

MINUTES OF THE House COMMITTEE ON Labor and Industry

Held in Room 521-S, at the Statehouse at 9:30 a. m. ~~p.m.~~,

on February 21, 19 83.

All members were present except:

Jim Holderman/Excused

The next meeting of the Committee will be held at 9:30 a. m. ~~p.m.~~,

on February 22, 19 83.

These minutes of the meeting held on _____, 19____ were considered, corrected and approved.



Chairman

The conferees appearing before the Committee were:

Dr. Harvey Ludwick, Dept. of Human Resources
Mr. Arnold Berman, Dept. of Human Resources

Chairman Douville called the meeting to order at 9:30 a.m.

This meeting was called reflecting the request of the Department of Human Resources.

Chairman Douville called Dr. Ludwick to the speakers stand. The committee was given attachment #1. Dr. Ludwick explained to the committee what the proposed amendment covered.

Representative Sutter made a motion that the committee make a committee bill on the proposal. The motion was seconded by Representative Moore. A discussion followed led by Mr. Arnold Berman. The committee then voted in favor of the proposed Conformity Amendment to Employment Security Law. A discussion followed.

A motion was made by Representative DeBaun where by consideration will be given to what can be done about part time or seasonal employment with respect to limiting their benefits under the employment security act. The motion was seconded by Representative Nichols. A discussion followed. A vote of the committee was taken and the motion was passed favorably.

Representative Green made a conceptual motion that the committee incorporate into a bill suggestions that were made with reference to a look at the public employees relations board and administration. The motion was seconded by Representative Cribbs. A short discussion followed. The committee voted and the motion was passed favorably.

A motion was made by Representative Sutter that the committee meeting minutes that were passed out to the committee be accepted. The motion was seconded by Representative Miller.

Chairman Douville adjourned the meeting at 10:00 a.m.

2-21-83

Guest List

Donnie Smith

Deplka

Budget

#1

2-21-83

~~PROPOSED CONFORMITY AMENDMENT TO
EMPLOYMENT SECURITY LAW~~

EMPLOYMENT SECURITY LAW

this act as of the date of transfer to the successor.

History: L. 1937, ch. 255, § 11; L. 1938, ch. 51, § 2; L. 1941, ch. 264, § 8; L. 1945, ch. 220, § 8; L. 1949, ch. 288, § 7; L. 1951, ch. 307, § 5; L. 1955, ch. 251, § 5; L. 1971, ch. 180, § 7; L. 1973, ch. 205, § 9; L. 1976, ch. 370, § 65; L. 1977, ch. 181, § 6; Jan. 1, 1978.

44-712. Employment security fund. (a) Establishment and control. There is hereby established as a special fund, separate and apart from all public moneys or funds of this state, an employment security fund, which shall be administered by the secretary as provided in this act. This fund shall consist of (1) all contributions collected under this act; (2) all fines and penalties collected pursuant to the provisions of this act; (3) interest earned upon any moneys in the fund; (4) all moneys credited to this state's account in the unemployment trust fund, pursuant to section 903 of the social security act, 42 U.S.C.A. § 1103, as amended; (5) any property or securities acquired through the use of moneys belonging to the fund, and all other moneys received for the fund from any other source; (6) all earnings of such property or securities. All moneys in this fund shall be mingled and undivided.

(b) *Accounts and deposits.* The state treasurer shall be ex officio custodian of the fund. Payments from the fund, and for the purposes of this act deposits with the secretary of the treasury of the United States shall not be deemed to be payments from the fund, shall be made upon warrants drawn upon the state treasurer by the director of accounts and reports upon vouchers approved by the secretary. There shall be maintained within the fund three separate accounts: (1) A clearing account; (2) an unemployment trust fund account, and (3) a benefit account. All money payable to the fund upon receipt thereof by the secretary, shall be forwarded to the treasurer, who shall immediately deposit them in the clearing account. Refunds payable pursuant to K.S.A. 1976 Supp. 44-717, and amendments thereto, may be paid from the clearing account by warrants drawn by the director of accounts and reports upon the state treasurer upon vouchers approved by the secretary. After clearance thereof, all other moneys in the clearing account shall be immediately deposited with the secretary of the treasury of the United States of America to the credit of the account of this state in the unemploy-

ment trust fund established and maintained pursuant to section 904 of the social security act, 42 U.S.C.A. § 1104, as amended, any provisions of law in this state relating to the deposit, administration, release, or disbursement of moneys in the possession or custody of this state to the contrary notwithstanding. The benefit account shall consist of all moneys requisitioned from this state's account in the unemployment trust fund. Except as herein otherwise provided, moneys in the clearing and benefit accounts may be deposited by the state treasurer in any bank or public depository as is now provided by law for the deposit of general funds of the state, but no public deposit insurance charge or premium shall be paid out of the fund. Moneys in the clearing and benefit accounts shall not be commingled with other state funds, but shall be maintained in separate accounts on the books of the depository banks.

(c) *Withdrawals.* Moneys shall be requisitioned from this state's account in the unemployment trust fund solely for the payment of benefits and in accordance with the provisions of this act and the rules and regulations prescribed by the secretary, except that moneys credited to this state's account pursuant to section 903 of the social security act, 42 U.S.C.A. § 1103, as amended, shall be used exclusively as provided in subsection (d) of this section. The secretary shall from time to time requisition from the unemployment trust fund such amounts, not exceeding the amounts standing to its account therein, as deemed necessary for the payment of benefits for a reasonable future period. Upon receipt thereof the treasurer shall deposit such moneys in the benefit account and warrants for the payment of benefits shall be charged solely against such benefit account. Expenditures of such moneys in the benefit account and refunds from the clearing account shall not be subject to any provisions of law requiring specific appropriations. Any balance of moneys requisitioned from the unemployment trust fund which remains unclaimed or unpaid in the benefit account after the expiration of the period for which such sums were requisitioned shall either be deducted from estimates for, and may be utilized for the payment of benefits during succeeding periods, or, in the discretion of the secretary shall be directed to be redeposited with the secretary

Feb. 1

of the treasury of the United States of America, to the credit of this state's account in the unemployment trust fund, as provided in subsection (b) of this section. All balances accrued from unpaid or canceled warrants issued pursuant to this section, notwithstanding the provisions of K.S.A. 10-812 shall remain in the benefit account, and be disbursed in accordance with the provisions of this act relating to such account.

(d) *Administrative use.* Money credited to the account of this state in the unemployment trust fund by the secretary of the treasury of the United States of America, pursuant to section 903 of the social security act, 42 U.S.C.A. § 1103, as amended, may be requisitioned and used for the payment of expenses incurred in the administration of this act pursuant to a specific appropriation by the legislature, provided that expenses are incurred and the money is requisitioned after the enactment of an appropriation law which: (1) Specifies the purposes for which such money is appropriated and the amounts appropriated therefor, (2) limits the period within which such money may be obligated to a period ending not more than two (2) years after the date of the enactment of the appropriation law, and (3) limits the amount which may be obligated during a twelve-month period beginning on July 1 and ending on the next June 30 to an amount which does not exceed the amount by which (i) the aggregate of the amounts credited to the account of this state pursuant to section 903 of the social security act, 42 U.S.C.A. § 1103, as amended, during the same twelve-month period and the ~~twenty-four~~ (24) preceding twelve-month periods, exceeds (ii) the aggregate of the amounts obligated pursuant to this subsection and amounts paid out for benefits and charged against the amounts credited to the account of this state during such ~~twenty-five~~ (25) twelve-month periods. For the purposes of this subsection, amounts obligated during any such twelve-month period shall be charged against equivalent amounts which were first credited and which are not already so charged; except that no amount obligated for administration during any such twelve-month period may be charged against any amount credited during such twelve-month period earlier than the ~~twenty-fourth~~ preceding such period. (A) Money credited to

----- thirty four (34)

----- thirty five (35)

----- thirty fourth

Employment
SECURITY LAW

the account of this state pursuant to section 903 of the social security act, 42 U.S.C.A. § 1103, as amended, may not be withdrawn or obligated except for the payment of benefits and for the payment of expenses for the administration of this act and of public employment offices pursuant to this subsection.

(B) Money appropriated as provided herein for the payment of expenses of administration shall be requisitioned as needed for the payment of obligations incurred under such appropriation and, upon requisition shall be deposited in the employment security administration fund from which such payments shall be made. Money so deposited shall, until expended, remain a part of the unemployment fund, and, if it will not be expended, shall be returned promptly to the account of this state in the unemployment trust fund.

(e) *Management of funds upon discontinuance of unemployment trust fund.* The provisions of subsections (a), (b), (c) and (d) of this section, to the extent that they relate to the unemployment trust fund, shall be operative only so long as such unemployment trust fund continues to exist and so long as the secretary of the treasury of the United States of America continues to maintain for this state a separate book account of all funds deposited therein by this state for benefit purposes, together with this state's proportionate share of the earnings of such unemployment trust fund, from which no other state is permitted to make withdrawals. If and when such unemployment trust fund ceases to exist, or such separate book account is no longer maintained, all moneys, properties or securities therein, belonging to the employment security fund of this state, shall be transferred to the state treasurer, to be administered by the secretary as a trust fund for the purpose of paying benefits under this act, and the pooled money investment board upon the direction of the secretary shall have authority to hold, invest, transfer, sell, deposit, and release such moneys, and any properties, securities, or earnings acquired as an incident to such administration.

History: L. 1937, ch. 255, § 12; L. 1939, ch. 214, § 4; L. 1941, ch. 264, § 9; L. 1945, ch. 220, § 9; L. 1947, ch. 291, § 5; L. 1949, ch. 288, § 8; L. 1957, ch. 296, § 2; L. 1965, ch. 321, § 1; L. 1969, ch. 247, § 1; L. 1974, ch. 206, § 1; L. 1976, ch. 370, § 66; July 1.