

**Senate Substitute for
Substitute for HOUSE BILL No. 2196**

By Committee on Commerce

3-29

1 AN ACT concerning employment security; creating the unemployment
2 compensation modernization and improvement council; providing for
3 an audit to be conducted by the council; providing for development of a
4 new unemployment insurance information technology system; claimant
5 tax information; website publication of trust fund data; maximum
6 benefit period; charging of employer accounts for benefits paid;
7 employment security board of review and emergency expansion
8 thereof; employer contribution rate determination and schedules;
9 crediting employer accounts for fraudulent or erroneous payments;
10 services performed by petroleum landmen; lessor employment unit
11 employee leasing restrictions; disclosure of information; shared work
12 compensation program; establishing the my reemployment plan
13 providing job search and job matching assistance to claimants and
14 employers; providing for workforce training program availability for
15 claimants; providing for the transfer of certain federal coronavirus
16 relief funds received by the state to the employment security fund;
17 changing the benefit disqualification period for fraud; amending K.S.A.
18 44-758 and K.S.A. 2020 Supp. 44-703, 44-704, 44-705, 44-706, 44-
19 709, 44-710, 44-710a, 44-710b, 44-714 and 44-757 and repealing the
20 existing sections.

21

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

22

23 New Section 1. (a) (1) There is hereby created the unemployment
24 compensation modernization and improvement council. The council shall
25 consist of 13 members appointed as follows:

26

(A) Three members who, on account of their vocation, employment
27 or affiliations, may be classed as representative of employers, one of
28 whom shall be selected by the governor, one by the speaker of the house of
29 representatives and one by the president of the senate;

30

(B) three members who, on account of their vocation, employment or
31 affiliation, may be classed as representative of employees, one of whom
32 shall be selected by the governor, one by the speaker of the house of
33 representatives and one by the president of the senate;

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(C) the chairpersons of the standing committees of the senate and the
35 house of representatives to which legislation pertaining to the employment
36 security law is customarily referred, appointed by the president of the

1 senate and the speaker of the house of representatives, respectively;

2 (D) two members of the senate, one of whom shall be a member of
3 the majority party appointed by the president of the senate and one of
4 whom shall be a member of the minority party appointed by the minority
5 leader of the senate;

6 (E) two members of the house of representatives, one of whom shall
7 be a member of the majority party appointed by the speaker of the house
8 of representatives and one of whom shall be a member of the minority
9 party appointed by the minority leader of the house of representatives; and

10 (F) the secretary of labor or a designee of the secretary who has
11 administrative responsibilities with respect to the unemployment insurance
12 compensation system of the department of labor.

13 (2) Legislative members shall serve during the legislative session in
14 which they are appointed to the council and shall remain members of the
15 legislature in order to retain membership on the council. Vacancies of
16 legislative members during a term shall be filled in the same manner as the
17 original appointment only for the unexpired part of the term. The
18 appointing authority for the legislative member may remove the member,
19 reappoint the member or substitute another appointee for the member at
20 any time.

21 (3) The members of the council shall be appointed and the council
22 shall hold its first meeting within 30 days of the effective date of this act.

23 (b) All other members shall serve for three years or until the council
24 is dissolved, whichever is shorter. Vacancies of non legislative members
25 shall be filled in the same manner as the original appointment only for the
26 unexpired part of the term. The appointing authority for the member may
27 remove the member, reappoint the member or substitute another appointee
28 for the member at any time.

29 (c) The council shall be dissolved and the provisions of this section
30 pertaining to the establishment, function and operation of the council shall
31 no longer be in effect after three years from the date of the council's first
32 meeting.

33 (d) Each member of the council shall be entitled to receive
34 compensation for the member's services, together with the member's travel
35 and other necessary expenses actually incurred in the performance of the
36 member's official duties, in accordance with rules and regulations adopted
37 by the council. Members' compensation and expenses shall be paid from
38 the employment security administration fund or any account of the state
39 general fund of the department of labor, as designated by the secretary.

40 (e) The chairperson of the house of representatives standing
41 committee on commerce, labor and economic development, or a successor
42 committee to which legislation pertaining to employment security law is
43 customarily referred, shall serve as the chairperson of the committee when

1 first organized and for the ensuing two years. The chairperson of the
2 senate standing committee on commerce, or a successor committee to
3 which legislation pertaining to employment security law is customarily
4 referred, shall serve as the chairperson of the committee for the next two
5 years, and thereafter the office of chairperson shall continue to alternate
6 between the chambers as provided herein.

7 (f) The council shall examine and recommend changes to the
8 unemployment compensation system to include current limitations, new
9 features and benefits, system enhancements and dynamic, accurate
10 reporting for the benefit of both employers and individuals. The council
11 shall also examine the process by which an individual files a claim for and
12 receives benefits and any changes made to that process after the effective
13 date of this section. The scope of the council's examinations and
14 recommendations shall include, but not be limited to, the following:

15 (1) The technological infrastructure used to file and process claims
16 and pay benefits and the experience of individuals and employers
17 participating in the process;

18 (2) system improvements or upgrades that will maximize
19 responsiveness for individuals and employers;

20 (3) methods for information and data sharing across agency systems
21 related to unemployment compensation to maximize efficiency; and

22 (4) system improvements or upgrades relating to system integrity by
23 reporting vulnerabilities and recommended system enhancements to
24 include identity verification and protection, social security administration
25 cross-match, systematic alien verification for entitlement, incarceration
26 cross-matches, interstate connection network, internet protocol address and
27 data mining and analytics to detect and prevent fraud. Such data mining
28 and analytics shall include current and future recommendations by the
29 United States department of labor and the national association of state
30 workforce agencies, including suspicious actor repository, suspicious
31 email domains, foreign IP addresses, multi-state cross-match, identity
32 verification, fraud alert system, and other assets provided by the
33 unemployment insurance integrity center.

34 (g) (1) The council shall conduct an audit that shall examine the
35 effects on the department of labor and the unemployment insurance system
36 of fraudulent claims and improper payments during the period of March
37 15, 2020, through March 31, 2022, and the response by the department of
38 labor to such fraudulent claims and improper payments during that period.
39 The council shall select an independent firm to conduct the audit. The
40 auditor shall have access to all confidential documents. The scope of the
41 audit shall include, but not be limited to, the amounts and nature of
42 improper payments and fraudulent claims, fraud processes and methods
43 and the possibility of recovery of any improper payments. The audit shall

1 also include, but not be limited to, an evaluation that provides likelihood
2 of a data breach being a contributing factor to any fraudulent payments,
3 improper network architecture allowing a potential breach to have
4 occurred and a timeline of relevant events. The independent firm shall
5 make a preliminary report to the council by May 1, 2022, and a final report
6 by September 1, 2022, that shall be made publicly available by the council.
7 The preliminary report should include, but not be limited to, an evaluation
8 of systems with access to the payment and processing of claims, forensic
9 endpoint images related to the claims and the external perimeter housing
10 the claims systems, as well as an evaluation of the department of labor's
11 response to claims. The council's report, and any subsequent report
12 provided, shall also include information on the progress regarding the
13 secretary's implementation of all program integrity elements and guidance
14 issued by the United States department of labor and the national
15 association of state workforce agencies as described in section 2(e), and
16 amendments thereto. Any confidential information shall be redacted and
17 shall not be made public. The audit shall be paid for by the state, subject to
18 appropriations therefor.

19 (2) The council may hold an executive session that shall not be public
20 under the Kansas open meetings act for the purpose of hearing and
21 discussing any confidential portions of the audit. The council shall follow
22 the provisions of K.S.A. 75-4319, and amendments thereto, when
23 conducting such an executive session.

24 (h) The council shall not examine the solvency of the unemployment
25 compensation fund created by K.S.A. 44-710a, and amendments thereto,
26 or changes that would either increase or reduce benefits paid from the
27 fund.

28 (i) The speaker of the house of representatives and the president of
29 the senate shall jointly appoint an executive secretary of the council from
30 the Kansas legislative research department, and the executive secretary
31 shall attend the meetings of the council. The executive secretary's duties
32 shall include:

33 (1) Maintaining council agendas and assisting in planning meetings
34 and conferences;

35 (2) recording and making minutes available to the public;

36 (3) handling confidential documents and ensuring they remain secure;

37 (4) maintaining electronic and paper records and ensuring such
38 information is organized and easily accessible; and

39 (5) conducting research and preparing presentations or reports as
40 assigned by the chairperson or the secretary of labor.

41 (j) (1) The council shall only have access to records of the department
42 of labor that are necessary for the administration and duties of the council.
43 The council shall not have access to any confidential or personal

1 identifying information. The council may request that the secretary of
2 labor, department of labor employee or any private or public employer or
3 employee with information of value to the council appear before the
4 council and testify to matters within the council's purview.

5 (2) Not later than 30 days after the council's first meeting, the council
6 shall issue an initial report that, at a minimum, describes the state of the
7 process by which an individual files a claim for and receives benefits
8 under the employment security law at the time the report is issued and
9 planned improvements to the process. The council may address other
10 matters within the council's purview in the report.

11 (3) The secretary of labor shall post all testimony and other relevant
12 materials discussed, presented to or produced for the council on a publicly
13 accessible website maintained by the secretary.

14 (k) The secretary of labor shall notify the chairperson of the council
15 of any unauthorized third-party access to or acquisition of records
16 maintained by the secretary that are necessary for the administration of the
17 employment security law. The secretary shall provide the notice not more
18 than five days after the secretary discovers or is notified of the
19 unauthorized access or acquisition.

20 (l) The secretary of labor shall notify the members of the council of
21 any substantial disruption in the process by which applications for
22 determination of benefit rights and claims for benefits are filed with the
23 secretary. The council shall, in cooperation with the secretary, adopt and
24 periodically review a definition of substantial disruption for purposes of
25 this subsection.

26 (m) (1) The secretary of labor shall, with the assistance of the
27 council:

28 (A) Develop a written strategic staffing plan to be implemented
29 whenever there is a substantial increase or a substantial decrease in the
30 number of inquiries or claims for benefits and review the plan in
31 accordance with the provisions of subsection (n);

32 (B) create, in a single place on the website maintained by the
33 secretary, a list of all points of contact by which an applicant for or a
34 recipient of unemployment compensation benefits or an employer may
35 submit inquiries related to the employment security law; and

36 (C) adopt rules and regulations creating a uniform process through
37 which an applicant for or a recipient of benefits under the employment
38 security law or an employer may submit a complaint related to the service
39 the applicant, recipient or employer received.

40 (2) In the written strategic staffing plan required under paragraph (1)
41 (A), the secretary shall include an explanation of whether and in what
42 manner the secretary will utilize:

43 (A) Department employees who do not ordinarily perform services

1 related to unemployment compensation;

2 (B) employees employed by other state agencies; and

3 (C) employees provided by private entities.

4 (n) For purposes of subsection (m)(1)(A), the secretary of labor shall
5 develop the initial written strategic staffing plan and provide such plan to
6 the council, the president of the senate, the speaker of the house of
7 representatives and the governor. The secretary shall review the plan at
8 least once per year. If, after reviewing the plan, the secretary determines
9 that the plan should be revised, the secretary shall revise the plan. After
10 each review of the plan as provided under this subsection, the secretary
11 shall provide the most recent version of the plan to the council, the
12 president of the senate, the speaker of the house of representatives and the
13 governor. The secretary shall post the most recent version of the plan on a
14 publicly accessible website maintained by the secretary.

15 (o) The council may suggest rules and regulations for adoption by the
16 secretary as necessary to implement the provisions of this section.

17 (p) The secretary of labor or the secretary's designee shall provide
18 status reports on or before the 15th day and the last day of each month to
19 the council. The reports shall include, but not be limited to, the status of
20 the new unemployment information technology system upgrade timeline,
21 progress, budget and the overall project status. At such time that the new
22 system becomes operational, the reports shall include, but not be limited to,
23 to, system performance and process updates.

24 (q) This section shall be a part of and supplemental to the
25 employment security law.

26 New Sec. 2. (a) It is the intent of the legislature that, in order to
27 accomplish the mission of collecting state employment security taxes,
28 processing unemployment insurance benefit claims and paying benefits,
29 the department of labor's information technology system shall be
30 continually developed, customized, enhanced and upgraded. The purpose
31 of this section is to ensure the state's unemployment insurance program is
32 utilizing current technology and features to protect the sensitive data
33 required in the unemployment insurance benefit and tax systems relating
34 to program integrity, system efficiency and customer service experience.

35 (b) The legislature finds that, as a result of the vulnerabilities exposed
36 in the legacy unemployment insurance system by the COVID-19 pandemic
37 unemployment insurance crisis, a new system shall be fully designed,
38 implemented and administered by the department of labor on a date to be
39 determined by the unemployment compensation modernization and
40 improvement council established by section 1, and amendments thereto.
41 The council may extend the deadline to a date certain and may further
42 extend the deadline to another date certain at any time.

43 (c) The information technology system, technology and platform

1 shall include, but not be limited to, any components as specified and
2 defined by the unemployment compensation modernization and
3 improvement council established by section 1, and amendments thereto, in
4 consultation with the secretary.

5 (d) The new system shall include, but not be limited to, any features
6 and benefits as specified and defined by the unemployment compensation
7 modernization and improvement council established by section 1, and
8 amendments thereto, in consultation with the secretary.

9 (e) The secretary shall implement and utilize all program integrity
10 elements, as specified and defined by the unemployment compensation
11 modernization and improvement council established by section 1, and
12 amendments thereto, in consultation with the secretary, including, but not
13 limited to:

14 (1) Social security administration cross-matching for the purpose of
15 validating social security numbers supplied by a claimant;

16 (2) checking of new hire records against the national directorate of
17 new hires to verify eligibility;

18 (3) verification of immigration status or citizenship and confirmation
19 of benefit applicant information through the systematic alien verification
20 for entitlement program;

21 (4) comparison of applicant information to local, state and federal
22 prison databases through incarceration cross-matches;

23 (5) detection of duplicate claims by applicants filed in other states or
24 other unemployment insurance programs through utilization of the
25 interstate connection network, interstate benefits cross-match, the state
26 identification inquiry state claims and overpayment file and the interstate
27 benefits 8606 application for overpayment recoveries for Kansas claims
28 filed from a state other than Kansas;

29 (6) identification of internet protocol addresses linked to multiple
30 claims or to claims filed outside of the United States; and

31 (7) use of data mining and data analytics to detect and prevent fraud
32 when a claim is filed, and on an ongoing basis throughout the lifecycle of a
33 claim, by using current and future functionalities to include suspicious
34 actor repository, suspicious email domains, foreign internet protocol
35 addresses, multi-state cross-match, identity verification, fraud alert
36 systems and other assets provided by the unemployment insurance
37 integrity center.

38 (f) If the unemployment compensation modernization and
39 improvement council becomes inactive or is dissolved and the new
40 information technology system modernization project has been completed,
41 the secretary shall implement and utilize all new program integrity
42 elements and guidance issued by the United States department of labor and
43 the national association of state workforce agencies, including the integrity

1 data hub, within 60 days of the issuance of any such guidance.

2 (g) The secretary, on a scheduled basis, shall cross check new and
3 active unemployment insurance claims against the cross-check programs
4 described in subsection (e). If the secretary receives information
5 concerning an individual approved for benefits that indicates a change in
6 circumstances that may affect eligibility, the secretary shall review the
7 individual's case and act in accordance with the law.

8 (h) The department of labor shall have the authority to execute a
9 memorandum of understanding with any department, agency or agency
10 division for information required to be shared between agencies pursuant
11 to the provisions of this section.

12 (i) The secretary of labor shall adopt rules and regulations necessary
13 for the purposes of carrying out this section. Such rules and regulations
14 shall be adopted within 12 months of the effective date of this act.

15 (j) The secretary of labor shall provide an annual status update and
16 progress report regarding the requirements of this section to the
17 unemployment compensation modernization and improvement council and
18 the legislative coordinating council.

19 (k) This section shall be a part of and supplemental to the
20 employment security law.

21 New Sec. 3. (a) The secretary of labor shall include information on an
22 unemployment insurance benefit claimant's initial notice of determination
23 that informs the claimant of the federal and state tax consequences of any
24 unemployment compensation benefits that the claimant may receive. This
25 information shall include an explanation regarding the department of labor
26 income tax withholding agreement form designated as K-BEN 233 or a
27 successor form, tax withholding elections and the tax withholding process
28 and estimated weekly and maximum claim year federal and state tax
29 withholding amounts.

30 (b) This section shall be a part of and supplemental to the
31 employment security law.

32 New Sec. 4. (a) The secretary of labor shall post trust fund
33 computations and data as required by subsection (b) on a publicly
34 accessible website maintained by the secretary as follows:

35 (1) The secretary shall post and maintain certified computations and
36 data for each of the most recent 20 fiscal years within 120 days of the
37 effective date of this act; and

38 (2) for the fiscal year beginning on July 1, 2021, and each fiscal year
39 thereafter, the secretary shall certify and post the trust fund computations
40 and data for the fiscal year to the website on or before December 1
41 following the end of such fiscal year.

42 (b) The computations and data to be posted shall include:

43 (1) Distributions of taxable wages by experience factor for each state

1 fiscal year including the following information:

2 (A) The rate group;

3 (B) the reserve ratio lower limit;

4 (C) the number of accounts;

5 (D) the taxable wages by fiscal year;

6 (E) a summary of active positive eligible accounts with the number of
7 accounts and fiscal year taxable wages;

8 (F) a summary of active ineligible accounts with the number of
9 accounts and fiscal year taxable wages;

10 (G) a summary of active negative accounts with the number of
11 accounts and fiscal year taxable wages; and

12 (H) a summary of terminated and inactive accounts with the number
13 of accounts and fiscal year taxable wages; and

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 (c) This section shall be a part of and supplemental to the
19 employment security law.

20 New Sec. 5. (a) (1) The secretary of labor and the secretary of
21 commerce shall jointly establish and implement the my reemployment
22 plan as provided in this section. For purposes of this section, "my
23 reemployment plan" means a program jointly established and implemented
24 by the Kansas department of labor and the Kansas department of
25 commerce that provides enhanced reemployment services, including
26 workforce services provided by the department of commerce, to Kansans
27 receiving unemployment insurance benefits. The program shall be
28 available to all claimants except claimants in the shared work program or
29 trade readjustment assistance program or claimants on temporary layoff
30 with a return-to-work date.

31 (2) The secretary of labor shall provide the secretary of commerce
32 with the names and contact information of claimants that have claimed
33 four continuous weeks of benefits. The secretary of commerce shall
34 request a resume or work history, a skills list and a job search plan from
35 the claimants and shall offer and provide, when requested, assistance to the
36 claimants in developing the documents or plan through collaboration by
37 the secretary with the Kansas works workforce system.

38 (3) The secretary of labor shall share labor market information and
39 current available job positions with the secretary of commerce. The
40 secretary of labor may collaborate with Kansasworks or other state or
41 federal agencies with job availability information in obtaining or sharing
42 such information.

43 (4) The secretary of commerce shall match open job positions with

1 claimants based on skills, work history and job location that is a
2 reasonable commute from the claimant's residence and communicate the
3 match information to the claimant and to the employer. The secretary of
4 labor and the secretary of commerce shall consider whether the claimant or
5 a Kansas employer would benefit from the claimant's participation in a
6 work skills training or retraining program as provided by subsection (b)
7 and, if so, provide such information to the employer, if applicable, and the
8 claimant. Claimants who fail to respond within two weeks after contact by
9 Kansasworks or the department of commerce shall be reported by the
10 secretary of commerce to the secretary of labor.

11 (5) The secretary of commerce shall facilitate and oversee the
12 claimant and employer interview process. The secretary shall monitor the
13 result of job matches, including information regarding any claimant who
14 did not attend an interview or did not accept a position that was a
15 reasonable match for the claimant's work history and skills and was within
16 a reasonable commute from the claimant's residence. The secretary shall
17 contact the claimant and report the claimant to the secretary of labor. The
18 secretary of labor shall consider whether the claimant has failed to meet
19 work search requirements and if the claimant should continue to receive
20 benefits.

21 (b) The secretary of commerce shall develop and implement a work
22 skills training or retraining program for claimants in collaboration with the
23 Kansasworks workforce system, the secretary of labor, employers and
24 other state or federal agencies or organizations. 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 claimants who are
34 participating in the program to ensure attendance and progress.

35 (c) Claimants who participate in the my reemployment plan or the
36 work skills training or retraining program shall meet attendance or
37 progress requirements established by the secretary of commerce to
38 continue eligibility for unemployment insurance benefits. Non - compliant
39 claimants shall be reported by the secretary of commerce to the secretary
40 of labor. The secretary of labor shall disqualify such claimants from further
41 benefits within five business days of receiving the report, unless or until
42 the claimant demonstrates compliance to the secretary of commerce, and
43 shall communicate the disqualification and the reason for the

1 disqualification to the claimant. The secretary of commerce shall report to
2 the secretary of labor when the claimant has reestablished compliance. The
3 secretary of labor may continue benefits or reinstate a claimant's eligibility
4 for benefits upon a showing of good cause by the claimant for the failure
5 to meet attendance or progress requirements or my reemployment plan
6 participation requirements.

7 (d) The secretary of labor and the secretary of commerce shall
8 provide an annual status update and progress report for the my
9 reemployment plan to the standing committee on commerce, labor and
10 economic development of the house of representatives and the standing
11 committee on commerce of the senate during the first month of the 2022
12 regular legislative session and the first month of each regular legislative
13 session thereafter.

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

16 New Sec. 6. Notwithstanding the provisions of chapter 1 of the 2020
17 Special Session Laws of Kansas, any other statute or any other provision
18 of this act, for the fiscal years ending June 30, 2021, and June 30, 2022, on
19 or before July 15, 2021, the director of the budget shall determine the
20 amount of moneys received by the state that are identified as moneys from
21 the federal government for aid to the state of Kansas for coronavirus relief
22 as appropriated in the following acts that are eligible to be used for
23 employment security, may be expended at the discretion of the state, in
24 compliance with the office of management and budget's uniform
25 administrative requirements, cost principles and audit requirements for
26 federal awards, and are unencumbered: (a) The federal CARES act, public
27 law 116-136, the federal coronavirus preparedness and response
28 supplemental appropriation act, 2020, public law 116-123, the federal
29 families first coronavirus response act, public law 116-127, and the federal
30 paycheck protection program and health care enhancement act, public law
31 116-139; (b) the federal consolidated appropriations act, 2021, public law
32 116-260; (c) the American rescue plan act of 2021, public law 117-2; and
33 (d) any other federal law that appropriates moneys to the state for aid for
34 coronavirus relief. Of such identified moneys, the director of the budget
35 shall determine in the aggregate an amount equal to \$450,000,000
36 available in special revenue funds. If such identified moneys in the
37 aggregate are less than \$450,000,000, the director of the budget shall
38 determine the maximum amount available. The director of the budget shall
39 certify the amount so determined from each fund to the director of
40 accounts and reports and, at the same time as such certification is
41 transmitted to the director of accounts and reports, shall transmit a copy of
42 such certification to the director of legislative research. Upon receipt of
43 each such certification, or as soon thereafter as moneys are available, the

1 director of accounts and reports shall immediately transfer an aggregate
2 amount equal to such certification and in the aggregate, an amount equal to
3 \$450,000,000 if available from such funds to the employment security
4 fund (296-00-7056-7200) of the department of labor for the purpose of
5 funding the employment security fund.

6 New Sec. 7. (a) On or before January 31 of each calendar year, the
7 secretary of labor shall transmit to the standing committee on commerce of
8 the senate and the standing committee on commerce, labor and economic
9 development of the house of representatives or any successor committee, a
10 report, based on information received or developed by the department of
11 labor, concerning the employment security trust fund, unemployment
12 benefit claims and employer contributions to the employment security trust
13 fund. Such report shall contain the following information:

14 (1) The amount of claims for the 12-month period ending on June 30
15 of the previous calendar year;

16 (2) the actual and projected amount of claims for the 12-month period
17 beginning on July 1 of the previous calendar year;

18 (3) the amount of employer contributions for the 12-month period
19 ending on June 30 of the previous calendar year and current employer
20 contribution rates;

21 (4) the actual and projected amount of employer contributions for the
22 12-month period beginning on July 1 of the previous calendar year and
23 ending on June 30 of the current calendar year and projected employer
24 contribution rates for the next succeeding calendar year;

25 (5) the balance of the employment security trust fund on June 30 of
26 the previous calendar year and the current balance of the fund; and

27 (6) the projected balance of the employment security trust fund on
28 June 30 of the current calendar year and on January 1 of the next
29 succeeding calendar year.

30 (b) In arriving at the amount of employer contributions to the
31 employment security trust fund pursuant to subsection (a)(3), and the
32 projected amount of employer contributions pursuant to subsection (a)(4),
33 contributions paid or projected to be paid on or before July 31 following
34 the respective 12-month period ending date of June 30 shall be considered.

35 (c) The secretary may include in the report any recommendations of
36 the secretary regarding changes in contribution rates or the contribution
37 rate tables. If the secretary makes recommendations, the secretary shall
38 include projections of changes to employer contribution rates and to the
39 balance of the employment security trust fund if the secretary's
40 recommendations were adopted by the legislature.

41 (d) The provisions of this section shall expire on February 1, 2024.

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

1 Sec. 8. K.S.A. 2020 Supp. 44-703 is hereby amended to read as
2 follows: 44-703. As used in this act, unless the context clearly requires
3 otherwise:

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

6 (2) "Average annual payroll" means the average of the annual
7 payrolls of any employer for the last three calendar years immediately
8 preceding the computation date as hereinafter defined if the employer has
9 been continuously subject to contributions during those three calendar
10 years and has paid some wages for employment during each of such years.
11 In determining contribution rates for the calendar year, if an employer has
12 not been continuously subject to contribution for the three calendar years
13 immediately preceding the computation date but has paid wages subject to
14 contributions during only the two calendar years immediately preceding
15 the computation date, such employer's "average annual payroll" shall be
16 the average of the payrolls for those two calendar years.

17 (3) "Total wages" means the total amount of wages paid or payable
18 by an employer during the calendar year, including that part of
19 remuneration in excess of the limitation prescribed as provided in
20 subsection (o)(1) ~~of this section~~.

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

25 (1) If an individual lacks sufficient base period wages in order to
26 establish a benefit year in the manner set forth above and satisfies the
27 requirements of ~~subsection (g) of K.S.A. 44-705(g) and subsection (hh) of~~
28 K.S.A. 44-703(hh), and amendments thereto, the claimant shall have an
29 alternative base period substituted for the current base period so as not to
30 prevent establishment of a valid claim. For the purposes of this subsection,
31 "alternative base period" means the last four completed quarters
32 immediately preceding the date the qualifying injury occurred. In the event
33 the wages in the alternative base period have been used on a prior claim,
34 then they shall be excluded from the new alternative base period.

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

37 (c) (1) "Benefits" means the money payments payable to an
38 individual, as provided in this act, with respect to such individual's
39 unemployment.

40 (2) "Regular benefits" means benefits payable to an individual under
41 this act or under any other state law, including benefits payable to federal
42 civilian employees and to ex-servicemen pursuant to 5 U.S.C. chapter 85,
43 other than extended benefits.

1 (d) "Benefit year" with respect to any individual, means the period
2 beginning with the first day of the first week for which such individual
3 files a valid claim for benefits, and such benefit year shall continue for one
4 full year. In the case of a combined wage claim, the benefit year shall be
5 the benefit year of the paying state. Following the termination of a benefit
6 year, a subsequent benefit year shall commence on the first day of the first
7 week with respect to which an individual next files a claim for benefits.
8 When such filing occurs with respect to a week ~~which~~ that overlaps the
9 preceding benefit year, the subsequent benefit year shall commence on the
10 first day immediately following the expiration date of the preceding
11 benefit year. Any claim for benefits made in accordance with ~~subsection~~
12 ~~(a)~~ of K.S.A. 44-709(a), and amendments thereto, shall be deemed to be a
13 "valid claim" for the purposes of this subsection if the individual has been
14 paid wages for insured work as required under ~~subsection (e)~~ of K.S.A. 44-
15 705(e), and amendments thereto. Whenever a week of unemployment
16 overlaps two benefit years, such week shall, for the purpose of granting
17 waiting-period credit or benefit payment with respect thereto, be deemed
18 to be a week of unemployment within that benefit year in which the
19 greater part of such week occurs.

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

21 (f) (1) "Contributions" means the money payments to the state
22 employment security fund ~~which~~ that are required to be made by
23 employers on account of employment under K.S.A. 44-710, and
24 amendments thereto, and voluntary payments made by employers pursuant
25 to such statute.

26 (2) "Payments in lieu of contributions" means the money payments to
27 the state employment security fund from employers ~~which~~ that are
28 required to make or ~~which~~ that elect to make such payments under
29 ~~subsection (e)~~ of K.S.A. 44-710(e), and amendments thereto.

30 (g) "Employing unit" means any individual or type of organization,
31 including any partnership, association, limited liability company, agency
32 or department of the state of Kansas and political subdivisions thereof,
33 trust, estate, joint-stock company, insurance company or corporation,
34 whether domestic or foreign including nonprofit corporations, or the
35 receiver, trustee in bankruptcy, trustee or successor thereof, or the legal
36 representatives of a deceased person, ~~which~~ that has in its employ one or
37 more individuals performing services for it within this state. All
38 individuals performing services within this state for any employing unit
39 ~~which~~ that maintains two or more separate establishments within this state
40 shall be deemed to be employed by a single employing unit for all the
41 purposes of this act. Each individual employed to perform or to assist in
42 performing the work of any agent or employee of an employing unit shall
43 be deemed to be employed by such employing unit for all the purposes of

1 this act, whether such individual was hired or paid directly by such
2 employing unit or by such agent or employee, provided the employing unit
3 had actual or constructive knowledge of the employment.

4 (h) "Employer" means:

5 (1) (A) Any employing unit for which agricultural labor as defined in
6 subsection (w) ~~of this section~~ is performed and ~~which~~ during any calendar
7 quarter in either the current or preceding calendar year paid remuneration
8 in cash of \$20,000 or more to individuals employed in agricultural labor or
9 for some portion of a day in each of 20 different calendar weeks, whether
10 or not such weeks were consecutive, in either the current or the preceding
11 calendar year, employed in agricultural labor 10 or more individuals,
12 regardless of whether they were employed at the same moment of time.

13 (B) For the purpose of this subsection (h)(1), any individual who is a
14 member of a crew furnished by a crew leader to perform ~~service~~ *services*
15 in agricultural labor for any other person shall be treated as an employee of
16 such crew leader if:

17 (i) Such crew leader holds a valid certificate of registration under the
18 federal migrant and seasonal agricultural workers protection act or
19 substantially all the members of such crew operate or maintain tractors,
20 mechanized harvesting or cropdusting equipment or any other mechanized
21 equipment, ~~which~~ *that* is provided by such crew leader; and

22 (ii) such individual is not in the employment of such other person
23 within the meaning of subsection (i) ~~of this section~~.

24 (C) For the purpose of this subsection (h)(1), in the case of any
25 individual who is furnished by a crew leader to perform ~~service~~ *services* in
26 agricultural labor for any other person and who is not treated as an
27 employee of such crew leader:

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

30 (ii) such other person shall be treated as having paid cash
31 remuneration to such individual in an amount equal to the amount of cash
32 remuneration paid to such individual by the crew leader, either on the crew
33 leader's own behalf or on behalf of such other person, for the ~~service~~
34 *services* in agricultural labor performed for such other person.

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

37 (i) Furnishes individuals to perform ~~service~~ *services* in agricultural
38 labor for any other person;

39 (ii) pays, either on such individual's own behalf or on behalf of such
40 other person, the individuals so furnished by such individual for the
41 ~~service~~ *services* in agricultural labor performed by them; and

42 (iii) has not entered into a written agreement with such other person
43 under which such individual is designated as an employee of such other

1 person.

2 (2) (A) Any employing unit ~~which~~ *that* for calendar year 2007 and
3 each calendar year thereafter: (i) In any calendar quarter in either the
4 current or preceding calendar year paid for ~~service~~ *services* in employment
5 wages of \$1,500 or more; (ii) for some portion of a day in each of 20
6 different calendar weeks, whether or not such weeks were consecutive, in
7 either the current or preceding calendar year, had in employment at least
8 one individual, whether or not the same individual was in employment in
9 each such day; or (iii) elects to have an unemployment tax account
10 established at the time of initial registration in accordance with ~~subsection~~
11 ~~(e)~~ of K.S.A. 44-711(c), and amendments thereto.

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

16 (3) Any employing unit for which service is employment as defined
17 in subsection (i)(3)(E) ~~of this section~~.

18 (4) (A) Any employing unit, whether or not it is an employing unit
19 under subsection (g) ~~of this section~~, ~~which~~ *that* acquires or in any manner
20 succeeds to: (i) Substantially all of the employing enterprises,
21 organization, trade or business; or (ii) substantially all the assets, of
22 another employing unit ~~which~~ *that* at the time of such acquisition was an
23 employer subject to this act;

24 (B) any employing unit ~~which~~ *that* is controlled substantially, either
25 directly or indirectly by legally enforceable means or otherwise, by the
26 same interest or interests, whether or not such interest or interests are an
27 employing unit under subsection (g) ~~of this section~~, ~~which~~ acquires or in
28 any manner succeeds to a portion of an employer's annual payroll, ~~which~~ is
29 less than 100% of such employer's annual payroll, and ~~which~~ intends to
30 continue the acquired portion as a going business.

31 (5) Any employing unit ~~which~~ *that* paid cash remuneration of \$1,000
32 or more in any calendar quarter in the current or preceding calendar year to
33 individuals employed in domestic service as defined in subsection (aa) ~~of~~
34 ~~this section~~.

35 (6) Any employing unit ~~which~~ *that* having become an employer
36 under this subsection (h) has not, under ~~subsection (b)~~ of K.S.A. 44-
37 711(b), and amendments thereto, ceased to be an employer subject to this
38 act.

39 (7) Any employing unit ~~which~~ *that* has elected to become fully
40 subject to this act in accordance with ~~subsection (e)~~ of K.S.A. 44-711(c),
41 and amendments thereto.

42 (8) Any employing unit not an employer by reason of any other
43 paragraph of this subsection (h), for which within either the current or

1 preceding calendar year services in employment are or were performed
 2 with respect to which such employing unit is liable for any federal tax
 3 against which credit may be taken for contributions required to be paid
 4 into a state unemployment compensation fund; or—~~which that~~, as a
 5 condition for approval of this act for full tax credit against the tax imposed
 6 by the federal unemployment tax act, is required, pursuant to such act, to
 7 be an "employer" under this act.

8 (9) Any employing unit described in section 501(c)(3) of the federal
 9 internal revenue code of 1986—~~which that~~ is exempt from income tax under
 10 section 501(a) of the code that had four or more individuals in
 11 employment for some portion of a day in each of 20 different weeks,
 12 whether or not such weeks were consecutive, within either the current or
 13 preceding calendar year, regardless of whether they were employed at the
 14 same moment of time.

15 (i) "Employment" means:

16 (1) Subject to the other provisions of this subsection, service,
 17 including—~~service~~ services in interstate commerce, performed by:

18 (A) Any active officer of a corporation; or

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

22 (C) any individual other than an individual who is an employee under
 23 subsection (i)(1)(A) or subsection (i)(1)(B) above who performs services
 24 for remuneration for any person:

25 (i) As an agent-driver or commission-driver engaged in distributing
 26 meat products, vegetable products, fruit products, bakery products,
 27 beverages—~~}, other than milk~~}, or laundry or dry-cleaning services, for such
 28 individual's principal; or

29 (ii) as a traveling or city salesman, other than as an agent-driver or
 30 commission-driver, engaged upon a full-time basis in the solicitation on
 31 behalf of, and the transmission to, a principal—~~}, except for side-line sales~~
 32 activities on behalf of some other person}, of orders from wholesalers,
 33 retailers, contractors, or operators of hotels, restaurants, or other similar
 34 establishments for merchandise for resale or supplies for use in their
 35 business operations.

36 For purposes of subsection (i)(1)(C), the term "employment"—~~shall~~
 37 ~~include~~ includes services described in paragraphs (i) and (ii) above only if:

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

40 (b) the individual does not have a substantial investment in facilities
 41 used in connection with the performance of the services—~~}, other than in~~
 42 facilities for transportation); and

43 (c) the services are not in the nature of a single transaction that is not

1 part of a continuing relationship with the person for whom the services are
 2 performed.

3 (2) The term "employment" ~~shall include~~ *includes* an individual's
 4 entire service within the United States, even though performed entirely
 5 outside this state if:

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

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

9 (C) the individual's base of operations is in this state, or if there is no
 10 base of operations, then the place ~~from which~~ *where* service is directed or
 11 controlled is in this state.

12 (3) The term "employment" ~~shall also include~~ *includes*:

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

18 (B) Services performed entirely without this state, with respect to no
 19 part of which contributions are required and paid under an unemployment
 20 compensation law of any other state or of the federal government, shall be
 21 deemed to be employment subject to this act only if the individual
 22 performing such services is a resident of this state and the secretary
 23 approved the election of the employing unit for whom such services are
 24 performed that the entire service of such individual shall be deemed to be
 25 employment subject to this act.

26 (C) Services covered by an arrangement pursuant to ~~subsection (i) of~~
 27 K.S.A. 44-714(j), and amendments thereto, between the secretary and the
 28 agency charged with the administration of any other state or federal
 29 unemployment compensation law, pursuant to which all services
 30 performed by an individual for an employing unit are deemed to be
 31 performed entirely within this state, shall be deemed to be employment if
 32 the secretary has approved an election of the employing unit for whom
 33 such services are performed, pursuant to which the entire service of such
 34 individual during the period covered by such election is deemed to be
 35 insured work.

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

41 (E) ~~Service~~ *Services* performed by an individual in the employ of this
 42 state or any instrumentality thereof, any political subdivision of this state
 43 or any instrumentality thereof, or in the employ of an Indian tribe, as

1 defined pursuant to section 3306(u) of the federal unemployment tax act,
 2 any instrumentality of more than one of the foregoing or any
 3 instrumentality ~~which~~ that is jointly owned by this state or a political
 4 subdivision thereof or Indian tribes and one or more other states or
 5 political subdivisions of this or other states, provided that such service is
 6 excluded from "employment" as defined in the federal unemployment tax
 7 act by reason of section 3306(c)(7) of that act and is not excluded from
 8 "employment" under subsection (i)(4)(A) of this section. For purposes of
 9 this section, the exclusions from employment in subsections (i)(4)(A) and
 10 (i)(4)(L) shall also be applicable to services performed in the employ of an
 11 Indian tribe.

12 (F) ~~Service~~Services performed by an individual in the employ of a
 13 religious, charitable, educational or other organization ~~which~~ that is
 14 excluded from the term "employment" as defined in the federal
 15 unemployment tax act solely by reason of section 3306(c)(8) of that act,
 16 and is not excluded from employment under ~~paragraphs (I) through (M)~~ of
 17 subsection (i)(4)(I) through (M).

18 (G) The term "employment" ~~shall include~~ includes the ~~service~~
 19 services of an individual who is a citizen of the United States, performed
 20 outside the United States except in Canada, in the employ of an American
 21 employer ~~-, other than service which~~ that is deemed "employment" under
 22 the provisions of subsection (i)(2) or subsection (i)(3) or the parallel
 23 provisions of another state's law), if:

- 24 (i) The employer's principal place of business in the United States is
 25 located in this state; or
- 26 (ii) the employer has no place of business in the United States, but:
 - 27 (a) The employer is an individual who is a resident of this state;
 - 28 (b) the employer is a corporation which is organized under the laws
 29 of this state; or
 - 30 (c) the employer is a partnership or a trust and the number of the
 31 partners or trustees who are residents of this state is greater than the
 32 number who are residents of any other state; or
 - 33 (iii) none of the criteria of ~~paragraphs (i) and (ii) above of this~~
 34 subsection (i)(3)(G)(i) and (ii) are met but the employer has elected
 35 coverage in this state or, the employer having failed to elect coverage in
 36 any state, the individual has filed a claim for benefits, based on such
 37 service, under the law of this state.

38 (H) An "American employer," for purposes of subsection (i)(3)(G),
 39 means a person who is:

- 40 (i) An individual who is a resident of the United States;
- 41 (ii) a partnership if $\frac{2}{3}$ or more of the partners are residents of the
 42 United States;
- 43 (iii) a trust, if all of the trustees are residents of the United States; or

1 (iv) a corporation organized under the laws of the United States or of
2 any state.

3 (I) Notwithstanding subsection (i)(2) ~~of this section~~, all ~~service-~~
4 ~~services~~ performed by an officer or member of the crew of an American
5 vessel or American aircraft on or in connection with such vessel or aircraft,
6 if the operating office, from which the operations of such vessel or aircraft
7 operating within, or within and without, the United States are ordinarily
8 and regularly supervised, managed, directed and controlled is within this
9 state.

10 (J) Notwithstanding any other provisions of this subsection (i),
11 ~~service services~~ with respect to which a tax is required to be paid under
12 any federal law imposing a tax against which credit may be taken for
13 contributions required to be paid into a state unemployment compensation
14 fund or ~~which~~ *that* as a condition for full tax credit against the tax imposed
15 by the federal unemployment tax act is required to be covered under this
16 act.

17 (K) Domestic service in a private home, local college club or local
18 chapter of a college fraternity or sorority performed for a person who paid
19 cash remuneration of \$1,000 or more in any calendar quarter in the current
20 calendar year or the preceding calendar year to individuals employed in
21 such domestic service.

22 (4) The term "employment" ~~shall~~ *does* not include: (A) ~~Service-~~
23 ~~Services~~ performed in the employ of an employer specified in subsection
24 (h)(3) ~~of this section~~ if such service is performed by an individual in the
25 exercise of duties:

26 (i) As an elected official;

27 (ii) as a member of a legislative body, or a member of the judiciary, of
28 a state, political subdivision or of an Indian tribe;

29 (iii) as a member of the state national guard or air national guard;

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

32 (v) in a position ~~which~~ *that*, under or pursuant to the laws of this state
33 or tribal law, is designated as a major nontenured policymaking or
34 advisory position or as a policymaking or advisory position the
35 performance of the duties of which ordinarily does not require more than
36 eight hours per week;

37 (B) ~~services~~ *services* with respect to which unemployment
38 compensation is payable under an unemployment compensation system
39 established by an act of congress;

40 (C) ~~services~~ *services* performed by an individual in the employ of such
41 individual's son, daughter or spouse, and ~~services~~ *services* performed by a
42 child under the age of 21 years in the employ of such individual's father or
43 mother;

1 (D) ~~services~~services performed in the employ of the United States
2 government or an instrumentality of the United States exempt under the
3 constitution of the United States from the contributions imposed by this
4 act, except that to the extent that the congress of the United States shall
5 permit states to require any instrumentality of the United States to make
6 payments into an unemployment fund under a state unemployment
7 compensation law, all of the provisions of this act shall be applicable to
8 such instrumentalities, and to services performed for such
9 instrumentalities, in the same manner, to the same extent and on the same
10 terms as to all other employers, employing units, individuals and services.
11 If this state shall not be certified for any year by the federal security
12 agency under section 3304(c) of the federal internal revenue code of 1986,
13 the payments required of such instrumentalities with respect to such year
14 shall be refunded by the secretary from the fund in the same manner and
15 within the same period as is provided in ~~subsection (f)~~ of K.S.A. 44-
16 717(h), and amendments thereto, with respect to contributions erroneously
17 collected;

18 (E) ~~services~~services covered by an arrangement between the secretary
19 and the agency charged with the administration of any other state or
20 federal unemployment compensation law pursuant to which all services
21 performed by an individual for an employing unit during the period
22 covered by such employing unit's duly approved election, are deemed to
23 be performed entirely within the jurisdiction of such other state or federal
24 agency;

25 (F) ~~services~~services performed by an individual under the age of 18 in
26 the delivery or distribution of newspapers or shopping news, not including
27 delivery or distribution to any point for subsequent delivery or
28 distribution;

29 (G) ~~services~~services performed by an individual for an employing unit
30 as an insurance agent or as an insurance solicitor, if all such service
31 performed by such individual for such employing unit is performed for
32 remuneration solely by way of commission;

33 (H) ~~services~~services performed in any calendar quarter in the employ
34 of any organization exempt from income tax under section 501(a) of the
35 federal internal revenue code of 1986—(, other than an organization
36 described in section 401(a) or under section 521 of such code), if the
37 remuneration for such service is less than \$50. In construing the
38 application of the term "employment," if services performed during $\frac{1}{2}$ or
39 more of any pay period by an individual for the person employing such
40 individual constitute employment, all the services of such individual for
41 such period shall be deemed to be employment; but if the services
42 performed during more than $\frac{1}{2}$ of any such pay period by an individual for
43 the person employing such individual do not constitute employment, then

1 none of the services of such individual for such period shall be deemed to
2 be employment. As used in this subsection (i)(4)(H) the term "pay period"
3 means a period—(, of not more than 31 consecutive days), for which a
4 payment of remuneration is ordinarily made to the individual by the person
5 employing such individual. This subsection (i)(4)(H) shall not be
6 applicable with respect to services with respect to which unemployment
7 compensation is payable under an unemployment compensation system
8 established by an act of congress;

9 (I) services performed in the employ of a church or convention or
10 association of churches, or an organization which is operated primarily for
11 religious purposes and which is operated, supervised, controlled, or
12 principally supported by a church or convention or association of
13 churches;

14 (J) ~~services~~services performed by a duly ordained, commissioned, or
15 licensed minister of a church in the exercise of such individual's ministry
16 or by a member of a religious order in the exercise of duties required by
17 such order;

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

20 (i) Rehabilitation for individuals whose earning capacity is impaired
21 by age or physical or mental deficiency or injury; or

22 (ii) providing remunerative work for individuals who because of their
23 impaired physical or mental capacity cannot be readily absorbed in the
24 competitive labor market, by an individual receiving such rehabilitation or
25 remunerative work;

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

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

33 (N) ~~services~~services performed, in the employ of a school, college, or
34 university, if such service is performed by a student who is enrolled and is
35 regularly attending classes at such school, college or university;

36 (O) ~~services~~services performed by an individual who is enrolled at a
37 nonprofit or public educational institution—~~which that~~ normally maintains a
38 regular faculty and curriculum and normally has a regularly organized
39 body of students in attendance at the place where its educational activities
40 are carried on as a student in a full-time program, taken for credit at such
41 institution,—~~which that~~ combines academic instruction with work
42 experience, if such service is an integral part of such program, and such
43 institution has so certified to the employer, except that this subsection (i)

1 (4)(O) shall not apply to service performed in a program established for or
2 on behalf of an employer or group of employers;

3 (P) ~~services~~services performed in the employ of a hospital licensed,
4 certified or approved by the secretary of health and environment, if such
5 service is performed by a patient of the hospital;

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

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

15 (ii) the services performed by the individual are performed pursuant
16 to a written contract between such individual and the person for whom the
17 services are performed and such contract provides that the individual will
18 not be treated as an employee with respect to such services for state tax
19 purposes;

20 (R) services performed for an employer by an extra in connection
21 with any phase of motion picture or television production or television
22 commercials for less than 14 days during any calendar year. As used in this
23 subsection, the term "extra" means an individual who pantomimes in the
24 background, adds atmosphere to the set and performs such actions without
25 speaking and "employer" shall not include any employer ~~which~~ that is a
26 governmental entity or any employer described in section 501(c)(3) of the
27 federal internal revenue code of 1986 ~~which~~ that is exempt from income
28 taxation under section 501(a) of the code;

29 (S) services performed by an oil and gas contract pumper. As used in
30 this subsection (i)(4)(S), "oil and gas contract pumper" means a person
31 performing pumping and other services on one or more oil or gas leases, or
32 on both oil and gas leases, relating to the operation and maintenance of
33 such oil and gas leases, on a contractual basis for the operators of such oil
34 and gas leases and "services" shall not include services performed for a
35 governmental entity or any organization described in section 501(c)(3) of
36 the federal internal revenue code of 1986 ~~which~~ that is exempt from
37 income taxation under section 501(a) of the code;

38 (T) service not in the course of the employer's trade or business
39 performed in any calendar quarter by an employee, unless the cash
40 remuneration paid for such service is \$200 or more and such service is
41 performed by an individual who is regularly employed by such employer
42 to perform such service. For purposes of this paragraph, an individual shall
43 be deemed to be regularly employed by an employer during a calendar

1 quarter only if:

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

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

8 Such excluded service shall not include any services performed for an
 9 employer ~~which~~ *that* is a governmental entity or any employer described in
 10 section 501(c)(3) of the federal internal revenue code of 1986 ~~which~~ *that* is
 11 exempt from income taxation under section 501(a) of the code;

12 (U) service which is performed by any person who is a member of a
 13 limited liability company and ~~which~~ *that* is performed as a member or
 14 manager of that limited liability company; and

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

17 (i) Such person:

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

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

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

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

33 (iv) for purposes of this act, a sale or a sale resulting exclusively from
 34 a solicitation made by telephone, mail, or other telecommunications
 35 method, or other nonpersonal method does not satisfy the requirements of
 36 this subsection;

37 (W) ~~services~~ *services* performed as an election official or election
 38 worker, if the amount of remuneration received by the individual during
 39 the calendar year for services as an election official or election worker is
 40 less than \$1,000;

41 (X) ~~services~~ *services* performed by agricultural workers who are aliens
 42 admitted to the United States to perform labor pursuant to section 1101 (a)
 43 (15)(H)(ii)(a) of the immigration and nationality act; ~~and~~

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

23 (Z) *services performed by a petroleum landman on a contractual*
24 *basis. As used in this subparagraph, "petroleum landman" means an*
25 *individual performing services on a contractual basis who is not an*
26 *individual who is an active officer of a corporation as described in*
27 *subsection (i)(1)(A) that may include:*

- 28 (i) *Negotiating for the acquisition or divestiture of mineral rights;*
29 (ii) *negotiating business agreements that provide exploration for or*
30 *development of minerals;*
31 (iii) *determining ownership in minerals through the research of*
32 *public and private records;*
33 (iv) *reviewing the status of title, curing title defects, providing title*
34 *due diligence and otherwise reducing title risk associated with ownership*
35 *in minerals or the acquisition and divestiture of mineral properties;*
36 (v) *managing rights or obligations derived from ownership of*
37 *interests in minerals; or*
38 (vi) *unitizing or pooling of interests in minerals. For purposes of this*
39 *subparagraph, "minerals" includes oil, natural gas or petroleum.*
40 *"Services" does not include services performed for a governmental entity*
41 *or any organization described in section 501(c)(3) of the federal internal*
42 *revenue code of 1986, or a federally recognized Indian tribe that is exempt*
43 *from income taxation under section 501(a) of the code.*

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

4 (k) "Fund" means the employment security fund established by this
5 act, to which all contributions and reimbursement payments required and
6 from which all benefits provided under this act shall be paid and including
7 all money received from the federal government as reimbursements
8 pursuant to section 204 of the federal-state extended compensation act of
9 1970, and amendments thereto.

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

13 (m) "Unemployment." An individual shall be deemed "unemployed"
14 with respect to any week during which such individual performs no
15 services and with respect to which no wages are payable to such
16 individual, or with respect to any week of less than full-time work if the
17 wages payable to such individual with respect to such week are less than
18 such individual's weekly benefit amount.

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

22 (o) "Wages" means all compensation for services, including
23 commissions, bonuses, back pay and the cash value of all remuneration,
24 including benefits, paid in any medium other than cash. The reasonable
25 cash value of remuneration in any medium other than cash, shall be
26 estimated and determined in accordance with rules and regulations
27 prescribed by the secretary. Compensation payable to an individual ~~which~~
28 *that* has not been actually received by that individual within 21 days after
29 the end of the pay period in which the compensation was earned shall be
30 considered to have been paid on the 21st day after the end of that pay
31 period. Effective January 1, 1986, gratuities, including tips received from
32 persons other than the employing unit, shall be considered wages when
33 reported in writing to the employer by the employee. Employees must
34 furnish a written statement to the employer, reporting all tips received if
35 they total \$20 or more for a calendar month whether the tips are received
36 directly from a person other than the employer or are paid over to the
37 employee by the employer. This includes amounts designated as tips by a
38 customer who uses a credit card to pay the bill. Notwithstanding the other
39 provisions of this subsection (o), wages paid in back pay awards or
40 settlements shall be allocated to the week or weeks and reported in the
41 manner as specified in the award or agreement, or, in the absence of such
42 specificity in the award or agreement, such wages shall be allocated to the
43 week or weeks in which such wages, in the judgment of the secretary,

1 would have been paid. The term "wages" shall not include:

2 (1) That part of the remuneration—~~which~~ *that* has been paid in a
3 calendar year to an individual by an employer or such employer's
4 predecessor in excess of \$3,000 for all calendar years prior to 1972, in
5 excess of \$4,200 for the calendar years 1972 to 1977, inclusive, in excess
6 of \$6,000 for calendar years 1978 to 1982, inclusive, in excess of \$7,000
7 for the calendar year 1983, in excess of \$8,000 for the calendar years 1984
8 to 2014, inclusive, and in excess of \$12,000 with respect to employment
9 during calendar year 2015, and in excess of \$14,000 with respect to all
10 calendar years thereafter, except that if the definition of the term "wages"
11 as contained in the federal unemployment tax act is amended to include
12 remuneration paid to an individual by an employer under the federal act in
13 excess of \$8,000 for the calendar years 1984-2014, inclusive, and in
14 excess of \$12,000 with respect to employment during calendar year 2015,
15 and in excess of \$14,000 with respect to all calendar years thereafter,
16 wages shall include remuneration paid in a calendar year to an individual
17 by an employer subject to this act or such employer's predecessor with
18 respect to employment during any calendar year up to an amount equal to
19 the dollar limitation specified in the federal unemployment tax act. For the
20 purposes of this subsection (o)(1), the term "employment" shall include
21 service constituting employment under any employment security law of
22 another state or of the federal government;

23 (2) the amount of any payment—~~including any amount paid by an~~
24 ~~employing unit for insurance or annuities, or into a fund, to provide for~~
25 ~~any such payment~~), made to, or on behalf of, an employee or any of such
26 employee's dependents under a plan or system established by an employer
27 ~~which~~ *that* makes provisions for employees generally, for a class or classes
28 of employees or for such employees or a class or classes of employees and
29 their dependents, on account of: (A) Sickness or accident disability, except
30 in the case of any payment made to an employee or such employee's
31 dependents, this subparagraph shall exclude from the term "wages" only
32 payments—~~which~~ *that* are received under a workers compensation law. Any
33 third party—~~which~~ *that* makes a payment included as wages by reason of
34 this subparagraph (2)(A) shall be treated as the employer with respect to
35 such wages; or (B) medical and hospitalization expenses in connection
36 with sickness or accident disability; or (C) death;

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

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

1 (A) From or to a trust described in section 401(a) of the federal
2 internal revenue code of 1986 ~~which that~~ is exempt from tax under section
3 501(a) of the federal internal revenue code of 1986 at the time of such
4 payment unless such payment is made to an employee of the trust as
5 remuneration for services rendered as such employee and not as a
6 beneficiary of the trust;

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

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

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

19 (E) under or to an exempt governmental deferred compensation plan
20 as defined in section 3121(v)(3) of the federal internal revenue code of
21 1986;

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

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

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

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

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

42 (8) any payment or series of payments by an employer to an
43 employee or any of such employee's dependents ~~which that~~ is paid:

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

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

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

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

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

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

23 (13) any benefit provided to or on behalf of an employee if at the time
24 such benefit is provided it is reasonable to believe that the employee will
25 be able to exclude such benefit from income under section 74(c), 117 or
26 132 of the federal internal revenue code of 1986;

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

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

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

1 Any amount deferred under a nonqualified deferred compensation plan
2 shall be taken into account for purposes of this section as of the later of
3 when the services are performed or when there is no substantial risk of
4 forfeiture of the rights to such amount. Any amount taken into account as
5 wages by reason of this paragraph, and the income attributable thereto,
6 shall not thereafter be treated as wages for purposes of this section. For
7 purposes of this paragraph, the term "nonqualified deferred compensation
8 plan" means any plan or other arrangement for deferral of compensation
9 other than a plan described in subsection (o)(4).

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

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

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

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

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

28 (u) "Institution of higher education," for the purposes of this section,
29 means an educational institution ~~which~~ that:

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

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

35 (3) provides an educational program for which it awards a bachelor's
36 or higher degree, or provides a program ~~which~~ that is acceptable for full
37 credit toward such a degree, a program of postgraduate or postdoctoral
38 studies, or a program of training to prepare students for gainful
39 employment in a recognized occupation; and

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

41 Notwithstanding any of the foregoing provisions of this subsection (u),
42 all colleges and universities in this state are institutions of higher education
43 for purposes of this section, except that no college, university, junior

1 college or other postsecondary school or institution ~~which~~ *that* is operated
2 by the federal government or any agency thereof shall be an institution of
3 higher education for purposes of the employment security law.

4 (v) "Educational institution" means any institution of higher
5 education, as defined in subsection (u) ~~of this section~~, or any institution,
6 except private for profit institutions, in which participants, trainees or
7 students are offered an organized course of study or training designed to
8 transfer to them knowledge, skills, information, doctrines, attitudes or
9 abilities from, by or under the guidance of an instructor or teacher and
10 ~~which~~ *that* is approved, licensed or issued a permit to operate as a school
11 by the state department of education or other government agency that is
12 authorized within the state to approve, license or issue a permit for the
13 operation of a school or to an Indian tribe in the operation of an
14 educational institution. The courses of study or training ~~which~~ *that* an
15 educational institution offers may be academic, technical, trade or
16 preparation for gainful employment in a recognized occupation.

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

18 (A) On a farm, in the employ of any person, in connection with
19 cultivating the soil, or in connection with raising or harvesting any
20 agricultural or horticultural commodity, including the raising, shearing,
21 feeding, caring for, training, and management of livestock, bees, poultry,
22 and furbearing animals and wildlife.

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

28 (C) In connection with the production or harvesting of any
29 commodity defined as an agricultural commodity in section (15)(g) of the
30 agricultural marketing act, as amended ~~46 Stat. 1500, sec. 3; 12 U.S.C. §~~
31 1141j), or in connection with the ginning of cotton, or in connection with
32 the operation or maintenance of ditches, canals, reservoirs or waterways,
33 not owned or operated for profit, used exclusively for supplying and
34 storing water for farming purposes.

35 (D) (i) In the employ of the operator of a farm in handling, planting,
36 drying, packing, packaging, processing, freezing, grading, storing, or
37 delivering to storage or to market or to a carrier for transportation to
38 market, in its unmanufactured state, any agricultural or horticultural
39 commodity; but only if such operator produced more than ½ of the
40 commodity with respect to which such service is performed;

41 (ii) in the employ of a group of operators of farms ~~or a cooperative~~
42 organization of which such operators are members), in the performance of
43 ~~service services~~ described in paragraph (i) ~~above of this subsection~~ ~~(w)(1)~~

1 ~~(D)~~, but only if such operators produced more than ½ of the commodity
2 with respect to which such service is performed;

3 (iii) the provisions of paragraphs (i) and (ii) ~~above of this subsection~~
4 ~~(w)(1)(D)~~ shall not be deemed to be applicable with respect to ~~service~~
5 *services* performed in connection with commercial canning or commercial
6 freezing or in connection with any agricultural or horticultural commodity
7 after its delivery to a terminal market for distribution for consumption.

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

10 (2) "Agricultural labor" does not include ~~service~~ *services* performed
11 prior to January 1, 1980, by an individual who is an alien admitted to the
12 United States to perform service in agricultural labor pursuant to sections
13 214(c) and 101(a)(15)(H) of the federal immigration and nationality act.

14 (3) As used in this subsection ~~(w)~~, the term "farm" includes stock,
15 dairy, poultry, fruit, fur-bearing animal, and truck farms, plantations,
16 ranches, nurseries, ranges, greenhouses, or other similar structures used
17 primarily for the raising of agricultural or horticultural commodities, and
18 orchards.

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

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

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

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

1 States secretary of labor.

2 (aa) "Domestic service" means any ~~service~~ *services* for a person in
3 the operation and maintenance of a private household, local college club or
4 local chapter of a college fraternity or sorority, as distinguished from
5 service as an employee in the pursuit of an employer's trade, occupation,
6 profession, enterprise or vocation.

7 (bb) "Rated governmental employer" means any governmental entity
8 ~~which~~ *that* elects to make payments as provided by K.S.A. 44-710d, and
9 amendments thereto.

10 (cc) "Benefit cost payments" means payments made to the
11 employment security fund by a governmental entity electing to become a
12 rated governmental employer.

13 (dd) "Successor employer" means any employer, as described in
14 subsection (h) ~~of this section~~, ~~which~~ *that* acquires or in any manner
15 succeeds to: (1) Substantially all of the employing enterprises,
16 organization, trade or business of another employer; or (2) substantially all
17 the assets of another employer.

18 (ee) "Predecessor employer" means an employer, as described in
19 subsection (h) ~~of this section~~, who has previously operated a business or
20 portion of a business with employment to which another employer has
21 succeeded.

22 (ff) "Lessor employing unit" means any independently established
23 business entity ~~which~~ *that* engages in the business of providing leased
24 employees to a client lessee.

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

28 (hh) "Qualifying injury" means a personal injury by accident arising
29 out of and in the course of employment within the coverage of the Kansas
30 workers compensation act, K.S.A. 44-501 et seq., and amendments
31 thereto.

32 Sec. 9. K.S.A. 2020 Supp. 44-704 is hereby amended to read as
33 follows: 44-704. (a) *Payment of benefits*. All benefits provided herein shall
34 be payable from the fund. All benefits shall be paid through the secretary
35 of labor, in accordance with such rules and regulations as the secretary
36 may adopt. Benefits based on service in employment defined in K.S.A. 44-
37 703(i)(3)(E) and (i)(3)(F), and amendments thereto, shall be payable in the
38 same amount, on the same terms and subject to the same conditions as
39 compensation payable on the basis of other service subject to this act
40 except as provided in K.S.A. 44-705(e) and 44-711(e), and amendments
41 thereto.

42 (b) *Determined weekly benefit amount*. An individual's determined
43 weekly benefit amount shall be an amount equal to 4.25% of the

1 individual's total wages for insured work paid during that calendar quarter
2 of the individual's base period that such total wages were highest, subject
3 to the following limitations:

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

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

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

12 (c) *Maximum weekly benefit amount.* (1) For initial claims effective
13 prior to July 1, 2015, the maximum weekly benefit amount shall be
14 determined as follows: On July 1 of each year, the secretary shall
15 determine the maximum weekly benefit amount by computing 60% of the
16 average weekly wages paid to employees in insured work during the
17 previous calendar year and shall, prior to that date, announce the
18 maximum weekly benefit amount so determined, by publication in the
19 Kansas register. Such computation shall be made by dividing the gross
20 wages reported as paid for insured work during the previous calendar year
21 by the product of the average of mid-month employment during such
22 calendar year multiplied by 52. The maximum weekly benefit amount so
23 determined and announced for the twelve-month period shall apply only to
24 those claims filed in that period qualifying for maximum payment under
25 the foregoing formula. All claims qualifying for payment at the maximum
26 weekly benefit amount shall be paid at the maximum weekly benefit
27 amount in effect when the benefit year to which the claim relates was first
28 established, notwithstanding a change in the maximum benefit amount for
29 a subsequent twelve-month period. If the computed maximum weekly
30 benefit amount is not a multiple of \$1, then the computed maximum
31 weekly benefit amount shall be reduced to the next lower multiple of \$1.

32 (2) For initial claims effective on or after July 1, 2015, the maximum
33 weekly benefit amount shall be determined as follows: On July 1 of each
34 year, the secretary shall determine the maximum weekly benefit amount by
35 computing 55% of the average weekly wages paid to employees in insured
36 work during the previous calendar year, but not to be less than \$474, and
37 shall, prior to that date, announce the maximum weekly benefit amount so
38 determined by publication in the Kansas register. Such computation shall
39 be made by dividing the gross wages reported as paid for insured work
40 during the previous calendar year by the product of the average of mid-
41 month employment during such calendar year multiplied by 52. The
42 maximum weekly benefit amount so determined and announced for the
43 12-month period shall apply only to those claims filed in that period

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

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

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

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

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

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

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

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

39 (A) Remuneration received for services performed on a public
40 assistance work project;

41 (B) severance pay, in lieu of notice, under the provisions of public
42 law 100-379, the federal worker adjustment and retraining notification act,
43 29 U.S.C. §§ 2101 through 2109;

1 (C) all other severance pay, separation pay, bonuses, wages in lieu of
2 notice or remuneration of a similar nature that is payable after the
3 severance of the employment relationship, except as set out in subsection
4 (f)(1)(B); and

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

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

13 (g) *Duration of benefits.* Any otherwise eligible individual shall be
14 entitled during any benefit year to a total amount of benefits equal to
15 whichever is the lesser of 26 times such individual's weekly benefit
16 amount, or $\frac{1}{3}$ of such individual's wages for insured work paid during such
17 individual's base period. Such total amount of benefits, if not a multiple of
18 \$1, shall be reduced to the next lower multiple of \$1.

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

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

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

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

42 (3) Notwithstanding the reemployment provisions of K.S.A. 44-
43 705(e), and amendments thereto, any individual whose benefit amount is

1 completely reduced under this subsection for 52 or more weeks shall, upon
2 exhaustion of the separation pay, be entitled to a new benefit year based
3 upon entitlement from the base period of the claim that was reduced.

4 (j) Except as provided in subsection (k), for weeks commencing on
5 and after January 1, 2014, *and ending before September 5, 2021*, if at the
6 beginning of the benefit year, the three-month seasonally adjusted average
7 unemployment rate for the state of Kansas is: (1) Less than 4.5%, a
8 claimant shall be eligible for a maximum of 16 weeks of benefits; (2) at
9 least 4.5% but less than 6%, a claimant shall be eligible for a maximum of
10 20 weeks of benefits; or (3) at least 6%, a claimant shall be eligible for a
11 maximum of 26 weeks of benefits.

12 (k) On and after the effective date of this act, a claimant shall be
13 eligible for a maximum of 26 weeks of benefits. A claimant who filed a
14 new claim on or after January 1, 2020, and before the effective date of this
15 act shall be eligible for a maximum of 26 weeks of benefits including the
16 number of weeks of benefits received after January 1, 2020, and before the
17 effective date of this act. This subsection shall not apply to initial claims
18 effective on and after ~~April 1~~ *September 5, 2021*.

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

26 (m) *Upon the secretary of labor's receipt of notification that the*
27 *claimant has become employed, the secretary shall notify the secretary of*
28 *the department for children and families in order that the secretary for*
29 *children and families may determine the claimant's eligibility for state or*
30 *federal benefits provided or facilitated by the department for children and*
31 *families. The department of labor and the department for children and*
32 *families shall enter into a memorandum of understanding that shall*
33 *provide for the transfer of information as provided in this subsection.*

34 Sec. 10. K.S.A. 2020 Supp. 44-705 is hereby amended to read as
35 follows: 44-705. Except as provided by K.S.A. 44-757, and amendments
36 thereto, an unemployed individual shall be eligible to receive benefits with
37 respect to any week only if the secretary, or a person or persons designated
38 by the secretary, finds that:

39 (a) The claimant has registered for work at and thereafter continued
40 to report at an employment office in accordance with rules and regulations
41 adopted by the secretary, except that, subject to the provisions of K.S.A.
42 44-704(a), and amendments thereto, the secretary may adopt rules and
43 regulations that waive or alter either or both of the requirements of this

1 subsection.

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

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

12 ~~(A)~~(A) Because of the claimant's enrollment in and satisfactory pursuit
13 of approved training, including training approved under section 236(a)(1)
14 of the trade act of 1974;

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

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

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

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

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

27 (2) *The secretary shall develop and implement procedures to address*
28 *claimants who refuse to return to suitable work or refuse to accept an offer*
29 *of suitable work without good cause. Such procedures shall include the*
30 *receipt and processing of job refusal reports from employers, the*
31 *evaluation of such reports in consideration of the claimant's work history*
32 *and skills and suitability of the offered employment and guidelines for a*
33 *determination of whether the claimant shall remain eligible for*
34 *unemployment benefits or has failed to meet the work search requirements*
35 *of this subsection or the requirements of K.S.A. 2020 Supp. 44-706(c), and*
36 *amendments thereto. In determining whether the employment offered is*
37 *suitable, the secretary's considerations shall include whether the*
38 *employment offers wages comparable to the claimant's recent employment*
39 *and work duties that correspond to the claimant's education level and*
40 *previous work experience. The secretary shall also consider whether the*
41 *employment offers wages of at least the amount of the claimant's*
42 *maximum weekly benefits.*

43 (3) *To facilitate the requirements of paragraph (2), the secretary shall*

1 *provide readily accessible means for employers to notify the department*
2 *when a claimant refuses to return to work or refuses an offer of*
3 *employment, including by telephone, email or an online web portal.*
4 *Nothing in this subsection shall be construed as to require an employer to*
5 *report such job refusals to the department.*

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

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

16 *(B) a statement that the claimant has been or may be disqualified and*
17 *the claimant's right to collect benefits has been or may be terminated for*
18 *refusal to return to work or accept suitable work without good cause, as*
19 *provided by this subsection and K.S.A. 2020 Supp. 44-706(c), and*
20 *amendments thereto;*

21 *(C) an explanation of what constitutes suitable work under the*
22 *employment security law; and*

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

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

29 *(d) (1) Except as provided further, the claimant has been unemployed*
30 *for a waiting period of one week or the claimant is unemployed and has*
31 *satisfied the requirement for a waiting period of one week under the shared*
32 *work unemployment compensation program as provided in K.S.A. 44-*
33 *757(k)(4), and amendments thereto, and that period of one week, in either*
34 *case, occurs within the benefit year that includes the week for which the*
35 *claimant is claiming benefits. No week shall be counted as a week of*
36 *unemployment for the purposes of this subsection:*

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

38 *(B) if the individual fails to meet with the other eligibility*
39 *requirements of this section; or*

40 *(C) if an individual is seeking unemployment benefits under the*
41 *unemployment compensation law of any other state or of the United*
42 *States, except that if the appropriate agency of such state or of the United*
43 *States finally determines that the claimant is not entitled to unemployment*

1 benefits under such other law, this subparagraph shall not apply.

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

4 (i) New claims by claimants who become unemployed as a result of
5 an employer terminating business operations within this state, declaring
6 bankruptcy or initiating a work force reduction pursuant to public law 100-
7 379, the federal worker adjustment and retraining notification act, 29
8 U.S.C. §§ 2101 through 2109, as amended; or

9 (ii) new claims filed on or after April 5, 2020, through December 26,
10 2020, in accordance with the families first coronavirus response act, public
11 law 116-127 and the federal CARES act, public law 116-136.

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

14 (3) If the waiting week requirement of paragraph (1) applies, a
15 claimant shall become eligible to receive compensation for the waiting
16 period of one week, pursuant to paragraph (1), upon completion of three
17 weeks of unemployment consecutive to such waiting period. This
18 paragraph shall not apply to initial claims effective on and after April 1,
19 2021.

20 (e) For benefit years established on and after the effective date of this
21 act, the claimant has been paid total wages for insured work in the
22 claimant's base period of not less than 30 times the claimant's weekly
23 benefit amount and has been paid wages in more than one quarter of the
24 claimant's base period, except that the wage credits of an individual earned
25 during the period commencing with the end of a prior base period and
26 ending on the date that such individual filed a valid initial claim shall not
27 be available for benefit purposes in a subsequent benefit year unless, in
28 addition thereto, such individual has returned to work and subsequently
29 earned wages for insured work in an amount equal to at least eight times
30 the claimant's current weekly benefit amount.

31 (f) The claimant participates in reemployment services, such as job
32 search assistance services, if the individual has been determined to be
33 likely to exhaust regular benefits and needs reemployment services
34 pursuant to a profiling system established by the secretary, unless the
35 secretary determines that: (1) The individual has completed such services;
36 or (2) there is justifiable cause for the claimant's failure to participate in
37 such services.

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

43 (1) The claimant has filed for benefits within four weeks of being

1 released to return to work by a licensed and practicing health care
2 provider;

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

5 (3) the claimant attempted to return to work with the employer where
6 the qualifying injury occurred, but the individual's regular work or
7 comparable and suitable work was not available.

8 Sec. 11. K.S.A. 2020 Supp. 44-706 is hereby amended to read as
9 follows: 44-706. The secretary shall examine whether an individual has
10 separated from employment for each week claimed. The secretary shall
11 apply the provisions of this section to the individual's most recent
12 employment prior to the week claimed. An individual shall be disqualified
13 for benefits:

14 (a) If the individual left work voluntarily without good cause
15 attributable to the work or the employer, subject to the other provisions of
16 this subsection. For purposes of this subsection, "good cause" is cause of
17 such gravity that would impel a reasonable, not supersensitive, individual
18 exercising ordinary common sense to leave employment. Good cause
19 requires a showing of good faith of the individual leaving work, including
20 the presence of a genuine desire to work. Failure to return to work after
21 expiration of approved personal or medical leave, or both, shall be
22 considered a voluntary resignation. After a temporary job assignment,
23 failure of an individual to affirmatively request an additional assignment
24 on the next succeeding workday, if required by the employment
25 agreement, after completion of a given work assignment, shall constitute
26 leaving work voluntarily. The disqualification shall begin the day
27 following the separation and shall continue until after the individual has
28 become reemployed and has had earnings from insured work of at least
29 three times the individual's weekly benefit amount. An individual shall not
30 be disqualified under this subsection if:

31 (1) The individual was forced to leave work because of illness or
32 injury upon the advice of a licensed and practicing health care provider
33 and, upon learning of the necessity for absence, immediately notified the
34 employer thereof, or the employer consented to the absence, and after
35 recovery from the illness or injury, when recovery was certified by a
36 practicing health care provider, the individual returned to the employer and
37 offered to perform services and the individual's regular work or
38 comparable and suitable work was not available. As used in this paragraph
39 "health care provider" means any person licensed by the proper licensing
40 authority of any state to engage in the practice of medicine and surgery,
41 osteopathy, chiropractic, dentistry, optometry, podiatry or psychology;

42 (2) the individual left temporary work to return to the regular
43 employer;

1 (3) the individual left work to enlist in the armed forces of the United
2 States, but was rejected or delayed from entry;

3 (4) the spouse of an individual who is a member of the armed forces
4 of the United States who left work because of the voluntary or involuntary
5 transfer of the individual's spouse from one job to another job, which is for
6 the same employer or for a different employer, at a geographic location
7 which makes it unreasonable for the individual to continue work at the
8 individual's job. For the purposes of this provision the term "armed forces"
9 means active duty in the army, navy, marine corps, air force, coast guard or
10 any branch of the military reserves of the United States;

11 (5) the individual left work because of hazardous working conditions;
12 in determining whether or not working conditions are hazardous for an
13 individual, the degree of risk involved to the individual's health, safety and
14 morals, the individual's physical fitness and prior training and the working
15 conditions of workers engaged in the same or similar work for the same
16 and other employers in the locality shall be considered; as used in this
17 paragraph, "hazardous working conditions" means working conditions that
18 could result in a danger to the physical or mental well-being of the
19 individual; each determination as to whether hazardous working
20 conditions exist shall include, but shall not be limited to, a consideration
21 of: (A) The safety measures used or the lack thereof; and (B) the condition
22 of equipment or lack of proper equipment; no work shall be considered
23 hazardous if the working conditions surrounding the individual's work are
24 the same or substantially the same as the working conditions generally
25 prevailing among individuals performing the same or similar work for
26 other employers engaged in the same or similar type of activity;

27 (6) the individual left work to enter training approved under section
28 236(a)(1) of the federal trade act of 1974, provided the work left is not of a
29 substantially equal or higher skill level than the individual's past adversely
30 affected employment, as defined for purposes of the federal trade act of
31 1974, and wages for such work are not less than 80% of the individual's
32 average weekly wage as determined for the purposes of the federal trade
33 act of 1974;

34 (7) the individual left work because of unwelcome harassment of the
35 individual by the employer or another employee of which the employing
36 unit had knowledge and that would impel the average worker to give up
37 such worker's employment;

38 (8) the individual left work to accept better work; each determination
39 as to whether or not the work accepted is better work shall include, but
40 shall not be limited to, consideration of: (A) The rate of pay, the hours of
41 work and the probable permanency of the work left as compared to the
42 work accepted; (B) the cost to the individual of getting to the work left in
43 comparison to the cost of getting to the work accepted; and (C) the

1 distance from the individual's place of residence to the work accepted in
2 comparison to the distance from the individual's residence to the work left;

3 (9) the individual left work as a result of being instructed or requested
4 by the employer, a supervisor or a fellow employee to perform a service or
5 commit an act in the scope of official job duties which is in violation of an
6 ordinance or statute;

7 (10) the individual left work because of a substantial violation of the
8 work agreement by the employing unit and, before the individual left, the
9 individual had exhausted all remedies provided in such agreement for the
10 settlement of disputes before terminating. For the purposes of this
11 paragraph, a demotion based on performance does not constitute a
12 violation of the work agreement;

13 (11) after making reasonable efforts to preserve the work, the
14 individual left work due to a personal emergency of such nature and
15 compelling urgency that it would be contrary to good conscience to
16 impose a disqualification; or

17 (12) (A) the individual left work due to circumstances resulting from
18 domestic violence, including:

19 (i) The individual's reasonable fear of future domestic violence at or
20 en route to or from the individual's place of employment;

21 (ii) the individual's need to relocate to another geographic area in
22 order to avoid future domestic violence;

23 (iii) the individual's need to address the physical, psychological and
24 legal impacts of domestic violence;

25 (iv) the individual's need to leave employment as a condition of
26 receiving services or shelter from an agency which provides support
27 services or shelter to victims of domestic violence; or

28 (v) the individual's reasonable belief that termination of employment
29 is necessary to avoid other situations which may cause domestic violence
30 and to provide for the future safety of the individual or the individual's
31 family.

32 (B) An individual may prove the existence of domestic violence by
33 providing one of the following:

34 (i) A restraining order or other documentation of equitable relief by a
35 court of competent jurisdiction;

36 (ii) a police record documenting the abuse;

37 (iii) documentation that the abuser has been convicted of one or more
38 of the offenses enumerated in articles 34 and 35 of chapter 21 of the
39 Kansas Statutes Annotated, prior to their repeal, or articles 54 or 55 of
40 chapter 21 of the Kansas Statutes Annotated, or K.S.A. 2020 Supp. 21-
41 6104, 21-6325, 21-6326 or 21-6418 through 21-6422, and amendments
42 thereto, where the victim was a family or household member;

43 (iv) medical documentation of the abuse;

1 (v) a statement provided by a counselor, social worker, health care
2 provider, clergy, shelter worker, legal advocate, domestic violence or
3 sexual assault advocate or other professional who has assisted the
4 individual in dealing with the effects of abuse on the individual or the
5 individual's family; or

6 (vi) a sworn statement from the individual attesting to the abuse.

7 (C) No evidence of domestic violence experienced by an individual,
8 including the individual's statement and corroborating evidence, shall be
9 disclosed by the department of labor unless consent for disclosure is given
10 by the individual.

11 (b) If the individual has been discharged or suspended for misconduct
12 connected with the individual's work. The disqualification shall begin the
13 day following the separation and shall continue until after the individual
14 becomes reemployed and in cases where the disqualification is due to
15 discharge for misconduct has had earnings from insured work of at least
16 three times the individual's determined weekly benefit amount, except that
17 if an individual is discharged for gross misconduct connected with the
18 individual's work, such individual shall be disqualified for benefits until
19 such individual again becomes employed and has had earnings from
20 insured work of at least eight times such individual's determined weekly
21 benefit amount. In addition, all wage credits attributable to the
22 employment from which the individual was discharged for gross
23 misconduct connected with the individual's work shall be canceled. No
24 such cancellation of wage credits shall affect prior payments made as a
25 result of a prior separation.

26 (1) For the purposes of this subsection, "misconduct" is defined as a
27 violation of a duty or obligation reasonably owed the employer as a
28 condition of employment including, but not limited to, a violation of a
29 company rule, including a safety rule, if: (A) The individual knew or
30 should have known about the rule; (B) the rule was lawful and reasonably
31 related to the job; and (C) the rule was fairly and consistently enforced.

32 (2) (A) Failure of the employee to notify the employer of an absence
33 and an individual's leaving work prior to the end of such individual's
34 assigned work period without permission shall be considered prima facie
35 evidence of a violation of a duty or obligation reasonably owed the
36 employer as a condition of employment.

37 (B) For the purposes of this subsection, misconduct shall include, but
38 not be limited to, violation of the employer's reasonable attendance
39 expectations if the facts show:

40 (i) The individual was absent or tardy without good cause;

41 (ii) the individual had knowledge of the employer's attendance
42 expectation; and

43 (iii) the employer gave notice to the individual that future absence or

1 tardiness may or will result in discharge.

2 (C) For the purposes of this subsection, if an employee disputes being
3 absent or tardy without good cause, the employee shall present evidence
4 that a majority of the employee's absences or tardiness were for good
5 cause. If the employee alleges that the employee's repeated absences or
6 tardiness were the result of health related issues, such evidence shall
7 include documentation from a licensed and practicing health care provider
8 as defined in subsection (a)(1).

9 (3) (A) The term "gross misconduct" as used in this subsection shall
10 be construed to mean conduct evincing extreme, willful or wanton
11 misconduct as defined by this subsection. Gross misconduct shall include,
12 but not be limited to: (i) Theft; (ii) fraud; (iii) intentional damage to
13 property; (iv) intentional infliction of personal injury; or (v) any conduct
14 that constitutes a felony.

15 (B) For the purposes of this subsection, the following shall be
16 conclusive evidence of gross misconduct:

17 (i) The use of alcoholic liquor, cereal malt beverage or a
18 nonprescribed controlled substance by an individual while working;

19 (ii) the impairment caused by alcoholic liquor, cereal malt beverage
20 or a nonprescribed controlled substance by an individual while working;

21 (iii) a positive breath alcohol test or a positive chemical test,
22 provided:

23 (a) The test was either:

24 (1) Required by law and was administered pursuant to the drug free
25 workplace act, 41 U.S.C. § 701 et seq.;

26 (2) administered as part of an employee assistance program or other
27 drug or alcohol treatment program in which the employee was
28 participating voluntarily or as a condition of further employment;

29 (3) requested pursuant to a written policy of the employer of which
30 the employee had knowledge and was a required condition of
31 employment;

32 (4) required by law and the test constituted a required condition of
33 employment for the individual's job; or

34 (5) there was reasonable suspicion to believe that the individual used,
35 had possession of, or was impaired by alcoholic liquor, cereal malt
36 beverage or a nonprescribed controlled substance while working;

37 (b) the test sample was collected either:

38 (1) As prescribed by the drug free workplace act, 41 U.S.C. § 701 et
39 seq.;

40 (2) as prescribed by an employee assistance program or other drug or
41 alcohol treatment program in which the employee was participating
42 voluntarily or as a condition of further employment;

43 (3) as prescribed by the written policy of the employer of which the

1 employee had knowledge and which constituted a required condition of
2 employment;

3 (4) as prescribed by a test which was required by law and which
4 constituted a required condition of employment for the individual's job; or

5 (5) at a time contemporaneous with the events establishing probable
6 cause;

7 (c) the collecting and labeling of a chemical test sample was
8 performed by a licensed health care professional or any other individual
9 certified pursuant to paragraph (b)(3)(A)(iii)(f) or authorized to collect or
10 label test samples by federal or state law, or a federal or state rule or
11 regulation having the force or effect of law, including law enforcement
12 personnel;

13 (d) the chemical test was performed by a laboratory approved by the
14 United States department of health and human services or licensed by the
15 department of health and environment, except that a blood sample may be
16 tested for alcohol content by a laboratory commonly used for that purpose
17 by state law enforcement agencies;

18 (e) the chemical test was confirmed by gas chromatography, gas
19 chromatography-mass spectroscopy or other comparably reliable
20 analytical method, except that no such confirmation is required for a blood
21 alcohol sample or a breath alcohol test;

22 (f) the breath alcohol test was administered by an individual trained
23 to perform breath tests, the breath testing instrument used was certified
24 and operated strictly according to a description provided by the
25 manufacturers and the reliability of the instrument performance was
26 assured by testing with alcohol standards; and

27 (g) the foundation evidence establishes, beyond a reasonable doubt,
28 that the test results were from the sample taken from the individual;

29 (iv) an individual's refusal to submit to a chemical test or breath
30 alcohol test, provided:

31 (a) The test meets the standards of the drug free workplace act, 41
32 U.S.C. § 701 et seq.;

33 (b) the test was administered as part of an employee assistance
34 program or other drug or alcohol treatment program in which the
35 employee was participating voluntarily or as a condition of further
36 employment;

37 (c) the test was otherwise required by law and the test constituted a
38 required condition of employment for the individual's job;

39 (d) the test was requested pursuant to a written policy of the employer
40 of which the employee had knowledge and was a required condition of
41 employment; or

42 (e) there was reasonable suspicion to believe that the individual used,
43 possessed or was impaired by alcoholic liquor, cereal malt beverage or a

- 1 nonprescribed controlled substance while working;
- 2 (v) an individual's dilution or other tampering of a chemical test.
- 3 (C) For purposes of this subsection:
- 4 (i) "Alcohol concentration" means the number of grams of alcohol
- 5 per 210 liters of breath;
- 6 (ii) "alcoholic liquor" ~~shall be defined~~ *means the same* as provided in
- 7 K.S.A. 41-102, and amendments thereto;
- 8 (iii) "cereal malt beverage" ~~shall be defined~~ *means the same* as
- 9 provided in K.S.A. 41-2701, and amendments thereto;
- 10 (iv) "chemical test" ~~shall include~~ *includes*, but is not limited to, tests
- 11 of urine, blood or saliva;
- 12 (v) "controlled substance" ~~shall be defined~~ *means the same* as
- 13 provided in K.S.A. 2020 Supp. 21-5701, and amendments thereto;
- 14 (vi) "required by law" means required by a federal or state law, a
- 15 federal or state rule or regulation having the force and effect of law, a
- 16 county resolution or municipal ordinance, or a policy relating to public
- 17 safety adopted in an open meeting by the governing body of any special
- 18 district or other local governmental entity;
- 19 (vii) "positive breath test" ~~shall mean~~ *means* a test result showing an
- 20 alcohol concentration of 0.04 or greater, or the levels listed in 49 C.F.R.
- 21 part 40, if applicable, unless the test was administered as part of an
- 22 employee assistance program or other drug or alcohol treatment program
- 23 in which the employee was participating voluntarily or as a condition of
- 24 further employment, in which case "positive chemical test" shall mean a
- 25 test result showing an alcohol concentration at or above the levels
- 26 provided for in the assistance or treatment program;
- 27 (viii) "positive chemical test" ~~shall mean~~ *means* a chemical result
- 28 showing a concentration at or above the levels listed in K.S.A. 44-501, and
- 29 amendments thereto, or 49 C.F.R. part 40, as applicable, for the drugs or
- 30 abuse listed therein, unless the test was administered as part of an
- 31 employee assistance program or other drug or alcohol treatment program
- 32 in which the employee was participating voluntarily or as a condition of
- 33 further employment, in which case "positive chemical test" ~~shall mean~~
- 34 *means* a chemical result showing a concentration at or above the levels
- 35 provided for in the assistance or treatment program.
- 36 (4) An individual shall not be disqualified under this subsection if the
- 37 individual is discharged under the following circumstances:
- 38 (A) The employer discharged the individual after learning the
- 39 individual was seeking other work or when the individual gave notice of
- 40 future intent to quit, except that the individual shall be disqualified after
- 41 the time at which such individual intended to quit and any individual who
- 42 commits misconduct after such individual gives notice to such individual's
- 43 intent to quit shall be disqualified;

1 (B) the individual was making a good-faith effort to do the assigned
2 work but was discharged due to:

3 (i) Inefficiency;

4 (ii) unsatisfactory performance due to inability, incapacity or lack of
5 training or experience;

6 (iii) isolated instances of ordinary negligence or inadvertence;

7 (iv) good-faith errors in judgment or discretion; or

8 (v) unsatisfactory work or conduct due to circumstances beyond the
9 individual's control; or

10 (C) the individual's refusal to perform work in excess of the contract
11 of hire.

12 (c) If the individual has failed, without good cause, to either apply for
13 suitable work when so directed by the employment office of the secretary
14 of labor, or to accept suitable work when offered to the individual by the
15 employment office, the secretary of labor, or an employer, such
16 disqualification shall begin with the week in which such failure occurred
17 and shall continue until the individual becomes reemployed and has had
18 earnings from insured work of at least three times such individual's
19 determined weekly benefit amount. In determining whether or not any
20 work is suitable for an individual, the secretary of labor, or a person or
21 persons designated by the secretary, shall consider the degree of risk
22 involved to health, safety and morals, physical fitness and prior training,
23 experience and prior earnings, length of unemployment and prospects for
24 securing local work in the individual's customary occupation or work for
25 which the individual is reasonably fitted by training or experience, and the
26 distance of the available work from the individual's residence.
27 Notwithstanding any other provisions of this act, an otherwise eligible
28 individual shall not be disqualified for refusing an offer of suitable
29 employment, or failing to apply for suitable employment when notified by
30 an employment office, or for leaving the individual's most recent work
31 accepted during approved training, including training approved under
32 section 236(a)(1) of the trade act of 1974, if the acceptance of or applying
33 for suitable employment or continuing such work would require the
34 individual to terminate approved training and no work shall be deemed
35 suitable and benefits shall not be denied under this act to any otherwise
36 eligible individual for refusing to accept new work under any of the
37 following conditions: (1) If the position offered is vacant due directly to a
38 strike, lockout or other labor dispute; (2) if the remuneration, hours or
39 other conditions of the work offered are substantially less favorable to the
40 individual than those prevailing for similar work in the locality; (3) if as a
41 condition of being employed, the individual would be required to join or to
42 resign from or refrain from joining any labor organization; and (4) if the
43 individual left employment as a result of domestic violence, and the

1 position offered does not reasonably accommodate the individual's
2 physical, psychological, safety, or legal needs relating to such domestic
3 violence.

4 (d) For any week with respect to which the secretary of labor, or a
5 person or persons designated by the secretary, finds that the individual's
6 unemployment is due to a stoppage of work which exists because of a
7 labor dispute or there would have been a work stoppage had normal
8 operations not been maintained with other personnel previously and
9 currently employed by the same employer at the factory, establishment or
10 other premises at which the individual is or was last employed, except that
11 this subsection (d) shall not apply if it is shown to the satisfaction of the
12 secretary of labor, or a person or persons designated by the secretary, that:
13 (1) The individual is not participating in or financing or directly interested
14 in the labor dispute which caused the stoppage of work; and (2) the
15 individual does not belong to a grade or class of workers of which,
16 immediately before the commencement of the stoppage, there were
17 members employed at the premises at which the stoppage occurs any of
18 whom are participating in or financing or directly interested in the dispute.
19 If in any case separate branches of work which are commonly conducted
20 as separate businesses in separate premises are conducted in separate
21 departments of the same premises, each such department shall, for the
22 purpose of this subsection be deemed to be a separate factory,
23 establishment or other premises. For the purposes of this subsection,
24 failure or refusal to cross a picket line or refusal for any reason during the
25 continuance of such labor dispute to accept the individual's available and
26 customary work at the factory, establishment or other premises where the
27 individual is or was last employed shall be considered as participation and
28 interest in the labor dispute.

29 (e) For any week with respect to which or a part of which the
30 individual has received or is seeking unemployment benefits under the
31 unemployment compensation law of any other state or of the United
32 States, except that if the appropriate agency of such other state or the
33 United States finally determines that the individual is not entitled to such
34 unemployment benefits, this disqualification shall not apply.

35 (f) For any week with respect to which the individual is entitled to
36 receive any unemployment allowance or compensation granted by the
37 United States under an act of congress to ex-service men and women in
38 recognition of former service with the military or naval services of the
39 United States.

40 ~~(g) For the period of five years beginning with the first day following~~
41 ~~the last week of unemployment for which the individual received benefits,~~
42 ~~or for five years from the date the act was committed, whichever is the~~
43 ~~later.~~ If the individual, or another in such individual's behalf with the

1 knowledge of the individual, has knowingly made a false statement or
2 representation, or has knowingly failed to disclose a material fact to obtain
3 or increase benefits under this act or any other unemployment
4 compensation law administered by the secretary of labor, *unless the*
5 *individual has repaid the full amount of the overpayment as determined by*
6 *the secretary or the secretary's designee, including, but not limited to, the*
7 *total amount of money erroneously paid as benefits or unlawfully*
8 *obtained, interest, penalties and any other costs or fees provided by law. If*
9 *the individual has made such repayment, the individual shall be*
10 *disqualified for period of one year for the first occurrence or five years for*
11 *any subsequent occurrence, beginning with the first day following the date*
12 *the department of labor confirmed the individual has successfully repaid*
13 *the full amount of the overpayment.* In addition to the penalties set forth in
14 K.S.A. 44-719, and amendments thereto, an individual who has knowingly
15 made a false statement or representation or who has knowingly failed to
16 disclose a material fact to obtain or increase benefits under this act or any
17 other unemployment compensation law administered by the secretary of
18 labor shall be liable for a penalty in the amount equal to 25% of the
19 amount of benefits unlawfully received. Notwithstanding any other
20 provision of law, such penalty shall be deposited into the employment
21 security trust fund.

22 (h) For any week with respect to which the individual is receiving
23 compensation for temporary total disability or permanent total disability
24 under the workmen's compensation law of any state or under a similar law
25 of the United States.

26 (i) For any week of unemployment on the basis of service in an
27 instructional, research or principal administrative capacity for an
28 educational institution as defined in K.S.A. 44-703(v), and amendments
29 thereto, if such week begins during the period between two successive
30 academic years or terms or, when an agreement provides instead for a
31 similar period between two regular but not successive terms during such
32 period or during a period of paid sabbatical leave provided for in the
33 individual's contract, if the individual performs such services in the first of
34 such academic years or terms and there is a contract or a reasonable
35 assurance that such individual will perform services in any such capacity
36 for any educational institution in the second of such academic years or
37 terms.

38 (j) For any week of unemployment on the basis of service in any
39 capacity other than service in an instructional, research, or administrative
40 capacity in an educational institution, as defined in K.S.A. 44-703(v), and
41 amendments thereto, if such week begins during the period between two
42 successive academic years or terms if the individual performs such
43 services in the first of such academic years or terms and there is a

1 reasonable assurance that the individual will perform such services in the
2 second of such academic years or terms, except that if benefits are denied
3 to the individual under this subsection and the individual was not offered
4 an opportunity to perform such services for the educational institution for
5 the second of such academic years or terms, such individual shall be
6 entitled to a retroactive payment of benefits for each week for which the
7 individual filed a timely claim for benefits and for which benefits were
8 denied solely by reason of this subsection.

9 (k) For any week of unemployment on the basis of service in any
10 capacity for an educational institution as defined in K.S.A. 44-703(v), and
11 amendments thereto, if such week begins during an established and
12 customary vacation period or holiday recess, if the individual performs
13 services in the period immediately before such vacation period or holiday
14 recess and there is a reasonable assurance that such individual will perform
15 such services in the period immediately following such vacation period or
16 holiday recess.

17 (l) For any week of unemployment on the basis of any services,
18 substantially all of which consist of participating in sports or athletic
19 events or training or preparing to so participate, if such week begins during
20 the period between two successive sport seasons or similar period if such
21 individual performed services in the first of such seasons or similar periods
22 and there is a reasonable assurance that such individual will perform such
23 services in the later of such seasons or similar periods.

24 (m) For any week on the basis of services performed by an alien
25 unless such alien is an individual who was lawfully admitted for
26 permanent residence at the time such services were performed, was
27 lawfully present for purposes of performing such services, or was
28 permanently residing in the United States under color of law at the time
29 such services were performed, including an alien who was lawfully present
30 in the United States as a result of the application of the provisions of
31 section 212(d)(5) of the federal immigration and nationality act. Any data
32 or information required of individuals applying for benefits to determine
33 whether benefits are not payable to them because of their alien status shall
34 be uniformly required from all applicants for benefits. In the case of an
35 individual whose application for benefits would otherwise be approved, no
36 determination that benefits to such individual are not payable because of
37 such individual's alien status shall be made except upon a preponderance
38 of the evidence.

39 (n) For any week in which an individual is receiving a governmental
40 or other pension, retirement or retired pay, annuity or other similar
41 periodic payment under a plan maintained by a base period employer and
42 to which the entire contributions were provided by such employer, except
43 that: (1) If the entire contributions to such plan were provided by the base

1 period employer but such individual's weekly benefit amount exceeds such
2 governmental or other pension, retirement or retired pay, annuity or other
3 similar periodic payment attributable to such week, the weekly benefit
4 amount payable to the individual shall be reduced, but not below zero, by
5 an amount equal to the amount of such pension, retirement or retired pay,
6 annuity or other similar periodic payment which is attributable to such
7 week; or (2) if only a portion of contributions to such plan were provided
8 by the base period employer, the weekly benefit amount payable to such
9 individual for such week shall be reduced, but not below zero, by the
10 prorated weekly amount of the pension, retirement or retired pay, annuity
11 or other similar periodic payment after deduction of that portion of the
12 pension, retirement or retired pay, annuity or other similar periodic
13 payment that is directly attributable to the percentage of the contributions
14 made to the plan by such individual; or (3) if the entire contributions to the
15 plan were provided by such individual, or by the individual and an
16 employer, or any person or organization, who is not a base period
17 employer, no reduction in the weekly benefit amount payable to the
18 individual for such week shall be made under this subsection; or (4)
19 whatever portion of contributions to such plan were provided by the base
20 period employer, if the services performed for the employer by such
21 individual during the base period, or remuneration received for the
22 services, did not affect the individual's eligibility for, or increased the
23 amount of, such pension, retirement or retired pay, annuity or other similar
24 periodic payment, no reduction in the weekly benefit amount payable to
25 the individual for such week shall be made under this subsection. No
26 reduction shall be made for payments made under the social security act or
27 railroad retirement act of 1974.

28 (o) For any week of unemployment on the basis of services
29 performed in any capacity and under any of the circumstances described in
30 subsection (i), (j) or (k)—~~which~~ *that* an individual performed in an
31 educational institution while in the employ of an educational service
32 agency. For the purposes of this subsection, the term "educational service
33 agency" means a governmental agency or entity which is established and
34 operated exclusively for the purpose of providing such services to one or
35 more educational institutions.

36 (p) For any week of unemployment on the basis of service as a school
37 bus or other motor vehicle driver employed by a private contractor to
38 transport pupils, students and school personnel to or from school-related
39 functions or activities for an educational institution, as defined in K.S.A.
40 44-703(v), and amendments thereto, if such week begins during the period
41 between two successive academic years or during a similar period between
42 two regular terms, whether or not successive, if the individual has a
43 contract or contracts, or a reasonable assurance thereof, to perform

1 services in any such capacity with a private contractor for any educational
2 institution for both such academic years or both such terms. An individual
3 shall not be disqualified for benefits as provided in this subsection for any
4 week of unemployment on the basis of service as a bus or other motor
5 vehicle driver employed by a private contractor to transport persons to or
6 from nonschool-related functions or activities.

7 (q) For any week of unemployment on the basis of services
8 performed by the individual in any capacity and under any of the
9 circumstances described in subsection (i), (j), (k) or (o) which are provided
10 to or on behalf of an educational institution, as defined in K.S.A. 44-
11 703(v), and amendments thereto, while the individual is in the employ of
12 an employer which is a governmental entity, Indian tribe or any employer
13 described in section 501(c)(3) of the federal internal revenue code of 1986
14 which is exempt from income under section 501(a) of the code.

15 (r) For any week in which an individual is registered at and attending
16 an established school, training facility or other educational institution, or is
17 on vacation during or between two successive academic years or terms. An
18 individual shall not be disqualified for benefits as provided in this
19 subsection provided:

20 (1) The individual was engaged in full-time employment concurrent
21 with the individual's school attendance;

22 (2) the individual is attending approved training as defined in K.S.A.
23 44-703(s), and amendments thereto; or

24 (3) the individual is attending evening, weekend or limited day time
25 classes, which would not affect availability for work, and is otherwise
26 eligible under K.S.A. 44-705(c), and amendments thereto.

27 (s) For any week with respect to which an individual is receiving or
28 has received remuneration in the form of a back pay award or settlement.
29 The remuneration shall be allocated to the week or weeks in the manner as
30 specified in the award or agreement, or in the absence of such specificity
31 in the award or agreement, such remuneration shall be allocated to the
32 week or weeks in which such remuneration, in the judgment of the
33 secretary, would have been paid.

34 (1) For any such weeks that an individual receives remuneration in
35 the form of a back pay award or settlement, an overpayment will be
36 established in the amount of unemployment benefits paid and shall be
37 collected from the claimant.

38 (2) If an employer chooses to withhold from a back pay award or
39 settlement, amounts paid to a claimant while they claimed unemployment
40 benefits, such employer shall pay the department the amount withheld.
41 With respect to such amount, the secretary shall have available all of the
42 collection remedies authorized or provided in K.S.A. 44-717, and
43 amendments thereto.

1 (t) (1) Any applicant for or recipient of unemployment benefits who
2 tests positive for unlawful use of a controlled substance or controlled
3 substance analog shall be required to complete a substance abuse treatment
4 program approved by the secretary of labor, secretary of commerce or
5 secretary for children and families, and a job skills program approved by
6 the secretary of labor, secretary of commerce or the secretary for children
7 and families. Subject to applicable federal laws, any applicant for or
8 recipient of unemployment benefits who fails to complete or refuses to
9 participate in the substance abuse treatment program or job skills program
10 as required under this subsection shall be ineligible to receive
11 unemployment benefits until completion of such substance abuse
12 treatment and job skills programs. Upon completion of both substance
13 abuse treatment and job skills programs, such applicant for or recipient of
14 unemployment benefits may be subject to periodic drug screening, as
15 determined by the secretary of labor. Upon a second positive test for
16 unlawful use of a controlled substance or controlled substance analog, an
17 applicant for or recipient of unemployment benefits shall be ordered to
18 complete again a substance abuse treatment program and job skills
19 program, and shall be terminated from unemployment benefits for a period
20 of 12 months, or until such applicant for or recipient of unemployment
21 benefits completes both substance abuse treatment and job skills programs,
22 whichever is later. Upon a third positive test for unlawful use of a
23 controlled substance or controlled substance analog, an applicant for or a
24 recipient of unemployment benefits shall be terminated from receiving
25 unemployment benefits, subject to applicable federal law.

26 (2) Any individual who has been discharged or refused employment
27 for failing a preemployment drug screen required by an employer may
28 request that the drug screening specimen be sent to a different drug testing
29 facility for an additional drug screening. Any such individual who requests
30 an additional drug screening at a different drug testing facility shall be
31 required to pay the cost of drug screening.

32 (u) If the individual was found not to have a disqualifying
33 adjudication or conviction under K.S.A. 39-970 or 65-5117, and
34 amendments thereto, was hired and then was subsequently convicted of a
35 disqualifying felony under K.S.A. 39-970 or 65-5117, and amendments
36 thereto, and discharged pursuant to K.S.A. 39-970 or 65-5117, and
37 amendments thereto. The disqualification shall begin the day following the
38 separation and shall continue until after the individual becomes
39 reemployed and has had earnings from insured work of at least three times
40 the individual's determined weekly benefit amount.

41 (v) Notwithstanding the provisions of any subsection, an individual
42 shall not be disqualified for such week of part-time employment in a
43 substitute capacity for an educational institution if such individual's most

1 recent employment prior to the individual's benefit year begin date was for
2 a non-educational institution and such individual demonstrates application
3 for work in such individual's customary occupation or for work for which
4 the individual is reasonably fitted by training or experience.

5 Sec. 12. K.S.A. 2020 Supp. 44-709 is hereby amended to read as
6 follows: 44-709. (a) *Filing*. Claims for benefits shall be made in
7 accordance with rules and regulations adopted by the secretary. The
8 secretary shall furnish a copy of such rules and regulations to any
9 individual requesting them. Each employer shall: (1) Post and maintain
10 printed statements furnished by the secretary without cost to the employer
11 in places readily accessible to individuals in the service of the employer;
12 and (2) provide any other notification to individuals in the service of the
13 employer as required by the secretary pursuant to the families first
14 coronavirus response act, public law 116-127.

15 (b) *Determination*. (1) Except as otherwise provided in this
16 paragraph, a representative designated by the secretary, and hereinafter
17 referred to as an examiner, shall promptly examine the claim and, on the
18 basis of the facts found by the examiner, shall determine whether or not
19 the claim is valid. If the examiner determines that the claim is valid, the
20 examiner shall determine the first day of the benefit year, the weekly
21 benefit amount and the total amount of benefits payable with respect to
22 benefit year. If the claim is determined to be valid, the examiner shall send
23 a notice to the last employing unit who shall respond within 10 days by
24 providing the examiner all requested information including all information
25 required for a decision under K.S.A. 44-706, and amendments thereto. The
26 information may be submitted by the employing unit in person at an
27 employment office of the secretary or by mail, by telefacsimile machine or
28 by electronic mail. If the required information is not submitted or
29 postmarked within a response time limit of 10 days after the examiner's
30 notice was sent, the employing unit shall be deemed to have waived its
31 standing as a party to the proceedings arising from the claim and shall be
32 barred from protesting any subsequent decisions about the claim by the
33 secretary, a referee, the employment security board of review or any court,
34 except that the employing unit's response time limit may be waived or
35 extended by the examiner or upon appeal, if timely response was
36 impossible due to excusable neglect. In any case in which the payment or
37 denial of benefits will be determined by the provisions of K.S.A. 44-
38 706(d), and amendments thereto, the examiner shall promptly transmit the
39 claim to a special examiner designated by the secretary to make a
40 determination on the claim after the investigation as the special examiner
41 deems necessary. The parties shall be promptly notified of the special
42 examiner's decision and any party aggrieved by the decision may appeal to
43 the referee as provided in subsection (c). The claimant and the claimant's

1 most recent employing unit shall be promptly notified of the examiner's or
2 special examiner's decision.

3 (2) The examiner may for good cause reconsider the examiner's
4 decision and shall promptly notify the claimant and the most recent
5 employing unit of the claimant, that the decision of the examiner is to be
6 reconsidered, except that no reconsideration shall be made after the
7 termination of the benefit year.

8 (3) Notwithstanding the provisions of any other statute, a decision of
9 an examiner or special examiner shall be final unless the claimant or the
10 most recent employing unit of the claimant files an appeal from the
11 decision as provided in subsection (c), except that the time limit for appeal
12 may be waived or extended by the referee or board of review if a timely
13 response was impossible due to excusable neglect. The appeal must be
14 filed within 16 calendar days after the mailing of notice to the last known
15 addresses of the claimant and employing unit or, if notice is not by mail,
16 within 16 calendar days after the delivery of the notice to the parties.

17 (c) *Appeals.* Unless the appeal is withdrawn, a referee, after affording
18 the parties reasonable opportunity for fair hearing, shall affirm or modify
19 the findings of fact and decision of the examiner or special examiner. The
20 parties shall be duly notified of the referee's decision, together with the
21 reasons for the decision. The decision shall be final, notwithstanding the
22 provisions of any other statute, unless a further appeal to the employment
23 security board of review is filed within 16 calendar days after the mailing
24 of the decision to the parties' last known addresses or, if notice is not by
25 mail, within 16 calendar days after the delivery of the decision, except that
26 the time limit for appeal may be waived or extended by the referee or
27 board of review if a timely response was impossible due to excusable
28 neglect.

29 (d) *Referees.* The secretary shall appoint, in accordance with K.S.A.
30 44-714(c), and amendments thereto, one or more referees to hear and
31 decide disputed claims.

32 (e) *Time, computation and extension.* In computing the period of time
33 for an employing unit response or for appeals under this section from the
34 examiner's or the special examiner's determination or from the referee's
35 decision, the day of the act, event or default from which the designated
36 period of time begins to run shall not be included. The last day of the
37 period shall be included unless it is a Saturday, Sunday or legal holiday, in
38 which event the period runs until the end of the next day that is not a
39 Saturday, Sunday or legal holiday.

40 (f) *Board of review.* ~~(+)~~ There is hereby created an employment
41 security board of review, hereinafter referred to as the board, ~~consisting~~.

42 (1) (A) *Except as provided in subparagraph (B), the board shall*
43 *consist* of three members. Each member of the board shall be appointed for

1 a term of four years as provided in this subsection. Not more than two
2 members of the board shall belong to the same political party.

3 *(B) On the effective date of this act, the board shall consist of six*
4 *members. The six-member board shall consist of the following: (i) Three*
5 *members appointed under subparagraph (A); and (ii) three members*
6 *appointed for a term that shall expire upon the expiration of this*
7 *subparagraph. Each member of the board appointed under subparagraph*
8 *(B)(ii) shall be appointed as provided in this subsection. Not more than*
9 *four members of the six-member board shall belong to the same political*
10 *party. The provisions of this subparagraph shall expire on June 30, 2024.*

11 (2) When a vacancy on the employment security board of review
12 occurs, the workers compensation and employment security boards
13 nominating committee established under K.S.A. 44-551, and amendments
14 thereto, shall convene and submit a nominee to the governor for
15 appointment to each vacancy on the employment security board of review,
16 subject to confirmation by the senate as provided by K.S.A. 75-4315b, and
17 amendments thereto. The governor shall either: (A) Accept and submit to
18 the senate for confirmation the person nominated by the nominating
19 committee; or (B) reject the nomination and request the nominating
20 committee to nominate another person for that position. Except as
21 provided by K.S.A. 46-2601, and amendments thereto, no person
22 appointed to the employment security board of review, whose appointment
23 is subject to confirmation by the senate, shall exercise any power, duty or
24 function as a member until confirmed by the senate.

25 (3) No member of the employment security board of review shall
26 serve more than two consecutive terms. *This paragraph shall not apply to*
27 *members of the board appointed under subsection (f)(1)(B)(ii). The service*
28 *of a board member appointed under subsection (f)(1)(B)(ii) shall not*
29 *constitute a term as contemplated in this paragraph.*

30 (4) Each member of the employment security board shall serve until a
31 successor has been appointed and confirmed. Any vacancy in the
32 membership of the board occurring prior to expiration of a term shall be
33 filled by appointment for the unexpired term in the same manner as
34 provided for original appointment of the member.

35 (5) Each member of the employment security board of review shall
36 be entitled to receive as compensation for the member's services at the rate
37 of \$15,000 per year, together with the member's travel and other necessary
38 expenses actually incurred in the performance of the member's official
39 duties in accordance with rules and regulations adopted by the secretary.
40 Members' compensation and expenses shall be paid from the employment
41 security administration fund.

42 (6) The employment security board of review shall organize annually
43 by the election of a chairperson from among its members. The chairperson

1 shall serve in that capacity for a term of one year and until a successor is
2 elected. *For the purpose of hearing and determining cases, the board*
3 *members may sit in panels. A board panel shall consist of three members*
4 *with not more than two members belonging to the same political party.*
5 *The chairperson may sit as a member of a panel and shall preside over*
6 *such panel. When the chairperson is not a member of a hearing panel, the*
7 *chairperson shall appoint a member of the panel to preside.* The board or
8 board panel shall meet on the first Monday of each month or on the call of
9 the chairperson or any two members of the board at the place designated.
10 The secretary of labor shall appoint an executive secretary of the board
11 and the executive secretary *or the executive secretary's designee* shall
12 attend the meetings of the board *and board panels.*

13 (7) The employment security board of review *or board panel*, on its
14 own motion, may affirm, modify or set aside any decision of a referee on
15 the basis of the evidence previously submitted in the case; may direct the
16 taking of additional evidence; or may permit any of the parties to initiate
17 further appeal before it. The board *or board panel* shall permit such further
18 appeal by any of the parties interested in a decision of a referee that
19 overrules or modifies the decision of an examiner. The board *or board*
20 *panel* may remove to itself the proceedings on any claim pending before a
21 referee. Any proceedings so removed to the board *or board panel* shall be
22 heard in accordance with the requirements of subsection (c). The board *or*
23 *board panel* shall promptly notify the interested parties of its findings and
24 decision.

25 (8) ~~Two~~ *A simple majority of the members of the employment security*
26 *board of review or board panel shall constitute a quorum and no action of*
27 *the board or board panel shall be valid unless it has the concurrence of at*
28 ~~least two~~ *a majority of its members. A vacancy on the board shall not*
29 *impair the right of a quorum to exercise all the rights and perform all the*
30 *duties of the board.*

31 (g) *Procedure.* The manner that disputed claims are presented, the
32 reports on claims required from the claimant and from employers and the
33 conduct of hearings and appeals shall be in accordance with rules of
34 procedure prescribed by the employment security board of review for
35 determining the rights of the parties, whether or not such rules conform to
36 common law or statutory rules of evidence and other technical rules of
37 procedure. A full and complete record shall be kept of all proceedings and
38 decisions in connection with a disputed claim. All testimony at any hearing
39 upon a disputed claim shall be recorded, but need not be transcribed unless
40 the disputed claim is further appealed. In the performance of its official
41 duties, the board *or board panel* shall have access to all of the records that
42 pertain to the disputed claim and are in the custody of the secretary of
43 labor and shall receive the assistance of the secretary upon request.

1 (h) *Witness fees.* Witnesses subpoenaed pursuant to this section shall
2 be allowed fees and necessary travel expenses at rates fixed by the board.
3 Such fees and expenses shall be deemed a part of the expense of
4 administering this act.

5 (i) *Review of board action.* Any action of the employment security
6 board of review *including that of a board panel*, may not be reconsidered
7 after the mailing of the decision. An action of the board *or board panel*
8 shall become final unless a petition for review in accordance with the
9 Kansas judicial review act is filed within 16 calendar days after the date of
10 the mailing of the decision. If an appeal has not been filed within 16
11 calendar days of the date of the mailing of the decision, the decision
12 becomes final. No bond shall be required for commencing an action for
13 such review. In addition to those persons having standing pursuant to
14 K.S.A. 77-611, and amendments thereto, the examiner shall have standing
15 to obtain judicial review of an action of such board *or board panel*. The
16 review proceeding, and the questions of law certified, shall be heard in a
17 summary manner and shall be given precedence over all other civil cases
18 except cases arising under the workers compensation act.

19 (j) Any finding of fact or law, judgment, determination, conclusion or
20 final order made by the employment security board of review *or board*
21 *panel* or any examiner, special examiner, referee or other person with
22 authority to make findings of fact or law pursuant to the employment
23 security law is not admissible or binding in any separate or subsequent
24 action or proceeding, between a person and a present or previous employer
25 brought before an arbitrator, court or judge of the state or the United
26 States, regardless of whether the prior action was between the same or
27 related parties or involved the same facts.

28 (k) In any proceeding or hearing conducted under this section, a party
29 to the proceeding or hearing may appear before a referee or the
30 employment security board of review *or board panel* either personally or
31 by means of a designated representative to present evidence and to state
32 the position of the party. Hearings may be conducted in person, by
33 telephone or other means of electronic communication. The hearing shall
34 be conducted by telephone or other means of electronic communication if
35 none of the parties requests an in-person hearing. ~~If only one~~ a party
36 requests an in-person hearing, the referee *or board or board panel* shall
37 have the discretion ~~of requiring~~ *to deny the request in the absence of good*
38 *cause shown for the request by the requesting party. If a request for an in-*
39 *person hearing is granted, the referee or board or board panel shall have*
40 *the discretion to require* all parties to appear in person or allow the party
41 not requesting an in-person hearing to appear by telephone or other means
42 of electronic communication. The notice of hearing shall include notice to
43 the parties of their right to request an in-person hearing and instructions on

1 how to make the request.

2 Sec. 13. K.S.A. 2020 Supp. 44-710 is hereby amended to read as
3 follows: 44-710. (a) *Payment*. Contributions shall accrue and become
4 payable by each contributing employer for each calendar year that the
5 contributing employer is subject to the employment security law with
6 respect to wages paid for employment. Such contributions shall become
7 due and be paid by each contributing employer to the secretary for the
8 employment security fund in accordance with such rules and regulations as
9 the secretary may adopt and shall not be deducted, in whole or in part,
10 from the wages of individuals in such employer's employ. In the payment
11 of any contributions, a fractional part of \$.01 shall be disregarded unless it
12 amounts to \$.005 or more, in which case it shall be increased to \$.01.
13 Should contributions for any calendar quarter be less than \$5, no payment
14 shall be required.

15 (b) *Rates and base of contributions*. (1) Except as provided in
16 paragraph (2) ~~of this subsection~~, each contributing employer shall pay
17 contributions on wages paid by the contributing employer during each
18 calendar year with respect to employment as provided in K.S.A. 44-710a,
19 and amendments thereto. Except that, notwithstanding the federal law
20 requiring the secretary of labor to annually recalculate the contribution
21 rate, for calendar years 2010, 2011, 2012, 2013 and 2014, the secretary
22 shall charge each contributing employer in rate groups 1 through 32 the
23 contribution rate in the 2010 original tax rate computation table, with
24 contributing employers in rate groups 33 through 51 being capped at a
25 5.4% contribution rate. For calendar year 2021, unemployment tax rates
26 for eligible employers shall be limited to the standard rate schedule in
27 K.S.A. 44-710a, and amendments thereto. Therefore, no additional
28 solvency adjustment shall be applied.

29 (2) (A) If the congress of the United States either amends or repeals
30 the Wagner-Peyser act, the federal unemployment tax act, the federal
31 social security act, or subtitle C of chapter 23 of the federal internal
32 revenue code of 1986, or any act or acts supplemental to or in lieu thereof,
33 or any part or parts of any such law, or if any such law, or any part or parts
34 thereof, are held invalid with the effect that appropriations of funds by
35 congress and grants thereof to the state of Kansas for the payment of costs
36 of administration of the employment security law are no longer available
37 for such purposes; or (B) if employers in Kansas subject to the payment of
38 tax under the federal unemployment tax act are granted full credit against
39 such tax for contributions or taxes paid to the secretary of labor, then, and
40 in either such case, beginning with the year that the unavailability of
41 federal appropriations and grants for such purpose occurs or that such
42 change in liability for payment of such federal tax occurs and for each year
43 thereafter, the rate of contributions of each contributing employer shall be

1 equal to the total of 0.5% and the rate of contributions as determined for
2 such contributing employer under K.S.A. 44-710a, and amendments
3 thereto. The amount of contributions that each contributing employer
4 becomes liable to pay under this paragraph (2) over the amount of
5 contributions that such contributing employer would be otherwise liable to
6 pay shall be credited to the employment security administration fund to be
7 disbursed and paid out under the same conditions and for the same
8 purposes as other moneys are authorized to be paid from the employment
9 security administration fund, except that, if the secretary determines that as
10 of the first day of January of any year there is an excess in the employment
11 security administration fund over the amount required to be disbursed
12 during such year, an amount equal to such excess as determined by the
13 secretary shall be transferred to the employment security fund.

14 (c) *Charging of benefit payments.* (1) The secretary shall maintain a
15 separate account for each contributing employer, and shall credit the
16 contributing employer's account with all the contributions paid on the
17 contributing employer's own behalf. Nothing in the employment security
18 law shall be construed to grant any employer or individuals in such
19 employer's service prior claims or rights to the amounts paid by such
20 employer into the employment security fund either on such employer's
21 own behalf or on behalf of such individuals. Benefits paid shall be charged
22 against the accounts of each base period employer in the proportion that
23 the base period wages paid to an eligible individual by each such employer
24 bears to the total wages in the base period. Benefits shall be charged to
25 contributing employers' accounts and rated governmental employers'
26 accounts upon the basis of benefits paid during each twelve-month period
27 ending on the computation date.

28 (2) (A) Benefits paid in benefit years established by valid new claims
29 shall not be charged to the account of a contributing employer or rated
30 governmental employer who is a base period employer if the examiner
31 finds that claimant was separated from the claimant's most recent
32 employment with such employer under any of the following conditions: (i)
33 Discharged for misconduct or gross misconduct connected with the
34 individual's work; (ii) leaving work voluntarily without good cause
35 attributable to the claimant's work or the employer; or (iii) discharged from
36 an employer directly impacted by COVID-19 in accordance with the
37 families first coronavirus response act, public law 116-127.

38 (B) Where base period wage credits of a contributing employer or
39 rated governmental employer represent part-time employment and the
40 claimant continues in that part-time employment with that employer
41 during the period for which benefits are paid, then that employer's account
42 shall not be charged with any part of the benefits paid if the employer
43 provides the secretary with information as required by rules and

1 regulations. For the purposes of this subsection (c)(2)(B), "part-time
2 employment" means any employment when an individual works less than
3 full-time because the individual's services are not required for the
4 customary, scheduled full-time hours prevailing at the work place or the
5 individual does not customarily work the regularly scheduled full-time
6 hours due to personal choice or circumstances.

7 (C) No contributing employer or rated governmental employer's
8 account shall be charged with any extended benefits paid in accordance
9 with the employment security law, except for weeks of unemployment
10 beginning after December 31, 1978, all contributing governmental
11 employers and governmental rated employers shall be charged an amount
12 equal to all extended benefits paid.

13 (D) No contributing employer, rated governmental employer or
14 reimbursing employer's account shall be charged for any additional
15 benefits paid during the period July 1, 2003 through June 30, 2004.

16 (E) No contributing employer or rated governmental employer's
17 account will be charged for benefits paid a claimant while pursuing an
18 approved training course as defined in K.S.A. 44-703(s), and amendments
19 thereto.

20 (F) No contributing employer or rated governmental employer's
21 account shall be charged with respect to the benefits paid to any individual
22 whose base period wages include wages for services not covered by the
23 employment security law prior to January 1, 1978, to the extent that the
24 employment security fund is reimbursed for such benefits pursuant to
25 section 121 of public law 94-566 (90 Stat. 2673).

26 (G) With respect to weeks of unemployment beginning after
27 December 31, 1977, wages for insured work shall include wages paid for
28 previously uncovered services. For the purposes of this subsection (c)(2)
29 (G), the term "previously uncovered services" means services that were
30 not covered employment, at any time during the one-year period ending
31 December 31, 1975, except to the extent that assistance under title II of the
32 federal emergency jobs and unemployment assistance act of 1974 was paid
33 on the basis of such services, and that:

34 (i) Are agricultural labor as defined in K.S.A. 44-703(w), and
35 amendments thereto, or domestic service as defined in K.S.A. 44-703(aa),
36 and amendments thereto;

37 (ii) are services performed by an employee of this state or a political
38 subdivision thereof, as provided in K.S.A. 44-703(i)(3)(E), and
39 amendments thereto; or

40 (iii) are services performed by an employee of a nonprofit educational
41 institution that is not an institution of higher education.

42 (H) No contributing employer or rated governmental employer's
43 account shall be charged with respect to their pro rata share of benefit

1 charges if such charges are of \$100 or less.

2 *(1) Contributing employers, rated governmental employers and*
3 *reimbursing employers shall be held harmless for and shall not be*
4 *required to reimburse the state for claims or benefits paid that have been*
5 *reported by the employer to the secretary and determined by the secretary*
6 *as fraudulent or as an improper payment, unless the secretary determines*
7 *the claims are not fraudulent or improper as provided by K.S.A. 44-*
8 *710b(b)(2)(A), and amendments thereto. The time limitation for disputing*
9 *a claim or an appeal of a claim as provided by this section, or by any*
10 *other provision of the employment security law, shall not apply to*
11 *identifications of fraud reported to the secretary for claims or benefits*
12 *paid during the period beginning on March 15, 2020, through December*
13 *31, 2022. Contributing employers, rated governmental employers and*
14 *reimbursing employers shall be refunded or credited, in the discretion of*
15 *the employer, as provided by K.S.A. 44-710b, and amendments thereto, for*
16 *any claims or benefits paid that have been reported as fraudulent.*

17 (3) An employer's account shall not be relieved of charges relating to
18 a payment that was made erroneously if the secretary determines that:

19 (A) The erroneous payment was made because the employer, or the
20 agent of the employer, was at fault for failing to respond timely or
21 adequately to a written request from the secretary for information relating
22 to the claim for unemployment compensation; and

23 (B) the employer or agent has established a pattern of failing to
24 respond timely or adequately to requests for information.

25 (C) For purposes of this paragraph:

26 (i) "Erroneous payment" means a payment that but for the failure by
27 the employer or the employer's agent with respect to the claim for
28 unemployment compensation, would not have been made; and

29 (ii) "pattern of failure" means repeated documented failure on the part
30 of the employer or the agent of the employer to respond, taking into
31 consideration the number of instances of failure in relation to the total
32 volume of requests. An employer or employer's agent failing to respond as
33 described in (c)(3)(A) shall not be determined to have engaged in a
34 "pattern of failure" if the number of such failures during the year prior to
35 such request is fewer than two, or less than 2%, of such requests,
36 whichever is greater.

37 (D) Determinations of the secretary prohibiting the relief of charges
38 pursuant to this section shall be subject to appeal or protest as other
39 determinations of the agency with respect to the charging of employer
40 accounts.

41 (E) This paragraph shall apply to erroneous payments established on
42 and after the effective date of this act.

43 (4) The examiner shall notify any base period employer whose

1 account will be charged with benefits paid following the filing of a valid
2 new claim and a determination by the examiner based on all information
3 relating to the claim contained in the records of the division of
4 employment security. Such notice shall become final and benefits charged
5 to the base period employer's account in accordance with the claim unless
6 within 10 calendar days from the date the notice was sent, the base period
7 employer requests in writing that the examiner reconsider the
8 determination and furnishes any required information in accordance with
9 the secretary's rules and regulations. In a similar manner, a notice of an
10 additional claim followed by the first payment of benefits with respect to
11 the benefit year, filed by an individual during a benefit year after a period
12 in such year during which such individual was employed, shall be given to
13 any base period employer of the individual who has requested such a
14 notice within 10 calendar days from the date the notice of the valid new
15 claim was sent to such base period employer. For purposes of this
16 subsection (c)(3), if the required information is not submitted or
17 postmarked within a response time limit of 10 days after the base period
18 employer notice was sent, the base period employer shall be deemed to
19 have waived its standing as a party to the proceedings arising from the
20 claim and shall be barred from protesting any subsequent decisions about
21 the claim by the secretary, a referee, the board of review or any court,
22 except that the base period employer's response time limit may be waived
23 or extended by the examiner or upon appeal, if timely response was
24 impossible due to excusable neglect. The examiner shall notify the
25 employer of the reconsidered determination, which shall be subject to
26 appeal or further reconsideration, in accordance with the provisions of
27 K.S.A. 44-709, and amendments thereto.

28 (5) *Time, computation and extension.* In computing the period of time
29 for a base period employer response or appeals under this section from the
30 examiner's or the special examiner's determination or from the referee's
31 decision, the day of the act, event or default from which the designated
32 period of time begins to run shall not be included. The last day of the
33 period shall be included unless it is a Saturday, Sunday or legal holiday, in
34 which event the period runs until the end of the next day that is not a
35 Saturday, Sunday or legal holiday.

36 (d) *Pooled fund.* All contributions and payments in lieu of
37 contributions and benefit cost payments to the employment security fund
38 shall be pooled and available to pay benefits to any individual entitled
39 thereto under the employment security law, regardless of the source of
40 such contributions or payments in lieu of contributions or benefit cost
41 payments.

42 (e) *Election to become reimbursing employer; payment in lieu of*
43 *contributions.* (1) Any governmental entity, Indian tribes or tribal units,

1 (subdivisions, subsidiaries or business enterprises wholly owned by such
2 Indian tribes), for which services are performed as described in K.S.A. 44-
3 703(i)(3)(E), and amendments thereto, or any nonprofit organization or
4 group of nonprofit organizations described in section 501(c)(3) of the
5 federal internal revenue code of 1986 that is exempt from income tax
6 under section 501(a) of such code, that becomes subject to the
7 employment security law may elect to become a reimbursing employer
8 under this subsection (e)(1) and agree to pay the secretary for the
9 employment security fund an amount equal to the amount of regular
10 benefits and $\frac{1}{2}$ of the extended benefits paid that are attributable to service
11 in the employ of such reimbursing employer, except that each reimbursing
12 governmental employer, Indian tribes or tribal units shall pay an amount
13 equal to the amount of regular benefits and extended benefits paid for
14 weeks of unemployment beginning after December 31, 1978, for
15 governmental employers and December 21, 2000, for Indian tribes or
16 tribal units to individuals for weeks of unemployment that begin during the
17 effective period of such election.

18 (A) Any employer identified in this subsection (e)(1) may elect to
19 become a reimbursing employer for a period encompassing not less than
20 four complete calendar years if such employer files with the secretary a
21 written notice of such election within the 30-day period immediately
22 following January 1 of any calendar year or within the 30-day period
23 immediately following the date when a determination of subjectivity to the
24 employment security law is issued, whichever occurs later.

25 (B) Any employer that makes an election to become a reimbursing
26 employer in accordance with subparagraph (A) will continue to be liable
27 for payments in lieu of contributions until such employer files with the
28 secretary a written notice terminating its election not later than 30 days
29 prior to the beginning of the calendar year for which such termination shall
30 first be effective.

31 (C) Any employer identified in this subsection (e)(1) that has
32 remained a contributing employer and has been paying contributions under
33 the employment security law for a period subsequent to January 1, 1972,
34 may change to a reimbursing employer by filing with the secretary not
35 later than 30 days prior to the beginning of any calendar year a written
36 notice of election to become a reimbursing employer. Such election shall
37 not be terminable by the employer for four complete calendar years.

38 (D) The secretary may for good cause extend the period within which
39 a notice of election, or a notice of termination, must be filed and may
40 permit an election to be retroactive but not any earlier than with respect to
41 benefits paid after January 1 of the year such election is received.

42 (E) The secretary, in accordance with such rules and regulations as
43 the secretary may adopt, shall notify each employer identified in

1 subsection (e)(1) of any determination that the secretary may make of its
2 status as an employer and of the effective date of any election that it makes
3 to become a reimbursing employer and of any termination of such
4 election. Such determinations shall be subject to reconsideration, appeal
5 and review in accordance with the provisions of K.S.A. 44-710b, and
6 amendments thereto.

7 (2) *Reimbursement reports and payments.* Payments in lieu of
8 contributions shall be made in accordance with the provisions of
9 subparagraph (A) by all reimbursing employers except the state of Kansas.
10 Each reimbursing employer shall report total wages paid during each
11 calendar quarter by filing quarterly wage reports with the secretary that
12 shall be filed by the last day of the month following the close of each
13 calendar quarter. Wage reports are deemed filed as of the date they are
14 placed in the United States mail.

15 (A) At the end of each calendar quarter, or at the end of any other
16 period as determined by the secretary, the secretary shall bill each
17 reimbursing employer, except the state of Kansas: (i) An amount to be paid
18 that is equal to the full amount of regular benefits plus $\frac{1}{2}$ of the amount of
19 extended benefits paid during such quarter or other prescribed period that
20 is attributable to service in the employ of such reimbursing employer; and
21 (ii) for weeks of unemployment beginning after December 31, 1978, each
22 reimbursing governmental employer and December 21, 2000, for Indian
23 tribes or tribal units shall be certified an amount to be paid that is equal to
24 the full amount of regular benefits and extended benefits paid during such
25 quarter or other prescribed period that is attributable to service in the
26 employ of such reimbursing governmental employer.

27 (B) Payment of any bill rendered under subparagraph (A) shall be
28 made not later than 30 days after such bill was mailed to the last known
29 address of the reimbursing employer, or otherwise was delivered to such
30 reimbursing employer, unless there has been an application for review and
31 redetermination in accordance with subparagraph (D).

32 (C) Payments made by any reimbursing employer under the
33 provisions of this subsection (e)(2) shall not be deducted or deductible, in
34 whole or in part, from the remuneration of individuals in the employ of
35 such employer.

36 (D) The amount due specified in any bill from the secretary shall be
37 conclusive on the reimbursing employer, unless, not later than 15 days
38 after the bill was mailed to the last known address of such employer, or
39 was otherwise delivered to such employer, the reimbursing employer files
40 an application for redetermination in accordance with K.S.A. 44-710b, and
41 amendments thereto.

42 (E) Past due payments of amounts certified by the secretary under
43 this section shall be subject to the same interest, penalties and actions

1 required by K.S.A. 44-717, and amendments thereto. (1) If any nonprofit
2 organization or group of nonprofit organizations described in section
3 501(c)(3) of the federal internal revenue code of 1986 or governmental
4 reimbursing employer is delinquent in making payments of amounts
5 certified by the secretary under this section, the secretary may terminate
6 such employer's election to make payments in lieu of contributions as of
7 the beginning of the next calendar year and such termination shall be
8 effective for such next calendar year and the calendar year thereafter so
9 that the termination is effective for two complete calendar years. (2)
10 Failure of the Indian tribe or tribal unit to make required payments,
11 including assessment of interest and penalty within 90 days of receipt of
12 the bill will cause the Indian tribe to lose the option to make payments in
13 lieu of contributions as described pursuant to paragraph (e)(1) for the
14 following tax year unless payment in full is received before contribution
15 rates for the next tax year are calculated. (3) Any Indian tribe that loses the
16 option to make payments in lieu of contributions due to late payment or
17 nonpayment, as described in paragraph (2), shall have such option
18 reinstated, if after a period of one year, all contributions have been made
19 on time and no contributions, payments in lieu of contributions for benefits
20 paid, penalties or interest remain outstanding.

21 (F) Failure of the Indian tribe or any tribal unit thereof to make
22 required payments, including assessments of interest and penalties, after
23 all collection activities deemed necessary by the secretary have been
24 exhausted, will cause services performed by such tribe to not be treated as
25 employment for purposes of K.S.A. 44-703(i)(3)(E), and amendments
26 thereto. If an Indian tribe fails to make payments required under this
27 section, including assessments of interest and penalties, within 90 days of
28 a final notice of delinquency, the secretary shall immediately notify the
29 United States internal revenue service and the United States department of
30 labor. The secretary may determine that any Indian tribe that loses
31 coverage pursuant to this paragraph may have services performed on
32 behalf of such tribe again deemed "employment" if all contributions,
33 payments in lieu of contributions, penalties and interest have been paid.

34 (G) In the discretion of the secretary, any employer who elects to
35 become liable for payments in lieu of contributions and any nonprofit
36 organization or group of nonprofit organizations described in section
37 501(c)(3) of the federal internal revenue code of 1986 or governmental
38 reimbursing employer or Indian tribe or tribal unit who is delinquent in
39 filing reports or in making payments of amounts certified by the secretary
40 under this section shall be required within 60 days after the effective date
41 of such election, in the case of an eligible employer so electing, or after the
42 date of notification to the delinquent employer under this subsection (e)(2)
43 (G), in the case of a delinquent employer, to execute and file with the

1 secretary a surety bond, except that the employer may elect, in lieu of a
2 surety bond, to deposit with the secretary money or securities as approved
3 by the secretary or to purchase and deliver to an escrow agent a certificate
4 of deposit to guarantee payment. The amount of the bond, deposit or
5 escrow agreement required by this subsection (e)(2)(G) shall not exceed
6 5.4% of the organization's taxable wages paid for employment by the
7 eligible employer during the four calendar quarters immediately preceding
8 the effective date of the election or the date of notification, in the case of a
9 delinquent employer. If the employer did not pay wages in each of such
10 four calendar quarters, the amount of the bond or deposit shall be as
11 determined by the secretary. Upon the failure of an employer to comply
12 with this subsection (e)(2)(G) within the time limits imposed or to
13 maintain the required bond or deposit, the secretary may terminate the
14 election of such eligible employer or delinquent employer, as the case may
15 be, to make payments in lieu of contributions, and such termination shall
16 be effective for the current and next calendar year.

17 (H) The state of Kansas shall make reimbursement payments
18 quarterly at a fiscal year rate that shall be based upon: (i) The available
19 balance in the state's reimbursing account as of December 31 of each
20 calendar year; (ii) the historical unemployment experience of all covered
21 state agencies during prior years; (iii) the estimate of total covered wages
22 to be paid during the ensuing calendar year; (iv) the applicable fiscal year
23 rate of the claims processing and auditing fee under K.S.A. 75-3798, and
24 amendments thereto; and (v) actuarial and other information furnished to
25 the secretary by the secretary of administration. In accordance with K.S.A.
26 75-3798, and amendments thereto, the claims processing and auditing fees
27 charged to state agencies shall be deducted from the amounts collected for
28 the reimbursement payments under this paragraph (H) prior to making the
29 quarterly reimbursement payments for the state of Kansas. The fiscal year
30 rate shall be expressed as a percentage of covered total wages and shall be
31 the same for all covered state agencies. The fiscal year rate for each fiscal
32 year will be certified in writing by the secretary to the secretary of
33 administration on July 15 of each year and such certified rate shall become
34 effective on the July 1 immediately following the date of certification. A
35 detailed listing of benefit charges applicable to the state's reimbursing
36 account shall be furnished quarterly by the secretary to the secretary of
37 administration and the total amount of charges deducted from previous
38 reimbursing payments made by the state. On January 1 of each year, if it is
39 determined that benefit charges exceed the amount of prior reimbursing
40 payments, an upward adjustment shall be made therefor in the fiscal year
41 rate to be certified on the ensuing July 15. If total payments exceed benefit
42 charges, all or part of the excess may be refunded, at the discretion of the
43 secretary, from the fund or retained in the fund as part of the payments that

1 may be required for the next fiscal year.

2 (3) *Allocation of benefit costs.* The reimbursing account of each
3 reimbursing employer shall be charged the full amount of regular benefits
4 and ½ of the amount of extended benefits paid except that each
5 reimbursing governmental employer's account shall be charged the full
6 amount of regular benefits and extended benefits paid for weeks of
7 unemployment beginning after December 31, 1978, to individuals whose
8 entire base period wage credits are from such employer. When benefits
9 received by an individual are based upon base period wage credits from
10 more than one employer then the reimbursing employer's or reimbursing
11 governmental employer's account shall be charged in the same ratio as
12 base period wage credits from such employer bear to the individual's total
13 base period wage credits. Notwithstanding any other provision of the
14 employment security law, no reimbursing employer's or reimbursing
15 governmental employer's account shall be charged for payments of
16 extended benefits that are wholly reimbursed to the state by the federal
17 government. Payments of unemployment compensation that are wholly
18 reimbursed to the reimbursing employer by the federal government shall
19 be charged for the purpose of such reimbursement under the federal
20 CARES act, public law 116-136.

21 (A) *Proportionate allocation (when fewer than all reimbursing base*
22 *period employers are liable).* If benefits paid to an individual are based on
23 wages paid by one or more reimbursing employers and on wages paid by
24 one or more contributing employers or rated governmental employers, the
25 amount of benefits payable by each reimbursing employer shall be an
26 amount that bears the same ratio to the total benefits paid to the individual
27 as the total base period wages paid to the individual by such employer
28 bears to the total base period wages paid to the individual by all of such
29 individual's base period employers.

30 (B) *Proportionate allocation (when all base period employers are*
31 *reimbursing employers).* If benefits paid to an individual are based on
32 wages paid by two or more reimbursing employers, the amount of benefits
33 payable by each such employer shall be an amount that bears the same
34 ratio to the total benefits paid to the individual as the total base period
35 wages paid to the individual by such employer bear to the total base period
36 wages paid to the individual by all of such individual's base period
37 employers.

38 (4) *Group accounts.* Two or more reimbursing employers may file a
39 joint application to the secretary for the establishment of a group account
40 for the purpose of sharing the cost of benefits paid that are attributable to
41 service in the employment of such reimbursing employers. Each such
42 application shall identify and authorize a group representative to act as the
43 group's agent for the purposes of this ~~subsection (e)(4)~~ *paragraph.* Upon

1 approval of the application, the secretary shall establish a group account
2 for such employers effective as of the beginning of the calendar quarter in
3 which the secretary receives the application and shall notify the group's
4 representative of the effective date of the account. Such account shall
5 remain in effect for not less than four years and thereafter such account
6 shall remain in effect until terminated at the discretion of the secretary or
7 upon application by the group. Upon establishment of the account, each
8 member of the group shall be liable for payments in lieu of contributions
9 with respect to each calendar quarter in the amount that bears the same
10 ratio to the total benefits paid in such quarter that are attributable to service
11 performed in the employ of all members of the group as the total wages
12 paid for service in employment by such member in such quarter bear to the
13 total wages paid during such quarter for service performed in the employ
14 of all members of the group. The secretary shall adopt such rules and
15 regulations as the secretary deems necessary with respect to applications
16 for establishment, maintenance and termination of group accounts that are
17 authorized by this ~~subsection (e)(4)~~ *paragraph*, for addition of new
18 members to, and withdrawal of active members from such accounts, and
19 for the determination of the amounts that are payable under this ~~subsection~~
20 ~~(e)(4)~~ *paragraph* by members of the group and the time and manner of
21 such payments.

22 Sec. 14. K.S.A. 2020 Supp. 44-710a is hereby amended to read as
23 follows: 44-710a. (a) *Classification of employers by the secretary.* The
24 term "employer" as used in this section refers to contributing employers.
25 The secretary shall classify employers in accordance with their actual
26 experience in the payment of contributions on their own behalf and with
27 respect to benefits charged against their accounts with a view of fixing
28 such contribution rates as will reflect such experience. If, as of the date
29 such classification of employers is made, the secretary finds that any
30 employing unit has failed to file any report required in connection
31 therewith, or has filed a report which the secretary finds incorrect or
32 insufficient, the secretary shall make an estimate of the information
33 required from such employing unit on the basis of the best evidence
34 reasonably available to the secretary at the time, and notify the employing
35 unit thereof by mail addressed to its last known address. Unless such
36 employing unit shall file the report or a corrected or sufficient report as the
37 case may be, within 15 days after the mailing of such notice, the secretary
38 shall compute such employing unit's rate of contributions on the basis of
39 such estimates, and the rate as so determined shall be subject to increase
40 but not to reduction on the basis of subsequently ascertained information.
41 The secretary shall determine the contribution rate of each employer in
42 accordance with the requirements of this section.

43 (1) *New employers.* (A) No employer will be eligible for a rate

1 computation until there have been 24 consecutive calendar months
2 immediately preceding the computation date throughout which benefits
3 could have been charged against such employer's account.

4 (B) (i) (a) ~~For the rate year 2014 and each rate year thereafter,~~ Each
5 employer who is not eligible for a rate contribution shall pay contributions
6 equal to 2.7% of wages paid during each calendar year with regard to
7 employment, except such employers engaged in the construction industry
8 shall pay a rate equal to 6%.

9 (b) (1) ~~For the rate year 2015 and each rate year thereafter,~~ An
10 employer who was not doing business in Kansas prior to July 1, 2014,
11 shall be eligible for either the new employer rate under subsection (a)(1)
12 (B)(i)(a) or the rate associated with the reserve ratio such employer
13 experienced in the state which such employer was formerly located, but in
14 no event less than 1% if such:

15 (A) Employer has been in operation in the other state or states for at
16 least the three years immediately preceding the date such employer
17 becomes a liable employer in Kansas;

18 (B) employer provides the authenticated account history from
19 information accumulated from operations of such employer in the other
20 state or all the other states necessary to compute a current Kansas rate; and

21 (C) employer's business operations established in Kansas are of the
22 same nature, as defined by the North American industrial classification
23 system, as conducted by such employer in the other state or states.

24 (2) The election authorized in subsection (a)(1)(B)(i)(b) of this
25 section must be made in writing within 30 days after notice of Kansas
26 liability. A rate in accordance with subsection (a)(1)(B)(i)(a) will be
27 assigned unless a timely election has been made.

28 (3) If the election is made timely, the employer's account will receive
29 the rate elected for the remainder of that rate year. The rate assigned for
30 the next and subsequent years will be determined by the condition of the
31 account on the computation date.

32 (ii) For purposes of this subsection (a), employers shall be classified
33 by industrial activity in accordance with standard procedures as set forth in
34 rules and regulations adopted by the secretary. Employers engaged in more
35 than one type of industrial activity shall be classified by principal activity.
36 All rates assigned will remain in effect for a complete calendar year. If the
37 sale or acquisition of a new establishment would require reclassification of
38 the employer to a different industry sector, the employer would be
39 promptly notified, and the contribution rate applicable to the new industry
40 sector would become effective the following January 1.

41 (C) "Computation date" means June 30 of each calendar year with
42 respect to rates of contribution applicable to the calendar year beginning
43 with the following January 1. In arriving at contribution rates for each

1 calendar year, contributions paid on or before July 31 following the
2 computation date for employment occurring on or prior to the computation
3 date shall be considered for each contributing employer who has been
4 subject to this act for a sufficient period of time to have such employer's
5 rate computed under this subsection (a).

6 (2) *Eligible employers.* (A) A reserve ratio shall be computed for each
7 eligible employer by the following method: Total benefits charged to the
8 employer's account for all past years shall be deducted from all
9 contributions paid by such employer for all such years. The balance,
10 positive or negative, shall be divided by the employer's average annual
11 payroll, and the result shall constitute the employer reserve ratio.

12 (B) (i) ~~For rate year 2015 and prior rate years, negative account~~
13 ~~balance employers, as defined in subsection (d), shall pay contributions at~~
14 ~~the rate of 5.4% for each calendar year.~~

15 (ii) ~~For rate year 2016 and rate years thereafter, Negative account~~
16 ~~balance employers, as defined in subsection (d), shall pay contributions at~~
17 ~~the rate referenced in section subsection (a)(4)(D)(ii)(B).~~

18 (C) Eligible employers, other than negative account balance
19 employers, who do not meet the average annual payroll requirements as
20 stated in K.S.A. 44-703(a)(2), and amendments thereto, will be issued the
21 maximum rate indicated by the *maximum rate group of standard rate*
22 *schedule—standard schedule 7* in subsection (a)(4)(D)(B)(ii) ~~of this~~
23 ~~section~~ until such employer establishes a new period of 24 consecutive
24 calendar months immediately preceding the computation date throughout
25 which benefits could have been charged against such employer's account
26 by resuming the payment of wages. Contribution rates effective for each
27 calendar year thereafter shall be determined as prescribed below.

28 (D) ~~For rate year 2015 and prior rate years, as of each computation~~
29 ~~date, the total of the taxable wages paid during the 12-month period prior~~
30 ~~to the computation date by all employers eligible for rate computation,~~
31 ~~except negative account balance employers, shall be divided into 51~~
32 ~~approximately equal parts designated in column A of schedule I as "rate~~
33 ~~groups," except, with regard to a year in which the taxable wage base~~
34 ~~changes. The taxable wages used in the calculation for such a year and the~~
35 ~~following year shall be an estimate of what the taxable wages would have~~
36 ~~been if the new taxable wage base had been in effect during the entire~~
37 ~~twelve-month period prior to the computation date. The lowest numbered~~
38 ~~of such rate groups shall consist of the employers with the most favorable~~
39 ~~reserve ratios, as defined in this section, whose combined taxable wages~~
40 ~~paid are less than 1.96% of all taxable wages paid by all eligible~~
41 ~~employers. Each succeeding higher numbered rate group shall consist of~~
42 ~~employers with reserve ratios that are less favorable than those of~~
43 ~~employers in the preceding lower numbered rate groups and whose taxable~~

1 wages when combined with the taxable wages of employers in all lower
 2 numbered rate groups equal the appropriate percentage of total taxable
 3 wages designated in column B of schedule I. Each eligible employer, other
 4 than a negative account balance employer, shall be assigned an experience
 5 factor designated under column C of schedule I in accordance with the rate
 6 group to which the employer is assigned on the basis of the employer's
 7 reserve ratio and taxable payroll. If an employer's taxable payroll falls into
 8 more than one rate group the employer shall be assigned the experience
 9 factor of the lower numbered rate group. If one or more employers have
 10 reserve ratios identical to that of the last employer included in the next
 11 lower numbered rate group, all such employers shall be assigned the
 12 experience factor designated to such last employer, notwithstanding the
 13 position of their taxable payroll in column B of schedule I.

14 SCHEDULE I—Eligible Employers

15 Column A	Column B	Column C
16 Rate	Cumulative	Experience factor
17 group	taxable payroll	(Ratio to total wages)
18 1	Less than 1.96%	.025%
19 2	1.96% but less than 3.92	.04
20 3	3.92 but less than 5.88	.08
21 4	5.88 but less than 7.84	.12
22 5	7.84 but less than 9.80	.16
23 6	9.80 but less than 11.76	.20
24 7	11.76 but less than 13.72	.24
25 8	13.72 but less than 15.68	.28
26 9	15.68 but less than 17.64	.32
27 10	17.64 but less than 19.60	.36
28 11	19.60 but less than 21.56	.40
29 12	21.56 but less than 23.52	.44
30 13	23.52 but less than 25.48	.48
31 14	25.48 but less than 27.44	.52
32 15	27.44 but less than 29.40	.56
33 16	29.40 but less than 31.36	.60
34 17	31.36 but less than 33.32	.64
35 18	33.32 but less than 35.28	.68
36 19	35.28 but less than 37.24	.72
37 20	37.24 but less than 39.20	.76
38 21	39.20 but less than 41.16	.80
39 22	41.16 but less than 43.12	.84
40 23	43.12 but less than 45.08	.88
41 24	45.08 but less than 47.04	.92
42 25	47.04 but less than 49.00	.96
43 26	49.00 but less than 50.96	1.00

1	—27	50.96 but less than 52.92	1.04
2	—28	52.92 but less than 54.88	1.08
3	—29	54.88 but less than 56.84	1.12
4	—30	56.84 but less than 58.80	1.16
5	—31	58.80 but less than 60.76	1.20
6	—32	60.76 but less than 62.72	1.24
7	—33	62.72 but less than 64.68	1.28
8	—34	64.68 but less than 66.64	1.32
9	—35	66.64 but less than 68.60	1.36
10	—36	68.60 but less than 70.56	1.40
11	—37	70.56 but less than 72.52	1.44
12	—38	72.52 but less than 74.48	1.48
13	—39	74.48 but less than 76.44	1.52
14	—40	76.44 but less than 78.40	1.56
15	—41	78.40 but less than 80.36	1.60
16	—42	80.36 but less than 82.32	1.64
17	—43	82.32 but less than 84.28	1.68
18	—44	84.28 but less than 86.24	1.72
19	—45	86.24 but less than 88.20	1.76
20	—46	88.20 but less than 90.16	1.80
21	—47	90.16 but less than 92.12	1.84
22	—48	92.12 but less than 94.08	1.88
23	—49	94.08 but less than 96.04	1.92
24	—50	96.04 but less than 98.00	1.96
25	—51	98.00 and over	2.00

26 (E) For rate year 2015 and prior rate years, negative account balance
 27 employers shall, in addition to paying the rate provided for in subsection
 28 (a)(2)(B) of this section, pay a surcharge based on the size of the
 29 employer's negative reserve ratio, the calculation which is provided for in
 30 subsection (a)(2) of this section. The amount of the surcharge shall be
 31 determined from column B2 of schedule II of this section for calendar
 32 years 2012, 2013, 2014 and from column B4 of schedule II of this section
 33 for each calendar year after 2014. Each negative account balance employer
 34 who does not satisfy the requirements to have an average annual payroll,
 35 as defined by K.S.A. 44-703(a)(2), and amendments thereto, shall be
 36 assigned a surcharge of equal to the maximum negative ratio surcharge
 37 from column B2 of schedule II of this section for calendar years 2012,
 38 2013 and 2014. Funds from the surcharge paid according to this subsection
 39 (a)(2)(E), and amendments thereto, shall be used to pay principal and
 40 interest due on funds received from the federal unemployment account
 41 under title XII of the social security act, (42 U.S.C. §§ 1321 to 1324), in
 42 the following manner:

43 (i) For each calendar year 2012, 2013 and 2014, an additional 0.10%

1 of the taxable wages paid by all negative account balance employers with
 2 a negative reserve ratio between 0.0% and 19.9% shall be designated an
 3 interest assessment surcharge and paid into the employment security
 4 interest assessment fund for the purpose of paying interest due and owing
 5 on funds received from the federal unemployment account under title XII
 6 of the social security act. The total surcharges assessed, including the
 7 additional 0.10% surcharge mentioned above, on such employers are listed
 8 in schedule II column B2. For the calendar year 2015, the surcharge rate
 9 for negative balance employers with a negative reserve ratio between 0.0%
 10 and 19.9% shall be as listed in schedule II column B4.

11 (ii) For the calendar years 2012, 2013 and 2014, an additional
 12 surcharge on negative balance employers with a negative reserve ratio of
 13 20.0% and higher shall be designated an interest assessment surcharge and
 14 deposited in the employment security interest assessment fund. The
 15 additional surcharge shall be used for the purposes of paying interest due
 16 and owing on funds received from the federal unemployment account
 17 under title XII of the social security act. The total surcharge including the
 18 additional surcharge on such employers is listed in schedule II column B3
 19 of this section.

20 (iii) For any succeeding year in which interest is due and owing on
 21 funds received from the federal unemployment account under title XII of
 22 the social security act, the secretary of labor may adjust the surcharge
 23 amounts necessary to pay such interest;

24 (iv) the portion of such surcharge used for the payment of such
 25 interest shall not be included in the calculation of such employers reserve
 26 ratio pursuant to subsection (a)(2). The portion of such surcharge used for
 27 the payment of principal shall be included in the calculation of such
 28 employers reserve ratio pursuant to subsection (a)(2); and

29 (v) if the amounts collected under this subsection are in excess of the
 30 amounts needed to pay interest due, the amounts in excess shall remain in
 31 the employment security interest assessment fund to be used to pay interest
 32 in future years. Whenever the secretary certifies all interest payments have
 33 been paid pursuant to this section, any excess funds remaining in the
 34 employment security interest assessment fund shall be transferred to the
 35 employment security trust fund for the purpose of paying any remaining
 36 principal amount due for advances described in this section. In the event
 37 that the amount transferred from the employment security interest
 38 assessment fund exceeds such remaining amount of principal due, the
 39 balance shall be used for the purposes of the employment security trust
 40 fund.

41 SCHEDULE II—Surcharge on Negative Accounts

42 Column A	Column B1	Column B2	Column B3	Column B4
43 Negative Reserve	Surcharge as a	Surcharge as a	Surcharge as a	Surcharge as a
44	percent of	percent of	percent of	percent of

	Ratio	taxable wages	taxable wages	taxable wages	taxable wages
1	Ratio	taxable wages	taxable wages	taxable wages	taxable wages
2	Less than 2.0%	0.20%	0.30%		0.10%
3	2.0% but less than 4.0	0.40	0.50		0.20
4	4.0 but less than 6.0	0.60	0.70		0.30
5	6.0 but less than 8.0	0.80	0.90		0.40
6	8.0 but less than 10.0	1.00	1.10		0.50
7	10.0 but less than 12.0	1.20	1.30		0.60
8	12.0 but less than 14.0	1.40	1.50		0.70
9	14.0 but less than 16.0	1.60	1.70		0.80
10	16.0 but less than 18.0	1.80	1.90		0.90
11	18.0 but less than 20.0	2.00	2.10		1.00
12	20.0 but less than 22.0	2.00		2.20	1.10
13	22.0 but less than 24.0	2.00		2.40	1.20
14	24.0 but less than 26.0	2.00		2.60	1.30
15	26.0 but less than 28.0	2.00		2.80	1.40
16	28.0 but less than 30.0	2.00		3.00	1.50
17	30.0 but less than 32.0	2.00		3.20	1.60
18	32.0 but less than 34.0	2.00		3.40	1.70
19	34.0 but less than 36.0	2.00		3.60	1.80
20	36.0 but less than 38.0	2.00		3.80	1.90
21	38.0 and over	2.00		4.00	2.00

22 (D) If the amounts collected from negative account balance
 23 employers and paid into the employment security interest assessment fund
 24 for the purpose of paying interest due and owing on funds received from
 25 the federal unemployment account under title XII of the social security act
 26 are in excess of the amounts needed to pay interest due, the amounts in
 27 excess shall remain in the employment security interest assessment fund to
 28 be used to pay interest in future years. Whenever the secretary certifies all
 29 interest payments have been paid, any excess funds remaining in the
 30 employment security interest assessment fund shall be transferred to the
 31 employment security trust fund for the purpose of paying any remaining
 32 principal amount due for advances described in this section. In the event
 33 that the amount transferred from the employment security interest
 34 assessment fund exceeds such remaining amount of principal due, the
 35 balance shall be used for the purposes of the employment security trust
 36 fund.

37 (3) Entering and expanding employer. (A) The secretary, as a method
 38 of providing for a reduced rate of contributions to an employer shall verify
 39 the qualifications in this statute that bear a direct relation to unemployment
 40 risk for that employer.

41 (B) If, as of the computation date, an eligible, positive balance
 42 employer's reserve ratio is significantly affected due to an increase in the
 43 employer's taxable payroll of at least 100% and such increase is
 44 attributable to a growth in employment, and not to a change in the taxable
 45 wage base from the previous year, the secretary shall assign a reduced rate
 46 of contributions for a period of three years.

47 (i) Such reduced rate of contributions shall be the new employer rate
 48 described in subsection (a)(1)(B)(i)(a), or a rate based on the employer's

1 demonstrated risk as reflected in the employer's reserve fund ratio history.

2 (ii) To be eligible for such reduced rate, the employer must maintain a
 3 positive account balance throughout the reduced-rate period and must have
 4 an increase in account balance for each year.

5 ~~(4)—Planned yield. (A) For rate year 2015 and prior rate years, the~~
 6 ~~average required yield shall be determined from schedule III of this~~
 7 ~~section, and the planned yield on total wages in column B of schedule III~~
 8 ~~shall be determined by the reserve fund ratio in column A of schedule III.~~
 9 ~~The reserve fund ratio shall be determined by dividing total assets in the~~
 10 ~~employment security fund provided for in K.S.A. 44-712(a), and~~
 11 ~~amendments thereto, excluding all moneys credited to the account of this~~
 12 ~~state pursuant to section 903 of the federal social security act, as amended,~~
 13 ~~which have been appropriated by the state legislature, whether or not~~
 14 ~~withdrawn from the trust fund, and excluding contributions not yet paid on~~
 15 ~~July 31 by total payrolls for contributing employers for the preceding~~
 16 ~~fiscal year which ended June 30.~~

17 ~~(B)(A) For the each rate year 2016 and rate years thereafter, the~~
 18 ~~contribution schedule in effect shall be determined by the applicable fund~~
 19 ~~control table and rate schedule table of subsection (a)(4)(D)(B).~~

20 SCHEDULE III—Fund Control
 21 Ratios to Total Wages

22 Column A	22 Column B
23 Reserve Fund Ratio	23 Planned Yield
24 4.500 and over	24 0.00
25 4.475 but less than 4.500.....	25 0.01
26 4.450 but less than 4.475.....	26 0.02
27 4.425 but less than 4.450.....	27 0.03
28 4.400 but less than 4.425.....	28 0.04
29 4.375 but less than 4.400.....	29 0.05
30 4.350 but less than 4.375.....	30 0.06
31 4.325 but less than 4.350.....	31 0.07
32 4.300 but less than 4.325.....	32 0.08
33 4.275 but less than 4.300.....	33 0.09
34 4.250 but less than 4.275.....	34 0.10
35 4.225 but less than 4.250.....	35 0.11
36 4.200 but less than 4.225.....	36 0.12
37 4.175 but less than 4.200.....	37 0.13
38 4.150 but less than 4.175.....	38 0.14
39 4.125 but less than 4.150.....	39 0.15
40 4.100 but less than 4.125.....	40 0.16
41 4.075 but less than 4.100.....	41 0.17
42 4.050 but less than 4.075.....	42 0.18
43 4.025 but less than 4.050.....	43 0.19

1	4.000 but less than 4.025.....	0.20
2	3.950 but less than 4.000.....	0.21
3	3.900 but less than 3.950.....	0.22
4	3.850 but less than 3.900.....	0.23
5	3.800 but less than 3.850.....	0.24
6	3.750 but less than 3.800.....	0.25
7	3.700 but less than 3.750.....	0.26
8	3.650 but less than 3.700.....	0.27
9	3.600 but less than 3.650.....	0.28
10	3.550 but less than 3.600.....	0.29
11	3.500 but less than 3.550.....	0.30
12	3.450 but less than 3.500.....	0.31
13	3.400 but less than 3.450.....	0.32
14	3.350 but less than 3.400.....	0.33
15	3.300 but less than 3.350.....	0.34
16	3.250 but less than 3.300.....	0.35
17	3.200 but less than 3.250.....	0.36
18	3.150 but less than 3.200.....	0.37
19	3.100 but less than 3.150.....	0.38
20	3.050 but less than 3.100.....	0.39
21	3.000 but less than 3.050.....	0.40
22	2.950 but less than 3.000.....	0.41
23	2.900 but less than 2.950.....	0.42
24	2.850 but less than 2.900.....	0.43
25	2.800 but less than 2.850.....	0.44
26	2.750 but less than 2.800.....	0.45
27	2.700 but less than 2.750.....	0.46
28	2.650 but less than 2.700.....	0.47
29	2.600 but less than 2.650.....	0.48
30	2.550 but less than 2.600.....	0.49
31	2.500 but less than 2.550.....	0.50
32	2.450 but less than 2.500.....	0.51
33	2.400 but less than 2.450.....	0.52
34	2.350 but less than 2.400.....	0.53
35	2.300 but less than 2.350.....	0.54
36	2.250 but less than 2.300.....	0.55
37	2.200 but less than 2.250.....	0.56
38	2.150 but less than 2.200.....	0.57
39	2.100 but less than 2.150.....	0.58
40	2.050 but less than 2.100.....	0.59
41	2.000 but less than 2.050.....	0.60
42	1.975 but less than 2.000.....	0.61
43	1.950 but less than 1.975.....	0.62

1	1.925 but less than 1.950.....	0.63
2	1.900 but less than 1.925.....	0.64
3	1.875 but less than 1.900.....	0.65
4	1.850 but less than 1.875.....	0.66
5	1.825 but less than 1.850.....	0.67
6	1.800 but less than 1.825.....	0.68
7	1.775 but less than 1.800.....	0.69
8	1.750 but less than 1.775.....	0.70
9	1.725 but less than 1.750.....	0.71
10	1.700 but less than 1.725.....	0.72
11	1.675 but less than 1.700.....	0.73
12	1.650 but less than 1.675.....	0.74
13	1.625 but less than 1.650.....	0.75
14	1.600 but less than 1.625.....	0.76
15	1.575 but less than 1.600.....	0.77
16	1.550 but less than 1.575.....	0.78
17	1.525 but less than 1.550.....	0.79
18	1.500 but less than 1.525.....	0.80
19	1.475 but less than 1.500.....	0.81
20	1.450 but less than 1.475.....	0.82
21	1.425 but less than 1.450.....	0.83
22	1.400 but less than 1.425.....	0.84
23	1.375 but less than 1.400.....	0.85
24	1.350 but less than 1.375.....	0.86
25	1.325 but less than 1.350.....	0.87
26	1.300 but less than 1.325.....	0.88
27	1.275 but less than 1.300.....	0.89
28	1.250 but less than 1.275.....	0.90
29	1.225 but less than 1.250.....	0.91
30	1.200 but less than 1.225.....	0.92
31	1.175 but less than 1.200.....	0.93
32	1.150 but less than 1.175.....	0.94
33	1.125 but less than 1.150.....	0.95
34	1.100 but less than 1.125.....	0.96
35	1.075 but less than 1.100.....	0.97
36	1.050 but less than 1.075.....	0.98
37	1.025 but less than 1.050.....	0.99
38	1.000 but less than 1.025.....	1.00
39	0.900 but less than 1.000.....	1.01
40	0.800 but less than 0.900.....	1.02
41	0.700 but less than 0.800.....	1.03
42	0.600 but less than 0.700.....	1.04
43	0.500 but less than 0.600.....	1.05

1 0.400 but less than 0.500.....1.06
 2 0.300 but less than 0.400.....1.07
 3 0.200 but less than 0.300.....1.08
 4 0.100 but less than 0.200.....1.09
 5 Less than 0.100%.....1.10

6 (C) ~~Adjustment to taxable wages.~~ For rate year 2015 and prior rate
 7 years, the planned yield as a percent of total wages, as determined in this
 8 subsection (a)(4), shall be adjusted to taxable wages by multiplying by the
 9 ratio of total wages to taxable wages for all contributing employers for the
 10 preceding fiscal year ending June 30, except, with regard to a year in
 11 which the taxable wage base changes. The taxable wages used in the
 12 calculation for such a year and the following year shall be an estimate of
 13 what the taxable wages would have been if the new taxable wage base had
 14 been in effect during all of the preceding fiscal year ending June 30.

15 (D)(B) ~~Effective rates.~~ (i) For rate year 2016 and ensuing rate years,
 16 Employer contribution rates to be effective for the ensuing each calendar
 17 year shall be determined by the applicable rate schedule in clause (ii) and
 18 the fund control table for the rate year as specified contained in this
 19 section clause. The average high cost multiple of the trust fund as of the
 20 computation date shall determine the contribution schedule in effect for the
 21 next rate year. For purposes of subsection (a)(4)(D)(B)(i) and (v), the
 22 average high cost multiple is the reserve fund ratio, as defined by
 23 subsection (a)(4)(A), divided by the average high benefit cost rate. The
 24 average high benefit cost rate shall be determined by averaging the three
 25 highest benefit cost rates over the last 20 years from the preceding fiscal
 26 year which ended June 30. The high benefit cost rate is defined by dividing
 27 total benefits paid in the fiscal year by total payrolls for covered employers
 28 in the fiscal year. *The reserve fund ratio shall be determined by dividing*
 29 *total assets in the employment security fund provided for in K.S.A. 44-*
 30 *712(a), and amendments thereto, excluding all moneys credited to the*
 31 *account of this state pursuant to section 903 of the federal social security*
 32 *act, as amended, that have been appropriated by the legislature, whether*
 33 *or not withdrawn from the trust fund, and excluding contributions not yet*
 34 *paid on July 31, by total payrolls for contributing employers for the*
 35 *preceding fiscal year that ended on June 30.*

36 Fund Control Table A
 37 For Rate Years 2016-2021

38 Lower AHCM	Upper AHCM	Solvency Adjustment
39 Threshold	Threshold	to Standard Rate per
40		Standard Rate Schedule
41 1,000.00000 -1,000.00000	0.19999	1.60%
42 0.20000	0.44999	1.40%
43 0.45000	0.59999	1.20%
44 0.60000	0.74999	1.00%
45 0.75000	1.14999	0.00%

1	1.15000		1,000.00000 1,000.00000			-0.50%	
2	<i>Fund Control Table B</i>						
3	<i>For Rate Year 2022 and Ensuing Calendar Years</i>						
4	<i>KS SUTA</i>	<i>Lower</i>	<i>Upper</i>	<i>Solvency/Credit</i>	<i>Solvency/Credit</i>	<i>Solvency/Credit</i>	
5	<i>Tax Rate</i>	<i>AHCM</i>	<i>AHCM</i>	<i>Adjustment to</i>	<i>Adjustment as a</i>	<i>Adjustment as a</i>	
6	<i>Schedules</i>	<i>Threshold</i>	<i>Threshold</i>	<i>Maximum</i>	<i>Rate Group</i>	<i>Total % to</i>	
7				<i>Standard Rate</i>	<i>Multiplier to</i>	<i>Employer's</i>	
8					<i>Standard, Earned</i>	<i>Standard, Earned</i>	
9					<i>Rate Group</i>	<i>Rate Group</i>	
10	1	1,000.00000	0.00001	2.00%	0.05263%	26.32%	
11	2	0.00000	0.24999	1.80%	0.04737%	23.68%	
12	Solvency	3	0.25000	0.44999	1.60%	0.04211%	21.05%
13	Schedules	4	0.45000	0.59999	1.40%	0.03684%	18.42%
14	(1-6)	5	0.60000	0.69999	1.20%	0.03158%	15.79%
15		6	0.70000	0.74999	1.00%	0.02632%	13.16%
16	Standard						
17	Schedule	7	0.75000	1.24999	0.00%	0.00000%	0.00%
18	(7)						
19		8	1.25000	1.29999	1.00%	0.02632%	13.16%
20	Credit	9	1.30000	1.39999	1.20%	0.03158%	15.79%
21	Schedules	10	1.40000	1.54999	1.40%	0.03684%	18.42%
22	(8-13)	11	1.55000	1.74999	1.60%	0.04211%	21.05%
23		12	1.75000	1.99999	1.80%	0.04737%	23.68%
24		13	2.00000	1,000.00000	2.00%	0.05263%	26.32%

(ii) (a) ~~For rate year 2016 and ensuing rate years,~~ Eligible employers shall be classified by rate group according to the standard rate schedule - standard rate schedule 7 in this section, ~~subject to any adjustment pursuant to the effective rate schedule~~ for that rate year. Except as provided in subclause (b), for rate years 2016 through 2021, the rate pursuant to the standard rate schedule as adjusted by fund control table A shall apply. Except as provided in subclause (b), for rate year 2022 and ensuing calendar years, the rate pursuant to standard rate schedule 7, solvency schedules 1 through 6 or credit schedules 8 through 13 shall apply as provided by fund control table B.

(b) In the event the full transfer of \$450,000,000 is not made as provided in section 6, and amendments thereto, to the employment security fund on or before July 15, 2021, all contributing employers shall pay the rate as set forth in standard rate schedule - standard rate schedule 7 for the 2022 calendar year.

40	STANDARD RATE SCHEDULE -			
41	STANDARD RATE SCHEDULE 7			
42	Rate Lower Reserve	Upper Reserve	Standard	
43	Group	Ratio Limit	Ratio Limit	Rate
44	1	18.590	1,000,000.000	0.20%
45	2	17.875	18.589	0.40%
46	3	17.160	17.874	0.60%
47	4	16.445	17.159	0.80%
48	5	15.730	16.444	1.00%

1	6	15.015	15.729	1.20%
2	7	14.300	15.014	1.40%
3	8	13.585	14.299	1.60%
4	9	12.870	13.584	1.80%
5	10	12.155	12.869	2.00%
6	11	11.440	12.154	2.20%
7	12	10.725	11.439	2.40%
8	13	10.010	10.724	2.60%
9	14	9.295	10.009	2.80%
10	15	8.580	9.294	3.00%
11	16	7.865	8.579	3.20%
12	17	7.150	7.864	3.40%
13	18	6.435	7.149	3.60%
14	19	5.720	6.434	3.80%
15	20	5.005	5.719	4.00%
16	21	4.290	5.004	4.20%
17	22	3.575	4.289	4.40%
18	23	2.860	3.574	4.60%
19	24	2.145	2.859	4.80%
20	25	1.430	2.144	5.00%
21	26	0.715	1.429	5.20%
22	27	0.000	0.714	5.40%
23	N1	-0.714	-0.001	5.60%
24	N2	-1.429	-0.715	5.80%
25	N3	-2.144	-1.430	6.00%
26	N4	-2.859	-2.145	6.20%
27	N5	-3.574	-2.860	6.40%
28	N6	-4.289	-3.575	6.60%
29	N7	-5.004	-4.290	6.80%
30	N8	-5.719	-5.005	7.00%
31	N9	-6.434	-5.720	7.20%
32	N10	-7.149	-6.435	7.40%
33	N11	-1,000,000.000	-7.150	7.60%

34 ~~(iii) For all rate years prior to 2016, except with regard to rates for~~
 35 ~~negative account balance employers, employer contribution rates to be~~
 36 ~~effective for the ensuing calendar year shall be computed by adjusting~~
 37 ~~proportionately the experience factors from schedule I of this section to the~~
 38 ~~required yield on taxable wages. For the purposes of this subsection (a)(4),~~
 39 ~~all rates computed shall be rounded to the nearest .01% and for calendar~~
 40 ~~year 1983 and ensuing calendar years, the maximum effective contribution~~
 41 ~~rate shall not exceed 5.4%.~~

42 ~~(iv) For rate years 2007 through 2015, employers who are current in~~
 43 ~~filing quarterly wage reports and in payment of all contributions due and~~

1 owing, shall be issued a contribution rate based upon the following
 2 reduction: For rate groups 1 through 5, the rates would be reduced to
 3 0.00%; for rate groups 6 through 28, the rates would be reduced by 50%;
 4 for rate groups 29 through 51, the rates would be reduced by 40%.

5 ~~(v) For rate year 2014 and rate years thereafter, an eligible employer
 6 other than a negative account balance employer, who has filed all reports
 7 due and paid all contributions due and owing on or before January 31 of
 8 the applicable year is entitled to a rate discount of 15% except as provided
 9 in this subsection. For rate year 2015 and rate years thereafter, an eligible
 10 employer other than a negative account balance employer, who has filed
 11 all reports due and paid all contributions due and owing on or before
 12 January 31 of the applicable year is entitled to a rate discount of 25%
 13 except as provided in this subsection. This discount shall not be in effect if
 14 other reduced rates pursuant to subsections (a)(4)(D)(i) through (iv) are in
 15 effect. This discount shall not be available for a rate year if the average
 16 high cost multiple, as defined in subsection (a)(4)(D)(i), of the
 17 employment security trust fund balance falls below 1.0 as of the
 18 computation date of that year's rates, and this discount shall thereafter
 19 cease to be in effect for all subsequent rate years.~~

20 *Rate* *SOLVENCY RATE SCHEDULES (1-6)*

21 <i>Group</i>	1	2	3	4	5	6
22 1	0.252632%	0.247375%	0.24211%	0.23684%	0.23158%	0.22632%
23 2	0.505263%	0.49474%	0.48421%	0.47368%	0.46316%	0.45263%
24 3	0.757895%	0.74211%	0.72632%	0.71053%	0.69474%	0.67895%
25 4	1.010526%	0.98947%	0.96842%	0.94737%	0.92632%	0.90526%
26 5	1.263158%	1.23684%	1.21053%	1.18421%	1.15789%	1.13158%
27 6	1.515789%	1.48421%	1.45263%	1.42105%	1.38947%	1.35789%
28 7	1.768421%	1.73158%	1.69474%	1.65789%	1.62105%	1.58421%
29 8	2.021053%	1.97895%	1.93684%	1.89474%	1.85263%	1.81053%
30 9	2.273684%	2.22632%	2.17895%	2.13158%	2.08421%	2.03684%
31 10	2.526316%	2.47368%	2.42105%	2.36842%	2.31579%	2.26316%
32 11	2.778947%	2.72105%	2.66316%	2.60526%	2.54737%	2.48947%
33 12	3.031579%	2.96842%	2.90526%	2.84211%	2.77895%	2.71579%
34 13	3.284211%	3.21579%	3.14737%	3.07895%	3.01053%	2.94211%
35 14	3.536842%	3.46316%	3.38947%	3.31579%	3.24211%	3.16842%
36 15	3.789474%	3.71053%	3.63158%	3.55263%	3.47368%	3.39474%
37 16	4.042105%	3.95789%	3.87368%	3.78947%	3.70526%	3.62105%
38 17	4.294737%	4.20526%	4.11579%	4.02632%	3.93684%	3.84737%
39 18	4.547368%	4.45263%	4.35789%	4.26316%	4.16842%	4.07368%
40 19	4.800000%	4.70000%	4.60000%	4.50000%	4.40000%	4.30000%
41 20	5.052632%	4.94737%	4.84211%	4.73684%	4.63158%	4.52632%
42 21	5.305263%	5.19474%	5.08421%	4.97368%	4.86316%	4.75263%
43 22	5.557895%	5.44211%	5.32632%	5.21053%	5.09474%	4.97895%
44 23	5.810526%	5.68947%	5.56842%	5.44737%	5.32632%	5.20526%
45 24	6.063158%	5.93684%	5.81053%	5.68421%	5.55789%	5.43158%
46 25	6.315789%	6.18421%	6.05263%	5.92105%	5.78947%	5.65789%
47 26	6.568421%	6.43158%	6.29474%	6.15789%	6.02105%	5.88421%
48 27	6.821053%	6.67895%	6.53684%	6.39474%	6.25263%	6.11053%
49 N1	7.073684%	6.92632%	6.77895%	6.63158%	6.48421%	6.33684%
50 N2	7.326316%	7.17368%	7.02105%	6.86842%	6.71579%	6.56316%

1	N3	7.578947%	7.42105%	7.26316%	7.10526%	6.94737%	6.78947%
2	N4	7.831579%	7.66842%	7.50526%	7.34211%	7.17895%	7.01579%
3	N5	8.084211%	7.91579%	7.74737%	7.57895%	7.41053%	7.24211%
4	N6	8.336842%	8.16316%	7.98947%	7.81579%	7.64211%	7.46842%
5	N7	8.589474%	8.41053%	8.23158%	8.05263%	7.87368%	7.69474%
6	N8	8.842105%	8.65789%	8.47368%	8.28947%	8.10526%	7.92105%
7	N9	9.094737%	8.90526%	8.71579%	8.52632%	8.33684%	8.14737%
8	N10	9.347368%	9.15263%	8.95789%	8.76316%	8.56842%	8.37368%
9	N11	9.600000%	9.40000%	9.20000%	9.00000%	8.80000%	8.60000%
10	Rate	CREDIT RATE SCHEDULES (8-13)					
11	Group	8	9	10	11	12	13
12	1	0.173684%	0.16842%	0.16316%	0.15789%	0.15263%	0.14737%
13	2	0.347368%	0.33684%	0.32632%	0.31579%	0.30526%	0.29474%
14	3	0.521053%	0.50526%	0.48947%	0.47368%	0.45789%	0.44211%
15	4	0.694737%	0.67368%	0.65263%	0.63158%	0.61053%	0.58947%
16	5	0.868421%	0.84211%	0.81579%	0.78947%	0.76316%	0.73684%
17	6	1.042105%	1.01053%	0.97895%	0.94737%	0.91579%	0.88421%
18	7	1.215789%	1.17895%	1.14211%	1.10526%	1.06842%	1.03158%
19	8	1.389474%	1.34737%	1.30526%	1.26316%	1.22105%	1.17895%
20	9	1.563158%	1.51579%	1.46842%	1.42105%	1.37368%	1.32632%
21	10	1.736842%	1.68421%	1.63158%	1.57895%	1.52632%	1.47368%
22	11	1.910526%	1.85263%	1.79474%	1.73684%	1.67895%	1.62105%
23	12	2.084211%	2.02105%	1.95789%	1.89474%	1.83158%	1.76842%
24	13	2.257895%	2.18947%	2.12105%	2.05263%	1.98421%	1.91579%
25	14	2.431579%	2.35789%	2.28421%	2.21053%	2.13684%	2.06316%
26	15	2.605263%	2.52632%	2.44737%	2.36842%	2.28947%	2.21053%
27	16	2.778947%	2.69474%	2.61053%	2.52632%	2.44211%	2.35789%
28	17	2.952632%	2.86316%	2.77368%	2.68421%	2.59474%	2.50526%
29	18	3.126316%	3.03158%	2.93684%	2.84211%	2.74737%	2.65263%
30	19	3.300000%	3.20000%	3.10000%	3.00000%	2.90000%	2.80000%
31	20	3.473684%	3.36842%	3.26316%	3.15789%	3.05263%	2.94737%
32	21	3.647368%	3.53684%	3.42632%	3.31579%	3.20526%	3.09474%
33	22	3.821053%	3.70526%	3.58947%	3.47368%	3.35789%	3.24211%
34	23	3.994737%	3.87368%	3.75263%	3.63158%	3.51053%	3.38947%
35	24	4.168421%	4.04211%	3.91579%	3.78947%	3.66316%	3.53684%
36	25	4.342105%	4.21053%	4.07895%	3.94737%	3.81579%	3.68421%
37	26	4.515789%	4.37895%	4.24211%	4.10526%	3.96842%	3.83158%
38	27	4.689474%	4.54737%	4.40526%	4.26316%	4.12105%	3.97895%
39	N1	4.863158%	4.71579%	4.56842%	4.42105%	4.27368%	4.12632%
40	N2	5.036842%	4.88421%	4.73158%	4.57895%	4.42632%	4.27368%
41	N3	5.210526%	5.05263%	4.89474%	4.73684%	4.57895%	4.42105%
42	N4	5.384211%	5.22105%	5.05789%	4.89474%	4.73158%	4.56842%
43	N5	5.557895%	5.38947%	5.22105%	5.05263%	4.88421%	4.71579%
44	N6	5.731579%	5.55789%	5.38421%	5.21053%	5.03684%	4.86316%
45	N7	5.905263%	5.72632%	5.54737%	5.36842%	5.18947%	5.01053%
46	N8	6.078947%	5.89474%	5.71053%	5.52632%	5.34211%	5.15789%
47	N9	6.252632%	6.06316%	5.87368%	5.68421%	5.49474%	5.30526%
48	N10	6.426316%	6.23158%	6.03684%	5.84211%	5.64737%	5.45263%
49	N11	6.600000%	6.40000%	6.20000%	6.00000%	5.80000%	5.60000%

50 (b) *Successor classification.* (1) (A) For the purposes of this
 51 subsection—(b), whenever an employing unit, whether or not it is an
 52 "employing unit" within the meaning of of K.S.A. 44-703(g), and
 53 amendments thereto, becomes an employer pursuant to K.S.A. 44-703(h)

1 (4), and amendments thereto, or is an employer at the time of acquisition
2 and meets the definition of a "successor employer" as defined by K.S.A.
3 44-703(dd), and amendments thereto, and thereafter transfers its trade or
4 business, or any portion thereof, to another employer and, at the time of
5 the transfer, there is substantially common ownership, management or
6 control of the two employers, then the unemployment experience
7 attributable to the transferred trade or business shall be transferred to the
8 employer to whom such business is so transferred. These experience
9 factors consist of all contributions paid, benefit experience and annual
10 payrolls of the predecessor employer. The transfer of some or all of an
11 employer's workforce to another employer shall be considered a transfer of
12 trade or business when, as the result of such transfer, the transferring
13 employer no longer performs trade or business with respect to the
14 transferred workforce, and such trade or business is performed by the
15 employer to whom the workforce is transferred.

16 (B) If, following a transfer of experience under subparagraph (A), the
17 secretary determines that a substantial purpose of the transfer or business
18 was to obtain a reduced liability for contributions, then the experience
19 rating accounts of the employers involved shall be combined into a single
20 account and a single rate assigned to such account.

21 (2) A successor employer as defined by K.S.A. 44-703(h)(4) or (dd),
22 and amendments thereto, may receive the experience rating factors of the
23 predecessor employer if an application is made to the secretary or the
24 secretary's designee in writing within 120 days of the date of the transfer.

25 (3) Whenever an employing unit, whether or not it is an "employing
26 unit" within the meaning of K.S.A. 44-703(g), and amendments thereto,
27 acquires or in any manner succeeds to a percentage of an employer's
28 annual payroll which is less than 100% and intends to continue the
29 acquired percentage as a going business, the employing unit may acquire
30 the same percentage of the predecessor's experience factors if: (A) The
31 predecessor employer and successor employing unit make an application
32 in writing on the form prescribed by the secretary; (B) the application is
33 submitted within 120 days of the date of the transfer; (C) the successor
34 employing unit is or becomes an employer subject to this act immediately
35 after the transfer; (D) the percentage of the experience rating factors
36 transferred shall not be thereafter used in computing the contribution rate
37 for the predecessor employer; and (E) the secretary finds that such transfer
38 will not tend to defeat or obstruct the object and purposes of this act.

39 (4) (A) The rate of both employers in a full or partial successorship
40 under paragraph (1) ~~of this subsection~~ shall be recalculated and made
41 effective on the first day of the next calendar quarter following the date of
42 transfer of trade or business.

43 (B) If a successor employer is determined to be qualified under

1 paragraph (2) or (3) ~~of this subsection~~ to receive the experience rating
2 factors of the predecessor employer, the rate assigned to the successor
3 employer for the remainder of the contributions year shall be determined
4 by the following:

5 (i) If the acquiring employing unit was an employer subject to this act
6 prior to the date of the transfer, the rate of contribution shall be the same as
7 the contribution rate of the acquiring employer on the date of the transfer.

8 (ii) If the acquiring employing unit was not an employer subject to
9 this act prior to the date of the transfer, the successor employer shall have a
10 newly computed rate for the remainder of the contribution year which shall
11 be based on the transferred experience rating factors as they existed on the
12 most recent computation date immediately preceding the date of
13 acquisition. These experience rating factors consist of all contributions
14 paid, benefit experience and annual payrolls.

15 (5) Whenever an employing unit is not an employer at the time it
16 acquires the trade or business of an employer, the unemployment
17 experience factors of the acquired business shall not be transferred to such
18 employing unit if the secretary finds that such employing unit acquired the
19 business solely or primarily for the purpose of obtaining a lower rate of
20 contributions. Instead, such employing unit shall be assigned the
21 applicable industry rate for a "new employer" as described in subsection
22 (a)(1). In determining whether the business was acquired solely or
23 primarily for the purpose of obtaining a lower rate of contributions, the
24 secretary shall use objective factors which may include the cost of
25 acquiring the business, whether the employer continued the business
26 enterprise of the acquired business, how long such business enterprise was
27 continued, or whether a substantial number of new employees were hired
28 for performance of duties unrelated to the business activity conducted
29 prior to acquisition.

30 (6) Whenever an employer's account has been terminated as provided
31 in K.S.A. 44-711(d) and (e), and amendments thereto, and the employer
32 continues with employment to liquidate the business operations, that
33 employer shall continue to be an "employer" subject to the employment
34 security law as provided in K.S.A. 44-703(h)(8), and amendments thereto.
35 The rate of contribution from the date of transfer to the end of the then
36 current calendar year shall be the same as the contribution rate prior to the
37 date of the transfer. At the completion of the then current calendar year, the
38 rate of contribution shall be that of a "new employer" as described in
39 subsection (a)(1).

40 (7) No rate computation will be permitted an employing unit
41 succeeding to the experience of another employing unit pursuant to this
42 section for any period subsequent to such succession except in accordance
43 with rules and regulations adopted by the secretary. Any such regulations

1 shall be consistent with federal requirements for additional credit
2 allowance in section 3303 of the federal internal revenue code of 1986,
3 and consistent with the provisions of this act.

4 (c) *Voluntary contributions.* Notwithstanding any other provision of
5 the employment security law, any employer may make voluntary payments
6 for the purpose of reducing or maintaining a reduced rate in addition to the
7 contributions required under this section. Such voluntary payments may be
8 made only during the thirty-day period immediately following the date of
9 mailing of experience rating notices for a calendar year. All such voluntary
10 contribution payments shall be paid prior to the expiration of 120 days
11 after the beginning of the year for which such rates are effective. The
12 amount of voluntary contributions shall be credited to the employer's
13 account as of the next preceding computation date and the employer's rate
14 shall be computed accordingly. Under no circumstances shall voluntary
15 payments be refunded in whole or in part.

16 (d) As used in this section, "negative account balance employer"
17 means an eligible employer whose total benefits charged to such
18 employer's account for all past years have exceeded all contributions paid
19 by such employer for all such years.

20 (e) There is hereby established in the state treasury, separate and apart
21 from all public moneys or funds of this state, an employment security
22 interest assessment fund, which shall be administered by the secretary as
23 provided in this act. Moneys in the employment security fund established
24 by K.S.A. 44-712, and amendments thereto, and employment security
25 interest assessment fund established by K.S.A. 44-710, and amendments
26 thereto, shall not be invested in the pooled money investment portfolio
27 established under K.S.A. 75-4234, and amendments thereto.
28 Notwithstanding the provisions of K.S.A. 44-712(a), K.S.A. 44-716,
29 K.S.A. 44-717 and K.S.A. 75-4234, and amendments thereto, or any like
30 provision the secretary shall remit all moneys received from employers
31 pursuant to the interest payment ~~assessment established in subsection (a)~~
32 ~~(2)(E)~~ *pursuant to law*, to the state treasurer in accordance with the
33 provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of
34 each such remittance, the state treasurer shall deposit the entire amount in
35 the employment security interest assessment fund. All moneys in this fund
36 which are received from employers pursuant to the interest payment
37 ~~assessment established in subsection (a)(2)(E)~~, *assessments* shall be
38 expended solely for the purposes and in the amounts found by the
39 secretary necessary to pay any principal and interest due and owing the
40 United States department of labor resulting from any advancements made
41 to the Kansas employment security fund pursuant to the provisions of title
42 XII of the social security act (42 U.S.C. §§ 1321 to 1324) except as may
43 be otherwise provided under subsection—~~(a)(2)(E)~~ *(a)(2)(D)*.

1 Notwithstanding any provision of this section, all moneys received and
2 credited to this fund ~~pursuant to subsection (a)(2)(E)~~; shall remain part of
3 the employment security interest assessment fund and shall be used only in
4 accordance with the conditions specified ~~in subsection (a)(2)(E)~~.

5 (f) The secretary of labor shall annually prepare and submit a
6 certification as to the solvency and adequacy of the amount credited to the
7 state of Kansas' account in the federal employment security trust fund to
8 the governor and the legislative coordinating council. The certification
9 shall be submitted on or before December 1 of each calendar year and
10 shall be for the 12-month period ending on June 30 of that calendar year.
11 In arriving at the certification contributions paid on or before July 31
12 following the 12-month period ending date of June 30 shall be considered.
13 ~~Each certification shall be used to determine the need for any adjustment~~
14 ~~to schedule III in subsection (a)(4)(B) and to assist in preparing legislation~~
15 ~~to accomplish any such adjustment.~~

16 Sec. 15. K.S.A. 2020 Supp. 44-710b is hereby amended to read as
17 follows: 44-710b. (a) *By the secretary of labor.* The secretary of labor shall
18 promptly notify each contributing employer of its rate of contributions,
19 each rated governmental employer of its benefit cost rate and each
20 reimbursing employer of its benefit liability as determined for any
21 calendar year pursuant to K.S.A. 44-710 and 44-710a, and amendments
22 thereto, on or before November 30 of the calendar year immediately
23 preceding the calendar year in which such rate takes effect. Such
24 determination shall become conclusive and binding upon the employer
25 unless, within 15 days after the mailing of notice thereof to the employer's
26 last known address or in the absence of mailing, within 15 days after the
27 delivery of such notice, the employer files an application for review and
28 redetermination, setting forth the reasons therefor. If the secretary of labor
29 grants such review, the employer shall be promptly notified thereof and
30 shall be granted an opportunity for a fair hearing, but no employer shall
31 have standing, in any proceeding involving the employer's rate of
32 contributions or benefit liability, to contest the chargeability to the
33 employer's account of any benefits paid in accordance with a
34 determination, redetermination or decision pursuant to ~~subsection (e) of~~
35 K.S.A. 44-710(c), and amendments thereto, except upon the ground that
36 the services on the basis of which such benefits were found to be
37 chargeable did not constitute services performed in employment for the
38 employer and only in the event that the employer was not a party to such
39 determination, redetermination or decision or to any other proceedings
40 under this act in which the character of such services was determined. Any
41 such hearing conducted pursuant to this section shall be heard in the
42 county where the contributing employer maintains its principle place of
43 business. The hearing officer shall render a decision concerning all matters

1 at issue in the hearing within 90 days.

2 (b) (1) *The secretary shall, without necessity of a request by an*
3 *employer or a hearing, immediately and fully credit any contributing*
4 *employer's, governmental rated employer's or reimbursing employer's*
5 *account for any benefits paid upon a determination by the secretary that*
6 *such benefits were paid to any person who received such benefits: (A) By*
7 *fraud; or (B) in error where any conditions imposed by this act for the*
8 *receipt of benefits were not fulfilled or where the recipient was not*
9 *qualified to or disqualified from receiving such benefits.*

10 (2) (A) *Contributing employers, rated governmental employers and*
11 *reimbursing employers shall be held harmless for and shall not be*
12 *required to reimburse the state for any benefits paid that have been*
13 *identified by the employer and reported to and determined by the secretary*
14 *as fraudulent or as an improper payment, unless the secretary determines*
15 *that such benefits were received properly and not: (i) By fraud; or (ii) in*
16 *error where any conditions imposed by this act for the receipt of benefits*
17 *were not fulfilled or where the recipient was not qualified to or*
18 *disqualified from receiving such benefits. Any such determination by the*
19 *secretary shall be subject to appeal as provided by the employment*
20 *security law.*

21 (B) *Reimbursing employers shall be refunded for reimbursements*
22 *made to the state for any claims or benefits paid on or after March 15,*
23 *2020, that are or have been reported to the secretary and determined by*
24 *the secretary as fraudulent. Amounts refunded shall become due, subject*
25 *to appeal as provided by the employment security law, upon a*
26 *determination by the secretary, as provided by subparagraph (A), that the*
27 *benefits were paid properly and not by fraud or in error.*

28 (C) *For the time period of March 15, 2020, through December 31,*
29 *2022, identifications of fraud reported to the secretary pursuant to*
30 *subparagraphs (A) and (B) shall not be subject to any time limitation for*
31 *disputing a claim or for appeal pursuant to K.S.A. 44-710, and*
32 *amendments thereto, or pursuant to any other provision of the employment*
33 *security law.*

34 (3) *The secretary shall review all reimbursing employer accounts and*
35 *shall apply credit for any benefits previously paid by fraud or in error, as*
36 *provided by paragraph (1), that have been charged against a reimbursing*
37 *employer's account and have not yet been recovered through normal*
38 *recovery efforts.*

39 (c) *Judicial review.* Any action of the secretary upon an employer's
40 timely request for a review and redetermination of its rate of contributions
41 or benefit liability, in accordance with subsection (a), is subject to review
42 in accordance with the Kansas judicial review act. Any action for such
43 review shall be heard in a summary manner and shall be given precedence

1 over all other civil cases except cases arising under ~~subsection (i)~~ of
 2 K.S.A. 44-709(i), and amendments thereto, and the workmen's
 3 compensation act.

4 ~~(e)~~(d) *Periodic notification of benefits charged.* The secretary of labor
 5 may provide by rules and regulations for periodic notification to
 6 employers of benefits paid and chargeable to their accounts or of the status
 7 of such accounts, and any such notification, in the absence of an
 8 application for redetermination filed in such manner and within such
 9 period as the secretary of labor may prescribe, shall become conclusive
 10 and binding upon the employer for all purposes. Such redeterminations,
 11 made after notice and opportunity for hearing, and the secretary's findings
 12 of facts in connection therewith may be introduced in any subsequent
 13 administrative or judicial proceedings involving the determination of the
 14 rate of contributions of any employer for any calendar year and shall be
 15 entitled to the same finality as is provided in this subsection with respect to
 16 the findings of fact made by the secretary of labor in proceedings to
 17 redetermine the contribution rate of an employer. The review or any other
 18 proceedings relating thereto as provided for in this section may be heard
 19 by any duly authorized employee of the secretary of labor and such action
 20 shall have the same effect as if heard by the secretary.

21 (e) *The secretary shall review the information reported by the United*
 22 *States department of labor pursuant to the payment integrity information*
 23 *act of 2019, public law 116-117, and any other relevant information*
 24 *available from the United States department of labor and any relevant*
 25 *information held by the department of labor available to the secretary*
 26 *regarding improper payment amounts for the state of Kansas for the*
 27 *period beginning on March 15, 2020, through December 31, 2022.*

28 (f) *Any federal unemployment insurance benefit program established*
 29 *as a result of COVID-19 or any pandemic shall not be continued after the*
 30 *ending date of the federal program through the use of Kansas state*
 31 *unemployment insurance fund contributions made by Kansas employers.*

32 Sec. 16. K.S.A. 2020 Supp. 44-714 is hereby amended to read as
 33 follows: 44-714. (a) *Duties and powers of secretary.* It shall be the duty of
 34 the secretary to administer this act and the secretary shall have power and
 35 authority to adopt, amend or revoke such rules and regulations, to employ
 36 such persons, make such expenditures, require such reports, make such
 37 investigations, and take such other action as the secretary deems necessary
 38 or suitable to that end. Such rules and regulations may be adopted,
 39 amended, or revoked by the secretary only after public hearing or
 40 opportunity to be heard thereon. The secretary shall determine the
 41 organization and methods of procedure in accordance with the provisions
 42 of this act, and shall have an official seal which shall be judicially noticed.
 43 The secretary shall make and submit reports for the administration of the

1 employment security law in the manner prescribed by K.S.A. 75-3044 ~~to~~
2 *through* 75-3046, ~~inclusive~~, and 75-3048, and amendments thereto.
3 Whenever the secretary believes that a change in contribution or benefit
4 rates will become necessary to protect the solvency of the fund, the
5 secretary shall promptly so inform the governor and the legislature, and
6 make recommendations with respect thereto.

7 (b) *Publication*. The secretary shall cause to be printed for
8 distribution to the public the text of this act, the secretary's rules and
9 regulations and any other material the secretary deems relevant and
10 suitable and shall furnish the same to any person upon application therefor.

11 (c) *Personnel*. Subject to other provisions of this act, the secretary is
12 authorized to appoint, fix the compensation, and prescribe the duties and
13 powers of such officers, accountants, deputies, attorneys, experts and other
14 persons as may be necessary in carrying out the provisions of this act. The
15 secretary may delegate to any such person so appointed such power and
16 authority as the secretary deems reasonable and proper for the effective
17 administration of this act, and may in the secretary's discretion bond any
18 person handling moneys or signing checks under the employment security
19 law.

20 (d) *Employment stabilization*. The secretary, with the advice and aid
21 of the appropriate divisions of the department of labor, shall: (1) Take all
22 appropriate steps to reduce and prevent unemployment; ~~to~~ (2) encourage
23 and assist in the adoption of practical methods of vocational training,
24 retraining and vocational guidance; ~~to~~ (3) investigate, recommend, advise,
25 and assist in the establishment and operation, by municipalities, counties,
26 school districts and the state, of reserves for public works to be used in
27 time of business depression and unemployment; ~~to~~ (4) promote the
28 reemployment of unemployed workers throughout the state in every other
29 way that may be feasible; and (5) to these ends ~~to~~ carry on and publish the
30 results of investigations and research studies.

31 (e) *Records and reports*. Each employing unit shall keep true and
32 accurate work records, containing such information as the secretary may
33 prescribe. Such records shall be open to inspection and subject to being
34 copied by the secretary or the secretary's authorized representatives at any
35 reasonable time and shall be preserved for a period of five years from the
36 due date of the contributions or payments in lieu of contributions for the
37 period to which they relate. Only one audit shall be made of any
38 employer's records for any given period of time. Upon request the
39 employing unit shall be furnished a copy of all findings by the secretary or
40 the secretary's authorized representatives, resulting from such audit. A
41 special inquiry or special examination made for a specific and limited
42 purpose shall not be considered to be an audit for the purpose of this
43 subsection. The secretary may require from any employing unit any sworn

1 or unsworn reports, with respect to persons employed by it, which the
2 secretary deems necessary for the effective administration of this act.
3 Information thus obtained or obtained from any individual pursuant to the
4 administration of this act shall be held confidential, except to the extent
5 necessary for the proper presentation of a claim by an employer or
6 employee under the employment security law, and shall not be published
7 or be open to public inspection, other than to public officials or the agents
8 or contractors of a public official in the performance of their official
9 duties, in any manner revealing the individual's or employing unit's
10 identity. The secretary may publish or otherwise disclose appeals records
11 and decisions, and precedential determinations on coverage of employers,
12 employment and wages, provided all social security numbers have been
13 removed. Any claimant or employing unit or their representatives at a
14 hearing before an appeal tribunal or the secretary shall be supplied with
15 information from such records to the extent necessary for the proper
16 presentation of the claim. The transcript made at any such benefits hearing
17 shall not be discoverable or admissible in evidence in any other
18 proceeding, hearing or determination of any kind or nature. In the event of
19 any appeal of a benefits matter, the transcript shall be sealed by the hearing
20 officer and shall be available only to any reviewing authority who shall
21 reseal the transcript after making a review of it. In no event shall such
22 transcript be deemed a public record. Nothing in this subsection shall be
23 construed to prohibit disclosure of any information obtained under the
24 employment security law, including hearing transcripts, upon request of
25 either of the parties, for the purpose of administering or adjudicating a
26 claim for benefits under the provisions of any other state program, except
27 that any party receiving such information shall be prohibited from further
28 disclosure and shall be subject to the same duty of confidentiality
29 otherwise imposed by this subsection and shall be subject to the penalties
30 imposed by this subsection for violations of such duty of confidentiality.
31 Nothing in this subsection shall be construed to prohibit disclosure of any
32 information obtained under the employment security law, including
33 hearing transcripts, for use as evidence in a criminal investigation or in
34 open court in a criminal prosecution or at an appeal hearing under the
35 employment security law. Nothing in this subsection shall be construed to
36 prohibit disclosure of any information obtained under the employment
37 security law, including hearing transcripts to an agent or contractor of a
38 public official to whom disclosure is permissible under the employment
39 security law, except that any party receiving such information shall be
40 prohibited from further disclosure, except for use in the performance of
41 such party's official duties, and shall be subject to the same duty of
42 confidentiality otherwise imposed by this subsection and shall be subject
43 to the penalties imposed by this subsection for violations of such duty of

1 confidentiality. Any individual who violates any provisions of this
2 subsection, shall be fined not less than \$20 nor more than \$200 or
3 imprisoned for not longer than 90 days, or both. Original records of the
4 agency and original paid benefit warrants of the state treasurer may be
5 made available to the employment security agency of any other state or the
6 federal government to be used as evidence in prosecution of violations of
7 the employment security law of such state or federal government.
8 Photostatic copies of such records shall be made and where possible shall
9 be substituted for original records introduced in evidence and the originals
10 returned to the agency. *Nothing in this subsection shall be construed to*
11 *prohibit disclosure otherwise permissible under 20 C.F.R. part 603.5.*

12 (f) *Oaths and witnesses.* In the discharge of the duties imposed by the
13 employment security law, the chairperson of an appeal tribunal, an appeals
14 referee, the secretary or any duly authorized representative of the secretary
15 shall have power to administer oaths and affirmations, take depositions,
16 issue interrogatories, certify to official acts, and issue subpoenas to compel
17 the attendance of witnesses and the production of books, papers,
18 correspondence, memoranda and other records deemed necessary as
19 evidence in connection with a disputed claim or the administration of the
20 employment security law.

21 (g) *Subpoenas, service.* Upon request, service of subpoenas shall be
22 made by the sheriff of a county within that county, by the sheriff's deputy,
23 by any other person who is not a party and is not less than 18 years of age
24 or by some person specially appointed for that purpose by the secretary of
25 labor or the secretary's designee. A person not a party as described above
26 or a person specially appointed by the secretary or the secretary's designee
27 to serve subpoenas may make service any place in the state. The subpoena
28 shall be served as follows:

29 (1) *Individual.* Service upon an individual, other than a minor or
30 incapacitated person, shall be made: (A) By delivering a copy of the
31 subpoena to the individual personally; (B) by leaving a copy at such
32 individual's dwelling house or usual place of abode with some person of
33 suitable age and discretion then residing therein; (C) by leaving a copy at
34 the business establishment of the employer with an officer or employee of
35 the establishment; (D) by delivering a copy to an agent authorized by
36 appointment or by law to receive service of process, but if the agent is one
37 designated by a statute to receive service, such further notice as the statute
38 requires shall be given; or (E) if service as prescribed above in
39 subparagraphs (A), (B), (C) or (D) cannot be made with due diligence, by
40 leaving a copy of the subpoena at the individual's dwelling house, usual
41 place of abode or usual business establishment, and by mailing a notice by
42 first-class mail to the place that the copy has been left.

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 subpoena to an officer, partner or resident
4 managing or general agent thereof, or by leaving the copy at any business
5 office of the employer with the person having charge thereof or by
6 delivering a copy to any other agent authorized by appointment or required
7 by law to receive service of process, if the agent is one authorized by law
8 to receive service and, if the law so requires, by also mailing a copy to the
9 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 shall refuse to receive copies of the subpoena, the offer of
13 the duly authorized process server to deliver copies thereof and such
14 refusal shall be sufficient service of such subpoena.

15 (4) *Proof of service.* (A) Every officer to whom a subpoena 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 of such writ and shall sign such officer's name to such return.

19 (B) If service of the subpoena is made by a person appointed by the
20 secretary or the secretary's designee to make service, or any other person
21 described in subsection (g), such person shall make an affidavit as to the
22 time, place and manner of service thereof in a form prescribed by the
23 secretary or the secretary's designee.

24 (5) *Time for return.* The officer or other person receiving a subpoena
25 shall make a return of service promptly and shall send such return to the
26 secretary or the secretary's designee in any event within 10 days after the
27 service is effected. If the subpoena cannot be served it shall be returned to
28 the secretary or the secretary's designee within 30 days after the date of
29 issue with a statement of the reason for the failure to serve the same.

30 (h) *Subpoenas, enforcement.* In case of contumacy by or refusal to
31 obey a subpoena issued to any person, any court of this state within the
32 jurisdiction of which the inquiry is carried on or within the jurisdiction of
33 which such person guilty of contumacy or refusal to obey is found, resides
34 or transacts business, upon application by the secretary or the secretary's
35 duly authorized representative, shall have jurisdiction to issue to such
36 person an order requiring such person to appear before the secretary, or the
37 secretary's duly authorized representative, to produce evidence, if so
38 ordered, or to give testimony relating to the matter under investigation or
39 in question. Failure to obey such order of the court may be punished by the
40 court as a contempt thereof. Any person who, without just cause, shall fail
41 or refuse to attend and testify or to answer any lawful inquiry or to
42 produce books, papers, correspondence, memoranda or other records in
43 obedience to the subpoena of the secretary or the secretary's duly

1 authorized representative shall be punished by a fine of not less than \$200
2 or by imprisonment of not longer than 60 days, or both, and each day such
3 violation continued shall be deemed to be a separate offense.

4 (i) *State-federal cooperation.* In the administration of this act, the
5 secretary shall cooperate to the fullest extent consistent with the provisions
6 of this act, with the federal security agency, shall make such reports, in
7 such form and containing such information as the federal security
8 administrator may from time to time require, and shall comply with such
9 provisions as the federal security administrator may from time to time find
10 necessary to assure the correctness and verification of such reports; and
11 shall comply with the regulations prescribed by the federal security agency
12 governing the expenditures of such sums as may be allotted and paid to
13 this state under title III of the social security act for the purpose of
14 assisting in the administration of this act. Upon request therefor the
15 secretary shall furnish to any agency of the United States charged with the
16 administration of public works or assistance through public employment,
17 the name, address, ordinary occupation, and employment status of each
18 recipient of benefits and such recipient's rights to further benefits under
19 this act.

20 (j) *Reciprocal arrangements.* The secretary shall participate in
21 making reciprocal arrangements with appropriate and duly authorized
22 agencies of other states or of the federal government, or both, whereby:

23 (1) Services performed by an individual for a single employing unit
24 for which services are customarily performed in more than one state shall
25 be deemed to be services performed entirely within any one of the states:
26 (A) In which any part of such individual's service is performed; (B) in
27 which such individual maintains residence; or (C) in which the employing
28 unit maintains a place of business, provided there is in effect as to such
29 services, an election, approved by the agency charged with the
30 administration of such state's unemployment compensation law, pursuant
31 to which all the services performed by such individual for such employing
32 units are deemed to be performed entirely within such state;

33 (2) service performed by not more than three individuals, on any
34 portion of a day but not necessarily simultaneously, for a single employing
35 unit which customarily operates in more than one state shall be deemed to
36 be service performed entirely within the state in which such employing
37 unit maintains the headquarters of its business; provided that there is in
38 effect, as to such service, an approved election by an employing unit with
39 the affirmative consent of each such individual, pursuant to which service
40 performed by such individual for such employing unit is deemed to be
41 performed entirely within such state;

42 (3) potential rights to benefits accumulated under the employment
43 compensation laws of one or more states or under one or more such laws

1 of the federal government, or both, may constitute the basis for the
2 payments of benefits through a single appropriate agency under terms
3 which the secretary finds will be fair and reasonable as to all affected
4 interests and will not result in any substantial loss to the fund;

5 (4) wages or services, upon the basis of which an individual may
6 become entitled to benefits under an unemployment compensation law of
7 another state or of the federal government, shall be deemed to be wages
8 for insured work for the purpose of determining such individual's rights to
9 benefits under this act, and wages for insured work, on the basis of which
10 an individual may become entitled to benefits under this act, shall be
11 deemed to be wages or services on the basis of which unemployment
12 compensation under such law of another state or of the federal government
13 is payable, but no such arrangement shall be entered into unless it contains
14 provisions for reimbursements to the fund for such of the benefits paid
15 under this act upon the basis of such wages or services, and provisions for
16 reimbursements from the fund for such of the compensation paid under
17 such other law upon the basis of wages for insured work, as the secretary
18 finds will be fair and reasonable as to all affected interests; and

19 (5) (A) contributions due under this act with respect to wages for
20 insured work shall be deemed for the purposes of K.S.A. 44-717, and
21 amendments thereto, to have been paid to the fund as of the date payment
22 was made as contributions therefor under another state or federal
23 unemployment compensation law, but no such arrangement shall be
24 entered into unless it contains provisions for such reimbursements to the
25 fund of such contributions and the actual earnings thereon as the secretary
26 finds will be fair and reasonable as to all affected interests;

27 (B) reimbursements paid from the fund pursuant to subsection (j)(4)
28 shall be deemed to be benefits for the purpose of K.S.A. 44-704 and 44-
29 712, and amendments thereto; the secretary is authorized to make to other
30 state or federal agencies, and to receive from such other state or federal
31 agencies, reimbursements from or to the fund, in accordance with
32 arrangements entered into pursuant to the provisions of this section or any
33 other section of the employment security law;

34 (C) the administration of this act and of other state and federal
35 unemployment compensation and public employment service laws will be
36 promoted by cooperation between this state and such other states and the
37 appropriate federal agencies in exchanging services and in making
38 available facilities and information; the secretary is therefore authorized to
39 make such investigations, secure and transmit such information, make
40 available such services and facilities and exercise such of the other powers
41 provided herein with respect to the administration of this act as the
42 secretary deems necessary or appropriate to facilitate the administration of
43 any such unemployment compensation or public employment service law

1 and, in like manner, to accept and utilize information, service and facilities
2 made available to this state by the agency charged with the administration
3 of any such other unemployment compensation or public employment
4 service law; and

5 (D) to the extent permissible under the laws and constitution of the
6 United States, the secretary is authorized to enter into or cooperate in
7 arrangements whereby facilities and services provided under this act and
8 facilities and services provided under the unemployment compensation
9 law of any foreign government may be utilized for the taking of claims and
10 the payment of benefits under the employment security law of this state or
11 under a similar law of such government.

12 (k) *Records available.* The secretary may furnish the railroad
13 retirement board, at the expense of such board, such copies of the records
14 as the railroad retirement board deems necessary for its purposes.

15 (l) *Destruction of records, reproduction and disposition.* The
16 secretary may provide for the destruction, reproduction, temporary or
17 permanent retention, and disposition of records, reports and claims in the
18 secretary's possession pursuant to the administration of the employment
19 security law provided that prior to any destruction of such records, reports
20 or claims the secretary shall comply with K.S.A. 75-3501 ~~to~~ through 75-
21 3514, ~~inclusive~~, and amendments thereto.

22 (m) *Federal cooperation.* The secretary may afford reasonable
23 cooperation with every agency of the United States charged with
24 administration of any unemployment insurance law.

25 (n) The secretary is hereby authorized to fix, charge and collect fees
26 for copies made of public documents, as defined by K.S.A. 45-217(c), and
27 amendments thereto, by xerographic, thermographic or other photocopying
28 or reproduction process, in order to recover all or part of the actual costs
29 incurred, including any costs incurred in certifying such copies. All
30 moneys received from fees charged for copies of such documents shall be
31 remitted to the state treasurer in accordance with the provisions of K.S.A.
32 75-4215, and amendments thereto. Upon receipt of each such remittance,
33 the state treasurer shall deposit the entire amount in the state treasury to
34 the credit of the employment security administration fund. No such fees
35 shall be charged or collected for copies of documents that are made
36 pursuant to a statute which requires such copies to be furnished without
37 expense.

38 (o) "Performance of official duties" means the administration or
39 enforcement of law or the execution of the official responsibilities of a
40 federal, state or local official, collection of debts owed to the courts or the
41 enforcement of child support on behalf of a state or local official.
42 Administration of law includes research related to the law administered by
43 the public official. "Performance of official duties" does not include

1 solicitation of contributions or expenditures to or on behalf of a candidate
2 for public or political office or a political party.

3 Sec. 17. K.S.A. 2020 Supp. 44-757 is hereby amended to read as
4 follows: 44-757. *Shared work unemployment compensation program.* (a)
5 As used in this section:

6 (1) "Affected unit" means a specified department, shift or other unit
7 of two or more employees that is designated by an employer to participate
8 in a shared work plan.

9 (2) "Fringe benefit" means health insurance, a retirement benefit
10 received under a pension plan, a paid vacation day, a paid holiday, sick
11 leave, and any other analogous employee benefit that is provided by an
12 employer.

13 (3) "Fund" has the meaning ascribed thereto by K.S.A. 44-703(k),
14 and amendments thereto.

15 (4) "Normal weekly hours of work" means the lesser of 40 hours or
16 the average obtained by dividing the total number of hours worked per
17 week during the preceding twelve-week period by the number 12.

18 (5) "Participating employee" means an employee who works a
19 reduced number of hours under a shared work plan *initiated by their*
20 *employer and approved by the secretary.*

21 (6) "Participating employer" means an employer who has *applied to*
22 *and been approved by the secretary for* a shared work plan *that is* in effect.

23 (7) "Secretary" means the secretary of labor or the secretary's
24 designee.

25 (8) "Shared work benefit" means an unemployment compensation
26 benefit that is payable to an individual in an affected unit because the
27 individual works reduced hours under an approved shared work plan.

28 (9) "Shared work plan" means a *short-term compensation* program
29 ~~for reducing unemployment under which employees who are members of~~
30 ~~an affected unit share the work remaining after a reduction in their normal~~
31 ~~weekly hours of work.~~

32 ~~(10) "Shared work unemployment compensation program" means a~~
33 ~~program designed to reduce unemployment and stabilize the work force by~~
34 ~~allowing certain employees to collect unemployment compensation~~
35 ~~benefits if the employees share the work remaining after a reduction in the~~
36 ~~total number of hours of work and a corresponding reduction in~~
37 ~~wages~~ "Short-term compensation program" means a shared work plan
38 program designed to provide an alternative to layoffs for employers
39 experiencing a reduction in available work. A "short-term compensation
40 program" preserves employees' jobs and an employer's trained workforce
41 during times of lowered economic activity by allowing an employer to
42 reduce hours of work for employees rather than laying off some employees
43 while others continue to work full time. Under a "short-term compensation

1 *program," employees experiencing a reduction in hours are allowed to*
2 *collect a pro-rata share of their unemployment compensation benefits to*
3 *replace a portion of the employee's lost wages.*

4 (b) The secretary shall establish a voluntary ~~shared work~~
5 ~~unemployment~~ *short-term* compensation program as provided by this
6 section. The secretary may adopt rules and regulations and establish
7 procedures necessary to administer the ~~shared work unemployment~~ *short-*
8 *term* compensation program.

9 (c) *The secretary shall create and manage an annual promotional*
10 *campaign for the short-term compensation program to encourage and*
11 *improve business participation. The promotional campaign shall include*
12 *the following elements:*

13 (A) *Engagement in proactive educational communications with other*
14 *state agencies and stakeholders, including the governor's office,*
15 *legislators, workforce investment boards, labor unions and local, regional*
16 *or state chambers of commerce;*

17 (B) *a dedicated department of labor employee or team to efficiently*
18 *and timely answer employer's questions about the short-term*
19 *compensation program;*

20 (C) *presentation materials that provide consistency of messaging*
21 *about the benefits of using a short-term compensation program to provide*
22 *stakeholders for distribution to employer groups, workforce investment*
23 *boards or other interested parties;*

24 (D) *proactive engagement with employers experiencing economic*
25 *stress or layoffs to share the benefits of the short-term compensation*
26 *program and to ensure such employers are aware of the program; and*

27 (E) *an automated application, claims and weekly certification*
28 *process for participating employers designed to facilitate participation,*
29 *reduce an employer's administrative burden and promote the use of the*
30 *short-term compensation program.*

31 (d) An employer who wishes to participate in the ~~shared work~~
32 ~~unemployment~~ *short-term* compensation program must submit a written
33 shared work plan to the secretary for the secretary's approval. As a
34 condition for approval, a participating employer must agree to furnish the
35 secretary with reports relating to the operation of the shared work plan as
36 requested by the secretary. The employer shall monitor and evaluate the
37 operation of the established shared work plan as requested by the secretary
38 and shall report the findings to the secretary.

39 ~~(d)~~(e) The secretary may approve a shared work plan if:

40 (1) The shared work plan applies to and identifies a specific affected
41 unit;

42 (2) the employees in the affected unit are identified by name and
43 social security number;

1 (3) the shared work plan reduces the normal weekly hours of work
2 for an employee, including regular part-time employees, in the affected
3 unit by not less than ~~20%~~ 10% and not more than ~~40%~~ 50%;

4 (4) the shared work plan applies to at least 10% of the employees in
5 the affected unit;

6 (5) the shared work plan describes the manner that the participating
7 employer treats the fringe benefits of each employee in the affected unit
8 and the employer certifies that if the employer provides health benefits and
9 retirement benefits under a defined benefit plan, as defined in 26 U.S.C. §
10 414(j), or contributions under a defined contribution plan, as defined in 26
11 U.S.C. § 414(i), to any employee whose workweek is reduced under the
12 program that such benefits will continue to be provided to employees
13 participating in the ~~shared work~~ short-term compensation program under
14 the same terms and conditions as though the workweek of such employee
15 had not been reduced or to the same extent as other employees not
16 participating in the ~~shared work~~ short-term compensation program;

17 (6) the employer certifies that the implementation of a shared work
18 plan and the resulting reduction in work hours is in lieu of layoffs that
19 would affect at least 10% of the employees in the affected unit and that
20 would result in an equivalent reduction in work hours;

21 (7) the employer has filed all reports required to be filed under the
22 employment security law for all past and current periods and has paid all
23 contributions, benefit cost payments, or if a reimbursing employer has
24 made all payments in lieu of contributions due for all past and current
25 periods;

26 (8) (A) a contributing employer must be eligible for a rate
27 computation under K.S.A. 44-710a(a)(2), and amendments thereto, and the
28 contributing employer, as determined by the secretary, does not adversely
29 impact the state's eligibility under section 2108 of the federal CARES act,
30 public law 116-136;

31 (B) *if section 2108 of the federal CARES act, public law 116-136, is*
32 *no longer in effect, a contributing employer eligible for a rate computation*
33 *under K.S.A. 44-710(a)(2), and amendments thereto, that is a negative*
34 *account employer as defined by K.S.A. 44-710a(d), and amendments*
35 *thereto, may only be approved for a shared work application if the*
36 *negative account employer's most recent calculated reserve ratio has*
37 *improved from the previous reporting year's reserve ratio;*

38 (C) a rated governmental employer must be eligible for a rate
39 computation under K.S.A. 44-710d(g), and amendments thereto;

40 (9) eligible employees may participate, as appropriate, in training,
41 including without limitation, employer-sponsored training or worker
42 training funded under the workforce investment act of 1998, to enhance
43 job skills if such program has been approved by the state of Kansas;

1 (10) the employer includes a plan for giving advance notice, where
2 feasible, to an employee whose workweek is to be reduced together with
3 an estimate of the number of layoffs that would have occurred absent the
4 ability to participate in shared work compensation and such other
5 information as the secretary of labor determines is appropriate; and

6 (11) the terms of the employer's written plan and implementation are
7 consistent with employer obligations under applicable federal and Kansas
8 laws.

9 ~~(e)~~(f) If any of the employees who participate in a shared work plan
10 under this section are covered by a collective bargaining agreement, the
11 shared work plan must be approved in writing by the collective bargaining
12 agent.

13 ~~(f)~~(g) A shared work plan may not be implemented to subsidize
14 seasonal employers during the off-season.

15 ~~(g)~~(h) The secretary shall approve or deny a shared work plan no later
16 than the 30th day after the day the shared work plan is received by the
17 secretary. The secretary shall approve or deny a shared work plan in
18 writing. If the secretary denies a shared work plan, the secretary shall
19 notify the employer of the reasons for the denial.

20 ~~(h)~~(i) A shared work plan is effective on the date it is approved by the
21 secretary, except for good cause a shared work plan may be effective at
22 any time within a period of 14 days prior to the date such plan is approved
23 by the secretary. The shared work plan expires on the last day of the 12th
24 full calendar month after the effective date of the shared work plan.

25 ~~(i)~~(j) An employer may modify a shared work plan created under this
26 section to meet changed conditions if the modification conforms to the
27 basic provisions of the shared work plan as approved by the secretary. The
28 employer must report the changes made to the shared work plan in writing
29 to the secretary before implementing the changes. If the original shared
30 work plan is substantially modified, the secretary shall reevaluate the
31 shared work plan and may approve the modified shared work plan if it
32 meets the requirements for approval under subsection (d). The approval of
33 a modified shared work plan does not affect the expiration date originally
34 set for that shared work plan. If substantial modifications cause the shared
35 work plan to fail to meet the requirements for approval, the secretary shall
36 deny approval to the modifications as provided by subsection (g).

37 ~~(j)~~(k) Notwithstanding any other provisions of the employment
38 security law, an individual is unemployed and is eligible for shared work
39 benefits in any week in which the individual, as an employee in an affected
40 unit, works for less than the individual's normal weekly hours of work in
41 accordance with an approved shared work plan in effect for that week. The
42 secretary may not deny shared work benefits for any week to an otherwise
43 eligible individual by reason of the application of any provision of the

1 employment security law that relates to availability for work, active search
 2 for work or refusal to apply for or accept work with an employer other
 3 than the participating employer.

4 ~~(k)~~(l) An individual is eligible to receive shared work benefits with
 5 respect to any week in which the secretary finds that:

6 (1) *The employee is determined to be eligible for unemployment*
 7 *compensation, except that while receiving shared work benefits, an*
 8 *employee shall not be required to meet work availability or work search*
 9 *requirements but shall be required to be available for the employee's*
 10 *normal work week;*

11 (2) The individual is employed as a member of an affected unit
 12 subject to a shared work plan that was approved before the week in
 13 question and is in effect for that week;

14 ~~(2)~~(3) the individual is able to work and is available for additional
 15 hours of work or full-time work with the participating employer;

16 ~~(3)~~(4) the individual's normal weekly hours of work have been
 17 reduced by at least ~~20%~~ 10% but not more than ~~40%~~ 50%, with a
 18 corresponding reduction in wages; and

19 ~~(4)~~(5) the individual's normal weekly hours of work and wages have
 20 been reduced as described in subsection (k)~~(3)~~(4) for a waiting period of
 21 one week that occurs within the period the shared work plan is in effect,
 22 which period includes the week for which the individual is claiming shared
 23 work benefits.

24 ~~(h)~~(m) The secretary shall pay an individual who is eligible for shared
 25 work benefits under this section a weekly shared work benefit amount
 26 equal to the individual's regular weekly benefit amount for a period of total
 27 unemployment multiplied by the nearest full percentage of reduction of the
 28 individual's hours as set forth in the employer's shared work plan. If the
 29 shared benefit amount is not a multiple of \$1, the secretary shall reduce the
 30 amount to the next lowest multiple of \$1. All shared work benefits under
 31 this section shall be payable from the fund.

32 ~~(m)~~(n) An individual may not receive shared work benefits and
 33 regular unemployment compensation benefits in an amount that exceeds
 34 the maximum total amount of benefits payable to that individual in a
 35 benefit year as provided by K.S.A. 44-704(g), and amendments thereto.

36 ~~(n)~~(o) An individual who has received all of the shared work benefits
 37 and regular unemployment compensation benefits available in a benefit
 38 year is an exhaustee under K.S.A. 44-704a and 44-704b, and amendments
 39 thereto, and is entitled to receive extended benefits under such statutes if
 40 the individual is otherwise eligible under such statutes.

41 ~~(o)~~(p) The secretary may terminate a shared work plan for good cause
 42 if the secretary determines that the shared work plan is not being executed
 43 according to the terms and intent of the ~~shared work unemployment short-~~

1 *term* compensation program.

2 ~~(p)~~(q) Notwithstanding any other provisions of this section, an
3 individual shall not be eligible to receive shared work benefits for more
4 than ~~26~~ 52 calendar weeks during the 12-month period of the shared work
5 plan, ~~except that two weeks of additional benefits shall be payable to~~
6 ~~claimants who exhaust regular benefits and any benefits under any other~~
7 ~~federal or state extended benefits program during the period July 1, 2003~~
8 ~~through June 30, 2004.~~ No week shall be counted as a week for which an
9 individual is eligible for shared work benefits for the purposes of this
10 section unless the week occurs within the 12-month period of the shared
11 work plan.

12 ~~(q)~~(r) No shared work benefit payment shall be made under any
13 shared work plan or this section for any week that commences before April
14 1, 1989.

15 ~~(r)~~(s) This section shall be construed as part of the employment
16 security law.

17 Sec. 18. K.S.A. 44-758 is hereby amended to read as follows: 44-758.

18 (a) Any employer or any individual, organization, partnership, corporation
19 or other legal entity ~~which~~ *that* is a lessor employing unit, as defined by
20 ~~subsection (ff) of K.S.A. 44-703(ff), and amendments thereto, shall be~~
21 ~~liable for contributions on wages paid by the lessor employing unit to~~
22 ~~individuals performing services for client lessees. For the purposes of the~~
23 ~~employment security law, no client lessee shall lease an individual~~
24 ~~proprietor, partner or corporate officer, who is a shareholder or a member~~
25 ~~of the board of directors of the corporation, from any lessor employing~~
26 ~~unit.~~ Any client lessee shall be jointly and severally liable for any unpaid
27 contributions, interest and penalties due under this law from any lessor
28 employing unit attributable to wages for services performed for the client
29 lessee by employees leased to the client lessee. The lessor employing unit
30 shall keep separate records and submit separate quarterly contributions and
31 wage reports for each client lessee.

32 (b) Any lessor employing unit ~~which~~ *that* is currently engaged in the
33 business of leasing employees to client lessees shall comply with the
34 provisions of subsection (a) prior to October 1, 1990.

35 (c) The provisions of this section shall not be applicable to private
36 employment agencies ~~which~~ *that* provide temporary workers to employers
37 on a temporary help basis, provided the private employment agencies are
38 liable as employers for the payment of contributions on wages paid to
39 temporary workers so employed.

40 (d) This section shall be construed as part of the employment security
41 law.

42 Sec. 19. K.S.A. 44-758 and K.S.A. 2020 Supp. 44-703, 44-704, 44-
43 705, 44-706, 44-709, 44-710, 44-710a, 44-710b, 44-714 and 44-757 are

1 hereby repealed.

2 Sec. 20. This act shall take effect and be in force from and after its
3 publication in the Kansas register.