contributions,  
15 payments in lieu of contributions, penalties and interest have been paid.

16 (G) In the discretion of the secretary, any employer who elects to  
17 become liable for payments in lieu of contributions and any nonprofit  
18 organization or group of nonprofit organizations described in section  
19 501(c)(3) of the federal internal revenue code of 1986 or governmental  
20 reimbursing employer or Indian tribe or tribal unit who is delinquent in  
21 filing reports or in making payments of amounts certified by the secretary  
22 under this section shall be required within 60 days after the effective date  
23 of such election, in the case of an eligible employer so electing, or after the  
24 date of notification to the delinquent employer under this subparagraph, in  
25 the case of a delinquent employer, to execute and file with the secretary a  
26 surety bond, except that the employer may elect, in lieu of a surety bond,  
27 to deposit with the secretary money or securities as approved by the  
28 secretary or to purchase and deliver to an escrow agent a certificate of  
29 deposit to guarantee payment. The amount of the bond, deposit or escrow  
30 agreement required shall not exceed 5.4% of the organization's taxable  
31 wages paid for employment by the eligible employer during the four  
32 calendar quarters immediately preceding the effective date of the election  
33 or the date of notification, in the case of a delinquent employer. If the  
34 employer did not pay wages in each of such four calendar quarters, the  
35 amount of the bond or deposit shall be as determined by the secretary.  
36 Upon the failure of an employer to comply with the provisions of this  
37 subparagraph within the time limits imposed or to maintain the required  
38 bond or deposit, the secretary may terminate the election of such eligible  
39 employer or delinquent employer, as the case may be, to make payments in  
40 lieu of contributions, and such termination shall be effective for the current  
41 and next calendar year.

42 (H) The state of Kansas shall make reimbursement payments  
43 quarterly at a fiscal year rate that shall be based upon: (i) The available

1 balance in the state's reimbursing account as of December 31 of each  
2 calendar year; (ii) the historical unemployment experience of all covered  
3 state agencies during prior years; (iii) the estimate of total covered wages  
4 to be paid during the ensuing calendar year; (iv) the applicable fiscal year  
5 rate of the claims processing and auditing fee under K.S.A. 75-3798, and  
6 amendments thereto; and (v) actuarial and other information furnished to  
7 the secretary by the secretary of administration. In accordance with K.S.A.  
8 75-3798, and amendments thereto, the claims processing and auditing fees  
9 charged to state agencies shall be deducted from the amounts collected for  
10 the reimbursement payments under this paragraph prior to making the  
11 quarterly reimbursement payments for the state of Kansas. The fiscal year  
12 rate shall be expressed as a percentage of covered total wages and shall be  
13 the same for all covered state agencies. The fiscal year rate for each fiscal  
14 year will be certified in writing by the secretary to the secretary of  
15 administration on July 15 of each year and such certified rate shall become  
16 effective on the July 1 immediately following the date of certification. A  
17 detailed listing of benefit charges applicable to the state's reimbursing  
18 account shall be furnished quarterly by the secretary to the secretary of  
19 administration and the total amount of charges deducted from previous  
20 reimbursing payments made by the state. On January 1 of each year, if it is  
21 determined that benefit charges exceed the amount of prior reimbursing  
22 payments, an upward adjustment shall be made therefor in the fiscal year  
23 rate to be certified on the ensuing July 15. If total payments exceed benefit  
24 charges, all or part of the excess may be refunded, at the discretion of the  
25 secretary, from the fund or retained in the fund as part of the payments that  
26 may be required for the next fiscal year.

27 (3) *Allocation of benefit costs.* The reimbursing account of each  
28 reimbursing employer shall be charged the full amount of regular benefits  
29 and  $\frac{1}{2}$  of the amount of extended benefits paid except that each  
30 reimbursing governmental employer's account shall be charged the full  
31 amount of regular benefits and extended benefits paid for weeks of  
32 unemployment beginning after December 31, 1978, to individuals whose  
33 entire base period wage credits are from such employer. When benefits  
34 received by an individual are based upon base period wage credits from  
35 more than one employer then the reimbursing employer's or reimbursing  
36 governmental employer's account shall be charged in the same ratio as  
37 base period wage credits from such employer bear to the individual's total  
38 base period wage credits. Notwithstanding any other provision of the  
39 employment security law, no reimbursing employer's or reimbursing  
40 governmental employer's account shall be charged for payments of  
41 extended benefits that are wholly reimbursed to the state by the federal  
42 government.

43 (A) *Proportionate allocation when fewer than all reimbursing base*

1 ~~period employers are liable~~. If benefits paid to an individual are based on  
2 wages paid by one or more reimbursing employers and on wages paid by  
3 one or more contributing employers or rated governmental employers, the  
4 amount of benefits payable by each reimbursing employer shall be an  
5 amount that bears the same ratio to the total benefits paid to the individual  
6 as the total base period wages paid to the individual by such employer  
7 bears to the total base period wages paid to the individual by all of such  
8 individual's base period employers.

9 (B) ~~Proportionate allocation when all base period employers are~~  
10 ~~reimbursing employers~~. If benefits paid to an individual are based on  
11 wages paid by two or more reimbursing employers, the amount of benefits  
12 payable by each such employer shall be an amount that bears the same  
13 ratio to the total benefits paid to the individual as the total base period  
14 wages paid to the individual by such employer bear to the total base period  
15 wages paid to the individual by all of such individual's base period  
16 employers.

17 (4) ~~Group accounts~~. Two or more reimbursing employers may file a  
18 joint application to the secretary for the establishment of a group account  
19 for the purpose of sharing the cost of benefits paid that are attributable to  
20 service in the employment of such reimbursing employers. Each such  
21 application shall identify and authorize a group representative to act as the  
22 group's agent for the purposes of this paragraph. Upon approval of the  
23 application, the secretary shall establish a group account for such  
24 employers effective as of the beginning of the calendar quarter in which  
25 the secretary receives the application and shall notify the group's  
26 representative of the effective date of the account. Such account shall  
27 remain in effect for not less than four years and thereafter such account  
28 shall remain in effect until terminated at the discretion of the secretary or  
29 upon application by the group. Upon establishment of the account, each  
30 member of the group shall be liable for payments in lieu of contributions  
31 with respect to each calendar quarter in the amount that bears the same  
32 ratio to the total benefits paid in such quarter that are attributable to service  
33 performed in the employ of all members of the group as the total wages  
34 paid for service in employment by such member in such quarter bear to the  
35 total wages paid during such quarter for service performed in the employ  
36 of all members of the group. The secretary shall adopt such rules and  
37 regulations as the secretary deems necessary with respect to applications  
38 for establishment, maintenance and termination of group accounts that are  
39 authorized by this paragraph, for addition of new members to, and  
40 withdrawal of active members from such accounts, and for the  
41 determination of the amounts that are payable under this paragraph by  
42 members of the group and the time and manner of such payments. *entities;*  
43 *and*

1       (ii) December 21, 2000, for Indian tribes or tribal units.

2       (2) (A) If an individual's base period wages include wages from more  
3 than one employer, the benefit charges shall be allocated proportionally  
4 based on the share of base period wages attributable to each employer.

5       (B) (i) If an individual has base period wages from both reimbursing  
6 employers and rated contributing governmental employers, the  
7 reimbursing employer shall be liable for a portion of the benefits equal to  
8 such employer's share of total base period wages.

9       (ii) If all base period employers are reimbursing employers, each  
10 reimbursing employer is liable for a proportion of the total benefits paid  
11 based on such employer's share of the total base period wages.

12       (3) Reimbursing employers shall not be charged for extended benefits  
13 reimbursed in full by the federal government.

14       (4) (A) Each reimbursing employer shall be entitled to an annual  
15 reconciliation of such employer's benefit charge account. Upon written  
16 request submitted to the secretary no later than March 1 following the  
17 close of the preceding calendar year, the secretary shall provide the  
18 employer with a summary of benefit charges and payments for such year.

19       (B) If the employer believes it was overcharged or undercharged, the  
20 employer may submit supporting documentation and request an  
21 adjustment from the secretary. The secretary shall conduct an audit and  
22 issue a written determination within 60 days of receipt of the request. Any  
23 adjustment shall be applied to the employer's account as a credit or  
24 additional charge in the current calendar year, as appropriate.

25       (5) (A) A reimbursing employer may protest the allocation of benefit  
26 charges under this subsection if the employer believes an error has  
27 occurred in the proportional allocation or in the identification of base  
28 period wages.

29       (B) A protest shall be submitted to the secretary in writing within 30  
30 calendar days of the date that the charge statement is issued by the  
31 secretary. The secretary shall review the protest and issue a  
32 redetermination, which shall be subject to further appeal as provided in  
33 K.S.A. 44-710b, and amendments thereto.

34       (g) Supplemental unemployment benefit plans. Employer payments  
35 made exclusively to a qualified and approved supplemental unemployment  
36 benefit plan pursuant to section 2, and amendments thereto, shall not be  
37 considered unemployment insurance contributions and shall not affect the  
38 employer's experience rating or taxable wage base pursuant to the  
39 employment security law.

40       Sec. 14. K.S.A. 2025 Supp. 44-710a is hereby amended to read as  
41 follows: 44-710a. (a) ~~Classification of employers by the secretary.~~ The  
42 term "employer" as used in this section refers to contributing employers.  
43 The secretary shall classify employers in accordance with their actual

1 experience in the payment of contributions on their own behalf and with  
2 respect to benefits charged against their accounts with a view of fixing  
3 such contribution rates as will reflect such experience. If, as of the date  
4 such classification of employers is made, the secretary finds that any  
5 employing unit has failed to file any report required in connection  
6 therewith, or has filed a report which the secretary finds incorrect or  
7 insufficient, the secretary shall make an estimate of the information  
8 required from such employing unit on the basis of the best evidence  
9 reasonably available to the secretary at the time, and notify the employing  
10 unit thereof by mail addressed to its last known address. Unless such  
11 employing unit shall file the report or a corrected or sufficient report as the  
12 case may be, within 15 days after the mailing of such notice, the secretary  
13 shall compute such employing unit's rate of contributions on the basis of  
14 such estimates, and the rate as so determined shall be subject to increase  
15 but not to reduction on the basis of subsequently ascertained information.  
16 The secretary shall determine the contribution rate of each employer in  
17 accordance with the requirements of this section *Employer classification*  
18 and *rate assignment*. (1) The purpose of this section shall be to establish a  
19 data-informed framework for determining employer contribution rates to  
20 the unemployment insurance trust fund. This framework is intended to  
21 account for economic conditions, historical claims experience and trust  
22 fund solvency and provide employers with clear information and planning  
23 tools to meet such employer's financial responsibilities under the  
24 employment security law.

25 (2) For the purposes of this section, "employer" means any  
26 contributing employer subject to the employment security law.

27 (3) The secretary shall annually classify employers based on such  
28 employer's actual experience with contributions and benefits charged to  
29 such employer's account to determine contribution rates that reflect  
30 unemployment risk.

31 (4) The secretary shall notify employers electronically or by mail of  
32 the respective classification, applicable rate and any deficiencies in  
33 reporting. Employers shall correct such deficiencies within 15 days of  
34 notice. The secretary shall base rates on estimated data, subject to upward  
35 adjustment only.

36 (4)(b) New employers. (A) (1) An employer will shall not be  
37 eligible for a an experience-rated contribution rate computation until there  
38 have been the employer has completed 24 consecutive calendar months  
39 immediately preceding as an employer subject to the computation date  
40 throughout employment security law, during which time benefits could  
41 have been charged against such to the employer's account.

42 (B) (i) (a)(2) Each employer who is not eligible for a rate  
43 contribution The secretary shall pay contributions equal to 1.75% of wages

1 paid during each calendar year with regard to employment, except such  
2 employers assign a new employer a standard contribution rate of 1.75%  
3 of taxable wages. A new employer engaged in the construction industry  
4 shall pay a rate equal to 5.55%.

5 (b) (1) An employer who was not doing business in Kansas prior to  
6 July 1, 2014, as defined by rules and regulations of the secretary, shall be  
7 eligible for either the new employer rate under subsection (a)(1)(B)(i)(a)  
8 or the rate associated with the reserve ratio such employer experienced in  
9 the state which such employer was formerly located, but in no event less  
10 than 1% if such: assigned a contribution rate of 5.55%.

11 (A)(3) A new employer that has operated in another state for at least  
12 three consecutive years may elect to use its out-of-state reserve ratio for  
13 rate assignment, subject to the following conditions:

14 (A) The employer submits authenticated documentation of its  
15 unemployment insurance account history from the other state to the  
16 secretary;

17 (B) the employer's Kansas operations fall within the same industry  
18 classification as the prior out-of-state operations; and

19 (C) the employer submits such election to the secretary in writing or  
20 through a secure digital portal provided by the department within 30 days  
21 of receiving official notice of employment security law liability in Kansas.

22 (4) If the secretary determines that the employer has been in  
23 operation in the other state or states for at least the three years immediately  
24 preceding the date such employer becomes a liable employer in Kansas;

25 (B) employer provides the authenticated account history from  
26 information accumulated from operations of such employer in the other  
27 state or all the other states necessary to compute a current Kansas rate; and

28 (C) employer's business operations established in Kansas are of the  
29 same nature, as defined by the North American industrial classification  
30 system, as conducted by such employer in the other state or states.

31 (2) The election authorized in subsection (a)(1)(B)(i)(b) of this  
32 section must be made in writing within 30 days after notice of Kansas  
33 liability. A rate in accordance with subsection (a)(1)(B)(i)(a) will be  
34 assigned unless a timely met the conditions pursuant to paragraph (3) and  
35 approves the employer's election has been made.

36 (3) If the election is made timely, the employer's account will receive  
37 the rate elected for the remainder of that rate year. The rate shall be  
38 assigned for the next and subsequent years will be determined by the  
39 condition of the account on the computation date.

40 (ii) For purposes of this subsection (a), employers shall be classified  
41 by industrial activity in accordance with standard procedures as set forth in  
42 rules and regulations adopted by the secretary. Employers engaged in more  
43 than one type of industrial activity shall be classified by principal activity.

1 All rates assigned will remain in effect for a complete calendar year. If the  
2 sale or acquisition of a new establishment would require reclassification of  
3 the employer to a different industry sector, the employer would be  
4 promptly notified, and the contribution rate applicable to the new industry  
5 sector would become effective the following January 1.

6 (C) "Computation date" means June 30 of each calendar year with  
7 respect to rates of contribution applicable to the calendar year beginning  
8 with the following January 1. In arriving at contribution rates for each  
9 calendar year, contributions paid on or before July 31 following the  
10 computation date for employment occurring on or prior to the computation  
11 date shall be considered for each contributing employer who has been  
12 subject to this act for a sufficient period of time to have such employer's  
13 rate computed under this subsection (a).

14 (2) *Eligible employers.* (A) A associated with the out-of-state reserve  
15 ratio shall be computed for each eligible employer by the following  
16 method: for the remainder of such rate year, except that the rate assigned  
17 shall not be less than 1.00%. The contribution rate for the subsequent  
18 years shall be determined by the secretary based on the employer's  
19 account condition as of the applicable computation date.

20 (5) If an employer's election submitted to the secretary under  
21 paragraph (3) is denied, incomplete or results in an incorrect rate  
22 assignment, the employer may request administrative review by filing a  
23 written or electronic appeal with the secretary within 30 days of the denial  
24 or rate notification. The secretary shall establish by rules and regulations  
25 a standardized procedure for correction or redetermination.

26 (6) For the purposes of this subsection, employers shall be classified  
27 by their primary industrial activity in accordance with the standard  
28 classification procedures established by rules and regulations adopted by  
29 the secretary. Employers engaged in multiple lines of business shall be  
30 classified based on their principal activity. Assigned contribution rates  
31 shall remain in effect for the entire calendar year. If an employer acquires  
32 or sells an establishment in a manner that results in a change to such  
33 employer's principal industry classification, the employer shall be  
34 promptly notified by the secretary, and the new contribution rate  
35 applicable to the new classification shall take effect on the next January 1.

36 (7) The secretary shall make available a secure, accessible electronic  
37 system for filing new employer elections and submitting supporting  
38 documentation to streamline compliance and support interstate business  
39 mobility.

40 (c) *Eligible employers.* (1) The secretary shall compute a reserve  
41 ratio for each eligible employer by deducting the total benefits charged to  
42 the employer's account for all past years shall be deducted from all the  
43 total contributions paid by such employer for all such years the same

1 period. The resulting balance, whether positive or negative, shall be  
2 divided by the employer's average annual payroll, and The result shall  
3 constitute constitutes the employer employer's reserve ratio.

4 (B) (i) Negative account balance employers, as defined in subsection  
5 (d), shall pay contributions at the rate referenced in subsection (a)(4)(C).

6 (ii) (a) Beginning on July 1, 2024, and annually thereafter, active  
7 negative rated employers shall be eligible for a calculated negative debt  
8 write-off and forgiveness amount as determined pursuant to this subclause.  
9 If on any computation date an employer's account registers a negative  
10 reserve ratio less than or equal to -7.150%, a portion of benefit charges  
11 shall be conditionally forgiven and removed from the employer's account  
12 in order to bring the employer's account to a reserve ratio of -7.150%, and  
13 the employer shall be assigned to rate group N11, as set forth in subsection  
14 (a)(4)(C)(ii) for the next three calendar years.

15 (b) Negative rated employers affected by the conditional write-off  
16 provision pursuant to subclause (a) shall have the option to avoid a  
17 negative debt write-off and assignment to rate group N11 for the next three  
18 calendar years by submitting a voluntary contribution pursuant to  
19 subsection (e) equal to or greater than the amount necessary to establish  
20 their account reserve ratio to an amount equal to or greater than -7.149%  
21 for the next calendar year.

22 (C) (2) Eligible employers, other than negative account balance  
23 employers, who that do not meet the average annual payroll requirements  
24 as stated specified in K.S.A. 44-703(a)(2), and amendments thereto, will  
25 shall be issued assigned the maximum contribution rate indicated by  
26 under the maximum highest rate group of standard rate schedule  
27 standard schedule G as defined in subsection (a)(4)(C)(ii) (e)(3) until such  
28 employer establishes has reestablished a new period of 24 consecutive  
29 calendar months immediately preceding the computation date, throughout  
30 during which benefits could have been charged against such the  
31 employer's account by resuming the payment of wages. Contribution rates  
32 effective for each calendar year. Thereafter, the employer's contribution  
33 rate shall be determined in accordance with subsection (e)(3), and  
34 amendments thereto, based on the employer's account condition as  
35 prescribed below of the applicable computation date.

36 (3)(d) Entering and expanding employer: (A) The secretary, as a  
37 method of providing for a reduced rate of contributions to an employer  
38 shall verify the qualifications in this statute that bear a direct relation to  
39 unemployment risk for that employer.

40 (B) If, as of the computation date, an eligible, positive balance  
41 employer's reserve ratio is significantly affected due to an (1) Employers  
42 experiencing a payroll increase in the employer's taxable payroll of at least  
43 100% and such increase is attributable due to a business growth in

1 employment, and, not to a change in the taxable wage base from the  
2 previous year, the secretary shall assign a *changes, may qualify for a*  
3 reduced rate of contributions for a period of three years.

4 (i) Such reduced rate of contributions shall be *equal to* the new  
5 employer rate described in subsection (a)(1)(B)(i)(a); or a rate based on the  
6 employer's demonstrated risk as reflected in the employer's reserve fund  
7 ratio *prior* reserve history.

8 (ii) To be eligible for such reduced rate, the employer must, *if such*  
9 employers:

10 (A) Maintain a positive *reserve ratio*; and

11 (B) *increase such employer's own account balance throughout*  
12 *annually during the reduced rate reduced rate period and must have an*  
13 *increase in account balance for each year.*

14 (4) (A) *Contribution schedules.* For each rate year, the contribution  
15 schedule in effect shall be determined by the applicable fund control table  
16 and rate schedule table of subsection (a)(4)(C).

17 (B) *Published calculated maximum annual tax amounts per*  
18 *employee.* The secretary shall publish corresponding contribution amount  
19 tables showing the calculated maximum annual cost to contributing rated  
20 employers per employee for each rate group. Such contribution amount  
21 tables shall be published on a publicly accessible website maintained by  
22 the secretary.

23 (C) *Effective rates.* (i) Employer contribution rates to be effective for  
24 each calendar year shall be determined by the applicable rate schedule in  
25 clause (ii) and the fund control table for the rate year as specified  
26 contained in this clause. The average high cost multiple of the trust fund as  
27 of the computation date shall determine the contribution schedule in effect  
28 for the next rate year. For purposes of subsection (a)(4)(C)(i), the average  
29 high cost multiple is the reserve fund ratio divided by the average high  
30 benefit cost rate. The average high benefit cost rate shall be determined by  
31 averaging the three highest benefit cost rates over the last 20 years from  
32 the preceding fiscal year which ended June 30. The high benefit cost rate is  
33 defined by dividing total benefits paid in the fiscal year by total payrolls  
34 for covered employers in the fiscal year. The reserve fund ratio shall be  
35 determined by dividing total assets in the employment security fund  
36 provided for in K.S.A. 44-712(a), and amendments thereto, excluding all  
37 moneys credited to the account of this state pursuant to section 903 of the  
38 federal social security act, as amended, that have been appropriated by the  
39 legislature, whether or not withdrawn from the trust fund, and excluding  
40 contributions not yet paid on July 31, by total payrolls for contributing  
41 employers for the preceding fiscal year that ended on June 30.

42 (e) *Contribution schedules, fund solvency management, employer*  
43 *rate group, groups and rate schedules.* (1) For each calendar rate year,

1 *the applicable employer contribution schedule shall be determined by the*  
2 *secretary based on the average high cost multiple of the employment*  
3 *security fund. The average high cost multiple is calculated as the reserve*  
4 *fund ratio divided by the average of the three highest annual benefit cost*  
5 *rates over the preceding 20 years. The schedule in effect shall be*  
6 *determined by referencing the fund control table.*

(2) The fund control table sets the thresholds for applying either solvency or credit adjustments to employer contribution rates, based on the average high cost multiple value. For rate year 2025 and all ensuing calendar years, the following thresholds and adjustments apply:

## Fund Control Table A

## For Rate Year 2025 and Ensuing Calendar Years

					Proportional Solvency/Credit Adjustment
KS SUTA	Lower AHCM	Upper AHCM	Solvency/Credit Adjustment	Solvency/Credit Adjustment	
Tax Rate Schedules	Threshold	Threshold			
	M	-1,000.00000	-0.00001	2.00%	0.05128%
	L	0.00000	0.24999	1.70%	0.04359%
Solvency	K	0.25000	0.44999	1.40%	0.03590%
Schedules	J	0.45000	0.59999	1.10%	0.02821%
(H-M)	I	0.60000	0.69999	0.80%	0.02051%
	H	0.70000	0.74999	0.50%	0.01282%
Standard					
Schedule	G	0.75000	1.24999	0.00%	0.00000%
(G)					
	F	1.25000	1.29999	-0.50%	-0.01282%
Credit	E	1.30000	1.39999	-0.80%	-0.02051%
Schedules	D	1.40000	1.54999	-1.10%	-0.02821%
(A-F)	C	1.55000	1.74999	-1.40%	-0.03590%
	B	1.75000	1.99999	-1.70%	-0.04359%
	A	2.00000	1,000.00000	-2.00%	-0.05128%

(ii)(3) Eligible employers shall be classified by rate group according to the standard rate schedule - standard rate schedule G in this clause, for that for the rate year. For rate year 2025 and all ensuing calendar years, the rate pursuant to standard rate schedule G, solvency schedules H through M or credit schedules A through F shall apply to contributing employers.

STANDARD RATE SCHEDULE -  
STANDARD RATE SCHEDULE G

39	Rate	Lower Reserve	Upper Reserve	Standard		
40	Group	Ratio	Limit	Ratio	Limit	Rate
41	0	100.000		1,000,000.000		0.00%
42	1	18.590		99.999		0.05%
43	2	17.875		18.589		0.10%
44	3	17.160		17.874		0.15%
45	4	16.445		17.159		0.25%
46	5	15.730		16.444		0.35%
47	6	15.015		15.729		0.45%

1	7	14.300	15.014	0.55%
2	8	13.585	14.299	0.70%
3	9	12.870	13.584	0.85%
4	10	12.155	12.869	1.00%
5	11	11.440	12.154	1.15%
6	12	10.725	11.439	1.35%
7	13	10.010	10.724	1.55%
8	14	9.295	10.009	1.75%
9	15	8.580	9.294	1.95%
10	16	7.865	8.579	2.20%
11	17	7.150	7.864	2.45%
12	18	6.435	7.149	2.70%
13	19	5.720	6.434	2.95%
14	20	5.005	5.719	3.25%
15	21	4.290	5.004	3.55%
16	22	3.575	4.289	3.85%
17	23	2.860	3.574	4.15%
18	24	2.145	2.859	4.50%
19	25	1.430	2.144	4.85%
20	26	0.715	1.429	5.20%
21	27	0.000	0.714	5.55%
22	N1	-0.714	-0.001	5.85% 5.95%
23	N2	-1.429	-0.715	6.15% 6.35%
24	N3	-2.144	-1.430	6.45% 6.75%
25	N4	-2.859	-2.145	6.75% 7.15%
26	N5	-3.574	-2.860	7.00% 7.60%
27	N6	-4.289	-3.575	7.25% 8.05%
28	N7	-5.004	-4.290	7.50% 8.50%
29	N8	-5.719	-5.005	7.75% 8.95%
30	N9	-6.434	-5.720	7.95% 9.45%
31	N10	-7.149	-6.435	8.15% 9.95%
32	N11	-1,000,000.000	-7.150	8.35% 10.45%

## SOLVENCY RATE SCHEDULES (H-M)

34	Rate	M	L	K	J	I	H
35	Group						
36	0	0.05%	0.04%	0.04%	0.03%	0.02%	0.01%
37	1	0.15%	0.14%	0.12%	0.11%	0.09%	0.08%
38	2	0.25%	0.23%	0.21%	0.18%	0.16%	0.14%
39	3	0.36%	0.32%	0.29%	0.26%	0.23%	0.20%
40	4	0.51%	0.47%	0.43%	0.39%	0.35%	0.31%
41	5	0.66%	0.61%	0.57%	0.52%	0.47%	0.43%
42	6	0.81%	0.76%	0.70%	0.65%	0.59%	0.54%
43	7	0.96%	0.90%	0.84%	0.78%	0.71%	0.65%
44	8	1.16%	1.09%	1.02%	0.95%	0.88%	0.82%
45	9	1.36%	1.29%	1.21%	1.13%	1.06%	0.98%
46	10	1.56%	1.48%	1.39%	1.31%	1.23%	1.14%

1	11	1.77%	1.67%	1.58%	1.49%	1.40%	1.30%
2	12	2.02%	1.92%	1.82%	1.72%	1.62%	1.52%
3	13	2.27%	2.16%	2.05%	1.94%	1.84%	1.73%
4	14	2.52%	2.40%	2.29%	2.17%	2.06%	1.94%
5	15	2.77%	2.65%	2.52%	2.40%	2.28%	2.16%
6	16	3.07%	2.94%	2.81%	2.68%	2.55%	2.42%
7	17	3.37%	3.23%	3.10%	2.96%	2.82%	2.68%
8	18	3.67%	3.53%	3.38%	3.24%	3.09%	2.94%
9	19	3.98%	3.82%	3.67%	3.51%	3.36%	3.21%
10	20	4.33%	4.17%	4.00%	3.84%	3.68%	3.52%
11	21	4.68%	4.51%	4.34%	4.17%	4.00%	3.83%
12	22	5.03%	4.85%	4.68%	4.50%	4.32%	4.14%
13	23	5.38%	5.20%	5.01%	4.83%	4.64%	4.46%
14	24	5.78%	5.59%	5.40%	5.21%	5.01%	4.82%
15	25	6.18%	5.98%	5.78%	5.58%	5.38%	5.18%
16	26	6.58%	6.38%	6.17%	5.96%	5.75%	5.55%
17	27	6.99%	6.77%	6.56%	6.34%	6.12%	5.91%
18		N17.34%	7.44%	7.11%	7.21%	6.89%	6.99%
19		6.67%	6.44%	6.67%	6.77%	6.44%	6.54%
20		6.22%	6.32%				
21		N27.69%	7.89%	7.46%	7.66%	7.23%	7.43%
22		7.00%	7.20%	6.77%	6.97%		
23		6.53%	6.73%				
24		N38.04%	8.34%	7.80%	8.10%	7.56%	7.86%
25		7.32%	7.62%	7.09%	7.39%	6.85%	7.15%
26		7.00%	7.41%	7.81%			
27		N58.69%	9.29%	8.44%	9.04%	8.18%	8.78%
28		7.93%	8.53%	8.47%	9.27%	8.21%	9.01%
29		7.42%	8.02%	7.69%	8.49%	7.95%	8.75%
30		N68.99%	9.79%	8.73%	9.53%	8.47%	9.27%
31		9.21%	9.01%	7.95%	8.75%	7.69%	8.49%
32		N79.29%	10.29%	9.03%	10.03%	8.76%	9.76%
33		9.49%	8.21%	9.41%	8.49%	8.69%	8.02%
34		N99.85%	11.35%	9.56%	11.06%	9.28%	10.78%
35		10.49%	9.49%	8.42%	9.92%	8.71%	10.21%
36		N1010.10%	11.90%	9.81%	11.61%	9.51%	11.31%
37		11.22%	11.02%	8.93%	10.73%	8.64%	10.44%
38		11.05%	12.45%	10.05%	12.15%	9.75%	11.85%
39		11.55%	9.15%	11.25%	8.85%	10.95%	

## 40 CREDIT RATE SCHEDULES (A-F)

41	Rate	F	E	D	C	B	A
42	Group	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
43	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
44	1	0.02%	0.01%	0.00%	0.00%	0.00%	0.00%
45	2	0.06%	0.04%	0.02%	0.00%	0.00%	0.00%
46	3	0.10%	0.07%	0.04%	0.01%	0.00%	0.00%
47	4	0.19%	0.15%	0.11%	0.07%	0.03%	0.00%
48	5	0.27%	0.23%	0.18%	0.13%	0.09%	0.04%

1    6    0.36%    0.31%    0.25%    0.20%    0.14%    0.09%  
 2    7    0.45%    0.39%    0.32%    0.26%    0.20%    0.14%  
 3    8    0.58%    0.52%    0.45%    0.38%    0.31%    0.24%  
 4    9    0.72%    0.64%    0.57%    0.49%    0.41%    0.34%  
 5    10    0.86%    0.77%    0.69%    0.61%    0.52%    0.44%  
 6    11    1.00%    0.90%    0.81%    0.72%    0.63%    0.53%  
 7    12    1.18%    1.08%    0.98%    0.88%    0.78%    0.68%  
 8    13    1.37%    1.26%    1.16%    1.05%    0.94%    0.83%  
 9    14    1.56%    1.44%    1.33%    1.21%    1.10%    0.98%  
 10    15    1.74%    1.62%    1.50%    1.38%    1.25%    1.13%  
 11    16    1.98%    1.85%    1.72%    1.59%    1.46%    1.33%  
 12    17    2.22%    2.08%    1.94%    1.80%    1.67%    1.53%  
 13    18    2.46%    2.31%    2.16%    2.02%    1.87%    1.73%  
 14    19    2.69%    2.54%    2.39%    2.23%    2.08%    1.92%  
 15    20    2.98%    2.82%    2.66%    2.50%    2.33%    2.17%  
 16    21    3.27%    3.10%    2.93%    2.76%    2.59%    2.42%  
 17    22    3.56%    3.38%    3.20%    3.02%    2.85%    2.67%  
 18    23    3.84%    3.66%    3.47%    3.29%    3.10%    2.92%  
 19    24    4.18%    3.99%    3.79%    3.60%    3.41%    3.22%  
 20    25    4.52%    4.32%    4.12%    3.92%    3.72%    3.52%  
 21    26    4.85%    4.65%    4.44%    4.23%    4.02%    3.82%  
 22    27    5.19%    4.98%    4.76%    4.54%    4.33%    4.11%  
 23    N15.48%~~5.58%~~~~5.26%~~~~5.36%~~~~5.03%~~~~5.13%~~~~4.81%~~~~4.91%~~~~4.59%~~~~4.69%~~  
 24    4.36%~~4.46%~~  
 25    N25.77%~~5.97%~~~~5.53%~~~~5.73%~~~~5.30%~~~~5.50%~~~~5.07%~~~~5.27%~~~~4.84%~~~~5.04%~~  
 26    4.61%~~4.81%~~  
 27    N36.05%~~6.35%~~~~5.81%~~~~6.11%~~~~5.58%~~~~5.88%~~~~5.34%~~~~5.64%~~~~5.10%~~~~5.40%~~  
 28    4.86%~~5.16%~~  
 29    N46.34%~~6.74%~~~~6.09%~~~~6.49%~~~~5.85%~~~~6.25%~~~~5.60%~~~~6.00%~~~~5.36%~~~~5.76%~~  
 30    5.11%~~5.51%~~  
 31    N56.58%~~7.18%~~~~6.32%~~~~6.92%~~~~6.07%~~~~6.67%~~~~5.82%~~~~6.42%~~~~5.56%~~~~6.16%~~  
 32    5.31%~~5.91%~~  
 33    N66.81%~~7.61%~~~~6.55%~~~~7.35%~~~~6.29%~~~~7.09%~~~~6.03%~~~~6.83%~~~~5.77%~~~~6.57%~~  
 34    5.51%~~6.31%~~  
 35    N77.05%~~8.05%~~~~6.78%~~~~7.78%~~~~6.51%~~~~7.51%~~~~6.24%~~~~7.24%~~~~5.97%~~~~6.97%~~  
 36    5.71%~~6.71%~~  
 37    N87.29%~~8.49%~~~~7.01%~~~~8.21%~~~~6.73%~~~~7.93%~~~~6.46%~~~~7.66%~~~~6.18%~~~~7.38%~~  
 38    5.90%~~7.10%~~  
 39    N97.48%~~8.98%~~~~7.19%~~~~8.69%~~~~6.91%~~~~8.41%~~~~6.62%~~~~8.12%~~~~6.34%~~~~7.84%~~  
 40    6.05%~~7.55%~~  
 41    N107.66%~~9.46%~~~~7.37%~~~~9.17%~~~~7.08%~~~~8.88%~~~~6.79%~~~~8.59%~~~~6.49%~~~~8.29%~~  
 42    6.20%~~8.00%~~  
 43    N117.85%~~9.95%~~~~7.55%~~~~9.65%~~~~7.25%~~~~9.35%~~~~6.95%~~~~9.05%~~~~6.65%~~~~8.75%~~  
 44    6.35%~~8.45%~~  
 45    (iii)(4) Not less later than 30 days prior to before January 1 of each  
 46    calendar year, the secretary shall publish the effective contribution  
 47    schedules for the previous four rate years and ensuing rate year following  
 48    information in a clear, tabular format on a publicly accessible website

1 maintained by the department. All data summaries shall be made  
2 available for public download and review, including:

3 (A) A comprehensive summary of employer contribution rate  
4 schedules for the four most recent rate years and the upcoming rate year.  
5 For each year, the summary shall include the:

- 6 (i) Applicable rate year;
- 7 (ii) contribution schedule in effect;
- 8 (iii) taxable wage base;
- 9 (iv) standard new employer contribution rate;
- 10 (v) new employer contribution rate for the construction industry;
- 11 (vi) rate group classifications;
- 12 (vii) reserve ratio ranges applicable to each rate group; and
- 13 (viii) contribution rate assigned to each rate group under the  
14 applicable schedule; and

15 (B) a comprehensive summary of employer tax liability per employee  
16 for the four most recent rate years and the upcoming rate year. For each  
17 year, the summary shall include the:

- 18 (i) Applicable rate year;
- 19 (ii) contribution schedule in effect;
- 20 (iii) taxable wage base;
- 21 (iv) standard new employer contribution rate;
- 22 (v) new employer contribution rate for the construction industry;
- 23 (vi) rate group classifications;
- 24 (vii) reserve ratio ranges applicable to each rate group; and
- 25 (viii) maximum annual unemployment insurance tax liability per  
26 employee for each rate group, based on the applicable schedule and wage  
27 base.

28 (5) Commencing in 2027, and each year thereafter, the secretary  
29 shall make available downloadable rate calculators or secure online  
30 planning tools to assist employers in estimating unemployment insurance  
31 contribution rates and projected liabilities. Such tools shall be designed to  
32 promote transparency, support financial planning and improve  
33 compliance, especially for small and emerging businesses. The calculators  
34 shall incorporate current reserve ratios, rate groups and wage bases, and  
35 shall be updated annually in conjunction with the publication of  
36 contribution schedules pursuant to subsection (a)(5).

37 (b) Successor-classification employer classification and experience  
38 transfer. (1) (A) For the purposes of this subsection, ~~whenever if an~~ employing unit, ~~whether or not it is an "employing unit" within the~~ meaning of K.S.A. 44-703(g), and amendments thereto, becomes an  
39 employer ~~pursuant to as defined in K.S.A. 44-703(h)(4)~~, and amendments  
40 thereto, or is already an employer at the time of acquisition and meets the  
41 definition of a "successor employer" ~~as defined by pursuant to K.S.A. 44-~~

1 703(dd), and amendments thereto, and thereafter transfers *all or part of its*  
2 ~~trade or business, or any portion thereof, to another employer and, at the~~  
3 ~~time of the transfer, there is substantially with whom it shares substantial~~  
4 ~~common ownership, management or control of the two employers, then,~~  
5 ~~the unemployment experience attributable to the transferred trade or~~  
6 ~~business shall be transferred to the acquiring employer to whom such~~  
7 ~~business is so. The transferred These unemployment experience factors~~  
8 ~~consist of all contributions paid, benefit experience and annual payrolls of~~  
9 ~~the predecessor employer. The transfer of some or shall include all of an~~  
10 ~~employer's workforce to another employer shall be considered~~  
11 ~~contributions paid, benefit charges and annual payrolls related to the~~  
12 ~~transferred operations. A transfer of employees shall be deemed a transfer~~  
13 ~~of trade or business when, as the result of such transfer, if the transferring~~  
14 ~~employer no longer performs trade or business with respect to the~~  
15 ~~transferred workforce, and such trade or business is performed by the~~  
16 ~~employer to whom the workforce is transferred ceases operating that~~  
17 ~~trade or business and the receiving employer continues such trade or~~  
18 ~~business.~~

19 (B) If, following a transfer of experience under subparagraph (A), the  
20 secretary determines that a *primary or substantial* purpose of the transfer  
21 ~~or business~~ was to obtain a reduced ~~liability for contributions, then~~  
22 ~~unemployment insurance contribution rate, the secretary may:~~

23 (i) *Combine* the experience rating accounts of the ~~employers all~~  
24 ~~involved shall be combined employers~~ into a single account and;  
25 (ii) *assign* a single *contribution rate assigned* to such the *combined*  
26 account;

27 (2) A ~~successor employer as defined by K.S.A. 44-703(h)(4) or (dd),~~  
28 ~~and amendments thereto, may receive the experience rating factors of the~~  
29 ~~predecessor employer if an application is made to the secretary or the~~  
30 ~~secretary's designee in writing within 120 days of the date of the transfer.~~

31 (3) Whenever an employing unit, whether or not it is an "employing  
32 unit" within the meaning of K.S.A. 44-703(g), and amendments thereto,  
33 acquires or in any manner succeeds to a percentage of an employer's  
34 annual payroll which is less than 100% and intends to continue the  
35 acquired percentage as a going business, the employing unit may acquire  
36 the same percentage of the predecessor's experience factors if: (A) The  
37 predecessor employer and successor employing unit make an application  
38 in writing on the form prescribed by the secretary; (B) the application is  
39 submitted within 120 days of the date of the transfer; (C) the successor  
40 employing unit is or becomes an employer subject to this act immediately  
41 after the transfer; (D) the percentage of the experience rating factors  
42 transferred shall not be thereafter used in computing the contribution rate  
43 for the predecessor employer; and (E) the secretary finds that such transfer

1 will not tend to defeat or obstruct the object and purposes of this act.

2 (4) (A) The rate of both employers in a full or partial successorship  
3 under paragraph (1) shall be recalculated and made effective on the first  
4 day of the next calendar year following the date of transfer of trade or  
5 business.

6 (B) If a successor employer is determined to be qualified under  
7 paragraph (2) or (3) to receive the experience rating factors of the  
8 predecessor employer, the rate assigned to the successor employer for the  
9 remainder of the contributions year shall be determined by the following:

10 (i) If the acquiring employing unit was an employer subject to this act  
11 prior to the date of the transfer, the rate of contribution shall be the same as  
12 the contribution rate of the acquiring employer on the date of the transfer.

13 (ii) If the acquiring employing unit was not an employer subject to  
14 this act prior to the date of the transfer, the successor employer shall have a  
15 newly computed rate for the remainder of the contribution year which shall  
16 be based on the transferred experience rating factors as they existed on the  
17 most recent computation date immediately preceding the date of  
18 acquisition. These experience rating factors consist of all contributions  
19 paid, benefit experience and annual payrolls.

20 (5) Whenever an employing unit is not an employer at the time it  
21 acquires the trade or business of an employer, the unemployment  
22 experience factors of the acquired business shall not be transferred to such  
23 employing unit if the secretary finds that such employing unit acquired the  
24 business solely or primarily for the purpose of obtaining a lower rate of  
25 contributions. Instead, such employing unit shall be assigned the  
26 applicable industry rate for a "new employer" as described in subsection  
27 (a)(1). In determining whether the business was acquired solely or  
28 primarily for the purpose of obtaining a lower rate of contributions, the  
29 secretary shall use objective factors which may include the cost of  
30 acquiring the business, whether the employer continued the business  
31 enterprise of the acquired business, how long such business enterprise was  
32 continued, or whether a substantial number of new employees were hired  
33 for performance of duties unrelated to the business activity conducted  
34 prior to acquisition.

35 (6) Whenever an employer's account has been terminated as provided  
36 in K.S.A. 44-711(d) and (e), and amendments thereto, and the employer  
37 continues with employment to liquidate the business operations, that  
38 employer shall continue to be an "employer" subject to the employment  
39 security law as provided in K.S.A. 44-703(h)(8), and amendments thereto.  
40 The rate of contribution from the date of transfer to the end of the then  
41 current calendar year shall be the same as the contribution rate prior to the  
42 date of the transfer. At the completion of the then current calendar year, the  
43 rate of contribution shall be that of a "new employer" as described in

1 subsection (a)(1).

2 (7) No rate computation will be permitted an employing unit  
3 succeeding to the experience of another employing unit pursuant to this  
4 section for any period subsequent to such succession except in accordance  
5 with rules and regulations adopted by the secretary. Any such regulations  
6 shall be consistent with federal requirements for additional credit  
7 allowance in section 3303 of the federal internal revenue code of 1986,  
8 and consistent with the provisions of this act.

9 (e) *Voluntary contributions. Notwithstanding; and*

10 (iii) *deny the transfer of experience or impose corrective adjustments*  
11 *as necessary to preserve the integrity of the unemployment insurance*  
12 *system.*

13 (C) *In determining intent, the secretary shall consider objective*  
14 *criteria, including, but not limited to:*

15 (i) *The cost of acquisition and financing terms;*  
16 (ii) *whether and for how long business operations continued;*  
17 (iii) *continuity of management, location or branding;*  
18 (iv) *the hiring of new employees to perform unrelated duties; and*  
19 (v) *any other provision factors indicating an intent to manipulate*  
20 *contribution rates.*

21 (2) *A successor employer as defined in K.S.A. 44-703, and*  
22 *amendments thereto, may apply in writing for the transfer of the*  
23 *predecessor's experience rating factors. The application shall be*  
24 *submitted to the secretary or the secretary's designee within 120 days of*  
25 *the date of the transfer.*

26 (3) *When an employing unit acquires less than 100% of the*  
27 *predecessor's annual taxable payroll and intends to operate the acquired*  
28 *portion as an ongoing business, the employing unit may apply to acquire a*  
29 *proportional share of the predecessor's experience rating factors, provided*  
30 *that the:*

31 (A) *Predecessor and successor submit a joint application on the form*  
32 *prescribed by the secretary;*

33 (B) *application is submitted within 120 days of the acquisition date;*

34 (C) *successor is or becomes an employer subject to the employment*  
35 *security law immediately following the transfer;*

36 (D) *transferred experience shall be excluded from future rate*  
37 *calculations for the predecessor employer; and*

38 (E) *secretary finds that the transfer is not structured to defeat or*  
39 *circumvent the objectives and intent of the employment security law, any*  
40 *employer may make voluntary payments for the purpose of reducing or*  
41 *maintaining a reduced rate in addition to the contributions.*

42 (4) *Percentage of experience rating factors transferred under this*  
43 *subsection shall match the percentage of annual taxable payroll acquired,*

1 as determined using payroll records for the most recently completed  
2 calendar year. The secretary shall establish by rules and regulations a  
3 standardized process, including required under this section. Such  
4 voluntary payments may be made only during the 90-day period  
5 documentation, to verify payroll percentages and to support approval of  
6 partial transfers.

7 (5) (A) For any full or partial successorship pursuant to paragraph  
8 (1), the contribution rates of both the predecessor and successor  
9 employers shall be recalculated, effective on January 1 of the calendar  
10 year immediately following the date of mailing the transfer.

11 (B) If a successor is approved under paragraph (2) or (3) for an  
12 experience transfer, the contribution rate for the remainder of the  
13 calendar year in which the transfer occurred shall be, for an acquiring  
14 employer that is:

15 (i) Already subject to the employment security law, the existing  
16 contribution rate; and

17 (ii) not previously subject to the employment security law, a new  
18 contribution rate computed using the transferred experience rating notices  
19 for a calendar year. All such factors as of the most recent computation date  
20 preceding the acquisition.

21 (6) If an employer's account is terminated pursuant to K.S.A. 44-  
22 711(d) or (e), and amendments thereto, but the employer continues  
23 employment for the sole purpose of liquidating its operations, the  
24 employer shall remain a subject employer pursuant to K.S.A. 44-703, and  
25 amendments thereto. The contribution rate in effect prior to termination  
26 shall apply through the end of the calendar year, after which the new  
27 employer rate under subsection (b)(2) shall apply.

28 (7) No employing unit shall receive an experience-based contribution  
29 rate for any period following a transfer except as permitted by this  
30 subsection and in accordance with rules and regulations adopted by the  
31 secretary. Such rules shall comply with section 3303 of the internal  
32 revenue code and be consistent with the provisions and purposes of the  
33 employment security law.

34 (g) Voluntary contributions. Any employer may make voluntary  
35 contribution payments shall be paid prior to the expiration of  
36 contributions, in addition to required contributions, for the purpose of  
37 reducing or maintaining a reduced contribution rate, subject to the  
38 following conditions:

39 (1) A voluntary contribution may be made within 90 days of the  
40 employer's receipt of the annual rate notice issued by the secretary;

41 (2) all voluntary contributions shall be received not later than 120  
42 days after the beginning of the calendar year for which such rates are  
43 effective. The amount of the rate applies;

1       (3) voluntary contributions shall be credited to the employer's account  
2 as of the next preceding most recent computation date and preceding the  
3 employer's rate shall be computed accordingly. Under no circumstances  
4 shall year and used solely for the purpose of recalculating the employer's  
5 contribution rate; and

6       (4) voluntary payments be refunded in whole or in part contributions  
7 shall be irrevocable and nonrefundable.

8       (d) As used in this section, "negative account balance employer"  
9 means an eligible employer whose total benefits charged to such  
10 employer's account for all past years have exceeded all contributions paid  
11 by such employer for all such years.

12       (e)(h) *Regulatory authority.* The secretary of labor shall annually  
13 prepare adopt rules and submit a certification regulations as to the  
14 necessary to administer this section, consistent with federal conformity  
15 requirements and the goals of equity, solvency and adequacy of the amount  
16 credited to the state of Kansas' account in the federal employment security  
17 trust fund to the governor and the legislative coordinating council. The  
18 certification shall be submitted on or before December 1 of each calendar  
19 year and shall be for the 12-month period ending on June 30 of that  
20 calendar year. In arriving at the certification contributions paid on or  
21 before July 31 following the 12-month period ending date of June 30 shall  
22 be considered transparency.

23       (f) On July 1, 2024, the director of accounts and reports shall transfer  
24 all moneys in the employment security interest assessment fund to the  
25 employment security trust fund. On July 1, 2024, all liabilities of the  
26 employment security interest assessment fund are hereby transferred to  
27 and imposed on the state general fund, and the employment security  
28 interest assessment fund is hereby abolished.

29       Sec. 15. K.S.A. 2025 Supp. 44-710b is hereby amended to read as  
30 follows: 44-710b. (a) *By the secretary of labor Notice of rates and*  
31 *employer rights.* (1) The secretary of labor shall promptly notify each  
32 contributing employer of its annual contribution rate of contributions,  
33 each rated governmental employer of its benefit cost rate and each  
34 reimbursing employer of its benefit liability as determined for any  
35 calendar year pursuant to K.S.A. 44-710 and 44-710a, and amendments  
36 thereto, on or before. Notices shall be issued by November 30 of the  
37 calendar year immediately preceding the calendar year in which such the  
38 rate takes effect becomes effective.

39       (2) Such notice shall be delivered electronically unless the employer  
40 has elected in writing to receive notices by mail. The secretary's  
41 determination of the applicable rate or liability shall become conclusive  
42 and binding upon the employer unless, within 15 days after the mailing of  
43 notice thereof to the employer's last known address or in the absence of

1 mailing, within 15 days after the delivery of such notice, the employer  
2 files final and binding unless the employer submits an application for  
3 review and redetermination, setting forth the reasons therefor. If the  
4 secretary of labor grants such review within 15 calendar days of the notice  
5 being sent or delivered. The application shall state the basis for review.

6 (3) If a timely application for review and redetermination is made, the  
7 employer shall be promptly notified thereof and shall be granted an  
8 opportunity for afforded a fair hearing, but no employer shall have  
9 standing, in any proceeding involving the employer's rate of contributions  
10 or benefit liability, to contest the chargeability to the employer's account of  
11 any benefits paid in accordance with a determination, redetermination or  
12 decision pursuant to K.S.A. 44-710(e), and amendments thereto, except  
13 upon the ground that the services on the basis of which such benefits were  
14 found to be chargeable did not constitute services performed in  
15 employment for the employer and only in the event that the employer was  
16 not a party to such determination, redetermination or decision or to any  
17 other proceedings under this act in which the character of such services  
18 was determined. Any such hearing may be conducted pursuant to this  
19 section shall be heard in the county where the contributing employer  
20 maintains its principle place of business in person, by telephone or  
21 virtually. The hearing officer shall render issue a written decision  
22 concerning on all matters at issue in the hearing within 90 days of the  
23 hearing. Employers may not contest the chargeability of benefits already  
24 determined pursuant to K.S.A. 44-710(c), and amendments thereto, unless  
25 the employer was not a party to the proceeding and the underlying  
26 services did not constitute covered employment.

27 (b)-(1) Employer relief for improper or fraudulent benefit charges.  
28 (1) The secretary shall, without the necessity of a formal request by an  
29 employer or a hearing, immediately and fully promptly credit the account  
30 of any contributing employer's, rated, governmental-rated employer's or  
31 reimbursing employer's account employer for any benefits paid upon a  
32 determination by the secretary that such benefits were an improper  
33 payment or paid to any person who received such benefits: (A) By fraud;  
34 or (B) in error where any conditions imposed by this act for the receipt of  
35 benefits were not fulfilled or where the recipient was not qualified to or  
36 disqualified from receiving such benefits.

37 (2) (A) Contributing employers, rated governmental employers and  
38 reimbursing employers shall be held harmless for and shall not be required  
39 to reimburse the state for any benefits paid that have been identified by the  
40 employer and reported to and benefit payments determined by the  
41 secretary as fraudulent or as an improper payment, unless the secretary  
42 determines that such benefits were received properly and not: (i) By fraud;  
43 or (ii) in error where any conditions imposed by this act for the receipt of

1 benefits were not fulfilled or where the recipient was not qualified to or  
2 disqualified from receiving such benefits. Any such determination by the  
3 secretary shall be subject to appeal as provided by the employment  
4 security law: to be *improper payments, including, but not limited to:*

5 (B) Reimbursing employers shall be refunded for reimbursements  
6 made to the state for any claims or benefits paid on or after March 15,  
7 2020, that are or have been reported to the secretary and determined by the  
8 secretary as fraudulent. Amounts refunded shall become due, subject to  
9 appeal as provided by the employment security law, upon a determination  
10 by the secretary, as provided by subparagraph (A), that the benefits were  
11 paid properly and not by fraud or in error.

12 (C) For the time period of March 15, 2020, through December 31,  
13 2022, identifications of fraud reported to the secretary pursuant to  
14 subparagraphs (A) and (B) shall not be subject to any time limitation for  
15 disputing a claim or for appeal pursuant to K.S.A. 44-710, and  
16 amendments thereto, or pursuant to any other provision of the employment  
17 security law.

18 (3) The secretary shall review all reimbursing employer accounts and  
19 shall apply credit for any benefits previously paid by fraud or in error, as  
20 provided by paragraph (1), that have been charged against a reimbursing  
21 employer's account and have not yet been recovered through normal  
22 recovery efforts.

23 (e) *Judicial review.* Any action of the secretary upon an employer's  
24 timely request for a review and redetermination of its rate of contributions  
25 or benefit liability, in accordance with subsection (a), is subject to review  
26 in accordance with

27 (A) *Payments made as a result of fraud, including claimant  
28 misrepresentation or concealment of material facts as defined in K.S.A.  
29 44-703, and amendments thereto; or*

30 (B) *improper payments as defined in K.S.A. 44-703, and amendments  
31 thereto, made in error due to the claimant's failure to meet eligibility  
32 criteria, failure to fulfill conditions for continued benefits or  
33 disqualification under this act.*

34 (2) *The secretary shall maintain a standardized reporting and dispute  
35 resolution system that allows employers to:*

36 (A) *Electronically report suspected fraudulent or improper benefit  
37 charges;*

38 (B) *submit supporting documentation; and*

39 (C) *receive updates on the status of investigations, findings and  
40 resolutions.*

41 (3) *Upon completing a review of any reported improper charge, the  
42 secretary shall issue a written determination explaining:*

43 (A) *Whether the claim was deemed improper or valid;*

1       (B) the basis for such finding, including relevant statutes, evidence  
2 and claimant eligibility status; and

3       (C) any changes to the employer's chargeable account resulting from  
4 the determination.

5       (4) Employers shall have the right to appeal any such determination  
6 through the established administrative appeals process in accordance with  
7 K.S.A. 44-709, and amendments thereto. The appeal shall include the right  
8 to a full evidentiary hearing and final agency review.

9       (5) Employers shall be held harmless and not liable for the  
10 reimbursement of any benefit payments that the secretary determines:

11       (A) Were made fraudulently or improperly; and

12       (B) were reported by the employer using the department's  
13 standardized reporting process, unless it is later determined that the  
14 payments were in fact valid.

15       (6) For benefit payments issued between March 15, 2020, and  
16 December 31, 2022, there shall be no statutory time limit on the  
17 employer's ability to report or dispute fraudulent or improper claims  
18 pursuant to this subsection.

19       (7) The secretary shall periodically review the accounts of  
20 reimbursing employers and apply credits for any improperly charged  
21 benefits not yet recovered through the department's overpayment recovery  
22 efforts.

23       (8) All records, communications and determinations related to  
24 improper payment or fraud charge disputes shall be maintained in the  
25 employer's secure online portal, with continuous access for authorized  
26 employer representatives.

27       (c) Judicial review of secretary's determinations. (1) Any final  
28 determination or redetermination issued by the secretary under this  
29 section may be reviewed pursuant to the Kansas judicial review act,  
30 K.S.A. 77-601 et seq., and amendments thereto.

31       (2) Any such action for such judicial review shall:

32       (A) Be filed in the district court of the county in which the employer  
33 maintains its principal place of business; and

34       (B) be heard in a summary manner—and with the goal of final  
35 disposition within 90 calendar days of filing, unless extended by the court  
36 for good cause.

37       (3) Proceedings under this section shall be given take precedence  
38 over all other civil cases matters on the court's docket, except cases arising  
39 under for actions brought pursuant to K.S.A. 44-709(i), and amendments  
40 thereto, and cases arising under the workmen's workers compensation act,  
41 K.S.A. 44-501 et seq., and amendments thereto.

42       (d) Periodic Employer notification of benefits charged benefit charges  
43 and account access. (1) The secretary of labor may shall, by rule and

1 ~~regulation, provide by rules and regulations for periodic notification to~~  
2 ~~employers of regarding benefits paid and chargeable charged to their~~  
3 ~~accounts or of the status of such accounts, and any such notification, in the~~  
4 ~~absence of an application for redetermination filed in such manner and~~  
5 ~~within such period as the secretary of labor may prescribe, shall become~~  
6 ~~conclusive, including regular benefit charge statements and status~~  
7 ~~summaries.~~

8 (2) *Each benefit charge statement shall be deemed final and binding*  
9 ~~upon the employer for all purposes. Such unless the employer files a~~  
10 *timely request for redetermination in the manner and within the time*  
11 *period prescribed by the secretary.*

12 (3) *The secretary's findings of fact and redeterminations, made after*  
13 ~~notice and opportunity for hearing, and the secretary's findings of facts in~~  
14 ~~connection therewith made pursuant to this subsection may be introduced~~  
15 ~~in any subsequent administrative or judicial proceedings involving~~  
16 ~~concerning the determination of the employer's contribution rate of~~  
17 ~~contributions of any employer for any calendar year and shall be entitled~~  
18 ~~to carry the same finality evidentiary weight as is provided in this~~  
19 ~~subsection with respect to the findings of fact made by in contribution~~  
20 ~~disputes.~~

21 (4) *Employers shall be granted secure digital access to their*  
22 *unemployment tax and benefit charge accounts at all times, including the*  
23 *ability to:*

24 (A) *Review real-time benefit charges;*  
25 (B) *monitor account activity and status; and*  
26 (C) *submit timely disputes or redetermination requests regarding any*  
27 *charges believed to be improper.*

28 (5) *The secretary shall develop and maintain an online system that*  
29 *enables employers to monitor, report and respond to account activity*  
30 *promptly and efficiently, ensuring transparency and administrative due*  
31 *process.*

32 (e) *Review of improper payment data and corrective measures.* (1)  
33 The secretary of labor in proceedings to redetermine the contribution rate  
34 of an employer. The review or any other proceedings relating thereto as  
35 provided for in this section may be heard by any duly authorized employee  
36 of the secretary of labor and such action shall have the same effect as if  
37 heard by the secretary.

38 (e) *The secretary shall review the information shall conduct a*  
39 *comprehensive review and analysis of improper payment data reported by*  
40 *the United States department of labor pursuant to the payment integrity*  
41 *information act of 2019, public law 116-117, and any other relevant*  
42 *information available from the United States department of labor and any*  
43 *relevant information held by the department of labor available to the*

1 ~~secretary regarding improper payment amounts for the state of Kansas~~  
2 ~~federal data sources for the period beginning on~~ of March 15, 2020,  
3 through December 31, 2022.

4 ~~(f)(2) Any federal~~*This review shall be supplemented by internal*  
5 *audits of the state's unemployment insurance benefit system and may*  
6 *include third-party validation to assess the accuracy and causes of*  
7 *improper payments, including, but not limited to, fraud, administrative*  
8 *error or eligibility misclassification.*

9 *(3) Based on the findings of such review, the secretary shall:*

10 *(A) Identify the root causes and contributing factors of improper*  
11 *payments;*

12 *(B) recommend and implement corrective administrative procedures*  
13 *or system upgrades;*

14 *(C) report aggregate findings and proposed corrective actions to the*  
15 *appropriate legislative oversight committees; and*

16 *(D) ensure public transparency by publishing a summary report of*  
17 *findings and planned actions on the department's website, subject to the*  
18 *protection of confidential claimant or employer information.*

19 *(4) Such review by the secretary and any resulting corrective actions*  
20 *shall be completed within 180 days of the enactment of this subsection and*  
21 *updated annually thereafter until the improper payment rate is within*  
22 *acceptable federal thresholds.*

23 *(f) Prohibition on use of state funds for expired federal programs. No*  
24 *federal unemployment insurance program established as a result of in*  
25 *response to COVID-19 or any other declared pandemic shall not be*  
26 *extended, renewed or continued after the ending beyond its federally*  
27 *authorized expiration date of the federal program through the use of using*  
28 *contributions paid by Kansas employers into the state employment security*  
29 *fund contributions made by Kansas employers. State unemployment*  
30 *insurance trust fund monies shall not be used to supplement, backfill or*  
31 *extend any federally funded unemployment compensation program unless*  
32 *expressly authorized by statute enacted by the Kansas legislature.*

33 *(g) Coordination of federal and state benefits. (1) The secretary shall*  
34 *review benefit claims at the time a claim is made and as necessary to*  
35 *timely determine whether any claimant is claimants are eligible for*  
36 *unemployment benefits pursuant to any federal unemployment program*  
37 *programs. To the extent authorized under permitted by federal law, if an*  
38 *individual:*

39 *(A) If a claimant is eligible for an equal or greater weekly benefit*  
40 *amount under a federal unemployment program benefits in an amount*  
41 *equal to or greater than the state weekly benefit amount for which such*  
42 *individual is eligible under the employment security law, the secretary, the*  
43 *state benefit shall suspend the payment of state unemployment benefits to*

1 such individual while such individual is receiving the federal  
2 ~~unemployment benefits. Such by suspended for that week;~~

3 (B) suspension of state benefits shall terminate upon the individual's  
4 exhaustion of once federal benefits available under the are exhausted;

5 (C) nothing in the section prohibits concurrent receipt of federal  
6 unemployment program. An individual shall not be eligible to receive the  
7 federal unemployment weekly benefit and the state unemployment weekly  
8 benefit during the same week. The provisions of this subsection shall not  
9 apply to any federal unemployment benefit that is paid supplements in  
10 addition to the state weekly benefit amount benefits, if permitted by law.

11 Sec. 16. K.S.A. 44-710d is hereby amended to read as follows: 44-  
12 710d. (a) *Election of financing method. Any governmental entities*  
13 ~~described entity defined in subsection (h)(3) of K.S.A. 44-703, and~~  
14 ~~amendments thereto, may elect to finance unemployment benefit payments~~  
15 ~~as using the method of a:~~

16 (1) ~~a~~-Contributing employer;:

17 (2) ~~a~~-reimbursing employer pursuant to K.S.A. 44-710(e), and  
18 amendments thereto; or

19 (3) ~~a~~-rated governmental employer in accordance with this section.

20 (b) ~~Any~~Election to become a rated governmental employer. (1) A  
21 governmental entity identified in this section may elect to become a rated  
22 governmental employer by filing a notice of such election with the  
23 secretary. Such election shall be for a period encompassing not less than  
24 minimum of four complete calendar years if and shall not be terminated  
25 during such employer files with the secretary a written period, except as  
26 provided by subsection (c).

27 (2) A governmental entity shall submit such notice of such election to  
28 the secretary in writing or through a secure electronic portal provided by  
29 the secretary.

30 (3) Such notice shall be filed within the thirty day period immediately  
31 30 calendar days following either January 1 of any calendar year or within  
32 a like period immediately following the date on which that the secretary  
33 issues a determination of subjectivity to this act that the governmental  
34 entity is issued subject to the employment security law, whichever occurs  
35 later.

36 (4) The effective date of the election shall be the beginning of the  
37 calendar quarter following receipt and confirmation of the election by the  
38 secretary.

39 (c) ~~Any employer electing~~Termination of election. (1) A rated  
40 governmental employer may terminate its election to finance  
41 unemployment benefit payments using the method of a rated governmental  
42 employer by filing a written or electronic notice with the secretary as  
43 provided in subsection (b)(2).

1       (2) *The notice of termination shall be filed not later than 30 calendar  
2 days prior to the beginning of the calendar year in which the termination  
3 is to become effective.*

4       (3) *Once terminated, the employer shall not be eligible to re-elect  
5 rated governmental status for a minimum of four calendar years.*

6       (d) *Reporting and payments. Rated governmental employers shall  
7 report total wages paid and remit benefit cost rate payments on a  
8 quarterly basis on such wages in accordance with this section and rules  
9 and regulations adopted by the secretary.*

10     (e) *Eligibility for rate computation. A rated governmental employer  
11 shall continue to be liable as a rated governmental employer not be  
12 eligible for a computed benefit cost rate pursuant to subsection (b) until  
13 such employer files with the secretary a written notice terminating its  
14 election and not later than 30 days prior to the beginning of the calendar  
15 year for which such termination shall first be effective.*

16     (d) *A rated governmental employer shall report and make benefit cost  
17 payments based upon total wages paid during each calendar quarter.*

18     (e) *No rated governmental employer shall be eligible for a rate  
19 computed under subsection (g) of this section until there have been has  
20 maintained 24 consecutive calendar months immediately preceding the  
21 computation date throughout which of employment as an employer subject  
22 to the employment security law during which unemployment benefits could  
23 have been charged against to such employer's account.*

24     (f) *Interim rate for ineligible employers. (1) Each rated governmental  
25 employer who has not been subject to this act yet eligible for a sufficient  
26 period of time to have a rate computed under this benefit cost rate  
27 pursuant to subsection (e) shall make quarterly payments at a calendar  
28 year uniform interim rate, expressed as a percentage of total wages and  
29 shall be the same for all rated governmental employers not eligible for a  
30 computed rate. The rate for rated governmental employers not eligible for  
31 a computed rate will be based upon.*

32     (2) *The interim rate shall be based on the actual benefit cost  
33 experience, defined as total benefits paid divided by total wages, of all  
34 rated governmental employers during the prior for the preceding fiscal  
35 year ending on March 31.*

36     (g) *Benefit cost rate computation for eligible employers. Each  
37 eligible rated governmental employers eligible for a rate computation  
38 employer shall make quarterly payments at a calendar year rate determined  
39 by the experience of all rated governmental employers and the receive an  
40 individually computed benefit cost rate for the upcoming calendar year  
41 based on both individual employer's and group experience. The rate shall  
42 be computed by the following method:*

43     (1) *An*~~The~~ *secretary shall annually compute an adjustment factor*

1       rounded to two decimal places shall be computed for all rated  
2       governmental employers by dividing total benefits paid by total benefits  
3       charged, reported by for all rated governmental employers for the  
4       preceding most recent fiscal year ending on March 31;

5       (2) The secretary shall annually compute an experience factor, stated  
6       as a percent rounded to two decimal places, shall be computed for each  
7       eligible for each rated governmental employer by dividing the benefits  
8       charged to such employer's account for the preceding such fiscal year  
9       ending March 31, by the average of such the employer's total wages  
10      reported for during the two preceding fiscal years ending March 31;

11      (3) Benefit cost rates to be effective for the ensuing calendar year The  
12      secretary shall be computed annually compute the benefit cost rate for  
13      each rated governmental employer by multiplying the employer's  
14      experience factor determined in paragraph (2) of this subsection, by the  
15      statewide adjustment factor determined in paragraph (1) of this subsection,  
16      rounding rounded to the nearest .01%, except that 0.01% with standard  
17      rounding applied.

18      (4) No rated governmental employer's benefit cost rate for any  
19      calendar year will shall be less than .1% 0.1%.

20      (5) The secretary shall annually publish, in a clear tabular format on  
21      the department's website, a summary of the average experience factor,  
22      total wages, total benefits charged and the statewide adjustment factor  
23      used in the calculation of each year's benefit cost rates.

24      (h) Whenever any Successor Employers. (1) When a governmental  
25      entity which acquires or in any manner otherwise succeeds to all or part of  
26      the employment of another governmental entity, and both the predecessor  
27      and successor governmental entities have selected elected the same  
28      payment option, the successor shall acquire method of financing  
29      unemployment benefit payments, the experience rating account factors of  
30      the predecessor employer. Contributing employer's shall transfer to the  
31      successor.

32      (2) If the acquisition includes all employment, the successor shall  
33      receive the full experience history of the predecessor.

34      (3) In the case of a partial acquisition, experience rating account  
35      factors consist of shall transfer proportionally based on payroll or  
36      employee headcount as determined by the actual contribution and benefit  
37      experience and annual payrolls while the rated governmental employer's  
38      experience rating account factors consist of the actual benefit experience  
39      and annual payrolls secretary.

40      (4) If the successor employing unit was an employer previously  
41      subject to this act the employment security law prior to the date of  
42      acquisition, the contribution rate or benefit cost rate for the period from  
43      such date to the end of the then successor shall retain its current calendar

1 year shall be the same as the rate with respect to the period immediately  
2 preceding the date of acquisition rate for the remainder of the calendar  
3 year.

4 (5) If the successor was not an employer prior to the date of  
5 acquisition, the rate shall be the rate applicable to the predecessor  
6 employer or employers with respect previously subject to the period  
7 immediately preceding the date of acquisition provided employment  
8 security law, its rate for the remainder of the calendar year shall:

9 (A) Match the predecessor's rate, if there was only one predecessor or  
10 there were only all predecessors with identical rates. In the event that  
11 the predecessors' rates are not identical, the successor's rate shall be a; or

12 (B) be newly computed rate by the secretary based upon on the  
13 combined experience of the all predecessors as of the computation date  
14 immediately preceding the date of acquisition, if such predecessors rates  
15 differed.

16 (i) *Benefit charges.* Benefit payments shall be charged to the account  
17 of each rated governmental employer employer's account in accordance  
18 with subsection (e) of K.S.A. 44-710(c), and amendments thereto.

19 (j) *Rate notification and appeals.* (1) The secretary shall promptly  
20 notify each rated governmental employer of such employer's rate for the  
21 calendar year, which will become final unless an application for review  
22 and redetermination is filed in accordance with subsection (b) of K.S.A.  
23 44-710 and amendments thereto its benefit cost rate for the upcoming  
24 calendar year.

25 (2) The rate shall be final unless the employer files a written or  
26 electronic appeal within 30 calendar days of such notification.

27 (3) Appeals may be submitted through the department's secure online  
28 system or by written notice in accordance with K.S.A. 44-710(f)(5), and  
29 amendments thereto.

30 (k) *Quarterly payment requirements.* (1) Rated governmental  
31 employers shall make benefit cost rate payments to the secretary  
32 each calendar quarter. Such payments shall be computed calculated by  
33 multiplying total wages by the assigned benefit cost rate. Payment of

34 (2) No payment shall be required for any quarter in which the total  
35 calculated liability is less than \$1.

36 (l) *Planning and accessibility tools.* The secretary shall make  
37 available a secure online benefit cost payments for any calendar quarter  
38 which amounts to less than \$1 shall rate estimator tool to assist  
39 governmental employers in forecasting their quarterly and annual  
40 unemployment insurance costs under each financing model as described  
41 in subsection (a).

42 (m) *Sunset review and oversight.* (1) The benefit cost rate  
43 computation methodology established in subsection (g) shall be subject to

1 a performance review by the secretary during calendar year 2028 and at  
2 least once every eight years thereafter. Such review shall include an  
3 actuarial evaluation and legislative oversight.

4 (2) The secretary shall complete and submit the review report, along  
5 with any recommended adjustments, not be required later than December  
6 1 of the applicable review year to the standing committees of the senate  
7 and the house of representatives to which legislation pertaining to the  
8 employment security law is customarily referred.

9 Sec. 17. K.S.A. 44-710e is hereby amended to read as follows: 44-  
10 710e. Purpose. (a) The purpose of this section shall be to provide  
11 governmental entities with flexible, transparent and sustainable  
12 mechanisms for financing the costs associated with unemployment  
13 insurance benefits for public employees.

14 (b) Authority to budget and pay unemployment insurance costs. Any  
15 city, county, school district or other governmental entity subject to the  
16 employment security law is hereby authorized to budget for and pay the  
17 cost of providing unemployment insurance benefits for its employees—as  
18 provided by this act from the various same fund or funds from which  
19 employee compensation is paid to its employees, and, in accordance with  
20 the employment security law.

21 (c) Additional tax levy authority. (1) If otherwise authorized by law to  
22 levy taxes, any such city, county or other governmental entity, except a  
23 school district, may levy that is authorized by law to levy taxes may  
24 annually levy an additional tax therefor, which for the purpose of funding  
25 unemployment insurance benefit obligations.

26 (2) The amount levied, together with any other funds available funds,  
27 shall be sufficient to provide:

28 (A) Cover the full cost thereof and, in the case of required  
29 unemployment insurance benefit payments; and

30 (B) for cities and counties, to pay a portion of the principal and  
31 interest on bonds issued under the authority of K.S.A. 12-1774, and  
32 amendments thereto, by cities when such bonds are related to qualifying  
33 economic development projects located in within the county jurisdiction.

34 (d) Alternative use of employee benefits contribution fund. Any taxing  
35 subdivision authorized to levy a tax under this section may, in lieu of  
36 levying such the tax, may authorized in subsection (b), pay such  
37 unemployment insurance benefit costs from any an employee benefits  
38 contribution fund established pursuant to K.S.A. 12-16,102, and  
39 amendments thereto.

40 (e) Reporting and oversight. (1) All expenditures made pursuant to  
41 this section for unemployment insurance benefits shall be:

42 (A) Identified as a separate line item in the governmental entity's  
43 annual budget; and

1       (B) subject to applicable accounting, reporting and audit procedures  
2 established by the secretary of administration.

3       (2) The secretary may establish standardized forms and secure  
4 electronic systems for the submission of unemployment insurance-related  
5 data to promote consistency, transparency and compliance.

6       (f) Periodic review and coordination. (1) The secretary shall  
7 periodically assess and publish guidance on funding adequacy and fiscal  
8 practices related to unemployment insurance costs for governmental  
9 entities operating under this section.

10     (2) During calendar year 2028, and every six years thereafter, the  
11 legislative post audit committee and the secretary shall jointly review the  
12 financial impact and utilization trends of unemployment insurance  
13 pursuant to this section to ensure compliance with trust fund sustainability  
14 goals and local government budget transparency.

15     (3) The secretary shall coordinate with the director of accounts and  
16 reports and organizations representing local governments and promoting  
17 local governmental interests to ensure consistent application, provide  
18 technical assistance and share best practices regarding funding  
19 approaches permitted under this section.

20     (g) Definitions. As used in this section:

21       (1) "Employee benefits contribution fund" means a fund established  
22 by a governmental entity to finance employee benefits as defined in K.S.A.  
23 12-16,102, and amendments thereto.

24       (2) "Unemployment insurance benefits" means payments required  
25 under the employment security law.

26       (h) Construction. Nothing in this section shall be construed to limit  
27 or otherwise affect the authority of a school district or other governmental  
28 entity to budget for unemployment insurance obligations using available  
29 general fund resources or employee benefits funds in accordance with  
30 other applicable law.

31     Sec. 18. K.S.A. 44-710f is hereby amended to read as follows: 44-  
32 710f. Any county plan pursuant to the employment security law shall  
33 include coverage for district court officers and employees whose total  
34 salary is payable by counties:(a) Coverage requirement. Each county  
35 subject to the employment security law shall provide unemployment  
36 insurance coverage for all officers and employees of the district court  
37 whose total compensation is paid exclusively from county funds.

38       (b) Definition of coverage. For the purposes of this section,  
39 "coverage" means inclusion under the county's elected financing method  
40 in accordance with K.S.A. 44-710d, and amendments thereto, including all  
41 applicable wage reporting and contribution or reimbursement obligations.

42       (c) Shared funding arrangements. In cases where the compensation  
43 of a district court officer or employee is partially funded by a county and

1    *partially by the state or other noncounty sources, such individuals shall be*  
2    *eligible for coverage under the county's unemployment insurance plan if*  
3    *50% or more of such individuals' total compensation is paid from county*  
4    *funds. The secretary may adopt rules and regulations to further define and*  
5    *administer such thresholds.*

6    *(d) Exemptions. This section shall not apply to individuals serving as*  
7    *district judges, magistrate judges or other judicial officers compensated*  
8    *exclusively by the state or to independent contractors or individuals whose*  
9    *employment does not meet the definition of "employment" pursuant to*  
10   *K.S.A. 44-703, and amendments thereto.*

11   *(e) Reporting and compliance. Counties shall:*

12   *(1) Include all eligible district court personnel in quarterly wage*  
13   *reports and unemployment insurance filings submitted to the department;*  
14   *and*

15   *(2) annually certify to the department, in a form prescribed by the*  
16   *secretary, that all officers and employees of the district court who are*  
17   *eligible under this section are appropriately covered for unemployment*  
18   *insurance purposes.*

19   *(f) Regulations. The secretary is authorized to adopt rules and*  
20   *regulations necessary to implement this section, including, but not limited*  
21   *to, clarifying eligibility standards, compliance requirements and reporting*  
22   *procedures.*

23   *(g) Review and oversight. The provisions of this section shall be*  
24   *subject to a sunset review in December 2028 and every eight years*  
25   *thereafter. As part of the review process, the department shall evaluate the*  
26   *fiscal, administrative and legal impacts of this section and submit a*  
27   *written report with findings and recommendations to the standing*  
28   *committees of the senate and the house of representatives to which*  
29   *legislation pertaining to employment security law is customarily referred.*  
30   *Such report shall be submitted on or before January 15, 2029, and*  
31   *January 15 of every eight years thereafter.*

32   Sec. 19. K.S.A. 44-710i is hereby amended to read as follows: 44-  
33   710i. (a) For all purposes ~~under pursuant to~~ the employment security law,  
34   whenever ~~when~~ two or more employers ~~—which that~~ are related  
35   corporations, ~~—which~~ concurrently employ the same individual ~~in~~  
36   employment and ~~which~~ pay wages ~~to such individual~~ through a common  
37   paymaster, and such common paymaster is one of ~~such employers~~, ~~each~~  
38   ~~such the employing entities~~:

39   *(1) Each employer shall be considered to have paid wages to ~~such the~~*  
40   *individual only in the amount of wages actually disbursed by such*  
41   *employer ~~to such individual~~; and ~~such~~*

42   *(2) no employer shall ~~not~~ be considered to have paid any ~~amount~~*  
43   *portion of the wages ~~to such individual which was~~ actually disbursed to*

1 ~~such the individual by another of such employers which concurrently~~  
2 ~~employ such individual employer.~~

3 (b) *For the purposes of this section, "related corporations," "common*  
4 ~~paymaster" and "concurrent employment" shall be construed means the~~  
5 ~~same as part of the employment security law defined under federal law,~~  
6 ~~including 26 U.S.C. § 3121(s) and applicable United States treasury~~  
7 ~~regulations.~~

8 (c) *Employers electing to utilize a common paymaster arrangement*  
9 *shall notify the secretary in the manner prescribed by rules and*  
10 *regulations adopted by the secretary and maintain documentation*  
11 *substantiating the allocation and disbursement of wages under such*  
12 *arrangement.*

13 (d) *The secretary may adopt rules and regulations to administer and*  
14 *enforce the provisions of this section, including procedures for*  
15 *registration, audit and correction of misreported wage information.*

16 Sec. 20. K.S.A. 44-711 is hereby amended to read as follows: 44-711.  
17 (a) *Period of liability for contributions. Except as provided by subsection*  
18 ~~(d), any employing unit which is or that becomes an employer subject to~~  
19 ~~this act the employment security law within any a calendar year shall be~~  
20 ~~subject liable for contributions on all wages paid during the whole of such~~  
21 ~~entire calendar year.~~

22 (b) *Termination of liability. (1) Except as otherwise provided in*  
23 ~~subsection (c) of this section, an employing unit shall cease to be an~~  
24 ~~employer subject to this act only the employment security law as of the~~  
25 ~~first day of January 1 of any calendar year; if it:~~

26 (A) ~~Such employing unit files with the secretary of labor, prior to the~~  
27 ~~first day of May of such calendar year, a written or electronic application~~  
28 ~~for termination of coverage and with the secretary not later than May 1 of~~  
29 ~~such year; and~~

30 (B) ~~the secretary of labor finds that within the preceding calendar~~  
31 ~~year determines that the employing unit would not have been subject to~~  
32 ~~this act the employment security law during the preceding calendar year,~~  
33 ~~except for paragraph (6) of subsection (h) of pursuant to K.S.A. 44-703(v)~~  
34 ~~(6), and amendments thereto, and has been covered by this act throughout~~  
35 ~~the most recently completed that the employing unit was subject to the~~  
36 ~~employment security law pursuant to K.S.A. 44-703(v)(6), and amendments~~  
37 ~~thereto, for the entirety of the preceding calendar year.~~

38 (2) ~~The secretary of labor may release, at any time on the secretary's~~  
39 ~~own initiative terminate the status of any an employing unit as an~~  
40 ~~employer from being subject to this the employment security law when~~  
41 ~~satisfied that if such employer employing unit has had no individuals in~~  
42 ~~employment at any time during the and no wages reported for three~~  
43 ~~consecutive calendar years. The secretary shall issue written or electronic~~

1 notice of such pending release to the employer. The secretary shall  
2 conduct an annual review of all employer accounts with no reported  
3 employment or wages for the three preceding calendar years and may  
4 initiate termination proceedings in accordance with this paragraph.

5 (c) *Voluntary election of coverage and termination.* (1) ~~An Any~~ employing unit, not otherwise subject to ~~this act, which files the~~ employment security law may file a written or electronic election with the secretary of labor its written election to become an employer subject hereto for not less than two calendar years shall, with approval of to the employment security law. Such election by the secretary of labor, become an employer subject hereto to the same extent as all other employers, as of the date stated shall continue in such approval, force and shall cease to not be subject hereto to change by the employing unit for a period of two complete calendar years.

15 (A) Upon approval by the secretary, the employing unit shall become  
16 subject to the employment security law as of the effective date indicated by  
17 the secretary. Unless otherwise specified, this date shall be the first day of  
18 the calendar quarter following the date of approval by the secretary.

19 (B) An employing unit that has made such election pursuant to  
20 paragraph (1) may terminate such employing unit's voluntary  
21 participation in the employment security law as of January 1 of any  
22 calendar year subsequent to such two calendar years only after fulfilling  
23 the required two-year participation period, if prior to the first day of May  
24 of such year it has filed with the secretary of labor employing unit files a  
25 written or electronic application for termination with the secretary not  
26 later than May 1 of such year.

27 (2) ~~An~~ Any employing unit, for which services that do not constitute  
28 employment as otherwise defined in ~~this act as~~ employment under the  
29 employment security law are performed, may file with the secretary of  
30 labor a written election that all may elect to include such services  
31 performed by individuals in its employ in one or more distinct  
32 establishments or places of business shall be deemed to constitute  
33 employment for all the purposes of ~~this act as~~ employment pursuant to the  
34 employment security law for a period of not less than two calendar years.  
35 Upon approval of such election by the secretary of labor, such services  
36 shall be deemed to constitute covered employment subject to this act from  
37 and after as of the effective date stated in such the secretary's approval.  
38 Such

39 (3) Termination of voluntary coverage for such services shall cease to  
40 be deemed employment subject hereto effective as of January 1 of any  
41 calendar year subsequent to such two calendar years, only if prior to the  
42 first day of after the required two-year period, provided that the employing  
43 unit files a written or electronic application for termination not later than

1 May of such year such employing unit has filed with the secretary of labor  
2 a written application for termination 1 of that year.

3 (4) All notices, applications and elections under this subsection shall  
4 be submitted in writing or through a secure electronic portal provided by  
5 the department.

6 (d) *Termination upon total transfer of experience rating.*  
7 Notwithstanding the provisions of subsection (a) of this section, upon  
8 transfer of, when an experience rating account in accordance with  
9 subsections (b)(1) or (b)(2) of is transferred pursuant to K.S.A. 44-  
10 710a(b)(1) or (b)(2), and amendments thereto, the predecessor employer  
11 shall automatically cease to be an employer subject to this act the  
12 employment security law as of the effective date of transfer to the  
13 successor. The successor shall become liable for contributions on and  
14 after the date of acquisition unless otherwise provided by law.

15 (e) *Termination of account due to successorship/business acquisition.*  
16 Notwithstanding the provisions of subsection (a) of this section, an  
17 employer's account shall be terminated when the (1) When a business is  
18 acquired by a successor employer or a nonemploying unit, as provided  
19 described in subsection (h)(4) of K.S.A. 44-703, and amendments thereto,  
20 or by a nonemploying unit. the predecessor's account will shall be  
21 terminated as of the date of the acquisition.

22 (2) *In cases of partial acquisition, the secretary may authorize a  
23 proportional transfer of the predecessor's experience rating account based  
24 on payroll, employee count or other relevant factors in accordance with  
25 the provisions of K.S.A. 44-710a, and amendments thereto, or pursuant to  
26 rules, regulations or internal guidance established by the secretary.*

27 (3) *If the successor elects not to assume the predecessor's account or  
28 is not otherwise subject to the employment security law, the secretary shall  
29 determine whether a new account shall be established and whether a new  
30 liability determination shall be required.*

31 (f) *Filing and delivery of notices. (1) All notices, applications and  
32 elections required under this section may be submitted by certified mail,  
33 personal delivery or through a secure electronic portal established and  
34 maintained by the secretary.*

35 (2) *The secretary shall adopt rules and regulations governing  
36 submission procedures and shall issue written or electronic confirmations  
37 of receipt.*

38 Sec. 21. K.S.A. 44-712 is hereby amended to read as follows: 44-712.  
39 (a) *Establishment and control purpose. (1) There is hereby established, as  
40 a special fund in the state treasury, separate and apart from all public  
41 moneys or funds of this state, the employment security fund, which.  
42 Such fund shall be administered by the secretary and used solely for the  
43 payment of unemployment insurance benefits and administrative expenses*

1 as provided in this act. This fund shall under the employment security law.  
2 No funds credited to this state's account in the federal unemployment trust  
3 fund shall be expended, except for the payment of unemployment  
4 compensation in accordance with the federal social security act as  
5 amended, section 303(a)(5), unless otherwise permitted by federal law.  
6 The fund shall consist of: (1)

7 (A) All contributions collected under this act; (2) pursuant to the  
8 employment security law, including mandatory and voluntary  
9 contributions, interest and penalties, unless otherwise excluded or  
10 provided by law;

11 (B) all interest earned upon any moneys in the fund; (3)

12 (C) all moneys credited to this state's account in the federal  
13 unemployment trust fund, pursuant to section 903 of the social security act  
14 as amended, 42 U.S.C.A. U.S.C. § 1103, as amended; (4);

15 (D) any property or securities acquired through the use of moneys  
16 belonging to the such fund; and all other moneys received for the fund  
17 from any other source; (5) for deposit into such fund; and

18 (E) all earnings of from such property or securities: acquired through  
19 the use of such moneys belonging to such fund.

20 (2) All such moneys in this such fund pursuant to paragraph (1) shall  
21 be mingled and undivided comingled for accounting purposes, including  
22 for purposes of the accounts described in subsection (b), but shall be used  
23 solely for the purposes described herein.

24 (b) *Fund accounts and deposits.* The state treasurer shall be serve as  
25 the ex officio custodian of the fund. Payments from the fund, and for the  
26 purposes of this act deposits with the secretary of the treasury of the  
27 United States shall not be deemed to be payments from the fund, shall be  
28 made by any commercially accepted means approved by the secretary.  
29 There shall be maintained within employment security fund.

30 (1) The fund shall include three separate distinct accounts: (1)

31 (A) A clearing account; (2) for temporary holding of remittances  
32 prior to transfer pursuant to paragraph (4);

33 (B) an unemployment trust fund account, and (3) maintained at the  
34 United States treasury for long-term trust management; and

35 (C) a benefit account for direct disbursement of unemployment  
36 insurance benefits.

37 (2) All money employer contributions shall be remitted electronically  
38 unless otherwise approved by the secretary.

39 (3) All moneys payable to the fund shall, upon receipt thereof by the  
40 secretary, shall be remitted to the state treasurer in accordance with the  
41 provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of  
42 each such remittance, The state treasurer shall deposit the entire amount in  
43 the state treasury to the credit of all such remittances into the clearing

1 account of the fund. Refunds payable pursuant to K.S.A. 44-717, and  
2 amendments thereto, may be paid from the clearing account upon  
3 warrants of the fund by director of accounts and report issued pursuant to  
4 vouchers approved by the secretary or the secretary's designee. Such  
5 warrants may be disbursed using any commercially accepted  
6 commercially accepted means approved by the secretary. After

7 (4) Following clearance thereof, all other moneys in the clearing  
8 account of the fund funds shall be immediately deposited by the state  
9 treasurer with the secretary of the treasury of the United States of America  
10 to the credit of the this state's account of this state in the federal  
11 unemployment trust fund established and maintained pursuant to, as  
12 required under section 904 of the social security act, 42 U.S.C.A. U.S.C. §  
13 1104, as amended, any provisions of law in this state relating to the  
14 deposit, administration, release, or disbursement of moneys in the  
15 possession or custody of this state to the contrary notwithstanding.

16 (5) The benefit account of the fund shall consist of all moneys  
17 requisitioned from this state's account in by the secretary pursuant to law  
18 from the federal unemployment trust fund. Moneys in the clearing and  
19 benefit accounts may be deposited in accordance with law but shall not be  
20 commingled with other state funds. No public deposit insurance charge or  
21 premium shall be paid from the fund.

22 (c) Withdrawals for benefit payments. (1) Withdrawals from this  
23 state's account in the federal unemployment trust fund shall be used solely  
24 for the payment of unemployment insurance benefits and in accordance  
25 with the employment security law and rules and regulations adopted by  
26 the secretary. The secretary shall requisition amounts necessary for  
27 anticipated benefit payments. Upon receipt, the state treasurer shall  
28 deposit such moneys in the benefit account.

29 (2) Unclaimed or unused balances in the unemployment trust fund  
30 shall be, at the secretary's discretion:

31 (A) Used to pay benefits during subsequent periods; or  
32 (B) returned to the federal unemployment trust fund. Except as herein  
33 Any such unclaimed funds shall be redeposited or returned within 90 days  
34 of initial requisition unless otherwise provided, moneys in approved by  
35 the secretary.

36 (3) Refunds from the clearing account and payments from the benefit  
37 accounts of the account, including all benefit disbursements pursuant to  
38 this subsection, shall be exempt from legislative appropriation in  
39 accordance with federal conformity requirements. All unpaid or canceled  
40 warrants shall remain in the benefit account.

41 (d) Administrative use of section 903 funds. (1) All administrative  
42 expenditures made from the employment security administration fund shall  
43 be consistent with the federal uniform administrative requirements, cost

1     *principles and audit requirements for federal awards, 2 C.F.R. part 200,*  
2     *and applicable United States department of labor guidance, including ETA*  
3     *handbook 401.*

4       (2) *Moneys credited to the state's account pursuant to section 903 of*  
5     *the social security act may be used for administrative expenses if:*

6           (A) *Appropriated by the legislature;*

7           (B) *the appropriation specifies the purpose, amount and period of the*  
8     *obligation, not to exceed two years from the enactment date; and*

9           (C) *the obligation does not exceed the credited balance after*  
10     *subtraction of previously obligated or expended funds.*

11       (3) *Such funds shall not be withdrawn or obligated for any purpose*  
12     *other than benefit payments and administration of the employment*  
13     *security law and public employment offices.*

14       (4) *Such appropriated administrative funds shall be deposited by the*  
15     *state treasurer in any bank or public depository as is now provided by law*  
16     *for the deposit of general funds of the state, but no public deposit*  
17     *insurance charge or premium shall be paid out of the into the employment*  
18     *security administration fund. Moneys in the clearing and benefit accounts*  
19     *of the fund shall not be commingled with other state funds and shall be*  
20     *maintained in separate bank accounts and expenditures made in*  
21     *accordance with this subsection. Any unexpended balances shall be*  
22     *promptly returned to the federal unemployment trust fund.*

23       (e) *Withdrawals. Moneys shall be requisitioned from this state's*  
24     *account in the federal unemployment trust fund solely for the payment of*  
25     *benefits and in accordance with the provisions of this act and the rules and*  
26     *regulations adopted by the secretary, except that moneys credited to this*  
27     *state's account pursuant to section 903 of the social security act, 42*  
28     *U.S.C.A. § 1103, as amended, shall be used exclusively as provided in*  
29     *subsection (d) of this section. The secretary shall from time to time*  
30     *requisition from the federal unemployment trust fund such amounts, not*  
31     *exceeding the amounts standing to its account therein, as deemed*  
32     *necessary for the payment of benefits for a reasonable future period. Upon*  
33     *receipt thereof the state treasurer shall deposit such moneys in the benefit*  
34     *account of the fund and payments of benefits shall be charged solely*  
35     *against such benefit account of the fund. Expenditures of such moneys in*  
36     *the benefit account and refunds from the clearing account of the fund shall*  
37     *not be subject to any provisions of law requiring specific appropriations.*  
38     *Any balance of moneys requisitioned from the federal unemployment trust*  
39     *fund which remains unclaimed or unpaid in the benefit account of the fund*  
40     *after the expiration of the period for which such sums were requisitioned*  
41     *shall either be deducted from estimates for, and may be utilized for the*  
42     *payment of benefits during succeeding periods, or, in the discretion of the*  
43     *secretary shall be directed to be redeposited with the secretary of the*

1 treasury of the United States of America, to the credit of this state's  
2 account in the federal unemployment trust fund, as provided in subsection  
3 (b) of this section. All balances accrued from unpaid or canceled warrants  
4 issued pursuant to this section, notwithstanding the provisions of K.S.A.  
5 10-812, and amendments thereto, shall remain in the benefit account of the  
6 fund, and be disbursed in accordance with the provisions of this act  
7 relating to such account.

8 (d) *Administrative use.* (1) Money credited to the account of this state  
9 in the federal unemployment trust fund by the secretary of the treasury of  
10 the United States of America, pursuant to section 903 of the social security  
11 act, 42 U.S.C.A. § 1103, as amended, may be requisitioned and used for  
12 the payment of expenses incurred in the administration of this act pursuant  
13 to a specific appropriation by the legislature, if expenses are incurred and  
14 the money is requisitioned after the enactment of an appropriation law  
15 which: (A) Specifies the purposes for which such money is appropriated  
16 and the amounts appropriated therefor, (B) limits the period within which  
17 such money may be obligated to a period ending not more than two years  
18 after the date of the enactment of the appropriation law, and (C) limits the  
19 amount which may be obligated during a twelve-month period beginning  
20 on July 1 and ending on the next June 30 to an amount which does not  
21 exceed the amount by which (i) the aggregate of the amounts credited to  
22 the account of this state pursuant to section 903 of the social security act,  
23 42 U.S.C.A. § 1103, as amended, (ii) the aggregate of the amounts  
24 obligated pursuant to this subsection and amounts paid out for benefits and  
25 charged against the amounts credited to the account of this state. For the  
26 purposes of this subsection, amounts obligated during any such twelve-  
27 month period shall be charged against equivalent amounts which were first  
28 credited and which are not already so charged.

29 (2) Money credited to the account of this state pursuant to section 903  
30 of the social security act, 42 U.S.C.A. § 1103, as amended, may not be  
31 withdrawn or obligated except for the payment of benefits and for the  
32 payment of expenses for the administration of this act and of public  
33 employment offices pursuant to this subsection (d).

34 (3) Money appropriated as provided by this subsection (d) for the  
35 payment of expenses of administration shall be requisitioned as needed for  
36 the payment of obligations incurred under such appropriation and, upon  
37 requisition shall be deposited in the state treasury to the credit of the  
38 employment security administration fund from which such payments shall  
39 be made. Money so deposited and credited shall, until expended, remain a  
40 part of the federal unemployment trust fund, and, if it will not be  
41 expended, shall be returned promptly to the account of this state in the  
42 federal unemployment trust fund.

43 (4) Notwithstanding paragraph (1), money credited with respect to

1 federal fiscal years 1999, 2000 and 2001, shall be used solely for the  
2 administration of the UC program, and such money shall not otherwise be  
3 subject to the requirements of paragraph (1) when appropriated by the  
4 legislature.

5 (e) *Management of funds upon discontinuance of federal*  
6 ~~unemployment trust fund~~. The provisions of subsections (a), (b), (c) and (d)  
7 of this section, to the extent that they relate to the federal unemployment  
8 trust fund, shall be operative only so long as such unemployment trust  
9 fund continues to exist and so long as the secretary of the treasury of the  
10 United States of America continues to maintain for this state a separate  
11 book account of all funds deposited therein by this state for benefit  
12 purposes, together with this state's proportionate share of the earnings of  
13 such unemployment trust fund, from which no other state is permitted to  
14 make withdrawals. If and when such unemployment trust fund ceases to  
15 exist, or such separate book account is no longer maintained, all moneys,  
16 properties or securities therein, belonging to the employment security fund  
17 of this state, shall be transferred to the state treasurer, to be administered  
18 by the secretary as a trust fund for the purpose of paying benefits under  
19 this act, and the director of investments upon the direction of the secretary  
20 shall have authority to hold, invest, transfer, sell, deposit, and release such  
21 moneys, and any properties, securities, or earnings acquired as an incident  
22 to such administration.

23 (5) *The secretary shall include a summary of section 903 fund*  
24 *expenditures in the annual fund performance and solvency certification*  
25 *required pursuant to subsection (g).*

26 (e) *Contingency management if federal trust fund is discontinued.* (1)  
27 Upon official notification from the United States department of labor or  
28 federal legislative action discontinuing state trust fund accounts in the  
29 federal unemployment trust fund or, as determined by the secretary, a  
30 substantially similar successor fund, should the federal unemployment  
31 trust fund or such a substantially similar successor fund cease to exist or  
32 this state's separate account within a federal fund no longer be  
33 maintained, all moneys, properties and securities credited to the Kansas  
34 account of such federal fund shall be transferred by and to the state  
35 treasurer and administered by the secretary as a trust fund, separate and  
36 apart from all public moneys or funds of this state.

37 (2) *The director of investments, upon direction from the secretary,*  
38 *shall manage such funds, including investment, sale, deposit and*  
39 *disbursement, consistent with the purposes of the employment security*  
40 *law.*

41 (3) *The secretary may adopt temporary rules and regulations and*  
42 *procedures to ensure continuity of benefit payments and fund operations*  
43 *under such contingency. Such temporary rules and regulations and*

1   procedures shall remain in effect until permanent rules and regulations  
2   are adopted by the secretary or the federal unemployment trust fund or  
3   substantially similar fund is otherwise reestablished by federal or state  
4   action.

5   (f) *Loans from the pooled money investment board, when authorized.*  
6   (1) Pursuant to K.S.A. 75-4209(d), and amendments thereto, upon request  
7   by the secretary, the pooled money investment board shall extend loans to  
8   the state for the purpose of repaying debt obligations owed to the federal  
9   government by the employment security fund.

10   (2) The interest rate of any such loans shall not exceed 2%;

11   (3) Such loans or line of credit shall remain available for three years  
12   from the first loan date and may be reauthorized by mutual agreement of  
13   the secretary and the pooled money investment board is hereby authorized  
14   and directed to make loans as requested by the secretary of labor to fund  
15   debt obligations to the federal government as may have been, or continue  
16   to be, incurred by the employment security fund.

17   (A) The line of credit so.

18   (4) Repayment shall begin within 12 months of the initial  
19   disbursement, unless extended shall be at an interest rate not to exceed 2%;  
20   and

21   (B) shall remain in effect for a period of three years from the date of  
22   the first loan requested. The pooled money investment board may  
23   reauthorize this line of credit following the initial three year period if  
24   deemed mutually beneficial by the board and the secretary of labor.

25   (2)(5) Such loans shall be disbursed to the secretary of labor is  
26   hereby authorized to request and receive loans from the pooled money  
27   investment fund for the purposes described herein.

28   (3) The. Upon initiating a loan, the secretary shall notify the  
29   governor and all recipients listed in subsection (g)(1)(A) through (E)  
30   within 30 days.

31   (6) Total outstanding balances of any such loans in shall not exceed  
32   the aggregate limitations of K.S.A. 75-4209(d), and amendments thereto.  
33   All such loan terms shall not exceed the limit imposed by be consistent  
34   with K.S.A. 75-4209(d), and amendments thereto.

35   (4)(7) Any such loan Such loans shall not be deemed to be an  
36   indebtedness or considered a debt of the state of Kansas within the  
37   meaning of section 6 of, article 11 of the constitution of the state of Kansas  
38   constitution.

39   (5)(8) The pooled money investment board, secretary of labor, and  
40   state treasurer shall coordinate as needed to make the appropriate all  
41   necessary transfers, repayments and reporting obligations.

42   (g) Annual fund performance and solvency certification. (1) Not later  
43   than December 1 of each year, the secretary shall submit a certification

1     evaluating the solvency and adequacy of the employment security fund.

2     The certification shall be delivered to the:

3         (A) Chairpersons, vice chairpersons and ranking minority members

4         of the standing committees of the senate and the house of representatives

5         to which legislation pertaining to the employment security law is

6         customarily referred;

7         (B) president of the senate;

8         (C) speaker of the house of representatives;

9         (D) governor; and

10         (E) legislative coordinating council.

11         (2) Such annual certification shall include, at a minimum:

12             (A) The fund balance as of the most recent computation date;

13             (B) a five-year summary of the contribution receipts and benefit

14         disbursements;

15             (C) loan activity, if any, including balance and repayment schedule;

16             (D) the current average high cost multiple for the trust fund as of the

17         most recent computation date;

18             (E) a five-year historical analysis of the average high cost multiple

19         and related solvency indicators, showing year-over-year changes and

20         trends;

21             (F) a statement of whether the trust fund meets the United States

22         department of labor's recommended solvency standard, defined as an

23         average high cost multiple of 1.0 or greater, and an explanation of any

24         shortfall. If the average high cost multiple is below 1.0, the certification

25         shall include recommended policy considerations and actions to restore

26         the fund to solvency within a reasonable timeframe based on projected

27         economic conditions and contribution levels;

28             (G) forecasted trust fund performance under the following three

29         economic scenarios to include assumptions regarding unemployment

30         rates, benefit payment—~~of moneys~~ levels and expected employer

31         contributions:

32                 (i) Baseline, assuming steady employment and average benefit usage;

33                 (ii) moderate recession, assuming temporary increases in

34         unemployment and claim volume; and

35                 (iii) severe recession, assuming prolonged high unemployment and

36         elevated claim levels;

37             (H) an impact analysis estimating how anticipated—~~hereunder~~ shifts

38         projected in employer contribution rate schedules, reserve ratios and

39         taxable wage bases will affect various classes of employers by size,

40         industry or experience rating group;

41             (I) any material changes to federal unemployment insurance policies,

42         trust fund borrowing requirements or repayment obligations that may

43         affect trust fund sustainability or require state legislative action; and

1       (J) a summary of social security act section 903 fund expenditures, as  
2 required by subsection (d).

3       (3) The secretary shall make the certification and all supporting data  
4 publicly accessible through the department's website, including  
5 downloadable data sets or dashboards, if relevant, not later than  
6 December 31 following the December 1 deadline for such certification  
7 pursuant to paragraph (1).

8       (4) Not later than January 31 following such certification, the  
9 secretary shall provide a summary briefing to the standing committees of  
10 the senate and the house of representatives to which legislation pertaining  
11 to the employment security law is customarily referred.

12       (5) The purpose of such certification shall be to provide state  
13 policymakers and stakeholders with timely, data-driven insights to support  
14 the evaluation of proposed legislation or reforms affecting the state's  
15 unemployment insurance program and ensure that Kansas maintains a  
16 solvent, responsive and economically sound trust fund.

17       (h) The secretary may adopt rules and regulations as necessary to  
18 carry out the provisions of this section.

19       Sec. 22. K.S.A. 44-713 is hereby amended to read as follows: 44-713.  
20       (a) *Authorization.* The secretary ~~of labor, in recognition of~~ is authorized to  
21 recognize meritorious service by individual employees who ~~serve~~ are  
22 engaged in the administration of the employment security law ~~and who~~ ~~receive a preponderant share if more than 50% of their~~ such employee's  
23 total compensation ~~through~~ is paid from the employment security  
24 administration fund, ~~is hereby authorized to make.~~

25       (b) *Eligibility and recognition schedule.* In recognition of meritorious  
26 service ~~awards, including~~, the secretary may authorize the presentation of  
27 a service award pin and certificate to ~~each~~ of such employees ~~when such~~  
28 employee has served in such administration a minimum eligible employees  
29 upon:

30       (1) Completion of ~~10~~ five years. The secretary may also present to  
31 ~~each~~ of continuous or cumulative satisfactory service in the administration  
32 of the employment security law;

33       (2) completion of such employees an additional pin and certificate for  
34 each additional ~~five year~~ five-year period of satisfactory service thereafter;  
35 and

36       (3) retirement or reaching major career milestones, including, but not  
37 limited to, achieving 25, 30, 35 or 40 years of service.

38       (c) *Additional nonmonetary awards.* The secretary may authorize  
39 additional forms of modest, noncash recognition for such meritorious  
40 service, such as plaques, framed commendations or formal  
41 acknowledgments at department events, if such awards:

42       (1) Are reasonable in cost;

1       (2) conform to federal grant and conformity requirements, including  
2 20 C.F.R. part 601 and related guidance issued by the United States  
3 department of labor, including, but not limited to, ETA handbook 401; and  
4       (3) are paid exclusively from the employment security administration  
5 of the law. ~~The cost of each such pin and certificate fund.~~

6       (d) *Funding and limitations.* All costs associated with awards issued  
7 under this section shall:

8       (1) Be paid from the employment security administration fund;  
9       (2) not exceed the allowable per-employee cost limits as set forth in  
10 K.S.A. 44-703, and amendments thereto;  
11       (3) not require legislative appropriation; and  
12       (4) be processed in the same manner as other administrative expenses  
13 of administering under the employment security law are paid.

14       (e) *Procedures and reporting.* The secretary may adopt internal  
15 procedures for determining eligibility, verifying service milestones,  
16 approving awards and maintaining appropriate documentation. A  
17 summary of meritorious service recognition activities may be included in  
18 the secretary's annual administrative reporting or workforce development  
19 plan, at the discretion of the secretary.

20       (f) For the purposes of this section, "meritorious service award"  
21 means the same as defined in K.S.A. 44-703, and amendments thereto.

22       Sec. 23. K.S.A. 44-713a is hereby amended to read as follows: 44-  
23 713a. Pursuant to 42 U.S.C.A. § 1101 et seq., the secretary of labor may  
24 accept assistance from the United States secretary of labor to conduct in-  
25 service training either directly or through contracts with institutions of  
26 higher education or other qualified agencies, organizations or institutions,  
27 to conduct programs and courses designed to train individuals to prepare  
28 them or improve their qualifications for service in the administration of  
29 Kansas employment security programs. (a) Authority to accept assistance.  
30 Pursuant to applicable federal workforce training and unemployment  
31 insurance administration provisions, including, but not limited to, the  
32 workforce innovation and opportunity act, 29 U.S.C. § 3101 et seq., and  
33 any successor statutes, the secretary may accept and expend assistance  
34 from the United States secretary of labor or other authorized federal  
35 agency to conduct in-service training for individuals engaged in or  
36 preparing for service in the administration of the employment security law.

37       (b) *Delivery methods and contracting authority.* Such training may be  
38 provided directly by the secretary or through contracts, grants or  
39 cooperative agreements with:

40       (1) Institutions of higher education;  
41       (2) state or local workforce agencies;  
42       (3) local workforce development boards;  
43       (4) private sector entities with demonstrated expertise in

1      *unemployment insurance administration, information technology or*  
2      *workforce development; or*  
3      (5) *other qualified agencies, organizations or institutions.*  
4      (c) *Scope of training. Programs and courses conducted under this*  
5      *section may include, but are not limited to:*  
6      (1) *Unemployment insurance program administration and*  
7      *operations;*  
8      (2) *fraud detection, prevention and investigation techniques;*  
9      (3) *information technology, cybersecurity and system modernization;*  
10      (4) *customer service, accessibility and claimant or employer support;*  
11      (5) *compliance with applicable state and federal laws, regulations*  
12      *and guidance; and*  
13      (6) *program evaluation, performance metrics and process*  
14      *improvement.*  
15      (d) *Review and reporting. The secretary shall:*  
16      (1) *Periodically review training programs to ensure alignment with*  
17      *federal and state priorities, technological advancements and program*  
18      *integrity requirements; and*  
19      (2) *submit an annual report to the appropriate standing committees*  
20      *of the legislature summarizing:*  
21      (A) *The amount and source of federal assistance received;*  
22      (B) *the number and types of training programs conducted;*  
23      (C) *the number of individuals trained; and*  
24      (D) *measurable program outcomes, including operational*  
25      *improvements attributable to training.*

26      Sec. 24. K.S.A. 44-714 is hereby amended to read as follows: 44-714.  
27 (a) ~~Duties and powers of secretary.~~ It shall be the duty of the secretary to  
28 administer this act and the secretary shall have power and authority to  
29 adopt, amend or revoke such rules and regulations, to employ such  
30 persons, make such expenditures, require such reports, make such  
31 investigations, and take such other action as the secretary deems necessary  
32 or suitable to that end. Such rules and regulations may be adopted,  
33 amended, or revoked by the secretary only after public hearing or  
34 opportunity to be heard thereon. The secretary shall determine the  
35 organization and methods of procedure in accordance with the provisions  
36 of this act, and shall have an official seal which shall be judicially noticed.  
37 The secretary shall make and submit reports for the administration of the  
38 employment security law in the manner prescribed by K.S.A. 75-3044  
39 through 75-3046, and 75-3048, and amendments thereto. Whenever the  
40 secretary believes that a change in contribution or benefit rates will  
41 become necessary to protect the solvency of the fund, the secretary shall  
42 promptly so inform the governor and the legislature, and make  
43 recommendations with respect thereto.

1       (b) *Publication.* The secretary shall cause to be printed for  
2 distribution to the public the text of this act, the secretary's rules and  
3 regulations and any other material the secretary deems relevant and  
4 suitable and shall furnish the same to any person upon application therefor.

5       (c) *Personnel.* Subject to other provisions of this act, the secretary  
6 Authority and duties of the secretary. (1) The secretary shall administer  
7 the employment security law and is authorized to appoint, fix the  
8 compensation;:

9           (A) Adopt, amend or revoke rules and prescribe regulations,  
10 following a public hearing or opportunity to be heard;

11           (B) employ staff and agents, make expenditures, conduct  
12 investigations, require reports and take other actions necessary to  
13 administer the law;

14           (C) determine organizational structure and procedures consistent  
15 with this act;

16           (D) use an official seal that shall be judicially noticed; and

17           (E) submit administrative reports in accordance with K.S.A. 75-3044  
18 through 75-3048, and amendments thereto.

19       (2) If the secretary determines a change in contribution or benefit  
20 rates is necessary to maintain fund solvency, the secretary shall promptly  
21 notify the governor and legislature with recommendations for such  
22 change.

23       (b) *Publication of information.* The secretary shall make available to  
24 the public, including by electronic distribution on the department's  
25 website, the text of this act, related rules and regulations and any other  
26 materials deemed relevant and helpful to the public by the secretary.

27       (c) *Personnel management.* The secretary may appoint and assign  
28 duties and powers of such to officers, accountants, deputies, attorneys,  
29 experts and other persons as may be necessary in carrying out the  
30 provisions of this act. The secretary personnel, and may delegate to any  
31 such person so appointed such power and authority as the secretary deems  
32 reasonable and proper for the effective administration of this act, and may  
33 in appropriate authority to such persons. Staff who administer funds or  
34 authorize payments may be bonded at the secretary's discretion bond any  
35 person handling moneys or signing checks under the employment security  
36 law.

37       (d) *Employment stabilization and reemployment activities.* In  
38 collaboration with other workforce stakeholders, the secretary, with the  
39 advice and aid of the appropriate divisions of the department of labor,  
40 shall:

41           (1) Take all appropriate steps Promote efforts to reduce and prevent  
42 unemployment, including engagement in statewide and regional economic  
43 resilience planning;

1       (2) ~~encourages support workforce development initiatives and assist in~~  
2 ~~the adoption of practical methods of vocational partnerships in alignment~~  
3 ~~with the federal workforce innovation and opportunity act, including~~  
4 ~~programs for training, retraining and vocational guidance career~~  
5 ~~advancement;~~

6       (3) ~~investigate, recommend, advise, and assist in the establishment~~  
7 ~~and operation, by collaborate with local workforce boards, educational~~  
8 ~~institutions and employers to address evolving labor market needs;~~

9       (4) ~~encourage municipalities, counties, school districts and the state,~~  
10 ~~of reserves for and public entities to maintain public works to be used in~~  
11 ~~time of business depression and unemployment;~~ (4) ~~promote the~~  
12 ~~reemployment of unemployed workers throughout the state in every other~~  
13 ~~way that may be feasible; and (5) to these ends carry on and publish the~~  
14 ~~results of investigations and research studies.~~

15       (e) ~~Records and reports.~~ Each employing unit shall keep true and  
16 accurate work records, containing such information as the secretary may  
17 prescribe. Such records shall be open to inspection and subject to being  
18 copied by the secretary or the secretary's authorized representatives at any  
19 reasonable time and shall be preserved for a period of five years from the  
20 due date of the contributions or payments in lieu of contributions for the  
21 period to which they relate. Only one audit shall be made of any  
22 employer's records for any given period of time. Upon request the  
23 employing unit shall be furnished a copy of all findings by the secretary or  
24 the secretary's authorized representatives, resulting from such audit. A  
25 special inquiry or special examination made for a specific and limited  
26 purpose shall not be considered to be an audit for the purpose of this  
27 subsection. The secretary may require from any employing unit any sworn  
28 or unsworn reports, with respect to persons employed by it, which the  
29 secretary deems necessary for the effective administration of this act.  
30 Information thus obtained or obtained from any individual pursuant to the  
31 administration of this act shall be held confidential, except to the extent  
32 necessary for the proper presentation of a claim by an employer or  
33 employee under the employment security law, and shall not be published  
34 or be open to public inspection, other than to public officials or the agents  
35 or contractors of a public official in the performance of their official  
36 duties, in any manner revealing the individual's or employing unit's  
37 identity. The secretary may publish or otherwise disclose appeals records  
38 and decisions, and precedential determinations on coverage of employers,  
39 employment and wages, provided all social security numbers have been  
40 removed. Any claimant or employing unit or their representatives at a  
41 hearing before an appeal tribunal or the secretary shall be supplied with  
42 information from such records to the extent necessary for the proper  
43 presentation of the claim. The transcript made at any such benefits hearing

1 shall not be discoverable or admissible in evidence in any other  
2 proceeding, hearing or determination of any kind or nature. In the event of  
3 any appeal of a benefits matter, the transcript shall be sealed by the hearing  
4 officer and shall be available only to any reviewing authority who shall  
5 reseal the transcript after making a review of it. In no event shall such  
6 transcript be deemed a public record. Nothing in this subsection shall be  
7 construed to prohibit disclosure of any information obtained under the  
8 employment security law, including hearing transcripts, upon request of  
9 either of the parties, for the purpose of administering or adjudicating a  
10 claim for benefits under the provisions of any other state program, except  
11 that any party receiving such information shall be prohibited from further  
12 disclosure and shall be subject to the same duty of confidentiality  
13 otherwise imposed by this subsection and shall be subject to the penalties  
14 imposed by this subsection for violations of such duty of confidentiality.  
15 Nothing in this subsection shall be construed to prohibit disclosure of any  
16 information obtained under the employment security law, including  
17 hearing transcripts, for use as evidence in a criminal investigation or in  
18 open court in a criminal prosecution or at an appeal hearing under the  
19 employment security law. Nothing in this subsection shall be construed to  
20 prohibit disclosure of any information obtained under the employment  
21 security law, including hearing transcripts to an agent or contractor of a  
22 public official to whom disclosure is permissible under the employment  
23 security law, except that any party receiving such information shall be  
24 prohibited from further disclosure, except for use in the performance of  
25 such party's official duties, and shall be subject to the same duty of  
26 confidentiality otherwise imposed by this subsection and shall be subject  
27 to the penalties imposed by this subsection for violations of such duty of  
28 confidentiality. Any individual who violates any provisions of this  
29 subsection, shall be fined not less than \$20 nor more than \$200 or  
30 imprisoned for not longer than 90 days, or both. Original records of the  
31 agency and original paid benefit warrants of the state treasurer may be  
32 made available to the employment security agency of any other state or the  
33 federal government to be used as evidence in prosecution of violations of  
34 the employment security law of such state or federal government.  
35 Photostatic copies of such records shall be made and where possible shall  
36 be substituted for original records introduced in evidence and the originals  
37 returned to the agency. Nothing in this subsection shall be construed to  
38 prohibit disclosure otherwise permissible under 20 C.F.R. part 603.5.

39 (f) *Oaths and witnesses.* In the discharge of the duties imposed by the  
40 employment security law, the chairperson of an appeal tribunal, an appeals  
41 referee, the secretary or any duly authorized representative of the secretary  
42 shall have power to administer oaths and affirmations, take depositions,  
43 issue interrogatories, certify to official acts, and issue subpoenas to compel

1 the attendance of witnesses and the production of books, papers,  
2 correspondence, memoranda and other records deemed necessary as  
3 evidence in connection with a disputed claim or the administration of the  
4 employment security law.

5 (g) *Subpoenas, service.* Upon request, service of subpoenas shall be  
6 made by the sheriff of a county within that county, by the sheriff's deputy,  
7 by any other person who is not a party and is not less than 18 years of age  
8 or by some person specially appointed for that purpose by the secretary of  
9 labor or the secretary's designee. A person not a party as described above  
10 or a person specially appointed by the secretary or the secretary's designee  
11 to serve subpoenas may make service any place in the state. The subpoena  
12 shall be served as follows:

13 (1) *Individual.* Service upon an individual, other than a minor or  
14 incapacitated person, shall be made: (A) By delivering a copy of the  
15 subpoena to the individual personally; (B) by leaving a copy at such  
16 individual's dwelling house or usual place of abode with some person of  
17 suitable age and discretion then residing therein; (C) by leaving a copy at  
18 the business establishment of the employer with an officer or employee of  
19 the establishment; (D) by delivering a copy to an agent authorized by  
20 appointment or by law to receive service of process, but if the agent is one  
21 designated by a statute to receive service, such further notice as the statute  
22 requires shall be given; or (E) if service as prescribed above in  
23 subparagraphs (A), (B), (C) or (D) cannot be made with due diligence, by  
24 leaving a copy of the subpoena at the individual's dwelling house, usual  
25 place of abode or usual business establishment, and by mailing a notice by  
26 first class mail to the place that the copy has been left.

27 (2) *Corporations and partnerships.* Service upon a domestic or  
28 foreign corporation or upon a partnership or other unincorporated  
29 association, when by law it may be sued as such, shall be made by  
30 delivering a copy of the subpoena to an officer, partner or resident  
31 managing or general agent thereof, or by leaving the copy at any business  
32 office of the employer with the person having charge thereof or by  
33 delivering a copy to any other agent authorized by appointment or required  
34 by law to receive service of process, if the agent is one authorized by law  
35 to receive service and, if the law so requires, by also mailing a copy to the  
36 employer.

37 (3) *Refusal to accept service.* In all cases when the person to be  
38 served, or an agent authorized by such person to accept service of petitions  
39 and summonses shall refuse to receive copies of the subpoena, the offer of  
40 the duly authorized process server to deliver copies thereof and such  
41 refusal shall be sufficient service of such subpoena.

42 (4) *Proof of service.* (A) Every officer to whom a subpoena or other  
43 process shall be delivered for service within or without the state, shall

1 make return thereof in writing stating the time, place and manner of  
2 service of such writ and shall sign such officer's name to such return.

3 (B) If service of the subpoena is made by a person appointed by the  
4 secretary or the secretary's designee to make service, or any other person  
5 described in subsection (g), such person shall make an affidavit as to the  
6 time, place and manner of service thereof in a form prescribed by the  
7 secretary or the secretary's designee.

8 (5) *Time for return.* The officer or other person receiving a subpoena  
9 shall make a return of service promptly and shall send such return to the  
10 secretary or the secretary's designee in any event within 10 days after the  
11 service is effected. If the subpoena cannot be served it shall be returned to  
12 the secretary or the secretary's designee within 30 days after the date of  
13 issue with a statement of the reason for the failure to serve the same.

14 (h) *Subpoenas, enforcement.* In case of contumacy by or refusal to  
15 obey a subpoena issued to any person, any court of this state within the  
16 jurisdiction of which the inquiry is carried on or within the jurisdiction of  
17 which such person guilty of contumacy or refusal to obey is found, resides  
18 or transacts business, upon application by the secretary or the secretary's  
19 duly authorized representative, shall have jurisdiction to issue to such  
20 person an order requiring such person to appear before the secretary, or the  
21 secretary's duly authorized representative, to produce evidence, if so  
22 ordered, or to give testimony relating to the matter under investigation or  
23 in question. Failure to obey such order of the court may be punished by the  
24 court as a contempt thereof. Any person who, without just cause, shall fail  
25 or refuse to attend and testify or to answer any lawful inquiry or to  
26 produce books, papers, correspondence, memoranda or other records in  
27 obedience to the subpoena of the secretary or the secretary's duly  
28 authorized representative shall be punished by a fine of not less than \$200  
29 or by imprisonment of not longer than 60 days, or both, and each day such  
30 violation continued shall be deemed to be a separate offense.

31 (i) *State federal cooperation.* In the administration of this act, the  
32 secretary shall cooperate to the fullest extent consistent with the provisions  
33 of this act, with the federal security agency, shall make such reports, in  
34 such form and containing such information as the federal security  
35 administrator may from time to time require, and shall comply with such  
36 provisions as the federal security administrator may from time to time find  
37 necessary to assure the correctness and verification of such reports; and  
38 shall comply with the regulations prescribed by the federal security agency  
39 governing the expenditures of such sums as may be allotted and paid to  
40 this state under title III of the social security act for the purpose of  
41 assisting in the administration of this act. Upon request therefor the  
42 secretary shall furnish to any agency of the United States charged with the  
43 administration of public works or assistance through public employment,

1 the name, address, ordinary occupation, and employment status of each  
2 recipient of benefits and such recipient's rights to further benefits under  
3 this act.

4 (j) *Reciprocal arrangements.* The secretary shall participate in  
5 making reciprocal arrangements with appropriate and duly authorized  
6 agencies of other states or of the federal government, or both, whereby:

7 (1) Services performed by an individual for a single employing unit  
8 for which services are customarily performed in more than one state shall  
9 be deemed to be services performed entirely within any one of the states:

10 (A) In which any part of such individual's service is performed; (B) in  
11 which such individual maintains residence; or (C) in which the employing  
12 unit maintains a place of business, provided there is in effect as to such  
13 services, an election, approved by the agency charged with the  
14 administration of such state's unemployment compensation law, pursuant  
15 to which all the services performed by such individual for such employing  
16 units are deemed to be performed entirely within such state;

17 (2) service performed by not more than three individuals, on any  
18 portion of a day but not necessarily simultaneously, for a single employing  
19 unit which customarily operates in more than one state shall be deemed to  
20 be service performed entirely within the state in which such employing  
21 unit maintains the headquarters of its business; provided that there is in  
22 effect, as to such service, an approved election by an employing unit with  
23 the affirmative consent of each such individual, pursuant to which service  
24 performed by such individual for such employing unit is deemed to be  
25 performed entirely within such state;

26 (3) potential rights to benefits accumulated under the employment  
27 compensation laws of one or more states or under one or more such laws  
28 of the federal government, or both, may constitute the basis for the  
29 payments of benefits through a single appropriate agency under terms  
30 which the secretary finds will be fair and reasonable as to all affected  
31 interests and will not result in any substantial loss to the fund;

32 (4) wages or services, upon the basis of which an individual may  
33 become entitled to benefits under an unemployment compensation law of  
34 another state or of the federal government, shall be deemed to be wages  
35 for insured work for the purpose of determining such individual's rights to  
36 benefits under this act, and wages for insured work, on the basis of which  
37 an individual may become entitled to benefits under this act, shall be  
38 deemed to be wages or services on the basis of which unemployment  
39 compensation under such law of another state or of the federal government  
40 is payable, but no such arrangement shall be entered into unless it contains  
41 provisions for reimbursements to the fund for such of the benefits paid  
42 under this act upon the basis of such wages or services, and provisions for  
43 reimbursements from the fund for such of the compensation paid under

1 such other law upon the basis of wages for insured work, as the secretary  
2 finds will be fair and reasonable as to all affected interests; and

3 (5) (A) contributions due under this act with respect to wages for  
4 insured work shall be deemed for the purposes of K.S.A. 44-717, and  
5 amendments thereto, to have been paid to the fund as of the date payment  
6 was made as contributions therefor under another state or federal  
7 unemployment compensation law, but no such arrangement shall be  
8 entered into unless it contains provisions for such reimbursements to the  
9 fund of such contributions and the actual earnings thereon as the secretary  
10 finds will be fair and reasonable as to all affected interests;

11 (B) reimbursements paid from the fund pursuant to subsection (j)(4)  
12 shall be deemed to be benefits for the purpose of K.S.A. 44-704 and 44-  
13 712, and amendments thereto; the secretary is authorized to make to other  
14 state or federal agencies, and to receive from such other state or federal  
15 agencies, reimbursements from or to the fund, in accordance with  
16 arrangements entered into pursuant to the provisions of this section or any  
17 other section of the employment security law;

18 (C) the administration of this act and of other state and federal  
19 unemployment compensation and public employment service laws will be  
20 promoted by cooperation between this state and such other states and the  
21 appropriate federal agencies in exchanging services and in making  
22 available facilities and information; the secretary is therefore authorized to  
23 make such investigations, secure and transmit such information, make  
24 available such services and facilities and exercise such of the other powers  
25 provided herein with respect to the administration of this act as the  
26 secretary deems necessary or appropriate to facilitate the administration of  
27 any such unemployment compensation or public employment service law  
28 and, in like manner, to accept and utilize information, service and facilities  
29 made available to this state by the agency charged with the administration  
30 of any such other unemployment compensation or public employment  
31 service law; and

32 (D) to the extent permissible under the laws and constitution of the  
33 United States, the secretary is authorized to enter into or cooperate in  
34 arrangements whereby facilities and services provided under this act and  
35 facilities and services provided under the unemployment compensation  
36 law of any foreign government may be utilized for the taking of claims and  
37 the payment of benefits under the employment security law of this state or  
38 under a similar law of such government.

39 (k) *Records available.* or emergency employment reserves for  
40 economic downturns; and

41 (5) publish research, forecasts and evaluations related to employment  
42 trends, labor force development and future workforce needs.

43 (e) *Records, audits and confidentiality.* (1) Employers shall retain

1 accurate work records for five years from the due date of contributions.

2 (2) Such records shall be open for inspection and copying by the

3 secretary or the secretary's authorized agents during business hours.

4 (3) The secretary shall limit audits by the secretary to one audit per

5 period per employer, except for targeted special inquiries.

6 (4) The secretary shall provide copies of audit reports or summaries

7 of an audit of an employer at the request of such employer.

8 (5) The secretary may require reports from employers with respect to

9 employment, including sworn or unsworn submissions. Such reports shall

10 be provided by an employer upon the secretary's request.

11 (6) All individual and employer information obtained pursuant to the

12 employment security law shall be confidential, except as otherwise

13 specified, and the confidentiality, disclosure and use of any information

14 obtained or maintained under this act shall comply with section 303(a)(1),

15 (7), and (11) of the federal social security act, and 20 C.F.R. part 603,

16 including the safeguarding of claimant and employer data, interagency

17 agreements and any requirements for use of information in the

18 performance of official duties. Confidential information may be subject to

19 disclosure to the extent necessary for:

20 (A) Proper claim determination;

21 (B) provision to public officials or their agents or contractors in the

22 performance of official duties as defined in K.S.A. 44-703, and

23 amendments thereto. Any disclosure of confidential information to a public

24 official's agent or contractor shall require a written agreement. Such

25 agreement shall specify the agent or contractor's obligation to maintain

26 confidentiality, restrict use of the information solely to the performance of

27 official duties and acknowledge the penalties applicable under subsection

28 (e)(8) and 20 C.F.R. part 603.9 for any unauthorized disclosure or misuse.

29 (C) inclusion as appropriately redacted in records of coverage

30 determinations and appeals;

31 (D) evidence in criminal cases or other authorized legal proceedings;

32 (E) other state or federal unemployment insurance programs for

33 benefit adjudication, provided that all disclosures comply with the

34 confidentiality provisions of any applicable federal law, including 20

35 C.F.R. part 603; and

36 (F) provision of original records, including confidential records, to

37 other states or the federal government for law enforcement purposes or

38 prosecution of unemployment insurance law violations. Copies of such

39 records shall be provided when feasible.

40 (7) Hearing transcripts of any proceedings pursuant to the

41 employment security law involving the discussion or disclosure of

42 confidential information shall not be deemed public records and shall be

43 sealed for purposes of any appeals.

1       (8) Any person who violates the confidentiality provisions of this  
2 section shall be guilty of a unclassified nonperson misdemeanor and  
3 subject to a fine of not less than \$20 nor more than \$200, imprisonment  
4 for up to 90 days or both such fine and imprisonment.

5       (9) This subsection shall be interpreted consistently with 20 C.F.R.  
6 part 603 to maintain compliance with federal law.

7       (f) Oaths, subpoenas and witnesses. (1) The secretary, appeals  
8 referees and designees of the secretary may administer oaths, issue  
9 subpoenas and compel the production of evidence.

10       (2) Subpoenas may be served by sheriffs, qualified persons or  
11 designees of the secretary who are 18 years of age or older.

12       (3) Subpoena service shall follow applicable Kansas civil procedure  
13 rules and require proof of service within 10 days or explanation of failure  
14 of service within 30 days.

15       (4) Refusal to comply with service may be enforced by district courts  
16 and punished as contempt or a fine of at least \$200 or up to 60 days  
17 imprisonment. Each day such noncompliance continues shall constitute a  
18 separate offense.

19       (g) Cooperation with federal agencies. (1) The secretary shall fully  
20 cooperate with federal agencies administering employment programs,  
21 submit required reports and comply with federal rules for title III of the  
22 social security act.

23       (2) Such cooperation shall include the use of modern interstate data  
24 systems, such as the interstate connection network, for secure exchange of  
25 unemployment insurance data. The secretary shall ensure that all requests  
26 for confidential information by federal entities are verified for authorized  
27 purpose and that appropriate safeguards are in place to monitor  
28 compliance in accordance with 20 C.F.R. part 603.

29       (h) Reciprocal arrangements. The secretary may furnish information into  
30 agreements with other states or federal agencies for:

31       (1) Coordinating unemployment insurance coverage across multiple  
32 states based on residence, work location or employer location;

33       (2) recognizing benefit rights and contributions across jurisdictions;

34       (3) facilitating combined wage claims and transfers of benefits and  
35 contributions;

36       (4) enabling benefit payments based on interstate or federal wages;

37       (5) ensuring fair reimbursement of benefits and contributions; and

38       (6) cooperating with foreign governments where permissible  
39 pursuant to applicable federal and state law.

40       (i) Records for federal use. The secretary may furnish unemployment  
41 insurance records to the railroad retirement board; at the such board's  
42 expense of such board, such copies of the records as the railroad retirement  
43 board deems necessary for its purposes.

1       ~~(4)(j) Destruction of records, reproduction and disposition Records~~  
2 ~~management. (1) The secretary may provide for authorize the destruction;~~  
3 ~~reproduction, temporary or permanent or digital retention, and disposition~~  
4 ~~of records, reports and claims in the secretary's possession pursuant to the~~  
5 ~~administration of the employment security law provided that prior to any~~  
6 ~~destruction of such records, reports or claims the secretary shall comply~~  
7 ~~with of unemployment insurance records pursuant to K.S.A. 75-3501~~  
8 ~~through 75-3514, and amendments thereto, 2 C.F.R. § 200.334 and other~~  
9 ~~applicable federal grant retention requirements and relevant guidance~~  
10 ~~from the United States department of labor.~~

11       ~~(m) Federal cooperation. The secretary may afford reasonable~~  
12 ~~cooperation with every agency of the United States charged with~~  
13 ~~administration of any unemployment insurance law.~~

14       ~~(n) The secretary is hereby authorized to fix, charge and collect fees~~  
15 ~~for copies made~~

16       ~~(2) All records retained or maintained by the secretary pursuant to~~  
17 ~~this subsection shall be stored securely in accordance with modern~~  
18 ~~information security standards, including access controls, encryption~~  
19 ~~where appropriate and safeguards against unauthorized disclosure or~~  
20 ~~alteration.~~

21       ~~(k) Fees for public records. When fees are otherwise permitted by~~  
22 ~~law, the secretary may charge reasonable fees for copies of public~~  
23 ~~documents; as defined by K.S.A. 45-217(c), and amendments thereto, by~~  
24 ~~xerographic, thermographic or other photocopying or reproduction~~  
25 ~~process, in order to recover with all or part of the actual costs incurred,~~  
26 ~~including any costs incurred in certifying such copies. All moneys received~~  
27 ~~from fees charged for copies of such documents shall be remitted proceeds~~  
28 ~~credited to the state treasurer in accordance with the provisions of~~  
29 ~~employment security administration fund pursuant to K.S.A. 75-4215, and~~  
30 ~~amendments thereto. Upon receipt of each such remittance, the state~~  
31 ~~treasurer shall deposit the entire amount in the state treasury to the credit~~  
32 ~~of the employment security administration fund. No such fees shall be~~  
33 ~~charged or collected for copies of documents that are made pursuant to a~~  
34 ~~statute which requires such copies to be furnished without expense.~~

35       ~~(o) "Performance of official duties" means the administration or~~  
36 ~~enforcement of law or the execution of the official responsibilities of a~~  
37 ~~federal, state or local official, collection of debts owed to the courts or the~~  
38 ~~enforcement of child support on behalf of a state or local official.~~  
39 ~~Administration of law includes research related to the law administered by~~  
40 ~~the public official. "Performance of official duties" does not include~~  
41 ~~solicitation of contributions or expenditures to or on behalf of a candidate~~  
42 ~~for public or political office or a political party.~~

43       ~~(l) Transparency and public accessibility. (1) The secretary shall:~~

1       (A) Publish a plain-language guide in paper format for public  
2 distribution and on the department's website summarizing the  
3 responsibilities and powers described in this section, including  
4 confidentiality protections, audit practices and federal cooperation  
5 activities; and

6       (B) provide digital access on the department's website to current  
7 rules, guidance documents and intergovernmental agreements executed  
8 pursuant to this section, to the extent such documents are not protected by  
9 confidentiality law; and

10     (2) The secretary may include a summary of activities carried out  
11 pursuant to this section in the department's annual workforce or  
12 administrative report.

13     (m) Rulemaking authority. (1) The secretary may adopt such rules  
14 and regulations as necessary to carry out the provisions of this section,  
15 consistent with applicable state and federal law.

16     (2) The secretary shall adopt rules and regulations to administer and  
17 oversee the registration, compliance and audit of employer-sponsored  
18 supplemental unemployment benefit plans pursuant to section 2, and  
19 amendments thereto. Such rules and regulations shall include procedures  
20 for plan submission, approval, revocation and periodic reporting.

21     Sec. 25. K.S.A. 44-715 is hereby amended to read as follows: 44-715.

22     (a) ~~State employment service.~~ The secretary of labor shall establish and  
23 maintain employment offices in such number and in such places as may be  
24 necessary for the proper administration of this act and for the purposes of  
25 performing such duties as are within the purview of the act of congress  
26 entitled "An act to provide for the establishment of a national employment  
27 system and for cooperation with the states in the promotion of such  
28 system, and for other purposes," approved June 6, 1933 (48 Stat. 113;  
29 U.S.C., title 29, see. 49 (e) as amended). The secretary of labor shall be  
30 charged with the duty of cooperating with any official or agency of the  
31 United States having powers or duties under the provisions of such act of  
32 congress, as amended, and to do and perform all things necessary to secure  
33 to this state the benefits of such act of congress, as amended, in the  
34 promotion and maintenance of a system of employment offices. The  
35 provisions of such act of congress, as amended, are hereby accepted by  
36 this state, in conformity with such act, and this state will observe and  
37 comply with the requirements thereof. The secretary of labor is hereby  
38 designated and constituted the agency of this state for the purpose of such  
39 act. The secretary of labor shall appoint such officers and employees as  
40 may be necessary for the administration of the act of which this section is  
41 amendatory. Such appointments shall be made in accordance with  
42 regulations prescribed by the director of the United States employment  
43 service. The secretary of labor may cooperate with or enter into

1 agreements with the railroad retirement board with respect to the  
2 establishment, maintenance, and use of free employment service facilities.

3 (b) *Financing.* All moneys received by this state under such act of  
4 congress, as amended, shall be paid into the employment security  
5 administration fund, and such moneys are hereby made available to the  
6 secretary of labor to be expended as provided by this section and by such  
7 act of congress. For the purpose of establishing and maintaining free  
8 public employment offices, the secretary is authorized to enter into  
9 agreements with the railroad retirement board, or any other agency of the  
10 United States charged with the administration of an unemployment  
11 compensation law, with any political subdivision of this state or with any  
12 private nonprofit organization, and as a part of any such agreement the  
13 secretary of labor may accept moneys, services, or quarters as a  
14 contribution to the employment service account, and the political  
15 subdivisions of this state are hereby authorized to raise and expend  
16 moneys, services, or quarters as contribution to the employment service  
17 account. (a) *Kansas state employment service.* The secretary shall establish  
18 and maintain a statewide system of free public employment offices in such  
19 number and in such locations as may be necessary for the effective  
20 administration of the employment security law and for purposes consistent  
21 with the Wagner-Peyser act of 1933, as amended, 29 U.S.C. § 49 et seq.  
22 Such offices shall function as part of a national employment system and  
23 provide employment services to job seekers and employers.

24 (1) The department shall serve as the designated state agency for  
25 purposes of carrying out the provisions of the Wagner-Peyser act and the  
26 secretary shall cooperate with the United States department of labor and  
27 any other federal agency authorized to administer employment or  
28 workforce development programs under such act, including its  
29 amendments and related federal guidance.

30 (2) This state accepts the provisions and requirements of the Wagner-  
31 Peyser act, as amended. The secretary shall comply with all terms of such  
32 act necessary to receive and retain federal funding and participate in the  
33 national public employment service system.

34 (3) The secretary may appoint such officers and employees as are  
35 necessary for the administration of the Kansas state employment service.  
36 In making such appointments, the secretary shall comply with personnel  
37 standards and procedures prescribed by the United States employment  
38 service, as required by the applicable federal regulations, to maintain  
39 federal funding and eligibility for participation in the national public  
40 employment service system.

41 (4) (A) The secretary is authorized to collaborate or enter into  
42 agreements with:

43 (i) The railroad retirement board;

1       (ii) any agency of the federal government responsible for  
2       unemployment compensation, reemployment services or workforce  
3       development;

4       (iii) local workforce development boards as defined by the workforce  
5       innovation and opportunity act, 29 U.S.C. § 3102;

6       (iv) political subdivisions of this state; or

7       (v) any nonprofit organization that supports workforce development.

8       (B) Such agreements may address the establishment, maintenance  
9       and operation of employment offices or services, including colocation,  
10      joint programming or resource sharing.

11      (b) *Financing and contributions.* (1) The secretary shall remit federal  
12      moneys received by the state of Kansas pursuant to the Wagner-Peyser  
13      act, as amended, to the state treasurer in accordance with the provisions  
14      of K.S.A. 75-4215, and amendments thereto. Upon receipt of each such  
15      remittance, the state treasurer shall deposit the entire amount in the state  
16      treasury to the credit of the employment security administration fund  
17      pursuant to K.S.A. 44-712, and amendments thereto. Such fund shall be  
18      available to the secretary for expenditures in accordance with the  
19      purposes of this section and applicable federal law. All expenditures from  
20      such fund shall be made upon warrants of the director of accounts and  
21      reports issued pursuant to vouchers approved by the secretary or by a  
22      person or persons designated by the secretary.

23      (2) *To establish, operate and enhance the public employment service,*  
24      the secretary is authorized to:

25       (A) Accept federal funds, property or services;

26       (B) accept moneys, in-kind contributions or facilities from political  
27       subdivisions of this state as contributions to the employment service  
28       account;

29       (C) accept services, space or operational support from nonprofit  
30       organizations or partners; and

31       (D) allocate or match funds, subject to federal or state grant  
32       requirements, for the purpose of service expansion, modernization or  
33       regional workforce planning.

34       (3) *Political subdivisions of this state are hereby authorized to raise*  
35       *and expend moneys or contribute facilities, equipment or personnel in*  
36       *support of the Kansas state employment service and such service's*  
37       *coordination with local economic and workforce development initiatives.*

38       (c) *Accountability and integration.* The secretary shall:

39       (1) Promote coordination of the state employment service with other  
40       labor exchange systems, including electronic labor market information  
41       systems, unemployment insurance claimant services and reemployment  
42       assistance programs;

43       (2) ensure that services delivered under this section are aligned with

1     *the Kansas state workforce development plan and the requirements of the*  
2     *federal workforce innovation and opportunity act;*

3         *(3) monitor the performance of employment offices based on federal*  
4         *and state outcome measures, including placement rates, customer*  
5         *satisfaction and service equity; and*

6         *(4) annually report to the governor and legislature a summary of*  
7         *employment service activities, partnerships, funding and performance*  
8         *benchmarks. Such summary may be integrated into the department's*  
9         *workforce or administrative report.*

10         *(d) Rulemaking authority. The secretary may adopt such rules and*  
11         *regulations as necessary to carry out the provisions of this section and*  
12         *remain in conformity with federal statutes, regulations and grant*  
13         *conditions applicable to the public employment service.*

14         Sec. 26. K.S.A. 44-716 is hereby amended to read as follows: 44-716.  
15         (a) *Special fund.* There is hereby created in the state treasury a special fund  
16         to be known as the employment security administration fund. All moneys  
17         in this fund which are received from the federal government or any agency  
18         thereof, except money received pursuant to subsection (d) of K.S.A. 44-  
19         712, and amendments thereto, shall be expended solely for the purposes  
20         and in the amounts found necessary by the United States secretary of labor  
21         for the proper and efficient administration of this act. The fund shall  
22         consist of all moneys appropriated by this state and all moneys received  
23         from the United States of America, or any agency thereof, including the  
24         federal security agency, the railroad retirement board, and any proceeds  
25         realized from the sale or disposition of any equipment or supplies which  
26         may no longer be necessary for the proper administration of this act, or  
27         from any other source, for such purposes, except that moneys received  
28         from the railroad retirement board or from any other state as compensation  
29         for services or facilities supplied to the board shall be paid into this fund  
30         on the same basis as expenditures are made for such service or facilities  
31         from such fund. All moneys in this fund shall be deposited, administered,  
32         and disbursed, in the same manner and under the same conditions and  
33         requirements as is provided by law for other special funds in the state  
34         treasury. All balances accrued from unpaid or canceled warrants issued  
35         pursuant to this section, notwithstanding the provisions of K.S.A. 10-812,  
36         and amendments thereto, shall remain in the employment security  
37         administration fund, and be disbursed in accordance with the provisions of  
38         this act relating to such account. Notwithstanding any provision of this  
39         section, all money requisitioned and deposited in this fund pursuant to  
40         subsection (d) of K.S.A. 44-712, and amendments thereto, shall remain  
41         part of the employment security administration fund and shall be used only  
42         in accordance with the conditions specified in subsection (d) of K.S.A. 44-  
43         712, and amendments thereto.

1       (b) *Appropriations.* There shall be appropriated to the employment  
2 security administration fund, from any moneys in the state treasury not  
3 otherwise appropriated, the sum necessary to match the amount as may be  
4 provided and granted to this state under the provisions of the act of  
5 congress entitled "an act to provide for the establishment of a national  
6 employment system and for cooperation with states in the promotion of  
7 such system, and for other purposes," approved June 6, 1933 (48 Stat. 113;  
8 U.S.C., title 29, see. 49 (el) as amended). Pursuant to an estimate by the  
9 secretary of labor of the amount of money required during the ensuing  
10 calendar quarter from the sums appropriated, such amount shall be  
11 credited to the administration fund at the beginning of each quarter, and  
12 additional amounts may be credited by special request of the secretary of  
13 labor. The director of accounts and reports is hereby authorized and  
14 directed to draw warrants upon the treasurer of the state for the amounts  
15 appropriated upon vouchers approved by the secretary of labor.

16       (c) *Reimbursement of fund.* This state recognizes its obligation to  
17 replace, and hereby pledges the faith of this state that funds will be  
18 provided in the future, and applied to the replacement of, any moneys  
19 received after July 1, 1941, from the federal security agency under title III  
20 of the social security act, pursuant to the provisions of section 303 (a) 8  
21 and 9 of the social security act, as amended, which the federal security  
22 administrator finds have, because of any action or contingency, been lost  
23 or have been expended for purposes other than, or in amounts in excess of,  
24 those found necessary by the federal security administrator to the proper  
25 administration of this act. Such moneys shall be promptly replaced by  
26 moneys appropriated for such purpose from the general funds of this state  
27 to the employment security administration fund for expenditures as  
28 provided in subsection (a) of this section. The secretary of labor shall  
29 promptly report to the governor, to the legislature, the amount required for  
30 such replacement. In the event that section 303 (a) 8 and 9 of the social  
31 security act is repealed or held inoperative for any reason whatsoever then  
32 this paragraph shall be null and void. (a) *Establishment and purpose.* There  
33 is hereby established in the state treasury a special fund to be known as  
34 the employment security administration fund. The fund shall be used  
35 exclusively for the proper and efficient administration of the employment  
36 security law and in conformity with title III of the federal social security  
37 act, 42 U.S.C. § 501 et seq., the Wagner-Peyser act, 29 U.S.C. § 49 et seq.,  
38 and any other applicable federal or state law.

39       (I) *The fund shall consist of:*  
40       (A) *Moneys appropriated by the state legislature;*  
41       (B) *moneys received from the United States government or any  
42 federal agency, including, but not limited to, the United States department  
43 of labor and the railroad retirement board;*

1       (C) proceeds from the sale, lease or disposal of equipment, property  
2 or supplies no longer necessary for administration;

3       (D) payments received as reimbursement from other states or federal  
4 agencies for services, facilities or staff provided by the department for  
5 unemployment insurance or workforce programs; and

6       (E) any other funds received from public or private sources for the  
7 purpose of administering the employment security law.

8       (2) Except as provided in K.S.A. 44-712(d), and amendments thereto,  
9 all moneys deposited into this fund shall be used solely for purposes and  
10 in amounts determined necessary by the United States secretary of labor  
11 and shall not be transferred, diverted or used for any other purpose.

12       (3) All moneys in this fund shall be deposited, administered and  
13 disbursed in accordance with the provisions applicable to other special  
14 funds in the state treasury, including the provisions of K.S.A. 75-4215, and  
15 amendments thereto.

16       (4) Any balance from unpaid or canceled warrants issued under this  
17 section shall remain in the employment security administration fund and  
18 be used for purposes consistent with this section.

19       (5) Moneys requisitioned and deposited pursuant to K.S.A. 44-  
20 712(d), and amendments thereto, shall remain within the employment  
21 security administration fund and be used exclusively for the purposes  
22 specified in that subsection.

23       (b) Appropriations and fund transfers. (1) Subject to appropriation  
24 acts, moneys shall be appropriated to the employment security  
25 administration fund in such amounts as necessary to match federal grants  
26 received by the state for the administration of public employment services  
27 and unemployment insurance under the social security act and the  
28 Wagner-Peyser act.

29       (2) The secretary shall submit quarterly estimates of required funding  
30 and additional estimates, as needed, to the director of accounts and  
31 reports. Based on such estimates, the director shall draw warrants on the  
32 state treasurer for transfer of moneys to the administration fund. All such  
33 transfers shall be based on vouchers approved by the secretary of labor or  
34 the secretary's designee.

35       (c) Loss or misuse of federal funds; reimbursement obligation. (1)  
36 The state of Kansas pledges to replace any moneys received after July 1,  
37 1941, from the United States government pursuant to title III of the social  
38 security act that are lost or expended for purposes other than those  
39 approved by the United States secretary of labor.

40       (2) In such event, the secretary shall report the amount necessary for  
41 replacement to the governor and the legislature. Subject to appropriation  
42 acts, replacement of such moneys shall be made from the state general  
43 fund to the employment security administration fund.

1       (3) The provisions of this subsection shall remain operative only  
2 while required by federal law. If the federal requirement for  
3 reimbursement is repealed or otherwise becomes inapplicable, the  
4 secretary shall report such event to the governor and the legislature and  
5 no replacement of moneys pursuant to this subsection shall be made.

6       (d) Oversight and transparency. (1) The secretary shall ensure that  
7 all expenditures from the employment security administration fund comply  
8 with federal cost principles and administrative requirements, including  
9 those set forth in 2 C.F.R. part 200 and 20 C.F.R. part 601.

10     (2) The department shall maintain records and internal controls  
11 sufficient to demonstrate that all disbursements support permissible  
12 administrative activities, and shall comply with all audit and reporting  
13 requirements imposed by state and federal authorities.

14     (3) The secretary shall include in the department's annual report to  
15 the governor and the legislature a summary of:

16       (A) Fund balances and sources of revenue;  
17       (B) expenditures by category;  
18       (C) federal grant compliance status; and

19       (D) any corrective actions required by state or federal audits.

20     (4) The secretary may adopt rules and regulations necessary to carry  
21 out the provisions of this section, ensure financial compliance and  
22 facilitate reporting and oversight.

23     Sec. 27. K.S.A. 44-716a is hereby amended to read as follows: 44-  
24 716a. (a) ~~Establishment and purpose.~~ There is hereby ~~created~~ established  
25 in the state treasury a special fund to be known as the special employment  
26 security fund. All interest and penalties collected under the ~~provisions of~~  
27 the Kansas employment security law shall be ~~paid~~ deposited into this fund.  
28 ~~No such moneys fund.~~

29       (1) ~~Moneys in such fund shall not be expended or available for~~  
30 ~~expenditure used in any manner which that would permit their substitution~~  
31 ~~for, or a corresponding result in a reduction in, of federal funds which in~~  
32 ~~the absence of such moneys that would otherwise be available to finance~~  
33 ~~expenditures for the administration of the employment security law.~~  
34 Nothing in this section shall prevent such moneys from being

35       (2) ~~Such fund may be used as a temporary revolving fund, to cover~~  
36 ~~expenditures, necessary and proper under the law, for which~~  
37 ~~administrative costs that are properly chargeable to federal funds that~~  
38 ~~have been duly requested but not yet received, subject to the charging~~  
39 ~~provided that such expenditures are reconciled upon receipt of such~~  
40 ~~expenditures against such federal funds when received.~~

41       (3) ~~Except as otherwise authorized by provided in this section or by~~  
42 ~~appropriations act, the acts, moneys in this fund may shall be used by the~~  
43 ~~secretary of labor only solely for the payment of.~~

1       (A) Costs of administration which are found not to have been  
2 properly and validly chargeable against to federal grants; or other funds,  
3 received for or in the employment security administration fund. In addition  
4 to the other purposes for which expenditures may be made from the  
5 special employment security fund as authorized by this section or by  
6 appropriations act, moneys from this fund may be used to finance  
7 administrative funding sources;

8       (B) activities as deemed necessary by the secretary of labor for to  
9 support the efficient administration of the employment security law;

10      (C) investments in digital modernization or cybersecurity  
11 infrastructure related to the secure operation of activities under or the,  
12 maintenance or modernization of employment security benefit or tax  
13 systems, including, but not limited to, system upgrades, threat mitigation  
14 and digital access improvements; and

15      (D) establishment and use of a limited emergency reserve for  
16 responding to emergent or federally unfunded mandates necessary to  
17 ensure compliance, continuity or system integrity in the administration of  
18 the employment security law, ~~except that (1) no moneys~~.

19       (4) No expenditures shall be used for such purposes authorized under  
20 paragraph (3)(A), (B), (C) or (D) unless:

21       (A) The secretary has determined that determines no other funds are  
22 funding source is available or can be properly used to finance appropriate;  
23 and

24       (B) total expenditures for such purposes, and (2) expenditures  
25 activities during any fiscal year for purposes authorized under this section  
26 shall do not exceed \$110,000 ~~except upon approval of, unless otherwise~~  
27 ~~approved by the state finance council acting on this matter which is hereby~~  
28 ~~characterized as a matter of legislative delegation and subject to the~~  
29 ~~guidelines prescribed by subsection (e) of pursuant to K.S.A. 75-3711c(c),~~  
30 and amendments thereto. ~~No~~

31       (5) All expenditures of pursuant to this fund subsection shall be made  
32 ~~except on~~ require written authorization by the governor and the secretary  
33 of labor.

34       (b) ~~The Administration, oversight and reporting.~~ (1) The director of  
35 accounts and reports is hereby directed to shall draw warrants upon the  
36 state treasurer against the ~~money~~ in the special employment security fund  
37 for the use and purposes authorized under this section upon vouchers;  
38 approved by the secretary of labor; and accompanied by the written  
39 authorization of the governor and the secretary of labor. The  
40 authorizations required by subsection (a)(5).

41       (2) Moneys in ~~this~~ the special employment security fund are hereby  
42 specifically made available shall also be used to replace, within a  
43 reasonable time period, any ~~moneys~~ federal funds received by ~~this~~ the

1 state pursuant to section 302 of the federal social security act, as amended,  
2 which, because of any action or contingency, 42 U.S.C § 502, that have  
3 been lost or have been expended for purposes other than, or in amounts in  
4 excess of, those necessary for the proper administration of the employment  
5 security not permitted under federal law.

6 (3) The moneys in this fund shall be continuously available to the  
7 secretary of labor for expenditure in accordance with the provisions of  
8 purposes authorized by this section and fund moneys shall not lapse at any  
9 time or be transferred to any other fund, except as otherwise authorized  
10 provided in subsection (c) or subsection, (d), (e) or (f).

11 (e)(4) In addition to expenditures authorized by this section, The  
12 secretary shall annually report to the governor and the legislature a  
13 summary of the fund's activity, including the:

14 (A) Total receipts by source and expenditure by category;  
15 (B) timeliness of reimbursement for any revolving expenditures;  
16 (C) status of any digital modernization, cybersecurity or emergency  
17 reserve activities conducted during the reporting period; and  
18 (D) findings or corrective actions from audits or reviews conducted  
19 under state or federal oversight.

20 (c) Authorized transfers – accounting services recovery fund. The  
21 director of accounts and reports may is authorized to transfer funds  
22 moneys from the special employment security fund to the accounting  
23 services recovery fund as provided in accordance with K.S.A. 75-3728b  
24 and K.S.A. 75-6210, and amendments thereto.

25 (d) In addition to expenditures authorized by this section, Authorized  
26 transfers – federal indirect cost offset fund. On July 1 of each year, the  
27 director of accounts and reports is directed and authorized to shall transfer  
28 funds from the special employment security fund to the department of  
29 labor federal indirect cost offset fund on July 1 of each year in the amount  
30 contained in appropriation bills to be expended from the federal indirect  
31 cost offset fund in the amount specified by appropriations for that fiscal  
32 year.

33 (e) In addition to expenditures authorized by this section, Authorized  
34 transfers – employer interest refunds. The director of accounts and reports  
35 is directed and authorized to transfer funds moneys from the special  
36 employment security fund to the clearing account of the employment  
37 security fund to be expended in the payment of pay interest due owed to  
38 employers from due to erroneously collected contributions or benefit cost  
39 payments as provided in subsection (h) of pursuant to K.S.A. 44-717(h),  
40 and amendments thereto.

41 (f) In addition to expenditures authorized by this section, Authorized  
42 transfers – electronic payment fees. the director of accounts and reports is  
43 directed and authorized to transfer funds moneys from the special

1 employment security fund to the clearing account of the employment  
2 security fund to be expended in the payment of *cover* fees assessed for the  
3 electronic payments or credit card payments of contributions, benefit-cost  
4 payments costs or reimbursing payments made by employers in lieu of  
5 contributions from employers.

6 Sec. 28. K.S.A. 2025 Supp. 44-717 is hereby amended to read as  
7 follows: 44-717. (a) (1) *Penalties on past-due reports, interest on past-due*  
8 *contributions, payments in lieu of contributions and benefit cost payments.*  
9 Any employer or any officer or agent of an employer, who fails to file any  
10 wage report or contribution return by the last day of the month following  
11 the close of each calendar quarter to which they are related shall pay a  
12 penalty as provided by this subsection for each month or fraction of a  
13 month until the report or return is received by the secretary of labor. The  
14 penalty for each month or fraction of a month shall be an amount equal to .  
15 05% of the total wages paid by the employer during the quarter, except  
16 that no penalty shall be less than \$25 nor more than \$200 for each such  
17 report or return not timely filed. Contributions and benefit cost payments  
18 unpaid by the last day of the month following the last calendar quarter to  
19 which they are related and payments in lieu of contributions unpaid 30  
20 days after the mailing of the statement of benefit charges, shall bear  
21 interest at the rate of 1% per month or fraction of a month until payment is  
22 received by the secretary of labor. An employing unit that has not  
23 previously been subject to this law and that becomes an employer and does  
24 not refuse to make the reports, returns and contributions, payments in lieu  
25 of contributions and benefit cost payments required under this law, shall  
26 not be liable for such penalty or interest if the wage reports and  
27 contribution returns required are filed and the contributions, payments in  
28 lieu of contributions or benefit cost payments required are paid within 10  
29 days following notification by the secretary of labor that a determination  
30 has been made fixing its status as an employer subject to this law. Upon  
31 written request and good cause shown, the secretary of labor may abate  
32 any penalty or interest or portion thereof provided for by this subsection.  
33 Interest amounting to less than \$5 shall be waived by the secretary of labor  
34 and shall not be collected. Penalties and interest collected pursuant to this  
35 subsection shall be paid into the special employment security fund. For all  
36 purposes under this section, amounts assessed as surcharges under  
37 subsection (j) or under K.S.A. 44-710a, and amendments thereto, shall be  
38 considered to be contributions and shall be subject to penalties and interest  
39 imposed under this section and to collection in the manner provided by  
40 this section. For purposes of this subsection, a wage report, a contribution  
41 return, a contribution, a payment in lieu of contribution or a benefit cost  
42 payment is deemed to be filed or paid as of the date it is placed in the  
43 United States mail.

1       (2) Notices of payment and reporting delinquency to Indian tribes or  
2 their tribal units shall include information that failure to make full payment  
3 within the prescribed time frame:

4           (i) Will cause the Indian tribe to be liable for taxes under FUTA;

5           (ii) will cause the Indian tribe to lose the option to make payments in  
6 lieu of contributions;

7           (iii) could cause the Indian tribe to be excepted from the definition of  
8 employer, as provided in K.S.A. 44-703(h)(3), and amendments thereto,  
9 and services in the employ of the Indian tribe, as provided in K.S.A. 44-  
10 703(i)(3)(E), and amendments thereto, to be excepted from employment.

11       (b) *Collection.* (1) If, after due notice, any employer defaults in  
12 payment of any penalty, contributions, payments in lieu of contributions or  
13 benefit cost payments or interest thereon the amount due may be collected  
14 by civil action in the name of the secretary of labor and the employer  
15 adjudged in default shall pay the cost of such action. Civil actions brought  
16 under this section to collect such contributions, payments in lieu of  
17 contributions or benefit cost payments, penalties or interest thereon from  
18 an employer shall be heard by the district court at the earliest possible date  
19 and shall be entitled to preference upon the calendar of the court over all  
20 other civil actions except petitions for judicial review under this act and  
21 cases arising under the workmen's compensation act. All liability  
22 determinations of contributions due, payments in lieu of contributions or  
23 benefit cost payments due shall be made within a period of five years from  
24 the date such contributions, payments in lieu of contributions or benefit  
25 cost payments were due except such determinations may be made for any  
26 time when an employer has filed fraudulent reports with intent to evade  
27 liability.

28       (2) Any employing unit that is not a resident of this state and  
29 exercises the privilege of having one or more individuals perform service  
30 for it within this state and any resident employing unit that exercises that  
31 privilege and thereafter leaves this state, shall be deemed to have  
32 appointed the secretary of state as its agent and attorney for the acceptance  
33 of process in any civil action under this subsection. In instituting such an  
34 action against any such employing unit the secretary of labor shall cause  
35 such process or notice to be filed with the secretary of state and such  
36 service shall be sufficient service upon such employing unit and shall be of  
37 the same force and validity as if served upon the employing unit  
38 personally within this state. The secretary of labor shall send notice  
39 immediately of the service of such process or notice, together with a copy  
40 thereof, by registered or certified mail, return receipt requested, to such  
41 employing unit at its last known address and such return receipt, the  
42 affidavit of compliance of the secretary of labor with the provisions of this  
43 section and a copy of the notice of service shall be appended to the

1 original of the process filed in the court where such civil action is pending.

2 (3) The district courts of this state shall hear, in the manner provided  
3 in subsections (b)(1) and (b)(2), actions to collect contributions, payments  
4 in lieu of contributions, benefit cost payments and other amounts owed  
5 including interest thereon for which liability has accrued under the  
6 employment security law of any other state or of the federal government.

7 (e) *Priorities under legal dissolutions or distributions.* In the event of  
8 any distribution of employer's assets pursuant to an order of any court  
9 under the laws of this state, including but not limited to any probate  
10 proceeding, interpleader, receivership, assignment for benefit of creditors,  
11 adjudicated insolvency, composition or similar proceedings, contributions  
12 payments in lieu of contributions or benefit cost payments, then or  
13 thereafter due shall be paid in full from the moneys which shall first come  
14 into the estate, prior to all other claims, except claims for wages of not  
15 more than \$250 to each claimant, earned within six months of the  
16 commencement of the proceedings. In the event of an employer's  
17 adjudication in bankruptcy, judicially confirmed extension proposal or  
18 composition under federal bankruptcy law, contributions then or thereafter  
19 due shall be entitled to such priority as is provided by federal bankruptcy  
20 law for taxes due any state of the United States.

21 (d) *Assessments.* If any employer fails to file a report or return  
22 required by the secretary of labor for the determination of contributions,  
23 payments in lieu of contributions, or benefit cost payments, the secretary  
24 of labor may make such reports or returns or cause the same to be made,  
25 on the basis of such information as the secretary may be able to obtain and  
26 shall collect the contributions, payments in lieu of contributions or benefit  
27 cost payments as determined together with any interest due under this act.  
28 The secretary of labor shall immediately forward to the employer a copy  
29 of the assessment by registered or certified mail to the employer's address  
30 as it appears on the records of the agency. Such assessment shall be final  
31 unless the employer protests such assessment and files a corrected report  
32 or return for the period covered by the assessment within 15 days after the  
33 mailing of the copy of assessment. Failure to receive such notice shall not  
34 invalidate the assessment. Notice in writing shall be presumed to have  
35 been given when deposited as certified or registered mail in the United  
36 States mail, addressed to the person to be charged with notice at such  
37 person's address as it appears on the records of the agency.

38 (e) (1) *Lien.* If any employer or person who is liable to pay  
39 contributions, payments in lieu of contributions or benefit cost payments  
40 neglects or refuses to pay the same after demand, the amount, including  
41 interest and penalty, shall be a lien in favor of the state of Kansas,  
42 secretary of labor, upon all property and rights to property, whether real or  
43 personal, belonging to such employer or person. Such lien shall not be

1 valid as against any mortgagee, pledgee, purchaser or judgment creditor  
2 until notice thereof has been filed by the secretary of labor in the office of  
3 register of deeds in any county in the state of Kansas where such property  
4 is located, and when so filed shall be notice to all persons claiming an  
5 interest in the property of the employer or person against whom filed. The  
6 register of deeds shall enter such notices in the financing statement record  
7 and shall also record the same in full in miscellaneous record and index the  
8 same against the name of the delinquent employer. The register of deeds  
9 shall accept, file, and record such notice without prepayment of any fee,  
10 but lawful fees shall be added to the amount of such lien and collected  
11 when satisfaction is presented for entry. Such lien shall be satisfied of  
12 record upon the presentation of a certificate of discharge by the state of  
13 Kansas, secretary of labor. Nothing contained in this subsection shall be  
14 construed as an invalidation of any lien or notice filed in the name of the  
15 unemployment compensation division or the employment security division  
16 and such liens shall be and remain in full force and effect until satisfied as  
17 provided by this subsection.

18 (2) *Authority of secretary or authorized representative.* If any  
19 employer or person who is liable to pay any contributions, payments in  
20 lieu of contributions or benefit cost payments, including interest and  
21 penalty, neglects or refuses to pay the same within 10 days after notice and  
22 demand therefor, the secretary or the secretary's authorized representative  
23 may collect such contributions, payments in lieu of contributions or benefit  
24 cost payments, including interest and penalty, and such further amount as  
25 is sufficient to cover the expenses of the levy, by levy upon all property  
26 and rights to property that belong to the employer or person or that have a  
27 lien created thereon by this subsection for the payment of such  
28 contributions, payments in lieu of contributions or benefit cost payments,  
29 including interest and penalty. As used in this subsection, "property"  
30 includes all real property and personal property, whether tangible or  
31 intangible, except such property that is exempt under K.S.A. 60-2301 et  
32 seq., and amendments thereto. Levy may be made upon the accrued salary  
33 or wages of any officer, employee or elected official of any state or local  
34 governmental entity which is subject to K.S.A. 60-723, and amendments  
35 thereto, by serving a notice of levy as provided in K.S.A. 60-304(d), and  
36 amendments thereto. If the secretary or the secretary's authorized  
37 representative makes a finding that the collection of the amount of such  
38 contributions, payments in lieu of contributions or benefit cost payments,  
39 including interest and penalty, is in jeopardy, notice and demand for  
40 immediate payment of such amount may be made by the secretary or the  
41 secretary's authorized representative. Upon the failure or refusal to pay  
42 such amount, immediate collection of such amount by levy shall be lawful  
43 without regard to the 10-day period provided in this subsection.

1       (3) *Seizure and sale of property.* The authority to levy granted under  
2 this subsection includes the power of seizure by any means. A levy shall  
3 extend only to property possessed and obligations existing at the time  
4 thereof. In any case in which the secretary or the secretary's authorized  
5 representative may levy upon property or rights to property, the secretary  
6 or the secretary's authorized representative may seize and sell such  
7 property or rights to property.

8       (4) *Successive seizures.* Whenever any property or right to property  
9 that has been levied upon under this subsection is not sufficient to satisfy  
10 the claim of the secretary that the levy was made for, the secretary or the  
11 secretary's authorized representative may proceed thereafter and as often  
12 as may be necessary, to levy in the same manner upon any other property  
13 or rights to property that belongs to the employer or person against whom  
14 such claim exists or upon which a lien is created by this subsection until  
15 the amount due from the employer or person, together with all expenses, is  
16 fully paid.

17       (f) *Warrant.* In addition or as an alternative to any other remedy  
18 provided by this section, if no appeal or other proceeding for review  
19 permitted by this law is pending and the time for taking an appeal or other  
20 proceeding for review has expired, the secretary of labor or an authorized  
21 representative of the secretary may issue a warrant certifying the amount  
22 of contributions, payments in lieu of contributions, benefit cost payments,  
23 interest or penalty and the name of the employer liable for such amount  
24 after giving 15 days prior notice. Upon request, service of final notices  
25 shall be made by the sheriff within the sheriff's county, by the sheriff's  
26 deputy or some person specially appointed by the secretary for that  
27 purpose, or by the secretary's designee. A person specially appointed by  
28 the secretary or the secretary's designee to serve final notices may make  
29 service any place in the state. Final notices shall be served as follows:

30       (1) *Individual.* Service upon an individual, other than a minor or  
31 incapacitated person, shall be made by delivering a copy of the final notice  
32 to the individual personally or by leaving a copy at such individual's  
33 dwelling house or usual place of abode with some person of suitable age  
34 and discretion then residing therein, by leaving a copy at the business  
35 establishment of the employer with an officer or employee of the  
36 establishment or by delivering a copy to an agent authorized by  
37 appointment or by law to receive service of process. If the agent is  
38 designated by a statute to receive service, such further notice as the statute  
39 requires shall also be given. If service as prescribed above cannot be made  
40 with due diligence, the secretary or the secretary's designee may order  
41 service to be made by leaving a copy of the final notice at the employer's  
42 dwelling house, usual place of abode or business establishment.

43       (2) *Corporations and partnerships.* Service upon a domestic or

1 foreign corporation or upon a partnership or other unincorporated  
2 association, when by law it may be sued as such, shall be made by  
3 delivering a copy of the final notice to an officer, partner or resident  
4 managing or general agent thereof. Delivery shall be accomplished by  
5 leaving a copy at any business office of the employer with the person  
6 having charge thereof or by delivering a copy to any other agent  
7 authorized by appointment or required by law to receive service of  
8 process, if the agent is one authorized by law to receive service. If the law  
9 so requires, a copy shall be mailed to the employer.

10 (3) *Refusal to accept service.* In all cases when the person to be  
11 served, or an agent authorized by such person to accept service of petitions  
12 and summonses, refuses to receive copies of the final notice, the offer of  
13 the duly authorized process server to deliver copies thereof and such  
14 refusal shall be sufficient service of such notice.

15 (4) *Proof of service.* (A) Every officer to whom a final notice or other  
16 process shall be delivered for service within or without the state, shall  
17 make return thereof in writing stating the time, place and manner of  
18 service and sign such officer's name to such return.

19 (B) If service of the notice is made by a person appointed by the  
20 secretary or the secretary's designee to make service, such person shall  
21 make an affidavit as to the time, place and manner of service thereof in a  
22 form prescribed by the secretary or the secretary's designee.

23 (5) *Time for return.* The officer or other person receiving a final  
24 notice shall make a return of service promptly and shall send such return to  
25 the secretary or the secretary's designee within 10 days after the service is  
26 effected. If the final notice cannot be served it shall be returned to the  
27 secretary or the secretary's designee within 30 days after the date of issue  
28 with a statement of the reason for such failure. The original return shall be  
29 attached to any warrant thereafter filed.

30 (6) *Service by mail.* (A) Upon direction of the secretary or the  
31 secretary's designee, service by mail may be effected by forwarding a copy  
32 of the notice to the employer by registered or certified mail to the  
33 employer's address as it appears on the records of the agency. A copy of  
34 the return receipt shall be attached to any warrant thereafter filed.

35 (B) The secretary of labor or an authorized representative of the  
36 secretary may file the warrant for record in the office of the clerk of the  
37 district court in the county in which the employer owing such  
38 contributions, payments in lieu of contributions, benefit cost payments,  
39 interest or penalty has business property. The warrant shall certify the  
40 amount of contributions, payments in lieu of contributions, benefit cost  
41 payments, interest and penalty due, and the name of the employer liable  
42 for such amount. It shall be the duty of the clerk of the district court to file  
43 such warrant of record and enter the warrant in the records of the district

1 court for judgment and decrees under the procedure prescribed for filing  
2 transcripts of judgment.

3 (C) On the day the warrant is filed, the clerk shall enter the case on  
4 the appearance docket with the amount and the time of filing the warrant.  
5 From the time of filing such warrant, the amount of the contributions,  
6 payments in lieu of contributions, benefit cost payments, interest and  
7 penalty, certified therein, shall have the force and effect of a judgment of  
8 the district court until the same is satisfied by the secretary of labor or an  
9 authorized representative or attorney for the secretary. Execution shall be  
10 issuable at the request of the secretary of labor or an authorized  
11 representative or attorney for the secretary as provided in the case of other  
12 judgments.

13 (D) Postjudgment procedures shall be the same as for judgments  
14 according to the code of civil procedure.

15 (E) Warrants shall be satisfied of record by payment to the clerk of  
16 the district court of the contributions, payments in lieu of contributions,  
17 benefit cost payments, penalty, interest to date and court costs. Warrants  
18 may also be satisfied of record by payment to the clerk of the district court  
19 of all court costs accrued in the case and by filing a certificate by the  
20 secretary of labor, certifying that such contributions, payments in lieu of  
21 contributions, benefit cost payments, interest and penalty have been paid.

22 (g) *Remedies cumulative.* The foregoing remedies shall be cumulative  
23 and no action taken shall be construed as an election on the part of the  
24 state or any of its officers to pursue any remedy or action under this  
25 section to the exclusion of any other remedy or action.

26 (h) *Refunds.* If any individual, governmental entity or organization  
27 makes application for refund or adjustment of any amount paid as  
28 contributions, benefit cost payments or interest under this law and the  
29 secretary of labor determines that such amount or any portion thereof was  
30 erroneously collected, except for amounts less than \$5, the secretary of  
31 labor shall allow such individual or organization to make an adjustment  
32 thereof, in connection with subsequent contribution payments. If such  
33 adjustment cannot be made the secretary of labor shall refund the amount,  
34 except for amounts less than \$5, from the employment security fund,  
35 except that all interest erroneously collected which has been paid into the  
36 special employment security fund shall be refunded out of the special  
37 employment security fund. No adjustment or refund shall be allowed with  
38 respect to a payment as contributions, benefit cost payments or interest  
39 unless an application therefor is made by the individual, governmental  
40 entity or organization or the adjustment or refund is made on the initiative  
41 of the secretary on or before whichever of the following dates is later: (1)  
42 One year from the date on which such payment was made; or (2) three  
43 years from the last day of the period with respect to which such payment

1 was made. The secretary of labor shall not be required to refund any  
2 contributions, payments in lieu of contributions or benefit cost payments  
3 based upon wages paid which have been used as base period wages in a  
4 determination of a claimant's benefit rights when justifiable and correct  
5 payments have been made to the claimant as the result of such  
6 determination. Interest at the rate prescribed in K.S.A. 79-2968, and  
7 amendments thereto, shall be allowed on a contribution or benefit cost  
8 payment which the secretary has determined was erroneously collected  
9 pursuant to this section.

10 (i) (1) *Cash deposit or bond.* If any contributing employer is  
11 delinquent in making payments under the employment security law during  
12 any two quarters of the most recent four quarter period, the secretary or  
13 the secretary's authorized representative may require such contributing  
14 employer either to deposit cash or to file a bond with sufficient sureties to  
15 guarantee the payment of contributions, penalty and interest owed by such  
16 employer.

17 (2) The amount of such cash deposit or bond shall be not less than the  
18 largest total amount of contributions, penalty and interest reported by the  
19 employer in two of the four calendar quarters preceding any delinquency.  
20 Such cash deposit or bond shall be required until the employer has shown  
21 timely filing of such reports and payment of contributions for four  
22 consecutive calendar quarters.

23 (3) Failure to file such cash deposit or bond shall subject the  
24 employer to a surcharge of 2.0% which shall be in addition to the rate of  
25 contributions assigned to the employer under K.S.A. 44-710a, and  
26 amendments thereto. Contributions paid as a result of this surcharge shall  
27 not be credited to the employer's experience rating account. This surcharge  
28 shall be effective during the next full calendar year after its imposition and  
29 during each full calendar year thereafter until the employer has filed the  
30 required cash deposit or bond or has shown timely filing of reports and  
31 payment of contributions for four consecutive calendar quarters.

32 (j) Any officer, major stockholder or other person who has charge of  
33 the affairs of an employer that is an employing unit described in section  
34 501(e)(3) of the federal internal revenue code of 1954 or of an employer  
35 that is any other corporate organization or association, or any member or  
36 manager of a limited liability company or any public official, who  
37 willfully fails to pay the amount of contributions, payments in lieu of  
38 contributions or benefit cost payments required to be paid under the  
39 employment security law on the date on which such amount becomes  
40 delinquent, shall be personally liable for the total amount of such  
41 contributions, payments in lieu of contributions or benefit cost payments  
42 and any penalties and interest due and unpaid by such employing unit. The  
43 secretary or the secretary's authorized representative may assess such

1 person for the total amount of such contributions, payments in lieu of  
2 contributions or benefit cost payments and any penalties and interest  
3 computed as due and owing. With respect to such persons and such  
4 amounts assessed, the secretary may use any of the collection remedies  
5 authorized or provided by this section.

6 (k) *Electronic filing of wage report and contribution return and*  
7 *electronic payment of contributions, benefit cost payments or reimbursing*  
8 *payments.* The following employers or third-party administrators shall file  
9 all wage reports and contribution returns and make payment of  
10 contributions, benefit cost payments or reimbursing payments  
11 electronically as follows:

12 (1) Wage reports, contribution returns and payments due after June  
13 30, 2008, for those employers with 250 or more employees or third-party  
14 administrators with 250 or more client employees at the time such filing or  
15 payment is first due;

16 (2) wage reports, contribution returns and payments due after June  
17 30, 2009, for those employers with 100 or more employees or third-party  
18 administrators with 100 or more client employees at the time such filing or  
19 payment is first due;

20 (3) wage reports, contribution returns and payments due after June  
21 30, 2010, for those employers with 50 or more employees and for those  
22 third-party administrators with 50 or more client employees at the time  
23 such filing or payment is first due; and

24 (4) wage reports, contribution returns and payments due after June  
25 30, 2024, for those employers with 25 or more employees and for those  
26 third-party administrators with 25 or more client employees at the time  
27 such filing or payment is first due.

28 The requirements of this subsection may be waived by the secretary for  
29 an employer if the employer demonstrates a hardship in complying with  
30 this subsection.

31 (a) *Penalties and interest on past-due reports and payments.* (1) Any  
32 employer or officer or agent of an employer who fails to file a required  
33 wage report or contribution return by the last day of the month following  
34 the close of each calendar quarter shall be subject to a penalty of 0.05%  
35 of total wages paid by such employer during such quarter, with a minimum  
36 of \$25 and a maximum of \$200 for each such report or return for each  
37 such month or partial month of delinquency.

38 (2) *Unpaid contributions, benefit cost payments or payments in lieu*  
39 *of contributions shall accrue interest at a rate of 1% per month or fraction*  
40 *thereof until paid.*

41 (3) *New employers and employers with no prior delinquencies shall*  
42 *not be liable for penalties or interest if all required reports or payments*  
43 *are submitted within 10 days of notice to such employers of such required*

1   reports or payments by the secretary.

2   (4) The secretary may abate penalties or interest upon written request  
3 and a showing of good cause by the employer.

4   (5) The secretary shall waive amounts of interest less than \$5. The  
5 secretary may recommend periodic review by the legislature of such  
6 waiver of interest threshold for the purpose of maintaining equity for small  
7 employers and alignment with inflationary changes.

8   (6) The secretary shall remit all penalties and interest collected by  
9 the secretary pursuant to this section to the state treasurer in accordance  
10 with the provisions of K.S.A. 75-4215, and amendments. Upon receipt of  
11 each such remittance, the state treasurer shall deposit the entire amount in  
12 the state treasury to the credit of the special employment security fund  
13 created by K.S.A. 44-716a, and amendments thereto.

14   (7) For the purposes of this section, surcharges pursuant to  
15 subsection (i) or K.S.A. 44-710a, and amendments thereto, shall be treated  
16 as contributions.

17   (8) Wage reports, returns, contributions, payments in lieu of  
18 contribution and benefit cost payments are deemed filed or paid on the  
19 date postmarked or submitted electronically.

20   (b) Notices to Indian tribes. The secretary shall include with  
21 delinquency notices to Indian tribes or tribal units a notification that  
22 continued failure to pay may:

23   (1) Subject the tribe to federal unemployment tax act liability;  
24   (2) disqualify the tribe from electing reimbursement status; or  
25   (3) exclude the tribe from the definition of employer or employment  
26 pursuant to K.S.A. 44-703, and amendments thereto.

27   (c) Collection authority. (1) If any employer defaults in whole or in  
28 part in payment of any penalty, contribution, payment in lieu of  
29 contributions, benefit cost payment or accrued interest following notice of  
30 such payment due, the amount due may be collected by civil action in the  
31 name of the secretary. An employer adjudged in default shall be  
32 responsible for the costs of such action.

33   (A) Proceedings under this subsection shall take precedence over all  
34 other civil matters on the court's docket, except for actions brought  
35 pursuant to K.S.A. 44-709(i), and amendments thereto, and cases arising  
36 under the workers compensation act, K.S.A. 44-501 et seq., and  
37 amendments thereto.

38   (B) (i) Except as provided by clause (ii), the secretary shall only  
39 commence an action against a defendant employer pursuant to this  
40 subsection within five years from the due date of such employer's unpaid  
41 or partially unpaid contribution, payment in lieu of contribution or benefit  
42 cost payment.

43   (ii) the secretary may commence an action pursuant to this

1 subsection at any time against a defendant employer that has filed a  
2 fraudulent report with intent to evade liability for an unpaid or partially  
3 unpaid contribution, payment in lieu of contribution, benefit cost payment  
4 or penalties or interest thereon.

5 (2) (A) Any employing unit that is not a resident of Kansas and  
6 employs individuals to perform services within this state and any resident  
7 employing unit that leaves this state after employing individuals to  
8 perform services within this state shall be deemed to have appointed the  
9 secretary of state as such employing unit's agent for service of process in  
10 any civil action pursuant to this subsection.

11 (B) Personal service may be made upon such an employing unit by  
12 filing process or notice with the secretary of state. Such filing shall  
13 constitute valid and binding service as though such employing unit was  
14 personally served within the state.

15 (C) The secretary of labor shall immediately send a copy of the  
16 service and notice filed with the secretary of state through certified or  
17 registered mail, return receipt requested, to the employing unit's last  
18 known address on record with the department.

19 (3) (A) Proof of service by the secretary to resident employers shall  
20 include:

21 (i) For mail service, the return receipt, the secretary's affidavit of  
22 compliance with this subsection and a copy of the notice of service  
23 appended to the original process filed with the court; and

24 (ii) for electronic service, confirmation of receipt may include a  
25 delivery confirmation, read receipt, recipient acknowledgment or secure  
26 system transmission log, unless the employer provides evidence of failure  
27 that materially impaired such employer's opportunity to respond.

28 (B) Service by certified or registered mail to the employing unit's last  
29 known address of record with the secretary of labor shall be deemed  
30 sufficient notice and valid service, regardless of actual receipt, unless the  
31 employer demonstrates a material error in the address or delivery process  
32 that prejudiced such employer's ability to respond.

33 (4) Kansas district courts shall have jurisdiction to enforce liabilities  
34 accrued under the employment security law and may also enforce  
35 contributions, payments in lieu of contributions, benefit cost payments,  
36 penalties and interest due under comparable laws of other states or the  
37 federal government pursuant to this subsection.

38 (d) Priority in dissolution or distribution proceedings. (1) In any  
39 court-ordered distribution of an employer's assets under the laws of this  
40 state, including probate, receivership, interpleader, assignment for the  
41 benefit of creditors, adjudicated insolvency, composition or similar  
42 proceedings, any unpaid contributions, payments in lieu of contributions  
43 or benefit cost payments that are due or become due, shall be paid in full

1 from the first available funds in the estate. Such obligations shall have  
2 priority over all other claims, except for wage claims of not more than  
3 \$250 per individual for wages earned within six months prior to the  
4 commencement of the proceeding.

5 (2) In the event of an employer's adjudication in bankruptcy or in a  
6 judicially confirmed extension, proposal or composition proceeding under  
7 federal bankruptcy law, contributions due under this act shall receive the  
8 priority afforded to state taxes under applicable federal bankruptcy law.

9 (e) Assessments. (1) If an employer fails to file a report or return  
10 required to determine contributions, payments in lieu of contributions or  
11 benefit cost payments, the secretary may prepare the necessary reports  
12 using available information and assess the resulting amounts due,  
13 including applicable penalties or interest.

14 (2) The secretary shall send a copy of the assessment to the employer  
15 by certified or registered mail to the address on record with the  
16 department. The assessment shall become final unless the employer  
17 protests and submits a corrected report or return for the period in question  
18 within 15 days after the mailing date.

19 (3) The employer's failure to receive the notice shall not invalidate  
20 the assessment. Written notice is presumed given by the secretary when  
21 deposited in the United States mail, properly addressed to the employer  
22 and sent by certified or registered mail.

23 (4) (A) When assessment notices or related communications are  
24 delivered electronically, confirmation of receipt may include:

25 (i) An automated delivery confirmation or read receipt from the  
26 recipient's email or secure account;  
27 (ii) a direct response from the recipient acknowledging receipt; or  
28 (iii) a system-generated log verifying successful transmission to the  
29 employer's designated electronic address.

30 (B) If no confirmation is returned, proof of successful system delivery  
31 shall constitute presumptive notice unless the employer demonstrates a  
32 transmission failure that impaired such employer's ability to respond.

33 (f) Liens and levies. (1) If an employer or liable person neglects or  
34 refuses to pay assessed amounts after demand, the total amount due,  
35 including interest, penalties or expenses, may be imposed by the secretary  
36 as a lien established in favor of the secretary on all real and personal  
37 property and rights to property belonging to such employer or liable  
38 person.

39 (A) Such lien shall become valid upon filing of such lien by the  
40 secretary with the register of deeds in any county where such property is  
41 located.

42 (B) The register of deeds shall record and index such lien without  
43 requiring prepayment of fees by the secretary. Any such fees shall be

1     added to the lien total and collected upon satisfaction of the lien.

2       (C) Such lien shall remain in full force and effect until released by the  
3       secretary by a certificate of discharge.

4       (2) (A) If payment is not made to the secretary by the employer or  
5       liable person within 10 days after notice and demand, the secretary or the  
6       secretary's authorized representative may levy upon any property or rights  
7       to property of the employer or liable person, including any accrued wages  
8       and salaries, to satisfy the total amount due, including interest, penalties  
9       or costs.

10      (B) The levy shall not include property exempt pursuant to K.S.A. 60-  
11     2301 et seq., and amendments thereto.

12      (C) If the secretary determines that immediate collection is necessary  
13     to prevent loss of funds, the 10-day waiting period to levy pursuant to  
14     subparagraph (A) shall not apply.

15      (3) The authority to levy includes seizure and sale of property by any  
16     lawful means. A levy shall only apply to property possessed or obligations  
17     existing at the time of the levy.

18      (4) If the initial levy does not fully satisfy the liability of the total  
19     amount due, the secretary or the secretary's authorized representative may  
20     continue to levy on additional property until the total amount due,  
21     including any interest, penalties or costs, is recovered.

22      (g) Warrants and service of notice. (1) If no appeal or review is  
23     pending and the statutory period for appeal has expired, the secretary or  
24     the secretary's authorized representative may issue a warrant certifying  
25     the total liability amount due, including contributions, payments in lieu of  
26     contributions, benefit cost payments, interest, penalties or costs. At least  
27     15 days' notice shall be given before issuance of such warrant.

28      (2) (A) Notices may be served by:

29       (i) A county sheriff or deputy;  
30       (ii) a person appointed by the secretary; or  
31       (iii) a designee of the secretary.

32      (B) Such appointed person or designee of the secretary may serve  
33     notices anywhere within this state.

34      (3) Service upon individuals shall be made by:

35       (A) Delivering a copy to the individual;  
36       (B) leaving a copy at the individual's dwelling with an adult resident  
37     of such dwelling;

38       (C) leaving a copy at the place of business of the individual or the  
39     individual's employer with an officer or employee of such business or  
40     employer; or

41       (D) delivering a copy to an authorized agent of the individual.

42      (4) Service on corporations, partnerships or unincorporated  
43     associations may be made by:

- 1       (A) Delivering a copy to an officer, partner or managing agent;
- 2       (B) leaving a copy at the business office with an office manager or an
- 3 employee whose duties include receiving hand-delivered mail or courier
- 4 deliveries; or
- 5       (C) delivering a copy to a legally authorized agent;
- 6       (5) If required by law, a copy shall also be mailed in addition to
- 7 hand-delivery as described in paragraphs (3) and (4).
- 8       (6) If the recipient or authorized agent refuses delivery, the attempt
- 9 and refusal shall constitute valid service.
- 10      (7) (A) Officers shall submit a written return with time, place and
- 11 manner of service.
- 12      (B) Appointees or designees of the secretary shall provide an
- 13 affidavit in a form prescribed by the secretary.
- 14      (8) (A) Returns or affidavits of service shall be submitted to the
- 15 secretary within 10 days after the service has been completed.
- 16      (B) If service is unsuccessful, the notice shall be returned within 30
- 17 days with a statement explaining the failure.
- 18      (C) The original return shall be attached to any subsequent warrant.
- 19      (9) When directed by the secretary, service may be completed by
- 20 registered or certified mail to the employer's address of record. A copy of
- 21 the return receipt must be attached to the filed warrant.
- 22      (10) Any electronic service or notification under this section shall be
- 23 consistent with the requirements of the Kansas administrative procedure
- 24 act, including, but not limited to, due process standards set forth in K.S.A.
- 25 77-621, and amendments thereto. Proof of service shall include
- 26 documentation of transmission and confirmation of receipt where
- 27 applicable.
- 28      (A) For the purposes of electronic service or notification,
- 29 "confirmation of receipt" may include, but is not limited to:
- 30       (i) An automated delivery confirmation or read receipt generated by
- 31 the recipient's email or secure portal system;
- 32       (ii) a response or reply from the recipient acknowledging receipt; or
- 33       (iii) a system-generated log or transmission record verifying
- 34 successful delivery to the recipient's designated electronic address.
- 35      (B) In the absence of actual confirmation, transmission logs or
- 36 secure system indicators of completed delivery shall constitute
- 37 presumptive evidence of receipt, unless the employer demonstrates a
- 38 material error or failure in transmission that prejudiced the opportunity to
- 39 respond.
- 40      (11) The secretary may file the warrant with the clerk of the district
- 41 court in any county where the employer has business property. The
- 42 warrant shall state the amount due and the employer's name.
- 43      (A) The clerk shall record the warrant as a judgment, entering the

1     case on the appearance docket with the amount and time of filing.

2         (B) The liability shall become a judgment of the district court upon  
3         such filing and remain enforceable until satisfied.

4         (12) (A) Execution shall be issued at the secretary's request pursuant  
5         to law as applicable to other civil judgments.

6         (B) The Kansas code of civil procedure shall govern post judgment  
7         procedures.

8         (13) Warrants may be satisfied by:

9             (A) Payment of all amounts due and court costs to the district court  
10          clerk; or

11             (B) filing a certificate from the secretary confirming full payment.

12             (h) Refunds and adjustments. (1) If an individual, governmental  
13          entity or organization applies for a refund or adjustment of contributions,  
14          benefit cost payments or interest and the secretary determines the amount  
15          was erroneously collected, the secretary shall authorize:

16                 (A) An adjustment against future contribution payments; or

17                 (B) a refund, except that, subject to subsection (a)(5), the secretary  
18          shall not issue a refund for amounts less than \$5.

19                 (2) Contributions paid as a result of a surcharge under subsection (i)  
20          or K.S.A. 44-710a, and amendments thereto, shall not be eligible for  
21          refund or adjustment unless the surcharge was improperly assessed or the  
22          employer demonstrates the overpayment resulted from administrative  
23          error, rate miscalculation or other error not attributable to the employer.

24                 (3) The secretary shall issue refunds from the:

25                 (A) Employment security fund, if for contributions and benefit cost  
26          payments; or

27                 (B) special employment security fund, if for erroneously collected  
28          interest deposited therein.

29                 (4) The secretary shall not make an adjustment or issue a refund  
30          unless:

31                 (A) The application for such adjustment or refund is made by the  
32          latest date that is:

33                     (i) One year from the payment date; or

34                     (ii) three years from the end of the period to which the payment  
35          applies; or

36                 (B) the secretary initiates such adjustment or refund within such  
37          timeframe.

38                 (5) The secretary shall not refund any amounts based on wages  
39          already applied as base-period wages for a claimant who received  
40          justifiable and accurate benefit payments.

41                 (6) Interest shall be paid on any refunded contributions or benefit  
42          cost payments at the rate set forth in K.S.A. 79-2968, and amendments  
43          thereto.

1       (i) *Security for delinquent employers.* (1) If a contributing employer  
2 is delinquent in two of the most recent four quarters, the secretary of labor  
3 may require the employer to submit a cash deposit or file a surety bond to  
4 guarantee future compliance.

5       (2) The amount of such deposit or bond shall be equal to the  
6 employer's two highest quarters of reported liability in the preceding four  
7 quarters.

8       (3) Such requirement shall remain in effect until the employer  
9 demonstrates timely report filing and payment for four consecutive  
10 quarters.

11       (4) An employer that fails to comply shall be subject to a 2%  
12 surcharge, in addition to the employer's assigned contribution rate. This  
13 surcharge shall:

14           (A) Not be credited to such employer's experience rating account;  
15           (B) take effect the next following calendar year; and  
16           (C) remain in effect until such employer demonstrates compliance for  
17 four consecutive quarters.

18       (j) *Personal liability of responsible parties.* (1) Any officer, major  
19 stockholder, member, manager or responsible party of a corporate  
20 employer, limited liability company, nonprofit organization under 501(c)  
21 (3) or public entity who willfully fails to remit required contributions,  
22 benefit cost payments or reimbursements when due may be held personally  
23 liable for all unpaid amounts, including interest and penalties.

24       (2) The secretary may assess such liabilities and pursue collection  
25 using any remedies authorized by this section.

26       (3) (A) No officer, member, manager or public official shall be held  
27 personally liable under this section if the secretary determines that such  
28 individual:

29           (i) Acted in good faith;  
30           (ii) did not engage in gross negligence or willful misconduct;  
31           (iii) did not directly control or approve the decision leading to the  
32 delinquency; and  
33           (iv) did not knowingly certify, authorize or submit any materially  
34 false wage reports, contribution returns or related filings.

35       (B) The burden of establishing a safe harbor defense with the  
36 secretary pursuant to paragraph (A) shall rest with the individual  
37 asserting such defense.

38       (k) *Electronic filing and payment requirements.* (1) Employers and  
39 third-party administrators with 25 or more employees or client employees  
40 shall electronically file all wage reports and contribution returns and  
41 electronically submit all required payments.

42       (2) The secretary may waive this requirement upon a showing of  
43 undue hardship.

1       *(l) Cumulative remedies.* All remedies available to the secretary  
2 pursuant to this section shall be nonexclusive and may be cumulative.

3       Sec. 29. K.S.A. 44-718 is hereby amended to read as follows: 44-718.

4       (a) *Waiver of rights void.* No agreement by an individual to waive, release  
5 or commute such individual's rights to benefits or any other rights under  
6 this act shall be valid. No agreement by any individual in the employ of  
7 any person or concern to pay all or any portion of an employer's  
8 contribution or payments in lieu of contributions required under this act  
9 from such employer, shall be valid. No employer shall directly or  
10 indirectly make or require or accept any deduction from remuneration to  
11 finance the employer's contributions required from such employer, or  
12 require or accept any waiver of any right hereunder by any individual in  
13 such employer's employ. Any employer or officer or agent of an employer  
14 who violates any provision of this subsection shall, for each offense, be  
15 fined not less than \$100 nor more than \$1,000 or be imprisoned for not  
16 more than six months, or both.

17       (b) *Limitation of fees.* No individual claiming benefits shall be  
18 charged fees of any kind in any proceeding under this act by the secretary  
19 of labor or representatives of the secretary or by any court or any officer  
20 thereof. Any individual claiming benefits in any proceeding before the  
21 secretary of labor or a court may be represented by counsel or other duly  
22 authorized agent, but no such counsel or agents shall either charge or  
23 receive for such services more than an amount approved by the secretary  
24 of labor. Any person who violates any provision of this subsection shall,  
25 for each such offense, be fined not less than \$50 nor more than \$500, or  
26 imprisoned for not more than six months, or both.

27       (c) *No assignment of benefits; exemptions.* No assignment, pledge or  
28 encumbrance of any right to benefits which are or may become due or  
29 payable under this act shall be valid; and such rights to benefits shall be  
30 exempt from levy, except in accordance with section 6331 of the federal  
31 internal revenue code of 1986, and shall be exempt from, execution,  
32 attachment, or any other remedy whatsoever provided for the collection of  
33 debt; and benefits received by an individual, so long as they are not  
34 mingled with other funds of the recipient, shall be exempt from any  
35 remedy whatsoever for the collection of all debts except debts incurred for  
36 necessities furnished to such individual or such individual's spouse or  
37 dependents during the time when such individual was unemployed. No  
38 waiver of any exemption provided for in this subsection shall be valid.

39       (d) *Support exception.* (1) An individual filing a new claim for  
40 unemployment compensation shall, at the time of filing such claim,  
41 disclose whether or not the individual owes support obligations as defined  
42 under paragraph (7). If any such individual discloses that such individual  
43 owes support obligations, and is determined to be eligible for

1 unemployment compensation, the secretary shall notify the state or local  
2 support enforcement agency enforcing such obligation that the individual  
3 has been determined to be eligible for unemployment compensation.

4 (2) The secretary shall deduct and withhold from any unemployment  
5 compensation payable to an individual that owes support obligations as  
6 defined under paragraph (7):

7 (A) The amount specified by the individual to the secretary to be  
8 deducted and withheld under this subsection, if neither (B) nor (C) is  
9 applicable; or

10 (B) the amount, if any, determined pursuant to an agreement  
11 submitted to the secretary under section 454(20)(B)(i) of the social  
12 security act by the state or local support enforcement agency, unless  
13 subparagraph (C) is applicable; or

14 (C) any amount otherwise required to be so deducted and withheld  
15 from such unemployment compensation pursuant to legal process (as that  
16 term is defined in section 459(i)(5) of the social security act) properly  
17 served upon the secretary.

18 (3) Any amount deducted and withheld under paragraph (2) shall be  
19 paid by the secretary to the appropriate state or local support enforcement  
20 agency.

21 (4) Any amount deducted and withheld under paragraph (2) shall for  
22 all purposes be treated as if it were paid to the individual as unemployment  
23 compensation and paid by such individual to the state or local support  
24 enforcement agency in satisfaction of the individual's support obligations.

25 (5) For purposes of paragraphs (1) through (4), "unemployment  
26 compensation" means any compensation payable under the employment  
27 security law after application of the recoupment provisions of subsection  
28 (d) of K.S.A. 44-719, and amendments thereto, (including amounts  
29 payable by the secretary pursuant to an agreement under any federal law  
30 providing for compensation, assistance or allowances with respect to  
31 unemployment).

32 (6) This subsection applies only if appropriate arrangements have  
33 been made for reimbursement by the state or local support enforcement  
34 agency for the administrative costs incurred by the secretary under this  
35 section which are attributable to support obligations being enforced by the  
36 state or local support enforcement agency.

37 (7) For the purposes of this subsection, "support obligations" means  
38 only those obligations which are being enforced pursuant to a plan  
39 described in section 454 of the federal social security act which has been  
40 approved by the secretary of health and human services under part D of  
41 title IV of the federal social security act.

42 (8) For the purposes of this subsection, "state or local support  
43 enforcement agency" means any agency of this state or a political

1 subdivision thereof operating pursuant to a plan described in paragraph  
2 (7).

3 (e) (1) An individual filing a new claim for unemployment  
4 compensation shall, at the time of filing such claim, be advised that:

5 (A) Unemployment compensation is subject to federal, state and local  
6 income tax;

7 (B) requirements exist pertaining to estimated tax payments;

8 (C) the individual may elect to have federal income tax deducted and  
9 withheld from the individual's payment of unemployment compensation at  
10 the amount specified in the federal internal revenue code;

11 (D) the individual may elect to have state income tax deducted and  
12 withheld at the rate of 3.5% from the individual's payment of  
13 unemployment compensation; and

14 (E) the individual shall be permitted to change a previously elected  
15 withholding status.

16 (2) Amounts deducted and withheld from unemployment  
17 compensation shall remain in the unemployment fund until transferred to  
18 the federal or state taxing authority as a payment of income tax.

19 (3) The secretary shall follow all procedures specified by the United  
20 States department of labor and the federal internal revenue service  
21 pertaining to the deducting and withholding of income tax.

22 (4) Amounts shall be deducted and withheld under this section only  
23 after amounts are deducted and withheld for any overpayments of  
24 unemployment compensation, child support obligations, food stamp  
25 overissuances or any other amounts required to be deducted and withheld  
26 under this act.

27 (f) (1) An individual filing a new claim for unemployment  
28 compensation at the time of filing such claim, shall disclose whether or not  
29 such individual owes an uncollected overissuance (as defined in section  
30 13(e)(1) of the Food Stamp Act of 1977) of food stamp coupons. The  
31 secretary shall notify the state food stamp agency enforcing such  
32 obligation of any individual who discloses that such individual owes an  
33 uncollected overissuance of food stamps and who is determined to be  
34 eligible for unemployment compensation.

35 (2) The secretary shall deduct and withhold from any unemployment  
36 compensation payable to an individual who owes an uncollected  
37 overissuance:

38 (A) The amount specified by the individual to the secretary to be  
39 deducted and withheld under this clause;

40 (B) the amount (if any) determined pursuant to an agreement  
41 submitted to the state food stamp agency under section 13(e)(3)(A) of the  
42 Food Stamp Act of 1977; or

43 (C) any amount otherwise required to be deducted and withheld from

1      ~~unemployment compensation pursuant to section 13(e)(3)(B) of such act.~~

2      ~~(3) Any amount deducted and withheld under this section shall be~~  
3      ~~paid by the secretary to the appropriate state food stamp agency.~~

4      ~~(4) Any amount deducted and withheld under subsection (b) shall for~~  
5      ~~all purposes be treated as if it were paid to the individual as unemployment~~  
6      ~~compensation and paid by such individual to the state food stamp agency~~  
7      ~~as repayment of the individual's uncollected overissuance.~~

8      ~~(5) For purposes of this section, the term "unemployment~~  
9      ~~compensation" means any compensation payable under this act including~~  
10      ~~amounts payable by the secretary pursuant to an agreement under any~~  
11      ~~federal law providing for compensation, assistance, or allowances with~~  
12      ~~respect to unemployment.~~

13      ~~(6) This section applies only if arrangements have been made for~~  
14      ~~reimbursement by the state food stamp agency for the administrative costs~~  
15      ~~incurred by the secretary under this section which are attributable to the~~  
16      ~~repayment of uncollected overissuances to the state food stamp agency.~~(a)

17      *Waiver of rights prohibited.* (1) *Any agreement by an individual to waive,*  
18      *release or commute rights to unemployment compensation or any other*  
19      *entitlement under the employment security law shall be null and void.*

20      (2) *Any agreement requiring an individual to pay all or any portion*  
21      *of an employer's contributions or payments in lieu of contributions*  
22      *pursuant to the employment security law shall be null and void.*

23      (3) *Employers shall not directly or indirectly take deductions from*  
24      *employee wages with the intent of funding employer obligations pursuant*  
25      *to the employment security law, or require or accept any waiver of rights*  
26      *granted by the employment security law to an employee or claimant by*  
27      *such employee or claimant.*

28      (4) *Any employer or officer or agent of an employer who violates this*  
29      *subsection shall be guilty of an unclassified nonperson misdemeanor and:*

30      (A) *If a first offense, shall be subject to a fine of not less than \$100*  
31      *nor more than \$1,000, imprisonment for up to six months or both such fine*  
32      *and imprisonment; or*

33      (B) *if a second or subsequent offense, shall be subject to a fine of not*  
34      *less than \$500 nor more than \$5000, imprisonment for up to one year or*  
35      *both such fine and imprisonment.*

36      (b) *Limitation on fees.* (1) *No individual claiming benefits shall be*  
37      *charged a fee in any proceeding pursuant to the employment security law*  
38      *by the secretary, the secretary's representatives or a court.*

39      (2) *Claimants may be represented by legal counsel or an authorized*  
40      *agent, but no such counsel or agent shall charge or accept compensation*  
41      *for such services in an amount greater than that approved in writing by*  
42      *the secretary. The secretary shall adopt rules and regulations for the*  
43      *purpose of establishing a schedule of acceptable compensation for such*

1 representation and publish such schedule on the official website of the  
2 department.

3 (3) Any person who violates any provision of this subsection shall be  
4 guilty of an unclassified nonperson misdemeanor and subject to a fine of  
5 not less than \$50 nor more than \$500, imprisonment for up to six months  
6 or both such fine and imprisonment.

7 (4) Nothing in this section shall prohibit representation by a  
8 nonprofit legal aid organization or pro bono counsel authorized under  
9 applicable law.

10 (5) Legal counsel and authorized agents representing a claimant  
11 shall adhere to rules and regulations governing such representation that  
12 may be adopted by the secretary. With respect to legal counsel, any such  
13 rules and regulations shall be in addition to and, in the event of any  
14 conflict, subordinate to any rule of professional conduct or rule of the  
15 Kansas supreme court governing the conduct of attorneys.

16 (c) Assignment and exemptions. (1) Rights to unemployment benefits  
17 are not assignable and shall not be pledged or encumbered.

18 (2) Such rights are exempt from levy, execution, attachment or debt  
19 collection remedies, except for federal taxes as authorized by 26 U.S.C. §  
20 6331.

21 (3) Benefits that are not comingled with other funds shall be exempt  
22 from collection, except for debts incurred for necessities provided to a  
23 claimant or such claimant's dependents during periods of unemployment.

24 (4) No waiver of rights or exemptions pursuant to this subsection  
25 shall be valid.

26 (5) For the purposes of this subsection, "necessities" shall include  
27 essential medical, housing or subsistence expenses and be construed in  
28 accordance with relevant Kansas law.

29 (d) Child support withholding. (1) At the time of filing a new claim,  
30 claimants shall disclose whether they owe child support obligations as  
31 defined in paragraph (7).

32 (2) If the secretary determines such claimant is eligible for  
33 unemployment benefits, the secretary shall notify the appropriate state or  
34 local child support enforcement agency.

35 (3) The secretary shall withhold from unemployment benefits the  
36 amount:

37 (A) Required pursuant to legal process, as defined in 42 U.S.C. §  
38 659(i)(5), that is properly served upon the secretary;

39 (B) if subparagraph (A) is not applicable, as specified in an  
40 agreement submitted under 42 U.S.C. § 654(20)(B)(i) that is properly  
41 served upon the secretary; or

42 (C) if subparagraphs (A) and (B) are not applicable, as specified by  
43 the claimant.

1       (4) *The secretary shall pay the amounts withheld to the appropriate  
2 agency administering or enforcing such child support obligations. Such  
3 payments shall be treated as if paid directly by the claimant in satisfaction  
4 of the claimant's obligations.*

5       (5) *The secretary shall adopt rules and regulations for the purpose of  
6 establishing procedures to ensure timely notification to enforcement  
7 agencies and consistent application of withholding obligations in  
8 accordance with applicable federal and state law, including deadlines for  
9 notice and remittance.*

10     (6) *The agency administering or enforcing child support obligations  
11 shall reimburse the secretary for administrative costs incurred by the  
12 secretary in implementing this subsection. The secretary and such agency  
13 may enter into a memorandum of understanding for the purpose of  
14 governing implementation of this section and reimbursement to the  
15 secretary of such administrative costs.*

16     (7) *As used in this subsection:*

17       (A) *"Support obligations" means obligations enforced under a state  
18 plan approved under title IV-D of the federal social security act; and*

19       (B) *"unemployment compensation" includes all payments under the  
20 employment security law and federal unemployment programs, after  
21 recoupment pursuant to K.S.A. 44-719(d), and amendments thereto.*

22     (e) *Income tax withholding.* (1) *The secretary shall advise claimants  
23 that:*

24       (A) *Unemployment benefits are subject to federal, state and local  
25 income taxes;*

26       (B) *estimated tax payment requirements may apply;*

27       (C) *claimants may elect federal withholding at the rate specified by  
28 the internal revenue service;*

29       (D) *claimants may elect Kansas state income tax withholding at  
30 3.5%; and*

31       (E) *claimants may change withholding elections at any time, in  
32 accordance with procedures as established by the secretary.*

33     (2) *The secretary shall:*

34       (A) *Adopt rules and regulations for the purpose of establishing  
35 procedures for withholding of federal, state and local income taxes as  
36 requested by claimants;*

37       (B) *document withholding elections by claimants and the withholding  
38 of unemployment benefits utilizing methods consistent with guidance by  
39 the internal revenue service and the United States department of labor;*

40       (C) *retain withheld taxes in the employment security fund until  
41 remitted to the appropriate taxing authority and ensure proper remittance  
42 of such taxes; and*

43       (D) *comply with internal revenue service and United States*

1     *department of labor procedures regarding tax withholding.*

2         (3) *As permitted by federal law, tax withholding by the secretary*  
3 *pursuant to this section shall occur after any withholding of*  
4 *unemployment benefits for child support, overpayments of unemployment*  
5 *benefits, overissuances of supplemental nutrition assistance program*  
6 *benefits or other required deductions.*

7         (f) *Supplemental nutrition assistance program overissuance recovery.*

8         (1) *Claimants shall disclose any uncollected overissuances of*  
9 *supplemental nutrition assistance program benefits, as defined in 7 U.S.C.*  
10 *§ 2022(c)(1), at the time of filing a new claim.*

11         (2) *If the secretary determines that such claimant is eligible for*  
12 *unemployment compensation, the secretary shall notify the state food*  
13 *assistance agency.*

14         (3) *The secretary shall deduct and withhold from unemployment*  
15 *benefits the amount of supplemental nutrition assistance program*  
16 *overissuance:*

17             (A) *Required by legal process pursuant to 7 U.S.C. § 2022(c)(3)(B)*  
18 *that has been properly served upon the secretary;*

19             (B) *if subparagraph (A) is not applicable, as specified pursuant to a*  
20 *written agreement submitted pursuant to 7 U.S.C. § 2022(c)(3)(A); or*

21             (C) *if subparagraph (A) and (B) are not applicable, as specified by*  
22 *the claimant.*

23         (4) *The secretary shall submit benefits withheld pursuant to this*  
24 *subsection to the state food assistance agency. Such payments shall be*  
25 *considered as paid directly by the claimant.*

26         (5) *The state food assistance agency shall reimburse the secretary for*  
27 *administrative costs incurred by the secretary in implementing this*  
28 *subsection. The secretary and such agency may enter into a memorandum*  
29 *of understanding for the purpose of governing implementation of this*  
30 *section and reimbursement to the secretary of such administrative costs.*

31         (6) *The secretary shall administer withholding for overissuance*  
32 *recovery pursuant to this subsection in a manner that avoids undue*  
33 *financial hardship to claimants, including by, when permitted by law,*  
34 *withholding amounts less than the maximum withholding limitations*  
35 *established under federal law.*

36         (7) *As used in this subsection:*

37             (A) *"State food assistance agency" means the state agency*  
38 *responsible for overissuance recovery of supplemental nutrition assistance*  
39 *program benefits pursuant to 7 U.S.C. § 2022; and*

40             (B) *"unemployment compensation" includes all benefits under this*  
41 *act and related federal programs.*

42         Sec. 30. K.S.A. 44-719 is hereby amended to read as follows: 44-719.

43         (a) ~~(1) Except as provided in subsection (a)(2), any person who makes a~~

1       false statement or representation knowing it to be false or knowingly fails  
2       to disclose a material fact, to obtain or increase any benefit or other  
3       payment under this act, either for such person or for any other person, shall  
4       be guilty of theft and shall be punished in accordance with the provisions  
5       of K.S.A. 21-5801, and amendments thereto.

6       (2) Any violation of subsection (a)(1) shall be a severity level 5,  
7       nonperson felony if such person:

8           (A) Had no basis to obtain or increase any benefit or other payment  
9       under this act because the person failed to engage in employment as  
10       defined in K.S.A. 44-703, and amendments thereto, and failed to perform  
11       any services for wages within this state not within the meaning of  
12       employment as defined in K.S.A. 44-703, and amendments thereto;

13           (B) knowingly made the false statement or representation in such a  
14       manner that such statement or representation purports to have been made  
15       by another person, either real or fictitious, and if a real person without the  
16       authority of such person; and

17           (C) communicated or caused to be communicated a false statement or  
18       representation on three or more occasions within a 30 day period that  
19       purported to be from different other persons, as provided by paragraph (2)  
20       (B), to the department of labor.

21       (b) Any employing unit or any officer or agent for any employing  
22       unit or any other person who makes a false statement or representation  
23       knowing it to be false, or who knowingly fails to disclose a material fact,  
24       to prevent or reduce the payment of benefits to any individual entitled  
25       thereto, or to avoid becoming or remaining subject thereto or to avoid or  
26       reduce any contribution or other payment required from an employing unit  
27       under this act, or who willfully fails or refuses to make any such  
28       contributions or other payment or to furnish any reports required  
29       hereunder or to produce or permit the inspection or copying of records as  
30       required hereunder, shall be punished by a fine of not less than \$20 nor  
31       more than \$200, or by imprisonment for not longer than 60 days, or both  
32       such fine and imprisonment. Each such false statement or representation or  
33       failure to disclose a material fact and each day of such failure or refusal  
34       shall constitute a separate offense.

35       (c) Any person who willfully violates any provision of this act or any  
36       rule and regulation adopted by the secretary hereunder, the violation of  
37       which is made unlawful or the observance of which is required under the  
38       terms of this act, and for which a penalty is neither prescribed herein or  
39       provided by any other applicable statute, shall be punished by a fine of not  
40       less than \$20 nor more than \$200, or by imprisonment for not longer than  
41       60 days, or by both such fine and imprisonment, and each day such  
42       violation continues shall be deemed to be a separate offense.

43       (d) (1) Any person who has received any amount of money as

1 benefits under this act while any conditions for the receipt of benefits  
2 imposed by this act were not fulfilled in such person's case, or while such  
3 person was disqualified from receiving benefits, shall in the discretion of  
4 the secretary, either be liable to have such amount of money deducted from  
5 any future benefits payable to such person under this act or shall be liable  
6 to repay to the secretary for the employment security fund an amount of  
7 money equal to the amount so received by such person. After a period of  
8 five years, the secretary may waive the collection of any such amount of  
9 money when the secretary has determined that the payment of such  
10 amount of money was not due to fraud, misrepresentation, or willful  
11 nondisclosure on the part of the person receiving such amount of money,  
12 and the collection thereof would be against equity or would cause extreme  
13 hardship with regard to such person. The collection of benefit  
14 overpayments which were made in the absence of fraud, misrepresentation  
15 or willful nondisclosure of required information on the part of the person  
16 who received such overpayments, may be waived by the secretary at any  
17 time if such person met all eligibility requirements of the employment  
18 security law during the weeks in which the overpayments were made.

19 (2) Any benefit erroneously paid which is not repaid shall bear  
20 interest at the rate of 1.5% per month or fraction of a month. If the benefit  
21 was received as a result of fraud, misrepresentation or willful  
22 nondisclosure of required information, interest shall accrue from the date  
23 of the final determination of overpayment until repayment plus interest is  
24 received by the secretary. If the overpayment was without fraud,  
25 misrepresentation or willful nondisclosure of required information, interest  
26 shall accrue upon any balance which remains unpaid two years after the  
27 final determination of overpayment is made and shall continue until  
28 payment plus accrued interest is received by the secretary. Interest  
29 collected pursuant to this section shall be paid into the special employment  
30 security fund, except that interest collected on federal administrative  
31 programs shall be returned to the federal government. Upon written  
32 request and for good cause shown, the secretary may abate any interest or  
33 portion thereof provided for by this subsection (d)(2). Interest accrued may  
34 not be paid by money deducted from any future benefits payable to such  
35 persons liable for any overpayment.

36 (3) Unless collection is waived by the secretary, any such amount  
37 shall be collectible in the manner provided in K.S.A. 44-717, and  
38 amendments thereto, for the collection of past due contributions. The  
39 courts of this state shall in like manner entertain actions to collect amounts  
40 of money erroneously paid as benefits, or unlawfully obtained, for which  
41 liability has accrued under the employment security law of any other state  
42 or of the federal government.

43 (4) In cases involving the collection of debts arising from the

1 employment security law, the actual amount received from the United  
2 States department of treasury under the treasury offset program or its  
3 successor shall be credited to the overpayment and any fee charged by the  
4 department of treasury shall be borne by the debtor.

5 (e) Any employer or person who willfully fails or refuses to pay  
6 contributions, payments in lieu of contributions or benefit cost payments  
7 or attempts in any manner to evade or defeat any such contributions,  
8 payments in lieu of contributions or benefit cost payments or the payment  
9 thereof, shall be liable for the payment of such contributions, payments in  
10 lieu of contributions or benefit cost payments and, in addition to any other  
11 penalties provided by law, shall be liable to pay a penalty equal to the total  
12 amount of the contributions, payments in lieu of contributions or benefit  
13 cost payments evaded or not paid.

14 (f) (1) It shall be unlawful for an employing unit to knowingly obtain  
15 or attempt to obtain a reduced liability for contributions under K.S.A. 44-  
16 710a(b)(1), and amendments thereto, through manipulation of the  
17 employer's workforce, or for an employing unit that is not an employing  
18 unit at the time it acquires the trade or business, to knowingly obtain or  
19 attempt to obtain a reduced liability for contributions under K.S.A. 44-  
20 710a(b)(5), and amendments thereto, or any other provision of K.S.A. 44-  
21 710a, and amendments thereto, related to determining the assignment of a  
22 contribution rate, when the sole or primary purpose of the business  
23 acquisition was for the purpose of obtaining a lower rate of contributions,  
24 or for a person to knowingly advise an employing unit in such a way that  
25 results in such a violation, such employing unit or person shall be subject  
26 to the following penalties:

27 (A) If the person is an employer, then such employer shall be  
28 assigned the highest rate assignable under K.S.A. 44-710a, and  
29 amendments thereto, for the rate year during which such violation or  
30 attempted violation occurred and the three rate years immediately  
31 following this rate year. However, if the employer's business is already at  
32 such highest rate for any year, or if the amount of increase in the  
33 employer's rate would be less than 2% for such year, then a penalty rate of  
34 contributions of 2% of taxable wages shall be imposed for such year. Any  
35 moneys resulting from the difference of the computed rate and the penalty  
36 rate shall be remitted to the state treasurer in accordance with the  
37 provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of  
38 each such remittance, the state treasurer shall deposit the entire amount in  
39 the state treasury to the credit of the special employment security fund.

40 (B) If the person is not an employer, such person shall be subject to a  
41 civil money penalty of not more than \$5,000. All fines assessed and  
42 collected under this section shall be remitted to the state treasurer in  
43 accordance with the provisions of K.S.A. 75-4215, and amendments

1 thereto. Upon receipt of each such remittance, the state treasurer shall  
2 deposit the entire amount in the state treasury to the credit of the special  
3 employment security fund.

4 (2) For purposes of this subsection, the term "knowingly" means  
5 having actual knowledge of or acting with deliberate ignorance or reckless  
6 disregard for the prohibition involved.

7 (3) For purposes of this subsection, the term "violates or attempts to  
8 violate" includes, but is not limited to, any intent to evade,  
9 misrepresentation or willful nondisclosure.

10 (4) (A) In addition to, or in lieu of, any civil penalty imposed by  
11 paragraph (1) if, the director of employment security or a special assistant  
12 attorney general assigned to the department of labor, has probable cause to  
13 believe that a violation of this subsection (f) should be prosecuted as a  
14 crime, a copy of any order, all investigative reports and any evidence in the  
15 possession of the division of employment security which relates to such  
16 violation, may be forwarded to the prosecuting attorney in the county in  
17 which the act or any of the acts were performed which constitute a  
18 violation of this subsection (f). Any case which a county or district  
19 attorney fails to prosecute within 90 days shall be returned promptly to the  
20 director of employment security. The special assistant attorney general  
21 assigned to the Kansas department of labor shall then notify the attorney  
22 general and if, in the opinion of the attorney general, the acts or practices  
23 involved warrant prosecution, the attorney general shall prosecute the case.

24 (B) Violation of this subsection (f) shall be a level 9, nonperson  
25 felony.

26 (5) The secretary shall establish procedures to identify the transfer or  
27 acquisition of a business for purposes of this section.

28 (6) For purposes of subsection (f):

29 (A) "Person" has the meaning given such term by section 7701(a)(1)  
30 of the internal revenue code of 1986;

31 (B) "trade or business" shall include the employer's workforce; and

32 (C) the provisions of K.S.A. 21-5211 and 21-5212, and amendments  
33 thereto, shall apply.

34 (7) This subsection (f) shall be interpreted and applied in such a  
35 manner as to meet the minimum requirements contained in any guidance  
36 or regulation issued by the United States department of labor. (a)  
37 Fraudulent claims for benefits. (1) Any individual who, with intent to  
38 obtain or increase unemployment benefits pursuant to the employment  
39 security law for himself or another, knowingly makes a false statement,  
40 misrepresents a fact or fails to disclose a material fact shall be guilty of  
41 theft and penalized in accordance with K.S.A. 21-5801, and amendments  
42 thereto.

43 (2) Such violation shall constitute a severity level 5, nonperson felony

1     *if the individual:*

2         (A) *Had no employment as defined in K.S.A. 44-703, and*  
3 *amendments thereto, during the claim period, and performed no services*  
4 *for wages;*

5         (B) *Knowingly impersonated or falsely represented another person,*  
6 *real or fictitious, without authorization; and*

7         (C) *Transmitted three or more false claims within a 30-day period,*  
8 *each purporting to originate from a different person as described in*  
9 *subparagraph (B).*

10         (b) *Employer fraud or misrepresentation.* (1) *Any employer, officer,*  
11 *agent or individual who knowingly makes a false statement, fails to*  
12 *disclose a material fact or misrepresents a material fact to avoid benefit*  
13 *charges, contributions or employer status pursuant to the employment*  
14 *security law shall be guilty of a class B misdemeanor, subject to a fine of*  
15 *up to \$1,000 or imprisonment for not more than six months, or both.*

16         (2) *Each false statement, material omission or day of continued*  
17 *violation shall constitute a separate offense. The secretary may adopt*  
18 *rules and regulations to establish a graduated penalty schedule for repeat*  
19 *or egregious violations.*

20         (c) *General violations without specific penalty.* (1) *Any person*  
21 *willfully violating the provisions of the employment security law or the*  
22 *rules and regulations adopted by the secretary, if no penalty is otherwise*  
23 *specified, shall be guilty of a misdemeanor and subject to:*

24             (A) *A fine not less than \$20 nor more than \$200;*

25             (B) *imprisonment for up to 60 days; or*

26             (C) *both such fine and imprisonment.*

27         (2) *Each day of a continuing violation shall constitute a separate*  
28 *offense.*

29         (d) *Recovery and repayment of improper benefits.* (1) *If a person*  
30 *received benefits under the employment security law when disqualified for*  
31 *such benefits or when eligibility requirements for such benefits were not*  
32 *met, the secretary may:*

33             (A) *Deduct the overpaid amount from such person's future benefits;*  
34 *or*

35             (B) *require repayment of the overpaid amount by such person to the*  
36 *employment security fund.*

37         (2) *The secretary may waive such repayment or a portion of such*  
38 *repayment if:*

39             (A) *Five years have passed since the final determination of such*  
40 *overpayment;*

41             (B) *no fraud, misrepresentation or willful nondisclosure by such*  
42 *person has occurred; and*

43             (C) *recovery would cause undue hardship or offend equity principles.*

1       (3) The secretary may authorize repayment through an installment  
2 plan for overpayments not due to fraud if such an arrangement would  
3 mitigate financial hardship and facilitate recovery. The secretary shall  
4 adopt rules and regulations to establish the terms of such repayment  
5 agreements.

6       (4) The secretary may waive overpayments not due to fraud at any  
7 time if the claimant met all eligibility criteria during the affected weeks.

8       (5) (A) Interest on overpayments shall:  
9           (i) Be 1.5% per month or portion thereof;

10           (ii) for overpayments due to fraud, begin to accrue on the date of the  
11 final determination;

12           (iii) for overpayment due to fraud, begin to accrue two years after the  
13 date of the final determination; and

14           (iv) for overpayments not due to fraud, total accrued interest shall  
15 not exceed 50% of the original overpaid amount, unless an exception for  
16 extraordinary circumstances is authorized pursuant to rules and  
17 regulations adopted by the secretary; and

18           (B) accrued interest shall not be deducted from future benefits.

19       (6) The secretary may abate accrued interest upon written request for  
20 good cause shown.

21       (7) The secretary may recover unpaid benefits pursuant to the  
22 provisions of K.S.A. 44-717, and amendments thereto.

23       (8) The secretary may bring an action in any Kansas court of  
24 competent jurisdiction to enforce recovery of benefits improperly obtained  
25 pursuant to the employment security law or improperly obtained benefits  
26 owed to other states or the federal government.

27       (9) Treasury offset program collections shall be applied to a  
28 claimant's overpayment balance. Federal processing fees shall be the  
29 responsibility of such claimant.

30       (10) (A) If a claimant or employer voluntarily self-reports an  
31 overpayment, erroneous claim or misclassification prior to audit or  
32 enforcement action, the secretary may reduce or waive applicable  
33 penalties or interest, subject to the provisions of subparagraph (B).

34           (B) If the secretary subsequently establishes fraud or willful  
35 misrepresentation has occurred with respect to such overpayment,  
36 erroneous claim or misclassification, the secretary shall reimpose such  
37 applicable penalties or interest.

38       (11) For the purposes of this subsection, "final determination" means  
39 the date on which a written notice of overpayment is issued by the  
40 secretary and becomes final, either through exhaustion or expiration of all  
41 administrative appeals.

42       (e) Employer failure to pay or evade contributions. Any employer or  
43 individual who willfully fails to pay or attempts to evade required

1 contributions, payments in lieu of contributions or benefit cost payments  
2 shall be:

3 (1) Liable for full payment of the amount owed; and  
4 (2) assessed a penalty equal to such amount.

5 (f) Employer rate manipulation and fraudulent transfers. (1) It shall  
6 be unlawful for any employing unit to knowingly manipulate its workforce,  
7 acquire a business or fail to report the acquisition, transfer or merger of a  
8 business, including the workforce of such business, with the intent or effect  
9 of obtaining a reduced contribution rate pursuant to K.S.A. 44-710a, and  
10 amendments thereto.

11 (2) It shall be unlawful for any person to knowingly advise, assist or  
12 facilitate such conduct.

13 (g) Penalties. (1) An employing unit that violates the provisions of  
14 subparagraph (1)(A) shall be assigned:

15 (A) The maximum contribution rate for the current and subsequent  
16 three rate years; or

17 (B) a flat 2% penalty rate, if such employing unit is already at the  
18 maximum contribution rate or an increase from such employer's  
19 contribution rate to the maximum contribution rate would be less than 2%.

20 (2) A person who is not an employing unit who violates the provisions  
21 of subparagraph (1)(B) shall be subject to a civil penalty of up to \$5000.

22 (3) Penalty payments shall be credited to the special employment  
23 security fund.

24 (h) Definitions. For the purposes of this subsection:

25 (1) "Employing unit" means the same as defined in K.S.A. 44-703,  
26 and amendments thereto;

27 (2) "knowingly" means having actual knowledge or acting with  
28 deliberate ignorance or reckless disregard;

29 (3) "person" means an individual, trust, estate, partnership,  
30 association, company or corporation; and

31 (4) "business" includes the employing unit's workforce.

32 (i) Prosecution. (1) If the director of employment security or the  
33 special assistant attorney general assigned to the department of labor  
34 determines that there is probable cause that a violation of this subsection  
35 has occurred, the director or special assistant attorney general may refer  
36 the case to the county prosecutor with jurisdiction.

37 (2) If such county prosecutor does not initiate prosecution of such  
38 case within 90 days, the case shall be returned to the director of  
39 employment security or the special assistant attorney general and shall be  
40 referred to the attorney general for prosecution. Upon such referral, the  
41 attorney general or the attorney general's designee shall prosecute the  
42 case.

43 (3) A violation of this subsection shall constitute a level 9, nonperson

1       felony.

2       (4) The secretary shall adopt rules and regulations for the purpose of  
3       establishing procedures to identify and investigate contribution rate  
4       manipulation.

5       (5) K.S.A. 21-5211 and 21-5212, and amendments thereto, pertaining  
6       to criminal liability of corporations and individuals, shall apply to  
7       violations of this section.

8       (6) This section shall be interpreted in conformity with guidance and  
9       regulations issued by the United States department of labor to ensure  
10      federal compliance of the employment security law.

11      Sec. 31. K.S.A. 44-720 is hereby amended to read as follows: 44-720.

12      (a) ~~In Civil actions.~~ (1) In any civil action involving proceeding arising  
13       pursuant to the provisions of ~~this act~~ the employment security law, the  
14       secretary of labor and the state:

15       (A) May be represented by ~~any qualified~~ an attorney employed by the  
16       secretary who is ~~an employee of the secretary of labor and designated~~  
17       authorized in writing by the secretary ~~for this purpose to represent the~~  
18       secretary and the state in accordance with K.S.A. 75-704, and ~~at the~~  
19       secretary's amendments thereto; or

20       (B) upon request by the secretary and as provided by law, shall be  
21       represented by the attorney general; or the attorney general's designee.

22       (2) If the action is ~~brought filed in another state, representation may~~  
23       be by any attorney authorized to practice in the courts of ~~any other state~~  
24       ~~by any attorney qualified to appear in the courts of that state such~~  
25       jurisdiction.

26       (b) ~~In Criminal actions.~~ (1) The attorney general shall prosecute all  
27       criminal actions for any criminal violation of any provision of ~~this act, the~~  
28       employment security law or of any rules or regulations issued pursuant  
29       thereto, shall be prosecuted by the attorney general of the state; or, at the  
30       secretary's adopted thereunder; or

31       (2) upon request ~~and under the~~ by the secretary and pursuant to the  
32       secretary's direction, ~~by~~ the district attorney or county attorney ~~of any in~~  
33       the county ~~in which the offense was committed in which such criminal~~  
34       violation occurred shall prosecute such criminal action.

35       (c) Interstate and federal enforcement. The secretary may cooperate  
36       with out-of-state and federal prosecutors in pursuing a violation of the  
37       employment security law that involves fraud in multiple jurisdictions,  
38       overpayments or employer misconduct, subject to applicable state and  
39       federal law.

40      Sec. 32. K.S.A. 44-721 is hereby amended to read as follows: 44-721.  
41       Benefits shall be deemed to be due and payable under ~~this act only to the~~  
42       extent provided in ~~this act and to the extent that moneys are available~~  
43       therefor to the credit of the employment security fund and neither the state

1    ~~nor the secretary of labor shall be liable for any amount in excess of such~~  
2    ~~sums: (a) Limitation on benefit obligations. Unemployment benefits shall~~  
3    ~~be considered due and payable under the employment security law only as~~  
4    ~~expressly authorized by such law and to the extent that funds are available~~  
5    ~~to the credit of the employment security fund established pursuant to~~  
6    ~~K.S.A. 44-712, and amendments thereto.~~

7    (b) *No general fund liability. Neither the state of Kansas nor the*  
8    *secretary shall be liable for the payment of any benefits in excess of the*  
9    *moneys available in the employment security fund.*

10    (c) *No vested right beyond available funds. Claimants shall not have*  
11    *a vested right or legal claim to any amount of benefits beyond the amounts*  
12    *payable from available funds credited to the employment security fund at*  
13    *the time such benefits become due.*

14    (d) *Federal and state law conformity. This section shall be*  
15    *interpreted and applied in conformity with K.S.A. 44-712 and 44-714, and*  
16    *amendments thereto, 42 U.S.C. § 503(a)(5) and any regulations*  
17    *promulgated by the United States department of labor to ensure continued*  
18    *federal certification of the state's unemployment insurance program.*

19    Sec. 33. K.S.A. 44-722 is hereby amended to read as follows: 44-722.  
20    ~~The legislature reserves the right to amend or repeal all or any part of this~~  
21    ~~act at any time; and there shall be no vested private right of any kind~~  
22    ~~against such amendment or repeal. All the rights, privileges, or immunities~~  
23    ~~conferred by this act or by acts done pursuant thereto shall exist subject to~~  
24    ~~the power of the legislature to amend or repeal this act at any time.~~ (a) *No*  
25    *individual, entity or organization shall acquire a vested private right,*  
26    *entitlement or interest that limits or restricts the legislature's authority to*  
27    *amend or repeal the employment security law, in whole or in part.*

28    (b) *All rights, benefits, privileges or immunities pursuant to the*  
29    *employment security law or arising from actions taken pursuant to such*  
30    *law shall remain subject to the legislature's continuing authority to amend*  
31    *or repeal such law.*

32    (c) *This section shall be construed in accordance with the Kansas*  
33    *constitution and applicable judicial precedent recognizing the legislature's*  
34    *authority over statutory entitlements.*

35    Sec. 34. K.S.A. 44-723 is hereby amended to read as follows: 44-723.  
36    ~~If the tax imposed by title IX of the federal social security act (Public No.~~  
37    ~~271, seventy-fourth congress, approved August 14, 1935)\*, or by any~~  
38    ~~amendments thereto, or any other federal tax against which contributions~~  
39    ~~under this act may be credited has been repealed by congress or has been~~  
40    ~~held unconstitutional by the United States supreme court, the payment of~~  
41    ~~contributions and benefits under this act shall cease, and any unobligated~~  
42    ~~funds in the state employment security fund and in the United States~~  
43    ~~unemployment trust fund returned by the treasurer of the United States~~

1 because title IX\* of the social security act is inoperative, shall be refunded  
2 to contributors in proportion to their contributions: (a) Federal tax  
3 dependency. The operation of the employment security law shall be  
4 contingent upon the existence of a federal unemployment tax, including,  
5 but not limited to, the tax imposed under title IX of the federal social  
6 security act, 42 U.S.C. § 1101 et seq., as amended, or any other federal  
7 tax against which contributions made pursuant to the employment security  
8 law may be credited.

9 (b) Termination of state program. If such federal tax is repealed by  
10 the United States congress or declared unconstitutional by the United  
11 States supreme court, the obligation to pay unemployment insurance  
12 contributions and benefits pursuant to the employment security law shall  
13 be suspended immediately.

14 (c) Disposition of unobligated funds. In the event of such federal  
15 repeal or invalidation as described in subsection (b) and to the extent that  
16 unobligated funds from the employment security fund or amounts returned  
17 from the federal unemployment trust fund are made available to the state:

18 (1) Such funds shall be refunded to contributing employers in  
19 proportion to such employers' prior contributions; and

20 (2) the secretary shall establish by rules and regulations the  
21 procedures and timeline for issuing refunds, consistent with federal  
22 guidance.

23 (d) Preservation of state authority. Nothing in this section shall be  
24 construed to prohibit the Kansas legislature from establishing an  
25 alternative unemployment benefit program or financing mechanism if the  
26 federal-state system, including, but not limited to, the existence of a  
27 federal unemployment tax, is modified or discontinued.

28 (e) Conformity and implementation. This section shall be interpreted  
29 and applied by the secretary in conformity with federal law and  
30 regulations issued by the United States department of labor, including any  
31 applicable guidance under the social security act or the federal  
32 unemployment tax act, to ensure proper administration of refunds and  
33 continued eligibility for federal unemployment program certification.

34 Sec. 35. K.S.A. 44-724 is hereby amended to read as follows: 44-724.  
35 (a) Severability. If any provision of this act, or the employment security  
36 law or its application thereof to any person or circumstance, is held found  
37 to be invalid, the remainder by a court of this act and competent  
38 jurisdiction, such invalidity shall not affect the validity of the remaining  
39 provisions or their application of such provision to other persons or  
40 circumstances shall not be affected thereby. No caption of any section or  
41 set of sections.

42 (b) Captions not controlling. Section headings and captions used in  
43 the employment security law are for reference and organizational

1 *purposes only and shall in any way not be construed to affect the meaning,*  
2 ~~interpretation of this act or any part thereof or application of any provision~~  
3 ~~of the employment security law.~~

4 Sec. 36. K.S.A. 44-725 is hereby amended to read as follows: 44-725.  
5 *(a) Any contributions and payments in lieu of contributions paid by the an*  
6 ~~employer pursuant to the employment security law shall be deductible in~~  
7 ~~arriving at computing the employer's taxable income of such employer~~  
8 ~~under pursuant to the Kansas income tax laws of the state of Kansas; act.~~

9 *(b) Such deductions shall apply to the same extent as taxes are*  
10 ~~deductible during any taxable year by any such employer.~~

11 *(c) This section shall be construed in accordance with the Kansas*  
12 *income tax act.*

13 Sec. 37. K.S.A. 44-727 is hereby amended to read as follows: 44-727.

14 *(a) Authority to acquire title. The state of Kansas is hereby authorized to*  
15 ~~receive may acquire and accept title to real property which may be~~  
16 ~~acquired under rental purchase obtained through rental-purchase~~  
17 ~~agreements executed or to be executed by the secretary in of labor for~~  
18 ~~purposes related to the administration of the employment security law.~~

19 *(b) Funding source and appropriations. Such property shall may be*  
20 ~~acquired without appropriation by the state of Kansas and legislature if the~~  
21 ~~purchase cost thereof shall be defrayed is fully funded by federal funds~~  
22 ~~made available allocated for the administration of the employment security~~  
23 ~~law. Sufficieney of title to any property acquired hereunder shall be~~  
24 ~~approved by the attorney general~~

25 *(c) Title review and conveyance. Prior to such acquisition of such*  
26 ~~property and conveyance to the state by general warranty deed to, the state~~  
27 ~~attorney general shall review and approve the sufficiency of Kansas. Any~~  
28 ~~title.~~

29 *(d) Use and occupancy. Property acquired under authority hereof*  
30 ~~pursuant to this section shall be utilized used primarily for the~~  
31 ~~administration of the employment security law by the secretary of labor.~~  
32 ~~After acquisition. Once acquired, such property may be occupied used for~~  
33 ~~administration of the employment security law at no such administrative~~  
34 ~~purposes without cost to the state other than routine maintenance.~~

35 *(e) Federal and state compliance. All acquisitions, use and*  
36 ~~disposition of property pursuant to this section shall comply with~~  
37 ~~applicable:~~

38 *(1) Federal funding and property management requirements,*  
39 ~~including requirements set forth in 2 C.F.R. part 200 or, upon review by~~  
40 ~~the secretary, any successor requirements;~~

41 *(2) state procurement and real property management laws; and*

42 *(3) federal property disposition requirements in effect at the time of*  
43 ~~any disposition, upon review of such requirements by the secretary.~~

1        Sec. 38. K.S.A. 2025 Supp. 44-757 is hereby amended to read as  
2 follows: 44-757. *Shared work unemployment compensation program.* (a)  
3 *Definitions.* As used in this section:

4        (1) "Affected unit" means a ~~specified~~ department, shift or other ~~unit~~  
5 ~~group~~ of two or more employees ~~that is~~ designated by an employer to  
6 participate in a shared work plan.

7        (2) "Fringe benefit" ~~means includes employer-provided benefits, such~~  
8 ~~as health insurance, a retirement benefit received under a pension plan, a~~  
9 ~~contributions, paid vacation day, a paid holiday, holidays, sick leave, and~~  
10 ~~any other analogous employee benefit that is provided by an employer and~~  
11 ~~similar benefits.~~

12       (3) "Fund" ~~has the meaning ascribed thereto by~~ means the same as  
13 defined in K.S.A. 44-703(k), and amendments thereto.

14       (4) "Normal weekly hours of work" means the lesser of 40 hours or  
15 the average obtained by dividing the total number of hours worked per  
16 week during the preceding ~~twelve-week 12-week period by the number 12.~~

17       (5) "Participating employee" means an employee ~~who works a~~  
18 ~~working reduced number of hours under a~~ ~~an employer-initiated~~ shared  
19 ~~work plan initiated by their employer and approved by the secretary.~~

20       (6) "Participating employer" means an employer ~~who has applied to~~  
21 ~~and been with an approved by the secretary for a~~ shared work plan ~~that is~~  
22 ~~in effect.~~

23       (7) "Secretary" means the secretary of labor or the secretary's  
24 designee.

25       (8) "Shared work benefit" means ~~an~~ ~~a prorated unemployment~~  
26 ~~compensation benefit that is payable paid to an individual employee in an~~  
27 ~~affected unit because the individual works with reduced hours under an~~  
28 ~~approved shared work plan.~~

29       (9) "Shared work plan" means a *written proposal submitted by an*  
30 *employer and approved by the secretary pursuant to this section outlining*  
31 *a temporary reduction in work hours as part of the state's short-term*  
32 *compensation program established in subsection (b).*

33       (10) "Short-term compensation program" means a shared work ~~plan~~  
34 ~~program designed to provide an alternative to avoid layoffs for employers~~  
35 ~~experiencing a reduction in available work. A "short-term compensation~~  
36 ~~program" preserves employees' jobs and an employer's trained workforce~~  
37 ~~during times of lowered economic activity by allowing an employer~~  
38 ~~employers to reduce employee hours of work for while employees rather~~  
39 ~~than laying off some employees while others continue to work full time.~~  
40 ~~Under a "short-term compensation program," employees experiencing a~~  
41 ~~reduction in hours are allowed to collect a pro-rata share of their~~  
42 ~~unemployment compensation benefits to replace a portion of the~~  
43 ~~employee's lost wages receive partial unemployment benefits.~~

1       (b) *Program establishment.* The secretary shall establish administer a  
2 voluntary short-term compensation program as provided by this section.  
3 The secretary may adopt rules and regulations and establish procedures as  
4 necessary to administer implement the short-term compensation program  
5 provisions of this section.

6       (c) *Program promotion.* The secretary shall create and manage  
7 implement an annual promotional outreach campaign for the short-term  
8 compensation program to encourage and improve business increase  
9 employer awareness and participation. The promotional At a minimum, the  
10 campaign shall include the following elements:

11       (A)(1) Engagement in proactive educational  
12 communicationsCollaboration with other state agencies and stakeholders;  
13 including the governor's office, legislators such as state agencies,  
14 workforce investment boards, labor unions and local, regional business  
15 associations;

16       (2) a designated liaison or state chambers of commerce support team  
17 for employer inquiries;

18       (B) a dedicated department of labor employee or team to efficiently  
19 and timely answer employer's questions about the short-term  
20 compensation program;

21       (C)(3) presentationstandardized educational materials that provide  
22 consistency of messaging about the benefits of using a short-term  
23 compensation program to provide for stakeholders for distribution to  
24 employer groups, workforce investment boards or other interested parties  
25 and employers;

26       (D)(4) proactive engagement with employers experiencing facing  
27 economic stress or layoffs to share the benefits of the short-term  
28 compensation program and to ensure such employers are aware of the  
29 program hardship; and

30       (E)(5) an automated processes for application, claims and weekly  
31 certification process for participating employers designed to facilitate  
32 participation, to reduce an employer's administrative burden and promote  
33 the use of the short-term compensation program.

34       (d) An employer who wishesEmployer application and  
35 responsibilities. To participate in the short-term compensation program  
36 must program, an employer shall meet the requirements of paragraphs (1)  
37 through (5), as determined by the secretary, and submit a written shared  
38 work plan to the secretary for the secretary's approval. As a condition for  
39 approval, a participating employer must agree to furnish the secretary with  
40 reports relating to the operation of the shared work plan as requested by  
41 the secretary. The employer shall monitor and evaluate the operation of the  
42 established shared work plan as requested by the secretary and shall report  
43 the findings to the secretary. that meets the requirements of subsection (e).

1     *The secretary shall determine whether the employer:*

2         (e) The secretary may approve a shared work plan if:

3             (1) The shared work plan applies to and identifies a specific affected  
4             unit;

5             (2) the employees in the affected unit are identified by name and  
6             social security number;

7             (3) the shared work plan reduces the normal weekly hours of work  
8             for an employee, including regular part-time employees, in the affected  
9             unit by not less than 10% and not more than 50%;

10             (4) the shared work plan applies to at least 10% of the employees in  
11             the affected unit;

12             (5) the shared work plan describes the manner that the participating  
13             employer treats the fringe benefits of each employee in the affected unit  
14             and the employer certifies that if the employer provides health benefits and  
15             retirement benefits under a defined benefit plan, as defined in 26 U.S.C. §  
16             414(j), or contributions under a defined contribution plan, as defined in 26  
17             U.S.C. § 414(i), to any employee whose workweek is reduced under the  
18             program that such benefits will continue to be provided to employees  
19             participating in the short-term compensation program under the same  
20             terms and conditions as though the workweek of such employee had not  
21             been reduced or to the same extent as other employees not participating in  
22             the short-term compensation program;

23             (6) the employer certifies that the implementation of a shared work  
24             plan and the resulting reduction in work hours is in lieu of layoffs that  
25             would affect at least 10% of the employees in the affected unit and that  
26             would result in an equivalent reduction in work hours;

27             (7)(1) the employer has filed *is current on* all reports required *reports*  
28             and payments pursuant to be filed under the employment security law for  
29             all past and current periods and has paid all contributions, benefit cost  
30             payments, or if a reimbursing employer has made all payments in lieu of  
31             contributions due for all past and current periods;

32             (8)(A)(2) if a contributing employer ~~must be~~ is eligible for a rate  
33             computation under pursuant to K.S.A. 44-710a(a)(2)(c), and amendments  
34             thereto, and the contributing employer, as determined by the secretary,  
35             does not adversely impact the state's eligibility under. In addition, if  
36             section 2108 of the federal coronavirus aid, relief and economic security  
37             (CARES) act, public law 116-136, is in effect, the employer will not  
38             adversely impact the state's conformity or eligibility for federal funds  
39             under such act by participating in the program;

40             (B)(3) if a contributing employer with a negative account balance as  
41             defined in K.S.A. 44-703, and amendments thereto, and section 2108 of the  
42             federal CARES act, public law 116-136, is no longer in effect, a  
43             contributing employer eligible for a rate computation under K.S.A. 44-

1   710(a)(2), and amendments thereto, that is a negative account employer as  
2   defined by K.S.A. 44-710a(d), and amendments thereto, may only be  
3   approved for a shared work application if the negative account employer's  
4   *has improved the employer's most recent calculated reserve ratio—has*  
5   *improved from as compared to the previous reporting year's reserve ratio;*  
6   ~~(C)~~(4) if a-rated governmental employer—must be subject to  
7   *experience rating, is eligible for a rate computation—under pursuant to*  
8   *K.S.A. 44-710d(g), and amendments thereto; and*  
9   ~~(D)~~(5) *has agreed to:*  
10   (A) *Provide reports on plan operation as required by the secretary;*  
11   *and*  
12   (B) *monitor, evaluate and report on program effectiveness as directed*  
13   *by the secretary.*  
14   (e) *Plan approval requirements. A shared work plan submitted to the*  
15   *secretary by an employer who meets the requirements of subsection (d)*  
16   *may be approved by the secretary if the plan:*  
17    (1) *Identifies a specific affected unit;*  
18    (2) *lists participating employees by name and social security*  
19   *number;*  
20    (3) *reduces normal weekly hours by 10% to 50% for each employee,*  
21   *including any part-time employee;*  
22    (4) *covers at least 10% of the affected unit;*  
23    (5) *maintains health and retirement benefits at prereduction levels or*  
24   *provides benefits that are equal to those offered to similarly situated full-*  
25   *time employees not participating in the shared work plan;*  
26    (6) *is in lieu of layoffs that would affect at least 10% of such unit;*  
27    (7) *complies with all applicable contribution, rating and federal*  
28   *conformity provisions;*  
29    (8) *provides that eligible employees may participate, as appropriate,*  
30   *in training programs that enhance job skills, including without limitation,*  
31   *but not limited to, employer-sponsored training or worker training and*  
32   *workforce development programs funded under the workforce investment*  
33   *act of 1998, to enhance job skills if innovation and opportunity act, public*  
34   *law 113-128, or any successor legislation upon review of such program*  
35   *has been approved legislation by the state of Kansas;*  
36    (9) *the employer includes a plan for giving advance notice, where*  
37   *feasible, to an employee whose workweek is to be reduced together with*  
38   *an estimate of the number of layoffs that would have occurred absent the*  
39   *ability to participate in shared work compensation and such other*  
40   *information as the secretary of labor determines is appropriate; and*  
41    (10) *the terms of the employer's written plan and implementation are.*  
42   *Participation in such training shall be consistent with employer*  
43   *obligations under the requirements of this section and subsection (1) and*

1     approved by the secretary or the designated workforce development  
2     authority of this state. Training may occur during periods of reduced  
3     hours under the shared work plan without affecting the individual's  
4     eligibility for shared work benefits;

5         (9) includes a plan to provide notice to affected employees and an  
6     estimate of layoffs avoided; and

7         (10) complies with all applicable federal and Kansas state labor laws.

8         (f) *Collective bargaining units.* If any of the participating employees  
9     who participate in a shared work plan under this section are covered by a  
10    collective bargaining agreement, the shared work plan must shall be  
11    approved in writing by the collective bargaining agent union  
12    representative and such approval provided to the secretary by the union  
13    representative.

14         (g) ~~A~~Prohibited use. Shared work plan may plans shall not be  
15    implemented used to subsidize seasonal employers employment during the  
16    off season off-season periods. This provision prohibition shall not be  
17    construed to apply to a shared work plan implemented for school bus  
18    drivers pursuant to K.S.A. 44-706(p), and amendments thereto.

19         (h) The secretary shall approve or deny a shared work plan not later  
20    than the 30<sup>th</sup> day after the day the shared work plan is received by the  
21    secretary. *Plan review timeline.* The secretary shall approve or deny a  
22    shared work plan in writing. If the secretary denies a shared work plan, the  
23    secretary shall within 30 days of submission and notify the employer in  
24    writing of the decision and any reasons for the denial.

25         (i) *Effective and expiration dates.* A shared work plan is shall become  
26    effective on the date it such plan is approved by the secretary, except for  
27    good cause a shared work plan may be. The secretary may designate a  
28    retroactive effective at any time within a period date of not more than 14  
29    days prior to the actual date such of completed review and approval of the  
30    plan is approved by the secretary. ~~The shared work A shared work plan~~  
31    expires on the last day of the 12<sup>th</sup> shall expire 12 full calendar month  
32    months after the effective date of the shared work plan.

33         (j) *Plan modifications.* (1) An employer may modify a an approved  
34    shared work plan created under this section to meet address changed  
35    operational conditions if, provided the modification conforms to remains  
36    consistent with the basic provisions fundamental terms of the shared work  
37    original plan as approved by the secretary. The employer must shall report  
38    the changes made to the shared work plan all modifications in writing to  
39    the secretary before implementing the changes. If the original shared work  
40    plan is prior to the implementation of such modifications.

41         (2) If the secretary determines that such modifications are  
42    substantial, the shared work plan shall be subject to reevaluation and  
43    approval by the secretary pursuant to the criteria of subsection (e). A

1 substantially modified, the secretary shall reevaluate the shared work plan  
2 and ~~may approve the shared work plan may be approved by the secretary~~  
3 if it continues to meet all applicable requirements for approval pursuant to  
4 this section. Approval of a modified shared work plan if it meets the  
5 requirements for approval under subsection (d). The approval of a  
6 modified shared work plan does not affect the by the secretary shall not  
7 extend or alter such plan's original expiration date originally set for. If the  
8 secretary determines that shared work plan. If substantial the  
9 modifications cause the shared work such plan to fail to no longer meet the  
10 statutory requirements for approval, the secretary shall deny approval to of  
11 the modifications as provided by in accordance with the procedures set  
12 forth in subsection (g) (h).

13 (k) *Eligibility for shared work benefits.* (1) Notwithstanding any other  
14 provisions of the employment security law, an individual is shall be  
15 considered unemployed and is eligible for to receive shared work benefits  
16 in for any week in which the individual, as an a participating employee in  
17 an affected unit, works for less fewer hours than the individual's normal  
18 weekly hours of work in accordance with an approved shared work plan  
19 that is in effect for that such week.

20 (2) The secretary ~~may~~ shall not deny shared work benefits for any  
21 week to an otherwise eligible individual by reason of the application of for  
22 any provision such week based on provisions of the employment security  
23 law that relates related to:

24 (A) Availability for work;  
25 (B) active search for work; or

26 (C) refusal to apply for or accept work with an employer other than  
27 the participating employer.

28 (l) *Eligibility criteria.* An individual employee is eligible to receive  
29 shared work benefits with respect to for any week in which the secretary  
30 finds that employee:

31 (1) The employee is determined to be eligible ~~Meets requirements of~~  
32 ~~eligibility for unemployment compensation, except that while receiving~~  
33 ~~shared work benefits, an employee shall not be required to meet work~~  
34 ~~availability or work excluding job search requirements but shall be~~  
35 ~~required to be available for the employee's normal work week;~~

36 (2) the individual is employed as a member of an affected unit subject  
37 to a shared work plan that was approved before the week in question and is  
38 in effect for that is covered by an approved shared work plan during the  
39 week claimed;

40 (3) the individual is able to work and is available for additional hours  
41 of work or full-time work with the participating employer;

42 (4) the individual's normal weekly has had hours of work have been  
43 reduced by at least 10% but not more than to 50%, with a corresponding

1 reduction in wages wage loss; and

2 (5) the individual's normal weekly hours of work and wages have  
3 been reduced as described in subsection (k)(4) for a waiting period of one  
4 week that occurs within the period the shared work plan is in effect, which  
5 period includes the week for which the individual is claiming shared work  
6 benefitshas served a one-week waiting period during the plan's active  
7 period.

8 (m) *Benefit amounts.* (1) The secretary shall pay an individual who is  
9 eligible for shared work benefits under this section a weekly shared work  
10 benefit amount equal to the individual's shall be calculated by multiplying  
11 the individual's regular weekly benefit amount for a period of total  
12 unemployment multiplied by the nearest full by the percentage of  
13 reduction of the individual's in hours as set forth in under the employer's  
14 shared work plan. If the, rounded down to the nearest whole dollar.

15 (2) Weekly shared benefit amount is not a multiple of \$1, the secretary  
16 work benefits shall reduce the amount to the next lowest multiple of \$1.  
17 All shared work benefits under this section shall be payable be paid from  
18 the employment security trust fund.

19 (n) An individual may not receiveCombined benefit limit. Shared  
20 work benefits and regular unemployment compensation benefits in an  
21 amount that exceeds combined shall not exceed the maximum total amount  
22 of unemployment insurance benefits payable to that an individual allowed  
23 in a benefit year as provided by pursuant to K.S.A. 44-704(g), and  
24 amendments thereto.

25 (o) *Extended benefits eligibility.* An individual who has received all  
26 of the exhausts both regular and shared work benefits and regular  
27 unemployment compensation may qualify for extended benefits available  
28 in a benefit year is an exhaustee under pursuant to K.S.A. 44-704a and 44-  
29 704b, and amendments thereto, and is entitled to receive extended benefits  
30 under such statutes if the individual is if otherwise eligible under such  
31 statutes.

32 (p) *Plan termination.* (1) The secretary may terminate a shared work  
33 plan for good cause if the secretary determines that the shared work plan is  
34 not being executed according to the terms and intent of the short-term  
35 compensation program, including, but not limited to:

- 36 (A) Failure to comply with the approved plan;
- 37 (B) failure to maintain required fringe benefits;
- 38 (C) misrepresentation of facts;
- 39 (D) fraud; or
- 40 (E) failure to submit reports required by the secretary.

41 (2) The secretary may adopt rules and regulations to further define  
42 good cause for plan termination.

43 (q) Notwithstanding any other provisions of this section, anWeekly

1 *limit. No individual shall not be eligible to receive shared work benefits for*  
2 ~~more than 52 calendar weeks during the 12-month period of the shared~~  
3 ~~work plan. No week shall be counted as a week for which an individual is~~  
4 ~~eligible for shared work benefits for the purposes of this section unless the~~  
5 ~~week occurs within the work plan's 12-month period of the shared work~~  
6 ~~plan.~~

7 (r) ~~This section shall be a part of and supplemental to the employment~~  
8 ~~security law.~~

9 Sec. 39. K.S.A. 44-758 is hereby amended to read as follows: 44-758.

10 (a) *Liability for contributions.* (1) Any employer or ~~any~~ individual,  
11 organization, partnership, corporation, organization or other legal entity  
12 that is a lessor employing unit; as defined ~~by~~ in K.S.A. 44-703(ff), and  
13 amendments thereto, shall be liable for ~~all~~ *unemployment insurance*  
14 contributions, *interest and penalties* on wages paid ~~by~~ the lessor  
15 employing unit to individuals performing services for client lessees. ~~Any~~

16 (2) *Each client lessee shall be jointly and severally liable for any*  
17 ~~unpaid contributions, interest and or penalties due owed under this the~~  
18 ~~employment security law from any lessor employing unit that are~~  
19 ~~attributable to wages for services performed for the client lessee by~~  
20 ~~employees leased to through the client lessee lessor employing unit.~~

21 (3) *To ensure transparency and accountability, the lessor employing*  
22 ~~unit shall keep:~~

23 (A) *Maintain separate payroll and employment records and for each*  
24 *client lessee; and*

25 (B) *submit separate quarterly contributions and wage and*  
26 *contribution reports for each client lessee in accordance with reporting*  
27 *requirements established pursuant to rules and regulations that may be*  
28 *adopted by the secretary of labor. Such rules and regulations may include*  
29 *mandatory electronic filing provisions.*

30 (b) ~~Any lessor employing unit that is currently engaged in the~~  
31 ~~business of leasing employees to client lessees shall comply with the~~  
32 ~~provisions of subsection (a) prior to October 1, 1990.~~

33 (e) ~~The provisions of temporary staffing firms excluded.~~ (1) This  
34 section shall not ~~be applicable apply~~ to private employment agencies or  
35 staffing firms that provide temporary workers to employers on a temporary  
36 help basis, ~~provided the private employment agencies if such entities are~~  
37 ~~liable as employers the employer of record for the payment of all~~  
38 ~~unemployment insurance contributions on wages paid to such temporary~~  
39 ~~employees,~~

40 (2) *For the purposes of this subsection, a "temporary help basis"*  
41 ~~means the assignment of workers so employed to a client to meet short-~~  
42 ~~term workload demands, seasonal needs or to fill in for absent regular~~  
43 ~~employees.~~

1       (d) This section shall be construed as part of the employment security  
2 law.

3       (c) *Enforcement and dispute resolution. The secretary of labor may*  
4 *adopt rules and regulations as necessary to enforce this section and*  
5 *resolve disputes regarding liability between lessor employing units and*  
6 *client lessees. Such rules may include procedures for determining liability,*  
7 *allocating responsibility for unpaid contributions, establishing*  
8 *documentation and audit standards and setting timelines and procedures*  
9 *for notice, appeal and resolution of disputes in accordance with the*  
10 *employment security law.*

11      Sec. 40. K.S.A. 44-759 is hereby amended to read as follows: 44-759.  
12 ~~On and after January 1, 1998,~~(a) *Definition. As used in this section,*  
13 *"administrative ruling" means any written interpretation, guidance*  
14 *document or determination issued by the secretary that explains or*  
15 *clarifies the application of statutes, regulations or policies under the*  
16 *employment security law. "Administrative ruling" does not include*  
17 *decisions of*~~labor~~ *the employment security board of review or district*  
18 *court rulings in individual adjudicated cases.*

19       (b) *Availability. The secretary shall make available—in, through a*  
20 ~~medium readily publicly accessible to contributing employers~~ *electronic*  
21 *archive maintained on the department's official website, all administrative*  
22 ~~rulings of the department of labor which~~ *that affect the duties and*  
23 ~~responsibilities of contributing employers. Such rulings or compliance~~ *obligations of employers, claimants or other parties subject to the*  
24 *employment security law.*

25       (c) *Confidentiality. Each administrative ruling shall be provided in*  
26 *such a manner as to conceal published in a format that redacts or omits all*  
27 *personally identifiable information, including the identity of the specific*  
28 *employer for or individual to whom the ruling concerned administrative*  
29 *ruling originally applied, in compliance with applicable confidentiality*  
30 *law and data protection standards.*

31       (d) *Publication. Within 30 days of issuing an administrative ruling*  
32 *subject to subsection (b), the secretary shall cause to be published in*  
33 *publish a summary description of the administrative ruling in the Kansas*  
34 *register a description of each such administrative ruling within 30 days of*  
35 *such ruling, together with specific clear instructions as to how the*  
36 *complete text of the administrative ruling may be obtained for accessing*  
37 *the full text through the department's electronic archive on the*  
38 *department's official website. The secretary may satisfy this requirement*  
39 *through periodic bulletins, summaries or compilations pursuant to rules*  
40 *and regulations that may be adopted by the secretary, provided that such*  
41 *bulletins or compilations are published at regular intervals not to exceed*  
42 *one calendar quarter.*

1       (e) *Appeal and legal status.* (1) An administrative ruling published  
2 under this section shall not constitute a final agency order or the issuance  
3 of such an order subject to judicial review under the Kansas  
4 administrative procedure act, unless explicitly designated as such.

5       (2) Administrative rulings from adjudicative proceedings that are  
6 intended to govern and be binding on the future conduct of private parties  
7 shall comply with the requirements of K.S.A. 77-415, and amendments  
8 thereto. The secretary may issue guidance identifying which rulings are  
9 binding versus advisory and may establish procedures for requesting  
10 clarification or review.

11       (f) *Rules and regulations.* The secretary may adopt rules and  
12 regulations to implement this section, including, but not limited to:

13           (1) Criteria for determining which rulings are subject to publication;

14           (2) formatting and redaction requirements;

15           (3) retention and archival timelines for administrative rulings;

16           (4) summary publication procedures; or

17           (5) stakeholder input or feedback procedures, including, but not  
18 limited to, opportunities for public comment, advisory committee  
19 consultation or formal requests for clarification or review.

20       Sec. 41. K.S.A. 44-760 is hereby amended to read as follows: 44-760.  
21 ~~This act~~(a) *Title and purpose.* The provisions of this section shall be  
22 known and may be cited as the employment security insurance act for  
23 domestic violence survivors. The purpose of this section is to establish  
24 definitions, procedures, training requirements and benefit protections for  
25 individuals who voluntarily separate from employment or are otherwise  
26 affected by circumstances related to domestic violence.

27           (b) *Definitions.* As used in this section:

28           (1) "Abuse" means:

29           (A) Causing or attempting to cause physical harm to another person;

30           (B) placing another person in fear of imminent physical harm;

31           (C) causing or attempting to cause another person to engage  
32 involuntarily in sexual relations by force, threats or duress;

33           (D) engaging in mental abuse of another person, including threats,  
34 intimidation or acts intended to induce terror;

35           (E) depriving or threatening to deprive another person of healthcare,  
36 housing, food or other necessities of life; or

37           (F) unlawfully restraining or threatening to unlawfully restrain the  
38 liberty of another person.

39           (2) "Domestic violence" means abuse committed against an employee  
40 or the employee's spouse or dependent child by a:

41           (A) Current or former spouse of the employee;

42           (B) person with whom the employee shares a child in common;

43           (C) person who is cohabitating with or has cohabitated with the

1     *employee;*

2       (D) *person related to the employee by blood or marriage; or*

3       (E) *person with whom the employee has or had a dating or*  
4 *engagement relationship, irrespective of the length of such relationship.*

5       (c) *Training and implementation. The secretary of labor shall*  
6 *develop and implement a domestic violence training curriculum for all*  
7 *employees who interact with claimants pursuant to K.S.A. 44-706, and*  
8 *amendments thereto, this section or other provisions of the employment*  
9 *security law. The training program shall be approved by the state domestic*  
10 *violence and sexual assault coalition designated by the centers for disease*  
11 *control and prevention or the United States department of health and*  
12 *human services. The curriculum shall ensure that claimants affected by*  
13 *domestic violence are treated with sensitivity and confidentiality and*  
14 *informed about available protections. The secretary shall update the*  
15 *curriculum periodically.*

16       (d) *Employer account protections. Notwithstanding any other*  
17 *provisions of the employment security law, the secretary shall not charge*  
18 *the employment security insurance account of any contributing employer*  
19 *or rated governmental employer for benefits paid to a claimant who is*  
20 *determined to be eligible for benefits pursuant to K.S.A. 44-706, and*  
21 *amendments thereto, due to circumstances related to domestic violence.*

22       (e) *Rules and regulations. The secretary may adopt rules and*  
23 *regulations for the purpose of implementing the provisions of this section.*

24     Sec. 42. K.S.A. 44-765 is hereby amended to read as follows: 44-765.

25     (a) *As used in Definitions. For the purposes of this section:*

26       (1) *"Driver" means an individual who operates a motor vehicle which*  
27 *that is leased to a licensed motor carrier pursuant to a lease agreement.*

28       (2) *"Lease agreement" means a written contract by which an owner*  
29 *grants the use of one or more motor vehicles to a licensed motor carrier*  
30 *and agrees to furnish a driver for or operate each such motor vehicle with*  
31 *a driver, which may include the owner.*

32       (3) *"Licensed motor carrier" means any person that:*

33           (A) *Holds a certificate of convenience and necessity, a certificate of*  
34 *public service, private carrier permit or an interstate license as an interstate*  
35 *exempt carrier from the state corporation commission; or*

36           (B) *is required to register motor carrier equipment pursuant to 49*  
37 *U.S.C. § 14504a.*

38       (4) *"Motor vehicle" means any automobile, truck-trailer, semitrailer,*  
39 *tractor or any other self-propelled or motor driven motor-driven vehicle*  
40 ~~used upon any of the~~ *operated on public highways of Kansas for the*  
41 *purpose of transporting property.*

42       (5) *"Owner" means a person to whom legal title to a motor vehicle*  
43 *has been issued.*

1       (6) "Owner-operator" means any owner who leases one or  
2 more motor vehicles to a licensed motor carrier pursuant to a lease  
3 agreement and may operate or provide a driver for such vehicle.

4       (7) "Person" means any individual, trust, estate, partnership,  
5 association, company or corporation, limited liability company or any  
6 other business entity.

7       (b) *Determination of employment relationship.* (1) For the purposes  
8 of the employment security law, it is hereby declared to be the policy of  
9 this state that, ~~consistent with requirements of 49 C.F.R. § 376.12(e)(1)~~, an  
10 independent contractor relationship may exist between an owner operator  
11 and a licensed motor carrier may exist when and an owner operator,  
12 provided that the licensed motor carrier complies with the all applicable  
13 federal and state statutory and regulatory requirements governing a  
14 licensed motor carrier's the use of leased motor vehicles in the  
15 transportation of property. To that end, in determining, including, but not  
16 limited to, 49 C.F.R. § 376.12(c)(1).

17       (2) In evaluating whether an employment relationship exists between  
18 a licensed motor carrier and a driver, the fact requirement that the licensed  
19 motor carrier, pursuant to a lease agreement, requires the a driver to  
20 comply with applicable provisions of the safety, equipment or operational  
21 regulations of established by the state corporation commission, the federal  
22 motor carrier safety administration or any other federal or state agency  
23 having jurisdiction of over motor carriers shall not, by itself, be  
24 considered construed as the licensed motor carrier's exercise evidence of  
25 control over the driver sufficient to establish an employment relationship.

26       (3) Nothing in this section shall be construed to preclude the  
27 secretary of labor from considering the totality of circumstances and  
28 applying the definition of employment at K.S.A. 44-703, and amendments  
29 thereto, in a manner consistent with the provisions of paragraphs (1) and  
30 (2) in determining employment status for the purposes of this section.

31       Sec. 43. K.S.A. 44-766 is hereby amended to read as follows: 44-766.  
32       (a) (1) *Prohibited conduct.* No person shall knowingly and intentionally  
33 misclassify an employee as an independent contractor for the sole or  
34 primary purpose of avoiding either evading state income tax withholding  
35 and, reporting requirements obligations or state unemployment insurance  
36 contributions reporting contribution requirements under the employment  
37 security law.

38       (2) For the purposes of this section, "misclassify" means to  
39 knowingly report or treat a worker as an independent contractor when the  
40 worker meets the statutory definition of an employee pursuant to K.S.A.  
41 44-703, and amendments thereto.

42       (b) ~~(1)~~ *Penalties.* (1) (A) Any person violating subsection (a) shall  
43 who, having previously violated the provisions of subsection (a) and been

1     *subject to a civil penalty pursuant to paragraph (2), violates such*  
2     *provisions for a second time shall be guilty of a class C nonperson*  
3     *misdemeanor.*

4     *(B) Any person who violates the provisions of subsection (a) for a*  
5     *third or subsequent time shall be guilty of a class A nonperson*  
6     *misdemeanor.*

7     *(2) In addition to or in lieu of any other civil or criminal penalty as*  
8     *provided by law, the secretary, upon first violation be subject to a finding*  
9     *that a person has violated the provisions of subsection (a), shall impose on*  
10     *such person a civil penalty in an amount computed calculated in*  
11     *accordance with the manner prescribed methodology set forth in K.S.A.*  
12     *79-3228, and amendments thereto.*

13     *(2) Any person violating subsection (a) upon a second violation shall*  
14     *be subject to a civil penalty computed as prescribed in paragraph (1) and in*  
15     *addition, upon conviction, shall be guilty of a class C nonperson*  
16     *misdemeanor.*

17     *(3) Any person violating subsection (a) upon a third or subsequent*  
18     *violation shall be subject to a civil penalty computed as prescribed in*  
19     *paragraph (1) and in addition, upon conviction, shall be guilty of a class A*  
20     *nonperson misdemeanor.*

21     *(c) Enforcement authority. Criminal violations of subsection (a)-*  
22     *prosecutions under this section may be prosecuted brought by the attorney*  
23     *general or the district or county attorney for of the county in which the*  
24     *violation occurred alleged violation occurred. The secretary of labor may*  
25     *refer suspected violations for prosecution. Criminal prosecutions and*  
26     *enforcement of civil penalties shall be subject to the provisions of*  
27     *subsection (f)(2)(B).*

28     *(d) Any civil penalty assessed hereunder shall be remitted to the*  
29     *secretary and deposited in the state treasuryCivil penalty disposition. Civil*  
30     *penalties assessed pursuant to this section shall be remitted by the*  
31     *secretary of labor to the state treasurer in accordance with the provisions*  
32     *of K.S.A. 75-4215, and amendments thereto. Upon receipt of each such*  
33     *remittance, the state treasurer shall deposit the entire amount in the state*  
34     *treasury to the credit of the employment misclassification enforcement,*  
35     *education and claimant support fund, which is hereby created in the state*  
36     *treasury and shall be administered by the secretary of labor. All*  
37     *expenditures from the employment misclassification enforcement,*  
38     *education and claimant support fund shall be made for the purpose of*  
39     *employment misclassification enforcement, education or claimant support*  
40     *in accordance with appropriation acts upon warrants of the director of*  
41     *accounts and reports issued pursuant to vouchers approved by the*  
42     *secretary of labor or the secretary's designee.*

43     *(e) Any penalty provided inAdditional remedies. The penalties*

1 ~~imposed under this section shall be in addition to and not exclusive of any~~  
2 ~~other penalty and remedy that may otherwise be imposed~~ ~~remedies or~~  
3 ~~penalties available under the employment security act and such law or~~  
4 ~~other applicable laws. All remedies shall be construed as cumulative.~~

5 (f) ~~This section shall be part of and supplemental to the employment~~  
6 ~~security law~~~~Employer outreach, voluntary compliance and safe harbor.~~ (1)  
7 *The secretary of labor is authorized to develop and disseminate*  
8 *educational materials, conduct outreach and provide technical assistance*  
9 *to employers regarding proper worker classification under the*  
10 *employment security law. The secretary may issue interpretive guidance,*  
11 *advisory opinions or rules and regulations to clarify factors relevant to*  
12 *employment status determinations by the secretary as provided by law.*  
13 *Such guidance shall not limit the secretary's authority to make case-by-*  
14 *case determinations based on the totality of circumstances.*

15 (2) (A) *The secretary may adopt rules and regulations to establish a*  
16 *voluntary compliance and safe harbor program for employers that, prior*  
17 *to audit or investigation, voluntarily:*

18 (i) *Disclose potential worker misclassification;*  
19 (ii) *submit supporting documentation and a proposed corrective*  
20 *action plan; and*  
21 (iii) *pay all required back unemployment insurance contributions and*  
22 *applicable taxes.*

23 (B) *Employers who comply in good faith with the requirements of the*  
24 *program may be eligible for partial or full waiver of civil penalties and*  
25 *protection from criminal prosecution under this section, subject to*  
26 *conditions and timelines pursuant to rules and regulations that shall be*  
27 *adopted by the secretary.*

28 Sec. 44. K.S.A. 44-767 is hereby amended to read as follows: 44-767.  
29 (a) ~~The secretary or the secretary's designee shall make all determinations~~  
30 ~~regarding the proper classification of any worker pursuant to K.S.A. 44-~~  
31 ~~703(i)(3), and amendments thereto.~~

32 (b) ~~If the department of revenue has reason to believe that a business~~  
33 ~~has not properly classified a worker pursuant to K.S.A. 44-703(i)(3), and~~  
34 ~~amendments thereto, the department of revenue shall request a~~  
35 ~~determination of such worker's classification pursuant to K.S.A. 44-703(i)~~  
36 ~~(3), and amendments thereto, from the secretary. The department of~~  
37 ~~revenue shall submit to the secretary all relevant information, including~~  
38 ~~withholding tax and payroll information, in the possession of the~~  
39 ~~department of revenue necessary to make such determination.~~

40 (1) ~~If the secretary deems it necessary to obtain additional~~  
41 ~~information from the department of revenue in order to make such~~  
42 ~~determination or to calculate any assessment of unemployment insurance~~  
43 ~~contributions due, the secretary shall notify the department of revenue. The~~

1 department of revenue shall obtain and remit the requested information to  
2 the secretary.

3 (2) The department of revenue shall accept the secretary's  
4 determination made pursuant to subsection (a) and shall rely on such  
5 determination in the department of revenue's examination and assessment  
6 of the business with regard to such worker.

7 (3) Relying upon the information provided by the department of  
8 revenue pursuant to this section, and amendments thereto, and upon  
9 making the determination required by subsection (a), the secretary shall  
10 notify the business of any unemployment insurance contributions due  
11 pursuant to this act. The secretary shall not engage a separate investigation  
12 into the same matter once a determination has been made pursuant to  
13 subsection (a) based upon information so obtained through the department  
14 of revenue.

15 (4) Information shared with the secretary by the department of  
16 revenue pursuant to this section, shall be held by the secretary to the same  
17 confidentiality standards as may be required by statutes governing the  
18 department of revenue.

19 (e) Upon investigation and determination by the secretary that a  
20 business has misclassified a worker, the secretary shall notify the  
21 department of revenue that a determination has been made, referring the  
22 matter for collection of applicable income withholding taxes.

23 (1) Upon request of the department of revenue, the secretary shall  
24 make available for its review any information relied upon by the secretary  
25 in making the determination.

26 (2) Information shared with the department of revenue by the  
27 secretary pursuant to this section shall be held by the department of  
28 revenue to the same confidentiality standards as may be required by  
29 statutes governing the department of labor.

30 (d) Each of the secretary of labor and the secretary of revenue may  
31 adopt rules and regulations necessary to effect the purposes of this section.

32 (e) This section shall be a part of and supplemental to the  
33 employment security law. *(a) It is the intent of the legislature to improve*  
34 *the accuracy, efficiency and coordination of worker classification*  
35 *enforcement under the employment security law by establishing a*  
36 *framework for interagency cooperation, shared data access and*  
37 *streamlined determination procedures between the department of labor*  
38 *and the department of revenue.*

39 (b) *Classification authority. The secretary of labor or the secretary's*  
40 *designee shall be the sole authority for determining the proper*  
41 *classification of a worker as an employee or independent contractor for*  
42 *purposes of the employment security law. In making such determination,*  
43 *the secretary shall apply the relevant definition of employment set forth in*

1     *K.S.A. 44-703, and amendments thereto. The secretary may consider*  
2     *relevant facts, information from other agencies and applicable federal and*  
3     *state law when making such determination.*

4         (c) *Referrals by department of revenue. (1) If the secretary of revenue*  
5     *or the secretary's designee has reason to believe that a business has*  
6     *misclassified a worker as an employee or independent contractor for the*  
7     *purposes of the employment security law, the secretary of revenue shall*  
8     *submit a written request for classification review to the secretary of labor.*  
9     *The secretary of revenue shall include with the request all relevant*  
10    *information in the possession of the secretary, including withholding tax*  
11    *data, payroll records and supporting documentation necessary to facilitate*  
12    *the classification determination by the secretary of labor.*

13         (2) *If the secretary of labor requires additional information to*  
14    *complete the classification determination or to calculate unemployment*  
15    *insurance contributions due from such business, the secretary shall notify*  
16    *the secretary of revenue. The secretary of revenue shall provide such*  
17    *information within 30 days or within such reasonable time as determined*  
18    *by the secretary of revenue. If the secretary of revenue fails to provide*  
19    *such information within such time period, the secretary of labor may close*  
20    *the request for classification review or extend the time for the receipt of*  
21    *such information from the secretary of revenue. Extensions of time shall be*  
22    *based upon rules and regulations to be adopted by the secretary of labor*  
23    *and may include, but not be limited to, such circumstances as*  
24    *administrative constraints experienced by the secretary of revenue,*  
25    *unresolved taxpayer correspondence or the necessity to validate complex*  
26    *payroll data.*

27         (3) *Upon receiving necessary information from the secretary of*  
28    *revenue and making the required determination under subsection (b), the*  
29    *secretary of labor shall notify the referring business of any unemployment*  
30    *insurance contributions due pursuant to the employment security law.*

31         (4) *The secretary of labor shall not initiate a separate investigation*  
32    *of the same matter referred by the secretary of revenue once a*  
33    *determination has been issued by the secretary of labor, unless the*  
34    *secretary of labor determines that new and material information has*  
35    *become available.*

36         (5) *The secretary of revenue shall accept and rely upon the secretary*  
37    *of labor's classification determination when conducting the secretary of*  
38    *revenue's own examination or assessment regarding income withholding*  
39    *or payroll tax obligations related to the same worker.*

40         (6) *Any information shared with the secretary of labor by the*  
41    *secretary of revenue pursuant to this section shall be maintained by the*  
42    *secretary of labor, subject to the same confidentiality requirements*  
43    *mandated by law governing the secretary of revenue.*

1       (d) *Reciprocal notification and enforcement.* (1) Upon determining  
2 that a worker has been misclassified, the secretary of labor shall notify the  
3 secretary of revenue of the finding for the purposes of enforcing applicable  
4 income tax withholding obligations.

5       (2) Upon request of the secretary of revenue, the secretary of labor  
6 shall make available any documentation relied upon by the secretary of  
7 labor in making the classification determination. In making such  
8 documentation available, the secretary of labor shall comply with all  
9 applicable laws pertaining to confidentiality.

10     (3) The secretary of revenue shall safeguard any information received  
11 from the secretary of labor pursuant to this section according to the  
12 confidentiality requirements of law applicable to the secretary of labor.

13     (e) *Rulemaking authority.* The secretary of labor and the secretary of  
14 revenue may each adopt rules and regulations necessary to implement and  
15 administer the provisions of this section, including interagency  
16 cooperation procedures, data-sharing protocols, joint audit coordination  
17 and confidentiality standards.

18     (f) *Interagency collaboration and outreach.* The secretary of labor  
19 and the secretary of revenue are authorized to adopt joint rules and  
20 regulations or enter into a memorandum of understanding to:

21       (1) Establish coordinated audit procedures and data-sharing  
22 protocols, including the use of joint audit triggers based on shared tax and  
23 wage reporting data;

24       (2) develop and maintain secure, interoperable digital systems or  
25 platforms for the transmission, verification and analysis of payroll, tax  
26 and classification information; and

27       (3) conduct coordinated outreach and educational efforts to promote  
28 compliance with worker classification laws, including public guidance  
29 materials, online resources and industry-specific advisories.

30     Sec. 45. K.S.A. 44-768 is hereby amended to read as follows: 44-768.  
31 The secretary shall make the determination of employment required by  
32 K.S.A. 44-703(i)(3)(D), and amendments thereto, by examining the  
33 totality of the circumstances in which the individual renders service and  
34 shall exercise strict impartiality in the conduct of any such determination.

35       (a) The secretary shall first seek to determine whether the business in  
36 question has a reasonable basis upon which it relied when it determined  
37 the classification of a worker as an employee or independent contractor. If  
38 a reasonable basis is found, the classification shall be deemed valid subject  
39 to the provisions of K.S.A. 44-703(i)(3)(D), and amendments thereto. A  
40 business has a reasonable basis for its classification of workers if:

41           (1) Any of the following circumstances are present:

42           (A) The business reasonably relied upon a judicial decision regarding  
43 employment classification matters rendered by a federal or state court of

1 competent jurisdiction in the state of Kansas;

2 (B) the business previously received a ruling from the internal

3 revenue service, the department of revenue, or the department of labor

4 validating the business' classification of workers;

5 (C) the business has been previously audited by the internal revenue

6 service, the department of revenue, or the department of labor at a time

7 when the business classified workers similarly situated in the same manner

8 to those workers currently in question, and such audit did not result in

9 reclassification of those workers so similarly situated; or

10 (D) the business reasonably relied on the application of worker

11 classifications customary among a significant segment of its industry; and

12 (2) The business showed consistency in its practices by:

13 (A) The business classified the worker in question and any similarly

14 situated worker in the same manner; and

15 (B) the business has consistently and properly reported to the

16 appropriate taxing authorities wages or payments to the workers in

17 question and those similarly situated.

18 (b) If a reasonable basis as articulated herein cannot be ascertained,

19 then when making a determination the secretary shall then consider the

20 following factors:

21 (1) Must the individual comply with specific instructions from the

22 business regarding when, where, and how to perform services so

23 provided?

24 (2) Are the activities of the individual integrated into the ongoing

25 operations of the business?

26 (3) If needed to accomplish the desired end result, does the individual

27 have the responsibility to hire, supervise and pay assistants?

28 (4) Must the individual work exclusively for the business in question?

29 (5) Is payment by the business to the individual for services

30 contingent on completion of established benchmarks or tasks?

31 (6) Does the individual provide significant tools, materials or other

32 equipment used in the accomplishment of the desired end result?

33 (7) Is the individual responsible for any expenses incurred in the

34 performance of services?

35 (8) Can the individual suffer a loss in the course of performing

36 services?

37 (e) The secretary shall seek to educate the business by assisting the

38 business in identifying facts which may establish either classification.

39 (d) If imposition of a penalty or interest could otherwise be imposed

40 by this act due to a misclassification of a worker, before imposition of such

41 assessment, the secretary shall consider the appropriateness of the penalty

42 or interest to the business charged with the violation of misclassifying a

43 worker given the circumstances in which the misclassification occurred,

1 including whether or not a reasonable basis for the classification exists. If  
2 a reasonable basis for the classification exists, then the secretary shall not  
3 impose penalties or interest or seek recovery of back taxes for the time  
4 period prior to the secretary's determination that a reasonable basis exists.

5 (e) This section shall be a part of and supplemental to the  
6 employment security law. (a) Legislative intent. It is the intent of the  
7 legislature to promote compliance with worker standards under the  
8 employment security law by providing a fair, transparent framework for  
9 determining employee status, allowing for good-faith reliance protections  
10 and encouraging voluntary education and corrective action by employers.

11 (b) Classification determination. (1) Pursuant to K.S.A. 44-703, and  
12 amendments thereto, the term employment includes services for  
13 remuneration under a contract of hire where the employer retains control  
14 over both the result and the manner of performance.

15 (2) Subject to such standard and the requirements below, the  
16 secretary of labor or the secretary's designee shall determine whether an  
17 individual is properly classified as an employee or an independent  
18 contractor.

19 (3) Such determination shall be made by examining the totality of the  
20 circumstances in which the individual performs services and conducted  
21 with strict impartiality and consideration of relevant facts and law.

22 (c) Safe harbor: reasonable basis determination. (1) The secretary  
23 shall first determine whether the business had a reasonable basis for  
24 classifying the worker as an independent contractor. If a reasonable basis  
25 is found, the classification shall be deemed valid for the purposes of  
26 unemployment insurance liability.

27 (2) A business shall be deemed to have a reasonable basis if:

28 (A) One or more of the following conditions apply:

29 (i) The business reasonably relied on a judicial decision addressing  
30 employment classification rendered by a federal or Kansas state court of  
31 competent jurisdiction;

32 (ii) the business received a written classification ruling from the  
33 internal revenue service, department of revenue or department of labor  
34 supporting the business's classification;

35 (iii) the business was previously audited by the internal revenue  
36 service, department of revenue or department of labor, during which  
37 similarly situated workers were found to be classified in the same manner  
38 and not reclassified pursuant to such audit; or

39 (iv) the business reasonably relied on classification practices  
40 customary among a significant segment of the business's industry,  
41 supported by published industry data, guidance or documented standards;  
42 and

43 (B) the business demonstrated consistency by:

1       (i) *Classifying the worker in question and all similarly situated  
2 workers in the same manner; and*

3       (ii) *accurately and consistently reporting payments or wages for such  
4 workers to the appropriate state or federal taxing authorities.*

5       (d) *Totality of circumstances factors. (1) If the secretary determines  
6 that no reasonable basis exists, the classification shall then be evaluated  
7 based on the totality of the circumstances, including, but not limited to, the  
8 following factors. Whether:*

9       (A) *The business controls when, where or how the individual  
10 performs the work;*

11       (B) *the individual's services are integrated into the core operations of  
12 the business;*

13       (C) *the individual is responsible for hiring, supervising or paying  
14 assistants;*

15       (D) *the individual is required to work exclusively for the business;*

16       (E) *compensation is tied to completion of defined tasks or  
17 benchmarks;*

18       (F) *the individual supplies significant tools, equipment or materials;*

19       (G) *the individual bears unreimbursed business expenses; and*

20       (H) *the individual has the opportunity for financial loss in  
21 performing services.*

22       (2) *The list provided by paragraph (1) shall not be construed as  
23 exhaustive and no single factor shall be dispositive. The secretary shall  
24 weigh all relevant facts and circumstances in making a final  
25 determination.*

26       (e) *Business education and classification assistance. The secretary  
27 shall provide educational guidance and may assist businesses in  
28 identifying facts or factors relevant to proper worker classification,  
29 including by providing interpretive materials, model scenarios or advisory  
30 opinions under conditions established by rules and regulations of the  
31 secretary. Guidance issued under this subsection shall not bind the  
32 secretary in future classification determinations based on different facts.*

33       (f) *Penalty and interest considerations. If the secretary determines  
34 that a business has misclassified a worker and such misclassification  
35 would otherwise give rise to penalties, interest or back unemployment  
36 insurance contributions, the secretary shall consider the totality of the  
37 circumstances before imposing any such amounts.*

38       (1) *If the secretary finds that the business acted with a reasonable  
39 basis as set forth in subsection (b), the secretary shall not assess penalties,  
40 interest or recover back taxes for the period prior to such determination.*

41       (2) *If the secretary finds that no reasonable basis exists, the secretary  
42 shall determine whether the misclassification was due to negligence,  
43 willful disregard or fraud, and may impose penalties or interest*

1 proportionate to the degree of culpability in accordance with rules and  
2 regulations adopted under this act.

3 (g) The secretary may adopt rules and regulations to:  
4 (1) Define penalty waiver criteria, mitigating factors and procedures  
5 for voluntary correction; and

6 (2) clarify documentation or evidentiary requirements for  
7 establishing a reasonable basis under subsection (c).

8 (h) This section shall not be construed to limit the secretary's  
9 classification authority pursuant to the definition of employment in K.S.A.  
10 44-703, and amendments thereto.

11 Sec. 46. K.S.A. 44-769 is hereby amended to read as follows: 44-769.

12 (a) Annual reporting requirement. (1) On or before January 31 of each  
13 calendar year, the secretary of labor shall ~~transmit annually~~ to the standing  
14 submit a report committee on commerce of the senate and the standing  
15 committee on commerce and economic development of the house of  
16 representatives or any successor committee, a report, based on information  
17 received or developed by the department of labor concerning committees.

18 (2) The report shall summarize worker misclassification—~~employees and any investigations and related thereto. Such report shall~~  
19 ~~contain the following information for enforcement activities conducted~~  
20 ~~during the preceding calendar year: pursuant to the employment security~~  
21 ~~law.~~

22 (3) The secretary shall publish each such annual report on the  
23 official website of the department of labor within 30 days of the  
24 transmittal of the report to the legislature.

25 (a)(b) Report contents. The report shall include, at a minimum, the  
26 following information for the preceding calendar year:

27 (1) The number of worker misclassification investigations initiated by  
28 the department of labor;

29 (2) the number of investigations ~~which were closed during the~~  
30 ~~reporting period, disaggregated as follows:~~

31 (A) The number of investigations closed with no assessment ~~being~~  
32 ~~made; issued; and~~

33 (B) the number of investigations closed with assessment ~~being~~  
34 ~~made which includes assessments issued, including the following~~  
35 ~~information for each such assessment:~~

36 (A)(i) An estimate of the amount of unreported payroll;

37 (B)(ii) an estimate of the unpaid state payroll taxes or withholding  
38 taxes ~~which have not been withheld on such~~ associated with the  
39 unreported payroll amount;

40 (C)(iii) the amount of unpaid ~~unemployment insurance contributions~~  
41 or other amounts ~~required to be paid due under the employment security~~  
42 ~~act related to such unreported payroll amount law;~~

1        (D)(iv) the total amount of interest assessed;  
2        (E)(v) the total amount of penalties assessed; and  
3        (F)(vi) the number of employers found to be employing  
4        undocumented workers; determined, through the course of investigation,  
5        to have employed individuals not legally authorized to work in the United  
6        States; and

7        (e)(C) the total amounts collected for each of the categories listed in  
8 subsection (b) category listed in paragraph (2)(B).

9        (c) *Optional contextual and supplemental information. The secretary*  
10 *may include narrative explanations, data limitations, enforcement trends,*  
11 *recommendations for policy or statutory changes and any relevant cross-*  
12 *agency activities conducted in coordination with the department of*  
13 *revenue or other state or federal entities.*

14        (d) *Industry and employer characteristics. To the extent feasible*  
15 *without compromising confidentiality, the report may categorize*  
16 *investigations by:*

17        (1) *Industry sector description;*

18        (2) *size of the business investigated; and*

19        (3) *whether the employer was a repeat offender under prior worker*  
20 *classification determinations.*

21        Sec. 47. K.S.A. 44-770 is hereby amended to read as follows: 44-770.

22 (a) *Employer reporting requirement. Each employer shall submit a report*  
23 *to the secretary containing of labor any refusal to hire a job applicant*  
24 *based on qualifying misconduct as described in K.S.A. 44-706, and*  
25 *amendments thereto. The report shall include:*

26        (1) *The name and last known address of each job applicant the*  
27 *individual who has been was refused employment by reason of;*

28        (2) *the basis for the refusal, including a concise description of the*  
29 *conduct or circumstances that constituted misconduct as such term is*  
30 *defined in K.S.A. 44-706(b)(2), and amendments thereto; and*

31        (2)(3) *such other any additional information which as may be*  
32 *required by the secretary by rule or regulation.*

33        (b) *Definition of job applicant. For the purposes of this section, "job*  
34 *applicant" means an individual who:*

35        (1) *Has applied for employment with an employer subject to this act;*  
36 *and*

37        (2) *was referred to the employer by the department of labor, a local*  
38 *workforce center or another recognized public employment service.*

39        (c) *Reporting format and timeline. The report required by under*  
40 *subsection (a) shall be submitted.*

41        (1) *On a form prescribed by the secretary. Such report shall be*  
42 *submitted in a manner prescribed by the secretary;*

43        (2) *in a manner approved by the secretary, including through secure*

1    *electronic submission platforms; and*

2    (3) *within seven business days, excluding weekends and legal*  
3 *holidays, of the date the refusal of employment occurred.*

4    (d) *Notification and right to respond. (1) Within five business days of*  
5 *receiving a report, the secretary shall notify the reported individual in*  
6 *writing that such a report has been filed and may be considered in*  
7 *evaluating such individual's eligibility for unemployment insurance*  
8 *benefits.*

9    (2) *The individual shall be afforded an opportunity to provide a*  
10 *written response or explanation within 10 business days of receiving*  
11 *notice.*

12    (3) *The secretary shall consider the individual's response, if timely*  
13 *submitted, in determining benefit eligibility.*

14    (4) *Reports and responses shall be treated as confidential and subject*  
15 *to disclosure only as authorized under applicable law.*

16    (e) *Rules and regulations. The secretary may adopt rules and*  
17 ~~regulations as are necessary to carry out implement and administer the~~  
18 *provisions of this section.*

19    (d) ~~The secretary may use any report received pursuant to this section~~  
20 ~~to determine eligibility for unemployment benefits.~~

21    (e) ~~This section shall be a part of and supplemental to the~~  
22 ~~employment security law. Such rules and regulations may include:~~

23    (1) *Requirements to ensure the accuracy and confidentiality of*  
24 *reported information;*

25    (2) *documentation standards for employer attestations regarding*  
26 *misconduct;*

27    (3) *procedures for handling disputes and evaluating credibility of*  
28 *reports and responses; and*

29    (4) *guidelines for batch reporting by employers, where applicable.*

30    (f) *Use of reported information. Reports received under this section*  
31 *may be used by the secretary to:*

32    (1) *Determine the eligibility of individuals for the unemployment*  
33 *benefits;*

34    (2) *investigate potential fraud or abuse of the unemployment*  
35 *insurance system; and*

36    (3) *coordinate with workforce development or other state agencies,*  
37 *consistent with applicable confidentiality laws.*

38    (g) *Publication and outreach. The secretary shall make the reporting*  
39 *form and submission procedures publicly available on the department's*  
40 *official website and may publish explanatory materials to assist employers*  
41 *with compliance.*

42    Sec. 48. K.S.A. 2025 Supp. 44-772 is hereby amended to read as  
43 follows: 44-772. (a) (1) It is the intent of the legislature that, in order to

1 accomplish the mission of collecting state employment security taxes,  
2 processing unemployment insurance benefit claims and paying benefits,  
3 the department of labor's information technology system shall be  
4 continually developed, customized, enhanced and upgraded. The purpose  
5 of this section is to ensure the state's unemployment insurance:

6 (A) Program is utilizing current technology and features to protect the  
7 sensitive data required in the unemployment insurance benefit and tax  
8 systems relating to program integrity, system efficiency and customer  
9 service experience.

10 (b) The legislature finds that, as a result of the vulnerabilities exposed  
11 in the legacy unemployment insurance system by the COVID-19 pandemic  
12 unemployment insurance crisis, a new system shall be fully designed,  
13 implemented and administered by the department of labor not later than  
14 December 31, 2022. The legislative coordinating council, upon  
15 consultation with the unemployment compensation modernization and  
16 improvement council established by K.S.A. 44-771, and amendments  
17 thereto, may extend the deadline as often as the legislative coordinating  
18 council deems appropriate. The secretary of labor shall provide written  
19 notice to the legislative coordinating council and the unemployment  
20 compensation modernization and improvement council at least 30 days  
21 prior to the expiration of a deadline advising whether the secretary seeks  
22 an extension of the deadline and, if so, the basis therefor. The failure of the  
23 secretary to provide such notice shall not affect the authority of the  
24 legislative coordinating council to act as provided by this subsection. For  
25 purposes of this subsection, "consultation" means an appearance before or  
26 written statement provided to the legislative coordinating council by the  
27 chairperson of the unemployment compensation modernization and  
28 improvement council or the chairperson's designee. Any member of the  
29 unemployment compensation modernization and improvement council  
30 may also provide a written statement. A report to the legislative  
31 coordinating council by the unemployment compensation modernization  
32 and improvement council may be provided but shall not be required. If any  
33 deadline expires before the legislative coordinating council extends that  
34 deadline, the council may subsequently meet as soon as reasonably  
35 possible and may retroactively extend any deadline as otherwise provided  
36 by this subsection; and

37 (B) system infrastructure remains modern, secure and capable of  
38 withstanding both increased demand and evolving threats, while  
39 maintaining transparency, program integrity and responsiveness to  
40 stakeholders.

41 (2) In furtherance of such purpose, the secretary shall cause and  
42 maintain the unemployment insurance information technology system to  
43 be:

1       (A) Scalable to accommodate significant fluctuations in claims  
2 volume, including during declared emergencies, disasters or economic  
3 downturns; and

4       (B) equipped with system redundancy, continuity of operations and  
5 disaster recovery features designed to ensure operational resilience.

6       (3) The secretary of labor shall review and assess the unemployment  
7 insurance information technology system for necessary upgrades, security  
8 enhancements and system improvements at least every 18 months as  
9 required pursuant to this section. Each such review shall assess system  
10 capacity, security posture, service performance and compliance with  
11 federal and state guidance.

12     (e)(b) The information technology system, technology and platform  
13 shall include, but not be limited to, any components as specified and  
14 defined by the unemployment compensation modernization and  
15 improvement council established by K.S.A. 44-771, and amendments  
16 thereto, in consultation with the secretary.

17     (e)(c) The new system shall include, but not be limited to, any  
18 features and benefits as specified and defined by the unemployment  
19 compensation modernization and improvement council established by  
20 K.S.A. 44-771, and amendments thereto, in consultation with the secretary.

21     (e)(d) The secretary shall implement and utilize all program integrity  
22 elements, as specified and defined by the unemployment compensation  
23 modernization and improvement council established by K.S.A. 44-771,  
24 and amendments thereto, in consultation with the secretary, including, but  
25 not limited to:

26       (1) Social security administration cross-matching for the purpose of  
27 validating social security numbers supplied by a claimant;

28       (2) checking of new hire records against the national directorate of  
29 new hires to verify eligibility;

30       (3) verification of immigration status or citizenship and confirmation  
31 of benefit applicant information through the systematic alien verification  
32 for entitlement program;

33       (4) comparison of applicant information to local, state and federal  
34 prison databases through incarceration cross-matches;

35       (5) detection of duplicate claims by applicants filed in other states or  
36 other unemployment insurance programs through utilization of the  
37 interstate connection network, interstate benefits cross-match, the state  
38 identification inquiry state claims and overpayment file and the interstate  
39 benefits 8606 application for overpayment recoveries for Kansas claims  
40 filed from a state other than Kansas;

41       (6) identification of internet protocol addresses linked to multiple  
42 claims or to claims filed outside of the United States; and

43       (7) use of data mining and data analytics to detect and prevent fraud

1 when a claim is filed, and on an ongoing basis throughout the lifecycle of a  
2 claim, by using current and future functionalities to include suspicious  
3 actor repository, suspicious email domains, foreign internet protocol  
4 addresses, multi-state cross-match, identity verification, fraud alert  
5 systems and other assets provided by the unemployment insurance  
6 integrity center.

7       (e) (1) *The secretary of labor shall conduct an audit at least every 24  
8 months of the fraud prevention, identity verification and cross-matching  
9 tools listed under subsection (d). Such audit shall evaluate such tools':*

10           (A) *Effectiveness in detecting and preventing fraud;*  
11           (B) *accuracy in eligibility determinations; and*  
12           (C) *effectiveness in maintaining system integrity and eliminating or  
13 minimizing vulnerabilities.*

14       (2) *The department shall annually publish anonymized, aggregate  
15 metrics for the:*

16           (A) *Number and types of fraudulent or ineligible claims identified;*  
17           (B) *methods used to detect such claims; and*  
18           (C) *denial rates associated with each specific program integrity  
19 element.*

20       (f) ~~If the unemployment compensation modernization and  
21 improvement council becomes inactive or is dissolved and the new  
22 information technology system modernization project has been completed,  
23 The secretary shall:~~

24           (1) *Review any program integrity guidance issued by the United  
25 States department of labor or the national association of state workforce  
26 agencies, including the data integrity hub, within 15 business days of  
27 issuance;*

28           (2) *publish on the department of labor's website a summary within 45  
29 calendar days of such issuance of such guidance indicating whether the  
30 secretary will adopt, partially adopt or decline such guidance. If declined,  
31 the summary shall include an explanation of such decision. Such summary  
32 shall also promptly be submitted to the chairpersons, vice chairpersons  
33 and ranking minority members of the standing committees of the senate  
34 and the house of representatives to which legislation pertaining to the  
35 employment security law is customarily referred, the president of the  
36 senate, the speaker of the house of representatives, the governor and the  
37 legislative coordinating council; and*

38           (3) ~~if such guidance is adopted or partially adopted, implement and  
39 utilize all such new program integrity elements and guidance issued by the  
40 United States department of labor and the national association of state  
41 workforce agencies, including the integrity data hub, within 60 days of the  
42 issuance of any such guidance.~~

43       (g) (1) *The secretary, on a scheduled basis as provided by paragraph*

1       (2), shall cross check new and active unemployment insurance claims  
2       against the cross-check programs described in subsection (e) (d). If the  
3       secretary receives information concerning an individual approved for  
4       benefits that indicates a change in circumstances that may affect eligibility,  
5       the secretary shall review the individual's case and act in accordance with  
6       the law.

7           (2) *The cross-checks described under paragraph (1) shall be*  
8       *performed at least:*

9           (A) *Weekly for incarceration and out-of-state claims databases;*

10          (B) *biweekly for social security administration and new hire*  
11       *directories; and*

12          (C) *monthly for systematic alien verification and suspicious actor*  
13       *repositories.*

14           (h) *The secretary shall establish a written protocol for resolving*  
15       *discrepancies identified through cross-checks, including:*

16           (1) *Employer-reported discrepancies;*

17           (2) *multiple state claims; and*

18           (3) *conflicting identity or employment status information.*

19           (i) (1) The department of labor shall have the authority to execute a  
20       memorandum of understanding with any department, agency or agency  
21       division for information required to be shared between agencies pursuant  
22       to the provisions of this section.

23           (2) *Any memorandum of understanding executed under paragraph*  
24       *(1) shall:*

25           (A) *Be reviewed by the secretary at least once every two years for*  
26       *accuracy, security and necessity; and*

27           (B) *include specific provisions addressing data sharing limits,*  
28       *confidentiality, secure transmission and breach notification requirements.*

29           (+) (j) (1) The secretary of labor shall adopt rules and regulations  
30       necessary for the purposes of carrying out this section. ~~Such rules and~~  
31       ~~shall be adopted by May 13, 2022.~~

32           (2) *The secretary shall annually review and update such rules and*  
33       *regulations to reflect operational changes and program enhancements and*  
34       *submit any such necessary changes to the secretary of administration for*  
35       *the purpose of initiating the rules and regulations filing process pursuant*  
36       *to K.S.A. 77-415 et seq., and amendments thereto, not later than July 1,*  
37       *2027, and July 1 of each year thereafter.*

38           (3) *The secretary shall consult with stakeholders prior to adopting or*  
39       *revising such rules and regulations, including:*

40           (A) *Employers and employer associations;*

41           (B) *worker advocacy groups;*

42           (C) *claimants and user representatives; and*

43           (D) *information technology and cybersecurity professionals.*

1       (4) *In addition to any public hearing required pursuant to K.S.A. 77-  
2 415 et seq., and amendments thereto, the department shall conduct at least  
3 one public hearing on any proposed regulations and provide a public  
4 comment period of not less than 30 calendar days prior to the submission  
5 of proposed rules and regulations to the secretary of administration.*

6       (f)(k) The secretary of labor shall provide an annual status update and  
7 progress report regarding the requirements of this section. *Such report  
8 shall:*

9       (1) *Be provided to the unemployment compensation modernization  
10 and improvement council, if such council is active and has not been  
11 dissolved, and the legislative coordinating council;*

12       (2) *be published in a publicly accessible format on the department's  
13 website;*

14       (3) *include metrics for claim processing times, system downtime or  
15 outages, user support response times and claimant and employer  
16 satisfaction survey results; and*

17       (4) *prominently present any substantial system upgrades, detected  
18 vulnerabilities and steps taken to address audit findings or integrity  
19 concerns.*

20       (k) ~~This section shall be a part of and supplemental to the  
21 employment security law.~~

22       (l) Beginning on January 1, 2027, if the secretary fails to meet a  
23 statutory deadline relating to system implementation, administrative  
24 rulemaking or required reporting pursuant to this section, the secretary  
25 shall, within 30 days of such missed deadline, submit to the legislative  
26 coordinating council and the chairpersons of the standing committees of  
27 the senate and the house of representatives to which legislation pertaining  
28 to the employment security law is customarily referred:

29       (1) *A written explanation regarding why such deadline was missed;  
30 and*

31       (2) *a revised implementation plan and estimated completion date.*

32       Sec. 49. K.S.A. 44-773 is hereby amended to read as follows: 44-773.  
33       (a) *Required tax information disclosure.* The secretary of labor shall  
34 include information on an unemployment insurance benefit, as part of a  
35 claimant's initial notice of monetary determination that informs the  
36 claimant of the of unemployment insurance eligibility, information  
37 regarding the federal and state income tax consequences of any  
38 unemployment compensation benefits that the claimant may receive. ~~This~~  
39 ~~Such information shall include an, but not be limited to:~~

40       (1) ~~A clear explanation regarding the department of labor of the  
41 claimant's right to elect or decline income tax withholding from  
42 unemployment compensation payments;~~

43       (2) *the process for making such an election, including access to the*

1 *department's tax withholding agreement form, designated as form K-BEN*  
2 ~~233 or a its successor form;~~

3 *(3) clear instructions for initiating or modifying a tax withholding*  
4 ~~elections and election at any time during the tax withholding process and~~  
5 ~~estimated benefit year;~~

6 *(4) an estimate of the weekly and maximum claim year withholding*  
7 ~~amounts for federal and state tax withholding amounts income taxes,~~  
8 ~~based on current rates and typical benefit levels; and~~

9 *(5) contact information or links to federal and state tax authorities*  
10 *for additional claimant guidance.*

11 ~~(b) This section shall be a part of and supplemental to the~~  
12 ~~employment security law Accessibility and delivery requirements. The tax~~  
13 ~~information described in subsection (a) shall:~~

14 *(1) Be presented in plain language and provide in printed and*  
15 *electronic formats;*

16 *(2) be made available in the primary languages most commonly*  
17 *spoken by Kansas claimants as determined by the department of labor;*

18 *(3) be published on the department's official website alongside other*  
19 *benefit eligibility resources; and*

20 *(4) include access to an online tax withholding estimator tool or*  
21 *illustrative examples based on common benefit scenarios.*

22 *(c) Annual review and update. The secretary shall annually review*  
23 *and update the information and materials required under this section*  
24 *reflect changes in applicable federal or state income tax laws, withholding*  
25 *rates or benefit structures. Updated withholding amount estimates shall be*  
26 *published by January 15 of each calendar year.*

27 Sec. 50. K.S.A. 2025 Supp. 44-774 is hereby amended to read as  
28 follows: 44-774. (a) ~~The secretary of labor shall post trust fund~~  
29 ~~computations and data as required by subsection (b) on a publicly~~  
30 ~~accessible website maintained by the secretary as follows:~~

31 *(1) The secretary shall post and maintain certified computations and*  
32 *data for each of the most recent 20 fiscal years; and*

33 *(2) for the fiscal year beginning on July 1, 2024, and each fiscal year*  
34 ~~thereafter, the secretary shall certify and post the trust fund computations~~  
35 ~~and data for the fiscal year to the website on or before December 1~~  
36 ~~following the end of such fiscal year.~~

37 *(b) The computations and data to be posted shall include:*

38 *(1) Distributions of taxable wages by experience factor for each state*  
39 ~~fiscal year including the following information:~~

40 *(A) The rate group;*

41 *(B) the reserve ratio lower limit;*

42 *(C) the number of accounts;*

43 *(D) the taxable wages by fiscal year;*

1       (E) a summary of active positive eligible accounts with the number of  
2 accounts and fiscal year taxable wages;

3       (F) a summary of active ineligible accounts with the number of  
4 accounts and fiscal year taxable wages;

5       (G) a summary of active negative accounts with the number of  
6 accounts and fiscal year taxable wages; and

7       (H) a summary of terminated and inactive accounts with the number  
8 of accounts and fiscal year taxable wages including all:

9            (i) Terminated accounts with the number of accounts and fiscal year  
10 taxable wages; and

11            (ii) inactive accounts with the number of accounts and fiscal year  
12 taxable wages organized by regular rated, industry rated and negative rated  
13 accounts;

14            (2) an average high cost benefit rate summary, including:

15            (A) The average high cost benefit rate currently in effect; and

16            (B) the benefit cost rate for the fiscal years used to calculate the  
17 average high benefit cost rate;

18            (3) the statewide wage data, including:

19            (A) Statewide average annual wage (SAAW) for the fiscal year; and

20            (B) statewide average weekly wage (SAWW) for the fiscal year.

21       (e) (1) The secretary of labor shall prepare and submit an annual  
22 certification memorandum regarding computations and data for  
23 contributing negative rated employers assigned to rate groups N1 through  
24 N11.

25       (2) Commencing in 2025 and each year thereafter, the secretary shall  
26 submit the certification memorandum on or before January 15 of each  
27 calendar year. The certification memorandum shall be for the 12-month  
28 period ending on June 30 of the preceding calendar year. In preparing the  
29 certification memorandum, the secretary shall consider contributions paid  
30 after such 12-month period ending on June 30 that are paid on or before  
31 the immediately following July 31.

32       (3) The secretary shall submit the certification memorandum to the  
33 chairpersons, vice chairpersons and ranking minority members of the  
34 standing committees of the senate and the house of representatives to  
35 which legislation pertaining to the employment security law is customarily  
36 referred, the president of the senate, the speaker of the house of  
37 representatives, the governor and the legislative coordinating council.

38       (4) The certification memorandum shall include for the current and  
39 most recent calculated three years:

40            (A) An employer identification number assigned to the employer by  
41 the secretary;

42            (B) NAICS code;

43            (C) the employer's account balance by fiscal year;

1       (D) the employer's taxable wages by fiscal year;  
2       (E) the employer's calculated reserve ratio by fiscal year;  
3       (F) the employer's taxable wage base by fiscal year;  
4       (G) the benefits charged to the employer by fiscal year;  
5       (H) if workshare was requested by the employer; and  
6       (I) if workshare was approved for the employer.

7       (5) Commencing in 2028 and each year thereafter, the annual  
8 certification memorandum shall also include the total number, if any, of:  
9       (A) temporary unemployment weeks requested by the employer;  
10       (B) temporary unemployment weeks approved for the employer;  
11       (C) the claimants who requested temporary unemployment against  
12 the employer's account independently from any request for temporary  
13 unemployment by the employer; and  
14       (D) the temporary unemployment weeks charged against the  
15 employer's account that were claimed independently from any request for  
16 temporary unemployment by the employer.

17       (d) This section shall be a part of and supplemental to the  
18 employment security law: (a) *Public posting of trust fund data.* (1) The  
19 secretary of labor shall post and maintain certified trust fund  
20 computations and employer experience data on a publicly accessible  
21 website maintained by the department of labor. Such data shall be made  
22 available in both human-readable and machine-readable formats and  
23 include visual summaries or dashboards where practicable.

24       (2) *The secretary shall:*  
25       (A) *Maintain the data specified in subsection (b) for the 20 preceding*  
26 *state fiscal years; and*  
27       (B) *beginning with the fiscal year ending on June 30, 2025, certify*  
28 *and post such data not later than December 1 following the close of each*  
29 *fiscal year.*

30       (b) *Required content of trust fund and employer experience data. The*  
31 *data posted pursuant to subsection (a) shall include the following:*  
32       (I) *Taxable wage distributions by experience factor, including:*  
33       (A) *Rate group designation;*  
34       (B) *reserve ratio lower limit;*  
35       (C) *number of employer accounts;*  
36       (D) *taxable wages by fiscal year;*  
37       (E) *summary of active positive eligible accounts, with account counts*  
38 *and taxable wages;*  
39       (F) *summary of active ineligible accounts, with account counts and*  
40 *taxable wages;*  
41       (G) *summary of active negative-rated accounts, with account counts*  
42 *and taxable wages; and*  
43       (H) *summary of terminated and inactive accounts, with:*

- 1        (i) Terminated accounts with account counts and taxable wages; and
- 2        (ii) inactive accounts, categorized by regular-rated, industry-rated
- 3        and negative-rated, with account counts and taxable wages;
- 4        (2) average high-cost benefit rate summary, including:
  - 5            (A) The average high-cost benefit rate in effect for the current year; and
  - 6            (B) the benefit cost rates for each year used in the three-year calculation of the average high benefit cost rate; and
  - 7            (3) statewide wage data, including:
    - 8              (A) The statewide average annual wage; and
    - 9              (B) the statewide average weekly wage, for the applicable fiscal year.
- 10        (c) Annual certification report for contributing negative-rated employers. (1) The secretary shall prepare and submit an annual certification report providing data for contributing employers assigned to negative rate groups NI through NE11.
  - 11            (2) Beginning in 2025 and annually thereafter, the secretary shall submit such report not later than January 15. Such report shall cover the 12-month period ending on June 30 of the preceding year. The secretary shall consider in such report any contributions received by July 31 that apply to the covered period.
  - 12            (3) The secretary shall submit such report to the:
    - 13              (A) Chairpersons, vice chairpersons and ranking minority members of the senate and the house of representatives standing committees to which employment security law matters are customarily referred;
    - 14              (B) president of the senate and the speaker of the house of representatives;
    - 15              (C) governor; and
    - 16              (D) legislative coordinating council.
  - 17            (4) The report shall include, for the current and preceding three calculated years, the following employer-specific data:
    - 18              (A) An employer identification number assigned by the secretary, which shall not be the same as the federal employer identification number or the Kansas unemployment insurance account number, also known as the SUTA account number;
    - 19              (B) north American industry classification system code;
    - 20              (C) fiscal year account balances;
    - 21              (D) fiscal year taxable wages;
    - 22              (E) calculated reserve ratios by fiscal year;
    - 23              (F) taxable wage bases by fiscal year;
    - 24              (G) benefits charged to the account by fiscal year;
    - 25              (H) whether the employer requested workshare; and
    - 26              (I) whether workshare was approved.
  - 27            (5) Beginning in 2028 and annually thereafter, the report shall also

1    *include the following, if applicable, for each employer:*

2       (A) *Total temporary unemployment weeks requested by the employer;*  
3       (B) *total temporary unemployment weeks approved;*  
4       (C) *the number of claimants independently filing temporary*  
5 *unemployment claims against the employer's account; and*  
6       (D) *the number of weeks charged to the employer's account from*  
7 *such independently filed claims.*

8       (d) *Data access and publication requirements. The department shall*  
9 *ensure that all data posted or submitted pursuant to this section:*

10      (1) *Is available in downloadable, commonly used open-data formats;*  
11      (2) *includes visual summaries or dashboards where feasible;*  
12      (3) *respects data privacy standards and anonymization practices*  
13 *where employer-level data may present confidentiality concerns; and*  
14      (4) *is accompanied by explanatory context, trends analysis and a*  
15 *glossary of key terms and definitions used in posted data and reporting*  
16 *methodologies.*

17       Sec. 51. K.S.A. 2025 Supp. 44-775 is hereby amended to read as  
18 follows: 44-775. (a) (1) ~~The secretary of labor and the secretary of~~  
19 ~~commerce shall jointly establish and implement the my reemployment~~  
20 ~~plan as provided in this section. For purposes of this section, "my~~  
21 ~~reemployment plan" means a program jointly established and implemented~~  
22 ~~by the Kansas department of labor and the Kansas department of~~  
23 ~~commerce that provides enhanced reemployment services, including~~  
24 ~~workforce services provided by the department of commerce, to Kansans~~  
25 ~~receiving unemployment insurance benefits.~~

26       (2) ~~The program shall be required for all claimants except claimants~~  
27 ~~that are:~~

28       (A) ~~In the shared work program;~~  
29       (B) ~~in the trade adjustment assistance and trade readjustment~~  
30 ~~assistance program;~~  
31       (C) ~~on temporary unemployment as defined in K.S.A. 44-703(ii), and~~  
32 ~~amendments thereto;~~  
33       (D) ~~currently employed;~~  
34       (E) ~~current reemployment services and eligibility assessment~~  
35 ~~participants;~~  
36       (F) ~~active members in good standing of a placement union; or~~  
37       (G) ~~claimants that are engaged in a training program.~~

38       (3) (A) ~~The following shall apply to any request to the secretary for~~  
39 ~~an extension of additional weeks of temporary unemployment, as defined~~  
40 ~~by K.S.A. 44-703(ii), and amendments thereto, if permitted by~~  
41 ~~subparagraph (C):~~

42       (i) ~~The request shall be made in writing by a rated contributing~~  
43 ~~employer on behalf of an identified individual or individuals;~~

1       (ii) the request shall be submitted, with respect to each individual, for  
2 an increment of eight weeks of additional temporary unemployment  
3 allowed for the individual, if permitted by subparagraph (C); and

4       (iii) the rated contributing employer shall agree to provide the  
5 secretary with reports relating to the temporary unemployment extension  
6 request as the secretary may require.

7       (B) The secretary may approve one temporary unemployment  
8 extension request for an individual of eight weeks up to the maximum total  
9 number of weeks permitted, if permitted by subparagraph (C), if the  
10 secretary determines that the requesting employer has:

11       (i) Agreed to provide the secretary with all reports required as  
12 provided by subparagraph (A)(iii);

13       (ii) filed all reports required to be filed under the employment  
14 security law for all past and current periods; and

15       (iii) paid all contributions required to be paid under the employment  
16 security law.

17       (C) (i) Additional temporary unemployment benefits of eight weeks  
18 for an individual in a benefit year may be granted by the secretary if the  
19 requests for additional temporary unemployment are made by a requesting  
20 employer determined by the secretary to be primarily engaged in:

21       (a) Ready mixed concrete production and distribution; or

22       (b) the construction of highways or elevated highways, streets, roads,  
23 airport runways, public sidewalks or bridges.

24       (ii) The total maximum amount of temporary unemployment for an  
25 individual in a benefit year, including any extension of additional  
26 temporary unemployment granted by the secretary, shall be limited to 16  
27 weeks.

28       (4) The secretary of labor shall provide the secretary of commerce  
29 with the names and contact information of claimants that have claimed a  
30 third week of benefits in the current benefit year. The secretary of labor  
31 shall request the claimant to upload or create a complete resume in the  
32 Kansasworks workforce system, and complete a job search plan that  
33 includes a skills assessment component. The secretary of commerce shall  
34 offer and provide, when requested, assistance to the claimants in  
35 developing the documents or plan through collaboration by the secretary  
36 with the Kansasworks workforce system. The secretary of commerce may  
37 require claimants to participate in reemployment services. The claimant  
38 shall have 14 calendar days to respond to the secretary of commerce. The  
39 secretary of commerce shall report any failure to respond by the claimant  
40 to the secretary of labor.

41       (5) The secretary of labor shall share labor market information and  
42 current available job positions with the secretary of commerce. The  
43 secretary of labor may collaborate with Kansasworks or other state or

1 federal agencies with job availability information in obtaining or sharing  
2 such information.

3 (6) The secretary of commerce shall match open job positions with  
4 claimants based on skills, work history and job location that is a  
5 reasonable commute from the claimant's residence and communicate the  
6 match information to the claimant and to the employer. The secretary of  
7 labor and the secretary of commerce shall consider whether the claimant or  
8 a Kansas employer would benefit from the claimant's participation in a  
9 work skills training or retraining program as provided by subsection (b)  
10 and, if so, provide such information to the employer, if applicable, and the  
11 claimant. Claimants who fail to respond within 14 calendar days after  
12 contact by Kansasworks or the department of commerce shall be reported  
13 by the secretary of commerce to the secretary of labor.

14 (7) The secretary of commerce and the secretary of labor shall  
15 monitor the result of job matches and share information regarding any  
16 claimant who did not attend an interview or did not accept a position that  
17 was a reasonable match for the claimant's work history and skills and was  
18 within a reasonable commute from the claimant's residence. The secretary  
19 of commerce shall contact the claimant and report the contact to the  
20 secretary of labor. The secretary of labor shall consider whether the  
21 claimant has failed to meet work search requirements and if the claimant  
22 should continue to receive benefits.

23 (b) The secretary of commerce shall refer claimants to a work skills  
24 training or retraining program as appropriate. The secretary of commerce  
25 shall seek to obtain or utilize any available federal funds for the program,  
26 and to the extent feasible, may make current work skills training and  
27 retraining programs available to claimants. The secretary of labor may  
28 allow claimants to participate in such a program offered by the secretary of  
29 commerce or by another state or federal agency in lieu of requiring the  
30 claimant to meet job search requirements and the requirements of the my  
31 reemployment plan until the number of allowed benefit weeks has expired.  
32 A claimant shall participate in such a program for not less than 25 hours  
33 per week. The secretary of commerce shall monitor those my  
34 reemployment plan claimants participating in training managed by the  
35 workforce centers to ensure compliance.

36 (c) Claimants who participate in the my reemployment plan or the  
37 work skills training or retraining program shall meet attendance or  
38 progress requirements established by the secretary of commerce to  
39 continue eligibility for unemployment insurance benefits. Non-compliant  
40 claimants shall be reported by the secretary of commerce to the secretary  
41 of labor. The secretary of labor shall disqualify such claimants from further  
42 benefits within five business days of receiving the report, unless or until  
43 the claimant demonstrates compliance to the secretary of commerce, and

1 shall communicate the disqualification and the reason for the  
2 disqualification to the claimant. The secretary of commerce shall report to  
3 the secretary of labor when the claimant has reestablished compliance. The  
4 secretary of labor may continue benefits or reinstate a claimant's eligibility  
5 for benefits upon a showing of good cause by the claimant for the failure  
6 to meet attendance or progress requirements or my reemployment plan  
7 participation requirements.

8 (d) The secretary of labor and the secretary of commerce shall  
9 provide an annual status update and progress report for the my  
10 reemployment plan to the standing committee on commerce, labor and  
11 economic development of the house of representatives and the standing  
12 committee on commerce of the senate during the first month of each  
13 regular legislative session.

14 (e) This section shall be a part of and supplemental to the  
15 employment security law. (a) Establishment and applicability. (1) The  
16 secretary of labor and the secretary of commerce shall jointly establish  
17 and implement a program designed to provide enhanced reemployment  
18 services to unemployment insurance claimants, including access to  
19 Kansasworks and other workforce services offered by the department of  
20 commerce. Such program shall be known as the my reemployment plan.

21 (2) Participation in the my reemployment plan shall be required for  
22 all claimants except those who are:

23 (A) Participating in the shared work program;  
24 (B) receiving trade adjustment assistance or trade readjustment  
25 assistance;  
26 (C) on temporary unemployment as defined in K.S.A. 44-703, and  
27 amendments thereto;  
28 (D) currently employed;  
29 (E) enrolled in the reemployment services and eligibility assessment  
30 program;

31 (F) active members in good standing of a placement union; or  
32 (G) actively engaged in a qualified training program.

33 (3) Temporary unemployment extensions. (A) The following  
34 conditions shall apply to any request to the secretary for an extension of  
35 additional weeks of temporary unemployment, as defined by K.S.A. 44-  
36 703, and amendments thereto, if permitted by subparagraph (C):

37 (i) The request shall be made in writing by a rated contributing  
38 employer on behalf of an identified individual or individuals;

39 (ii) the request shall be submitted, with respect to each individual, for  
40 an increment of eight weeks of additional temporary unemployment  
41 allowed for the individual, if permitted by subparagraph (C); and

42 (iii) the rated contributing employer shall agree to provide the  
43 secretary with reports relating to the temporary unemployment extension

1 request as the secretary may require.

2 (B) The secretary may approve one temporary unemployment  
3 extension request for an individual of eight weeks up to the maximum total  
4 number of weeks permitted, if permitted by subparagraph (C), if the  
5 secretary determines that the requesting employer has:

6 (i) Agreed to provide the secretary with all reports required as  
7 provided by subparagraph (A)(iii);

8 (ii) filed all reports required to be filed under the employment  
9 security law for all past and current periods; and

10 (iii) paid all contributions required to be paid under the employment  
11 security law.

12 (C) (i) Additional temporary unemployment benefits of eight weeks  
13 for an individual in a benefit year may be granted by the secretary if the  
14 requests for additional temporary unemployment are made by a requesting  
15 employer determined by the secretary to be primarily engaged in:

16 (a) Ready-mixed concrete production and distribution; or

17 (b) the construction of highways or elevated highways, streets, roads,  
18 airport runways, public sidewalks or bridges.

19 (ii) The total maximum amount of temporary unemployment for an  
20 individual in a benefit year, including any extension of additional  
21 temporary unemployment granted by the secretary, shall be limited to 16  
22 weeks.

23 (b) Claimant engagement and interagency coordination. (1) Upon a  
24 claimant filing for a third week of benefits, the secretary of labor shall:

25 (A) Notify the claimant of my reemployment plan requirements;

26 (B) direct the claimant to complete a resume in the Kansasworks  
27 system and submit a job search plan that includes a skills assessment; and

28 (C) provide the claimant's name and contact information to the  
29 secretary of commerce.

30 (2) The secretary of commerce shall offer assistance to claimants in  
31 completing the my reemployment plan documentation. The secretary may  
32 require participation by claimants in available reemployment services.

33 (3) Claimants shall respond to my reemployment plan  
34 communications from the secretary of commerce within 14 calendar days.  
35 If a claimant fails to respond within 14 calendar days, the secretary of  
36 commerce shall report the nonresponse to the secretary of labor.

37 (4) The secretary of labor shall share labor market data, job  
38 openings and employment trends with the secretary of commerce. The  
39 secretary of labor may also collaborate with Kansasworks or other  
40 agencies in gathering or sharing such information.

41 (c) Job matching, referrals, and training. (1) The secretary of  
42 commerce shall:

43 (A) Match claimants with open positions based on skills, work history

1 and commuting distances that are reasonable based on location and labor  
2 market factors;

3 (B) notify both claimant and employer of suitable matches; and  
4 (C) monitor available skills training or retraining programs,  
5 periodically review eligibility of claimants for such programs and refer  
6 eligible claimants to such programs when deemed beneficial for a  
7 claimant.

8 (2) Claimants who fail to respond within 14 calendar days of contact  
9 regarding job matches or referrals shall be reported to the secretary of  
10 labor for benefit eligibility review.

11 (3) The secretary of labor and secretary of commerce shall jointly  
12 monitor job match results and determine whether claimants failed to  
13 accept or attend interviews for reasonable matches of employment.

14 (d) Participation in training programs. (1) The secretary of  
15 commerce may refer claimants to work skills training or retraining  
16 programs and shall obtain and use federal funds to support such programs  
17 to the extent possible.

18 (2) Claimants referred to training by the secretary of commerce shall  
19 be reported to the secretary of labor. The secretary of labor may  
20 temporarily exempt such claimants from job search and my reemployment  
21 plan participation requirements.

22 (3) Training program participants shall:

23 (A) Participate for no fewer than 25 hours per week; and

24 (B) be monitored for compliance and progress by the secretary of  
25 commerce.

26 (e) Compliance and disqualification procedures. (1) Claimants shall  
27 meet all my reemployment plan and training program attendance and  
28 progress requirements to remain eligible for benefits.

29 (2) The secretary of commerce shall report noncompliant claimants  
30 to the secretary of labor, who shall disqualify such claimants for benefits  
31 within five business days unless the claimant demonstrates compliance or  
32 provides good cause for the noncompliance to the secretary of labor.

33 (3) The secretary of commerce shall notify the secretary of labor of  
34 claimants who resume compliance. Upon such notification of restored  
35 compliance by the secretary of commerce, the secretary of labor may  
36 resume or reinstate benefits for such claimants.

37 (f) Supplemental unemployment benefit plan recipients. Claimants  
38 receiving benefits under an approved supplemental unemployment benefit  
39 plan in accordance with section 1, and amendments thereto, shall remain  
40 subject to participation in reemployment services, unless otherwise  
41 exempted by the secretary of labor pursuant to this section.

42 (g) Legislative reporting. The secretary of labor and the secretary of  
43 commerce shall provide a joint annual report on the implementation and

1   outcomes of the my reemployment plan to the house of representatives  
2   committee on commerce, labor and economic development and the senate  
3   committee on commerce during the first month of each regular legislative  
4   session. The report shall include performance indicators, such as claimant  
5   participation rates, resume submissions, job match results, reemployment  
6   outcomes and other metrics as jointly determined by the secretary of labor  
7   and secretary of commerce.

8   Sec. 52. K.S.A. 44-777 is hereby amended to read as follows: 44-777.  
9   (a) *Identity verification form.* The secretary of labor shall develop a  
10   standardized form—for use by to assist claimants—to establish in  
11   establishing their identity before a law enforcement officer of a Kansas  
12   law enforcement agency officer for the purpose of facilitating the receipt  
13   of unemployment insurance benefits. The form may be in electronic  
14   situations involving potential identity theft, administrative holds or paper  
15   format and may be transmitted or processed in electronic format if  
16   safeguards are made other instances where additional verification is  
17   necessary to protect any confidential information of the claimant. program  
18   integrity. Use of the form by a claimant shall be optional and not be a  
19   requirement to receive condition of eligibility for unemployment insurance  
20   benefits.

21   (1) The form shall be distributed to participating law enforcement  
22   agencies upon request and shall be provided to claimants at the time a  
23   claim for benefits is submitted. The form shall also be made readily  
24   available on the department of labor's website. The form shall be no more  
25   than:

26   (A) Not exceed one page in length; ;  
27   (B) include spaee fields for the claimant's full name, residential  
28   address, phone number, if any available, email address, if any available,  
29   date of birth and social security number and include;

30   (C) provide instructions for the use of the form for the claimant and  
31   the law enforcement agency. The form shall specify permitted identity  
32   verification documentation that may be submitted to the law enforcement  
33   officer by the claimant to establish the claimant's identity. The permitted  
34   forms of identity verification documentation shall be documents to  
35   establish identity or documents to establish both the claimant and law  
36   enforcement officer; including a list of acceptable identity verification  
37   documents; and

38   (D) specify the acceptable documents sufficient to establish identity,  
39   or identity and employment authorization acceptable for as recognized by  
40   federal form I-9, employment eligibility verification, pursuant to 8 C.F.R.  
41   § 274a.2, as in effect on the effective date of this act. The form shall be  
42   developed and made available within seven days of the effective date of  
43   this act. Law enforcement agencies shall not be required to participate in

1 the provisions of this section July 1, 2025. The form shall state that  
2 acceptable documents include documents listed under List A or a  
3 combination of List B and List C of the federal from I-9.

4 (2) The form may be issued in either paper or electronic format and  
5 may be submitted electronically provided that the department implements  
6 safeguards to protect all claimant information in accordance with K.S.A.  
7 44-714(e), and amendments thereto, and all other applicable state and  
8 federal privacy laws.

9 (3) The form shall be made available on the department of labor's  
10 official website in a human-readable, commonly used and readily  
11 available format that may be downloaded, saved to a local computer and  
12 printed. If possible and in a reasonably secure manner, the secretary shall  
13 make the format capable of being completed and submitted online. The  
14 form shall be provided, in electronic format or paper copy, to any:

15 (A) Claimant upon submission of an unemployment insurance claim;  
16 and

17 (B) law enforcement agency that agrees to participate.

18 (4) The secretary shall develop and publish the form not later than  
19 July 10, 2026, and maintain a publicly accessible list of participating law  
20 enforcement agencies, updated at least quarterly.

21 (b) Presentation to law enforcement. Upon receipt of the form, a  
22 claimant may present the form and required documentation to a  
23 participating Kansas law enforcement agency with that has jurisdiction  
24 over the location of the claimant's residence or last known place of  
25 employment in Kansas and submit documentation as required by the form  
26 for verification by the law enforcement state. If no such agency agrees to  
27 participate, the secretary may authorize the claimant to present the  
28 form to a participating law enforcement agency that does not have outside  
29 of the defined jurisdiction over the location of the claimant's residence or  
30 last known place of employment if no law enforcement agency with such  
31 jurisdiction has agreed to participate and the secretary has approved such  
32 submission. If a law enforcement officer of the law enforcement agency  
33 examines and finds the documentation submitted by the claimant valid and  
34 sufficient to establish the claimant's.

35 (1) Upon validating the claimant's documentation and confirming its  
36 sufficiency to establish identity, the law enforcement officer shall complete  
37 or verify the form as instructed and transmit the law enforcement agency  
38 shall submit the verified form to the department of labor as provided in the  
39 manner prescribed by the instructions secretary.

40 (c) The secretary shall presume a claimant's identity has been  
41 confirmed for purposes of the employment security law upon  
42 submission Presumption of identity. Upon receipt of a properly completed  
43 verification form to the secretary by the from a law enforcement agency on

1 ~~behalf, the secretary shall presume that the claimant's identity has been~~  
2 ~~established for purposes of administering the claimant. The employment~~  
3 ~~security law. This presumption may be overcome rebutted by direct and~~  
4 ~~credible information evidence to the contrary.~~

5 (d) ~~The Confidentiality and legal immunity. All information collected~~  
6 ~~or transmitted under this section shall be confidential and subject to the~~  
7 ~~protections of K.S.A. 44-714(e), and amendments thereto.~~

8 (1) ~~Any law enforcement officer, law enforcement agency, the state or~~  
9 ~~any political subdivision of the state that employs a law enforcement~~  
10 ~~officer providing thereof that participates in the identity verification as~~  
11 ~~provided by process in accordance with this section for the department of~~  
12 ~~labor, shall have immunity shall be immune from any civil or criminal~~  
13 ~~liability for such verification action if activities, provided the law~~  
14 ~~enforcement officer or agency acts in good faith and exercises due care.~~

15 (2) ~~Participation and by law enforcement in the verification of a~~  
16 ~~claimant's identity as provided process established by this section by a law~~  
17 ~~enforcement agency or law enforcement officer shall constitute a~~  
18 ~~discretionary function or duty for purposes of the Kansas tort claims act,~~  
19 ~~K.S.A. 75-6101 et seq., and amendments thereto.~~

20 (e) ~~This section shall be a part of and supplemental to the~~  
21 ~~employment security law Rulemaking authority. The secretary of labor~~  
22 ~~may adopt rules and regulations as necessary to implement, administer~~  
23 ~~and ensure compliance with the provisions of this section, including~~  
24 ~~procedures for electronic submission, data security and interagency~~  
25 ~~coordination.~~

26 Sec. 53. K.S.A. 2025 Supp. 79-3234 is hereby amended to read as  
27 follows: 79-3234. (a) All reports and returns required by this act shall be  
28 preserved for three years and thereafter until the director orders them to be  
29 destroyed.

30 (b) Except in accordance with proper judicial order; or as provided in  
31 subsection (c) or K.S.A. 46-1106(e), 46-1114 or 79-32,153a, and  
32 amendments thereto, it shall be unlawful for the secretary, the director, any  
33 deputy, agent, clerk or other officer, employee or former employee of the  
34 department of revenue or any other state officer or employee or former  
35 state officer or employee to divulge; or to make known in any way; the  
36 amount of income or any particulars set forth or disclosed in any report,  
37 return, federal return or federal return information required under this act;  
38 and it shall be unlawful for the secretary, the director, any deputy, agent,  
39 clerk or other officer or employee engaged in the administration of this act  
40 to engage in the business or profession of tax accounting or to accept  
41 employment, with or without consideration, from any person, firm or  
42 corporation for the purpose, directly or indirectly, of preparing tax returns  
43 or reports required by the laws of the state of Kansas, by any other state or

1 by the United States government; or to accept any employment for the  
2 purpose of advising, preparing material or data; or the auditing of books or  
3 records to be used in an effort to defeat or cancel any tax or part thereof  
4 that has been assessed by the state of Kansas, any other state or by the  
5 United States government.

6 (c) The secretary or the secretary's designee may:

7 (1) Publish statistics, so classified as to prevent the identification of  
8 particular reports or returns and the items thereof;

9 (2) allow the inspection of returns by the attorney general or other  
10 legal representatives of the state;

11 (3) provide the post auditor access to all income tax reports or returns  
12 in accordance with and subject to the provisions of K.S.A. 46-1106(e) or  
13 46-1114, and amendments thereto;

14 (4) disclose taxpayer information from income tax returns to persons  
15 or entities contracting with the secretary of revenue where the secretary  
16 has determined disclosure of such information is essential for completion  
17 of the contract and has taken appropriate steps to preserve confidentiality;

18 (5) disclose to the secretary of commerce the following:

19 (A) Specific taxpayer information related to financial information  
20 previously submitted by the taxpayer to the secretary of commerce  
21 concerning or relevant to any income tax credits; for the purposes of  
22 verification of such information or evaluating the effectiveness of any tax  
23 credit or economic incentive program administered by the secretary of  
24 commerce;

25 (B) the amount of payroll withholding taxes an employer is retaining  
26 pursuant to K.S.A. 74-50,212, and amendments thereto;

27 (C) information received from businesses completing the form  
28 required by K.S.A. 74-50,217, and amendments thereto; and

29 (D) findings related to a compliance audit conducted by the  
30 department of revenue upon the request of the secretary of commerce  
31 pursuant to K.S.A. 74-50,215, and amendments thereto;

32 (6) disclose income tax returns to the state gaming agency to be used  
33 solely for the purpose of determining qualifications of licensees of and  
34 applicants for licensure in tribal gaming. Any information received by the  
35 state gaming agency shall be confidential and shall not be disclosed except  
36 to the executive director, employees of the state gaming agency and  
37 members and employees of the tribal gaming commission;

38 (7) disclose the taxpayer's name, last known address and residency  
39 status to the Kansas department of wildlife and parks to be used solely in  
40 its license fraud investigations;

41 (8) disclose the name, ~~residenee~~ *residential* address, employer or  
42 Kansas adjusted gross income of a taxpayer who may have a duty of  
43 support in a title IV-D case to the secretary of the Kansas department for

1 children and families for use solely in administrative or judicial  
2 proceedings to establish, modify or enforce such support obligation in a  
3 title IV-D case. In addition to any other limits on use, such use shall be  
4 allowed only ~~where when~~ subject to a protective order ~~which that~~ prohibits  
5 disclosure outside of the title IV-D proceeding. As used in this section,  
6 "title IV-D case" means a case being administered pursuant to part D of  
7 title IV of the federal social security act, 42 U.S.C. § 651 et seq., and  
8 amendments thereto. Any person receiving any information under the  
9 provisions of this subsection shall be subject to the confidentiality  
10 provisions of subsection (b) and to the penalty provisions of subsection  
11 (e);

12 (9) permit the commissioner of internal revenue of the United States,  
13 ~~or~~ the proper official of any state imposing an income tax; or the  
14 authorized representative of either, to inspect the income tax returns made  
15 under this act ~~and~~. The secretary of revenue may make available or furnish  
16 to the taxing officials of any other state ~~or~~, the commissioner of internal  
17 revenue of the United States or other taxing officials of the federal  
18 government; or their authorized representatives; information contained in  
19 income tax reports or returns or any audit thereof or the report of any  
20 investigation made with respect thereto, filed pursuant to the income tax  
21 laws, as the secretary may consider proper, but such information shall not  
22 be used for any other purpose than that of the administration of tax laws of  
23 such state, the state of Kansas ~~or of~~ the United States;

24 (10) communicate to the executive director of the Kansas lottery  
25 information as to whether a person, partnership or corporation is current in  
26 the filing of all applicable tax returns and in the payment of all taxes,  
27 interest and penalties to the state of Kansas, excluding items under formal  
28 appeal, for the purpose of determining whether such person, partnership or  
29 corporation is eligible to be selected as a lottery retailer;

30 (11) communicate to the executive director of the Kansas racing  
31 commission as to whether a person, partnership or corporation has failed  
32 to meet any tax obligation to the state of Kansas for the purpose of  
33 determining whether such person, partnership or corporation is eligible for  
34 a facility owner license or facility manager license pursuant to the Kansas  
35 parimutuel racing act;

36 (12) provide such information to the executive director of the Kansas  
37 public employees retirement system for the purpose of determining that  
38 certain individuals' reported compensation is in compliance with the  
39 Kansas public employees retirement act, K.S.A. 74-4901 et seq., and  
40 amendments thereto;

41 (13) (A) provide taxpayer information of persons suspected of  
42 violating K.S.A. 44-766, and amendments thereto, to the secretary of labor  
43 or such secretary's designee for the purpose of determining compliance by

1 any person with the provisions of K.S.A. ~~44-703(i)(3)(D) and 44-766 and~~  
2 ~~44-768~~, and amendments thereto. The information to be provided shall  
3 include all relevant information in the possession of the department of  
4 revenue necessary for the secretary of labor to make a proper  
5 determination of compliance with the provisions of K.S.A. ~~44-703(i)(3)(D)~~  
6 ~~and 44-766 and 44-768~~, and amendments thereto, and to calculate any  
7 unemployment contribution taxes due. Such information to be provided by  
8 the department of revenue shall include, but not be limited to, withholding  
9 tax and payroll information, the identity of any person that has been or is  
10 currently being audited or investigated in connection with the  
11 administration and enforcement of the withholding and declaration of  
12 estimated tax act, K.S.A. 79-3294 et seq., and amendments thereto, and the  
13 results or status of such audit or investigation;

14 (B) any person receiving tax information under the provisions of this  
15 paragraph shall be subject to the same duty of confidentiality imposed by  
16 law upon the personnel of the department of revenue and shall be subject  
17 to any civil or criminal penalties imposed by law for violations of such  
18 duty of confidentiality; and

19 (C) each of the secretary of labor and the secretary of revenue may  
20 adopt rules and regulations necessary to effect the provisions of this  
21 paragraph;

22 (14) provide such information to the state treasurer for the sole  
23 purpose of carrying out the provisions of K.S.A. 58-3934, and  
24 amendments thereto. Such information shall be limited to current and prior  
25 addresses of taxpayers or associated persons who may have knowledge as  
26 to the location of an owner of unclaimed property. For the purposes of this  
27 paragraph, "associated persons" includes spouses or dependents listed on  
28 income tax returns;

29 (15) after receipt of information pursuant to subsection (f), forward  
30 such information and provide the following reported Kansas individual  
31 income tax information for each listed defendant, if available, to the state  
32 board of indigents' defense services in an electronic format and in the  
33 manner determined by the secretary: (A) The defendant's name; (B) social  
34 security number; (C) Kansas adjusted gross income; (D) number of  
35 exemptions claimed; and (E) the relevant tax year of such records. Any  
36 social security number provided to the secretary and the state board of  
37 indigents' defense services pursuant to this section shall remain  
38 confidential; and

39 (16) disclose taxpayer information that is received from income tax  
40 returns to the department of commerce that may be disclosed pursuant to  
41 the provisions of K.S.A. 2025 Supp. 74-50,227, and amendments thereto,  
42 for the purpose of including such information in the database required by  
43 K.S.A. 2025 Supp. 74-50,227, and amendments thereto.

1       (d) Any person receiving information under the provisions of  
2 subsection (c) shall be subject to the confidentiality provisions of  
3 subsection (b) and to the penalty provisions of subsection (e).

4       (e) Any violation of subsection (b) or (c) is a class A nonperson  
5 misdemeanor and, if the offender is an officer or employee of the state,  
6 such officer or employee shall be dismissed from office.

7       (f) For the purpose of determining whether a defendant is financially  
8 able to employ legal counsel under the provisions of K.S.A. 22-4504, and  
9 amendments thereto, in all felony cases with appointed counsel where the  
10 defendant's social security number is accessible from the records of the  
11 district court, the court shall electronically provide the defendant's name,  
12 social security number, district court case number and county to the  
13 secretary of revenue in the manner and format agreed to by the office of  
14 judicial administration and the secretary.

15       (g) Nothing in this section shall be construed to allow disclosure of  
16 the amount of income or any particulars set forth or disclosed in any  
17 report, return, federal return or federal return information, where such  
18 disclosure is prohibited by the federal internal revenue code as in effect on  
19 September 1, 1996, and amendments thereto, related federal internal  
20 revenue rules or regulations, or other federal law.

21       New Sec. 54. The provisions of this act shall be known and may be  
22 cited as the Kansas unemployment insurance modernization and  
23 conformity act.

24       Sec. 55. K.S.A. 44-701, 44-702, 44-704a, 44-704b, 44-706a, 44-  
25 710d, 44-710e, 44-710f, 44-710i, 44-711, 44-712, 44-713, 44-713a, 44-  
26 714, 44-715, 44-716, 44-716a, 44-718, 44-719, 44-720, 44-721, 44-722,  
27 44-723, 44-724, 44-725, 44-727, 44-758, 44-759, 44-760, 44-761, 44-762,  
28 44-763, 44-764, 44-765, 44-766, 44-767, 44-768, 44-769, 44-770, 44-773  
29 and 44-777 and K.S.A. 2025 Supp. 44-703, 44-704, 44-705, 44-706, 44-  
30 709, 44-709b, 44-710, 44-710a, 44-710b, 44-717, 44-757, 44-772, 44-774,  
31 44-775 and 79-3234 are hereby repealed.

32       Sec. 56. This act shall take effect and be in force from and after its  
33 publication in the statute book.