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March 5, 2015

Testimony before House Committee on Commerce, Labor and Economic Development

House Bill 2357

Mr. Chairman and Honorable members of the Committee:

Thank you for the opportunity to testify before you today **in support of** House Bill 2357. Recall that earlier in the session, the Department of Labor requested introduction of a bill to address a few issues within the Kansas Employment Security law. This bill accomplishes five objectives of the Department:

- Ensures individuals do not forego reasonable employment opportunities while receiving unemployment benefits;
- Closes a loophole that disqualifies individuals who begin substitute teaching while receiving unemployment benefits;
- Clarifies the process to appeal a decision of the Kansas employment security board of review (KESBOR);
- Removes unconstitutional language that unduly restricts KDOL employees' abilities to participate in political activities; and
- Requires all employers to file quarterly wage reports electronically.

Section 1

This section substantively amends K.S.A. 44-706 in two ways. First, it clarifies that the Secretary of Labor shall consider the reason for the claimant's unemployment for each week. This ensures that individuals will not forego reasonable employment opportunities that arise while receiving unemployment benefits.

Second, the bill closes a loophole that completely disqualifies individuals who pursue part-time substitute work for an educational institution.² The bill fixes an unwarranted disqualification of individuals who are laid off from their full-time, noneducation job, and take a part-time substitute job while they look for a job in their ordinary field while receiving unemployment benefits. The amended law would treat these individuals like other unemployment claimants who take part-time work while drawing benefits.

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¹ p. 1.

² p. 14-15.

Section 2

This section clarifies that once KESBOR makes a decision, that decision is not subject to reconsideration, and instead must be appealed to a district court in accordance with the Kansas judicial review act.³ The section also clarifies that the time for appeal is 16 days, not 30 days or longer as suggested by the Kansas Court of Appeals in *Norris v. Kansas Employment Security Board of Review*, 50 Kan.App.2d 69 (March 21, 2014)(petition for review filed April 21, 2014). This language gives parties and the courts clear direction on the process for appealing a decision of KESBOR.

Section 3

This section removes unconstitutional language within the Kansas employment security law that unduly restricts KDOL employees' abilities to participate in political activity. Because of KDOL's role as a covered entity under the federal Hatch Act, KDOL employees still cannot be candidates for public office in a partisan election; use official authority or influence to interfere with or affect the results of an election or nomination; or directly or indirectly coerce, attempt to coerce, command, or advise a state, D.C., or local officer or employee to pay, lend, or contribute anything of value to a party, committee, organization, agency, or person for political purposes. However, by removing the language in K.S.A. 44-714, the State will ensure KDOL employees' constitutional right to:

- register and vote as they choose
- assist in voter registration drives
- express opinions about candidates and issues
- contribute money to political organizations
- attend political fundraising functions
- attend and be active at political rallies and meetings
- join and be active members of a political party or club
- sign and circulate nominating petitions
- campaign for or against referendum questions, constitutional amendments and/or municipal ordinances
- campaign for or against candidates in partisan elections
- make campaign speeches for candidates in partisan elections
- distribute campaign literature in partisan elections
- campaign for and hold office in political clubs or parties
- volunteer to work on a partisan political campaign
- participate in any activity not specifically prohibited by law or regulation

Pursuant to K.S.A. 77-415(b)(2)(B), KDOL has implemented a merit system policy for employees. The merit system policy directs the agency to provide fair treatment of applicants and employees in all aspects of personnel administration without regard to political affiliation, race, color, national origin, sex, religious creed, age or handicap and with proper regard for their privacy and constitutional rights as citizens. This "fair treatment" principle includes compliance with the federal equal employment opportunity and nondiscrimination laws. The policy also protects KDOL employees against coercion for

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³ p. 18.

⁴ p. 19-20.

partisan political purposes and such KDOL employees are prohibited from using their official authority for the purpose of interfering with or affecting the result of an election or a nomination for office.

Section 4

This section amends the records and reporting statute of the Kansas employment security law.⁵ Current law only requires employers of 50 or more employees to file quarterly wage reports electronically. This bill would take the final step toward each employer filing electronically. Important to note, is that the Secretary of Labor may waive the requirement if the employer demonstrates a hardship.

Thank you for your favorable consideration of this bill that is designed to improve administration of the Kansas employment security law. As always, if you have any questions or concerns, please feel free to contact me.

⁵ p. 36.