

Approved Tuesday, February 3, 1987
Date

MINUTES OF THE SENATE COMMITTEE ON LABOR, INDUSTRY AND SMALL BUSINESS

The meeting was called to order by Senator Dan Thiessen at
Chairperson

1:30 ~~xm~~ p.m. on Monday, January 26, 1987 in room 527-S of the Capitol.

All members were present except:

Senator Norma Daniels (excused)
Senator Eric Yost (excused)

Committee staff present:

Jerry Ann Donaldson, Research Department
Gordon Self, Revisor
Marion Anzek, Committee Secretary

Conferees appearing before the committee:

Rob Hodges-The Employment Security Advisory Council

The Chairman called the meeting to order at 1:30 p.m.

Chairman Thiessen asked if there were any bills to be introduced by committee members, and having none the Chairman said we would work on bills in the committee next week.

Chairman Thiessen said he received several complaints regarding Workers Compensation settlements taking so long to receive benefits, after the hearings, and asked committee members, if they had any input regarding, Workers Compensation, and if not, he would like to call on Rob Hodges to see if the Advisory Council had any recommendations.

Discussion by committee members on some various complaints regarding Workers Compensation, led the members to request having someone from the Human Resources to come in and explain the unemployment fund, and to include information concerning categories on unemployed, as large industries increase draw down tremendously for small businesses in Kansas, and also breakdown on service layoffs by industry. There was also discussion on part time employees that draw unemployment and what a drain it is on the fund.

Chairman Thiessen stated he would have someone from the Department of Human Resources come to a future meeting and explain all these concerns.

Discussion by committee members on SB4 agreed it was a bill that was terribly hard to follow, and Gordon Self was asked to review the concept of SB4.

Gordon Self explained the definition section of SB4 regarding term of employment, and agreed it is very complicated with many exceptions and positive statements and told the committee members when reading the bill you have to remember when your reading the definition of employment, your reading an exception rather than the actual affirmative statement as to what the employment really is. He told the committee he would be glad to work on this and see what he could come up with.

Chairman Thiessen called upon Rob Hodges to see if he had any recommendations from The Employment Security Advisory Council.

Rob Hodges I request that a package of recommendations be introduced once we are able to put it in front of you. The staff has met with the Revisors office and it is being worked up into bill form. A few things that are included in that recommendation is a minor change in the funding mechanism, which will not generate any further dollars, but will make that funding mechanism a little more responsive to changes in the economy. (See Attachment 1)

Chairman Thiessen adjourned the meeting at 1:59 p.m.

ATT. 1
1-26

**Kansas Employment Security Advisory Council
Issues to be Forwarded to the Kansas Legislature**

K.S.A. 44-703(h):

K.S.A. 44-704a:

This proposal would bring the language of the Kansas law into agreement with the Federal statute regarding the Virgin Islands. When the Kansas law was enacted, the Virgin Islands did not have a federally approved law. Approval has since been granted and this proposal would change the Kansas law to reflect such approval.

K.S.A. 44-703(i)(4)(R):

The Council was advised that Senators Johnston and Karr intend to introduce a bill which would specifically exclude "extras" in motion pictures, television programs and commercials from coverage provided the services were performed for less than 14 days in a calendar year. In response, the Council adopted the proposal for inclusion in its legislative recommendations.

K.S.A. 44-704b:

This proposal removes subsection six which is no longer needed for Federal conformity reasons. At one time the Kansas law mandated a time-specific disqualification period (e.g., benefits may not be received for a specific length of time due to disqualifying circumstances). Disqualification provisions have been changed to require that an individual return to work and earn a specific multiple of the weekly benefit amount.

K.S.A. 44-709:

This proposal removes the three-day time extension allowed last employers on requests to submit information. This recommendation must be considered in concert with the proposal made regarding response times under K.S.A 44-710(c) listed below.

K.S.A. 44-710(a)(3)(a):

This proposal allows for "fine-tuning" the average required yield table used in determining tax rates. This "fine tuning" makes rates more sensitive to changes in required reserve fund balances.

K.S.A. 44-710(c):

This proposal makes the following changes to the statute:

1. Changes the statutory language of K.S.A. 44-710(c) to agree with K.S.A. 44-706 regarding the term "misconduct."
2. Clarifies the statute to specify that reimbursing employers are not eligible for non-charging of benefits.

3. Provides for the same time limit for information responses for both last and base period employers.
4. Proves a definition for part-time employment as it relates to charging/noncharging decisions.

K.S.A. 44-710(e)(2)(E):

K.S.A. 44-710(e)(2)(F):

This proposal permits the Department to require a surety bond or deposit for any reimbursing employer who is delinquent in filing reports or making payments. It also provides that failure to maintain a required bond or deposit would subject the employer to termination of the reimbursing option.

K.S.A. 44-714(f):

Clarifies the statute in regard to the use of appeals transcripts for prosecution of criminal violations of the Employment Security Law.

(Amended January 20, 1987)