

Testimony in Support of House Bill 2570

Kansas House Committee on Commerce, Labor, and Economic Development

February 6, 2024

Andrew Wiens
On behalf of
Opportunity Solutions Project

Chairman Tarwater and Members of the Kansas House Committee on Commerce, Labor, and Economic Development:

Good afternoon! My name is Andrew Wiens with Dugan Consulting Group, speaking with you today on behalf of Opportunity Solutions Project (OSP). OSP is a non-profit, non-partisan advocacy organization dedicated to advancing policies that reduce barriers to work, protect state benefits for the truly needy, and ensure that the government is accountable to taxpayers and citizens.

I am pleased to speak in support of House Bill 2570 today. HB 2570 provides a comprehensive reform of the unemployment insurance (UI) system in Kansas that builds upon the foundation laid in previous reforms passed by the Kansas Legislature to improve the business climate in Kansas. Importantly, HB 2570 would prevent unemployment insurance (UI) recipients from "ghosting" previously scheduled job interviews or failing to respond to job offers in a timely manner.

The bill provides reasonable expectations for recipients of UI benefits to ensure that we are moving these Kansans off of the unemployment system and back into employment in a timely manner. It also provides more user-friendly options for employers to report such information.

Federal law related to states' receipt of federal unemployment compensation administrative funding, found in Section 303(a) (12) of the Social Security Act (42 USC 503(a)(12))¹, requires states to ensure that UI claimants "must be able to work, available to work, and actively seeking work." HB 2570 aligns with this requirement and builds upon the tremendous work of the Kansas Legislature, and this committee in particular, in reforming our UI system. You have indexed unemployment benefits based on the current labor market conditions, established more competitive UI tax rates for employers, promoted work through My Reemployment Plan, and made progress in upgrading our system and improving the application/reporting process.

Kansas is facing a critical workforce shortage. There are help wanted signs everywhere. The Kansas seasonally adjusted unemployment rate in December 2023 was only 2.8%². Many employers are struggling to find the workers they need to provide the services or produce the goods their customers expect. UI benefits are, by their nature, claimed by those who have recently been employed. These folks are some of the most employable Kansans. Let's continue to work to get them back into wage-earning jobs.

OSP supports HB 2570 because it provides additional tools to ensure we are moving Kansans back into employment as soon as possible. I urge your favorable consideration of HB 2570. Thank you.

¹ https://www.law.cornell.edu/uscode/text/42/503

² https://www.bls.gov/eag/eag.ks.htm#eag ks.f.2