

Approved AWP 2-9-90  
Date

MINUTES OF THE House COMMITTEE ON Labor and Industry

The meeting was called to order by Representative Arthur Douville at  
Chairperson

9:05 a.m./p.m. on January 24, 1990 in room 526-S of the Capitol.

All members were present except:

Representative Gomez - Excused                      Representative Schauf - Excused  
Representative O'Neal - Excused  
Representative Roper - Excused

Committee staff present:

Jerry Donaldson - Legislative Research Department  
Jim Wilson - Revisor of Statutes' Office  
Kay Johnson - Committee Secretary

Conferees appearing before the committee:

Ray Siehndel - Secretary, Department of Human Resources  
Bill Clawson - Chief of Benefits, Department of Human Resources  
Jim Schuessler - Cobalt Boats, Inc.  
Paul Bicknell - Chief of Contributions, Department of Human Resources  
Bill Layes - Chief of Labor Market Information Services, Department of Human Resources

The meeting was called to order at 9:05 a.m. by the Chairman, Representative Arthur Douville.

Secretary Siehndel briefly discussed the Employment Security Advisory Council. It has met three times and most of the recommendations for changes are technical.

Bill Clawson gave an overview of the Work Sharing Plan, attachments # 1, 2 & 3. Kansas is the 13th state to adopt such a plan. It became effective January 1, 1989 and has helped a lot of employers. Currently, there are 50 Shared Work Plans approved. It is due to sunset on April 1, 1992.

Chairman Douville asked if the Work Sharing Plan affects the rate of other employers. Mr. Clawson responded no, only if the shared work employee has had other employment during the base period with a different employer.

Representative Webb asked if the employees were keeping their benefits. Mr. Clawson responded yes, there is no interruption in benefits. In fact, an employee can earn more under Work Sharing than by being unemployed.

Jim Schuessler, representing Cobalt Boats of Neodesha, Kansas, spoke about the Work Sharing program from the perspective of the employer. He stated that having to lay off employees breaks the team flow and, many times, key employees don't return. Being on the Work Sharing program has allowed his company to maintain an optimum workforce, maintain benefits and they are allowed a 40% cost break. He feels that the employees have approved the program and are happy.

Paul Bicknell discussed a possible change to 44-710a dealing with the computation of tax rates. Currently, tax rates are assigned by the array method and there are 21 equal rate groups. He proposed expanding to 51 groups. He stated that it will not affect the plan yield. Next, he discussed the concept of leased employees, which is relatively new to Kansas. A concern is the ease that an employee leasing company can enter and leave the field with little or no investment involved. A selling point for the concept is for businesses that can't afford to offer some benefits (medical, retirement, etc.).

Representative Buehler asked who is issued the Tax ID number. Mr. Bicknell responded that under the proposed legislation it would be the lessor employer, who would also assume liability of benefits should the leasing company not pay them. This type of liability is allowed under IRS code 3504: joint and separate liability.

Bill Layes discussed the current employment situation and the status of the Trust Fund, attachment #4. As of November, the employment rate is 3.9%. He predicts the 1989 average will be 4.4%, which is the lowest since 1981. The Trust Fund has a current balance of \$462 million, the best since 1979.

CONTINUATION SHEET

MINUTES OF THE House COMMITTEE ON Labor and Industry,  
room 526-S, Statehouse, at 9:05 a.m./~~p.m.~~ on January 24, 1990.

Representative Hensley asked if interest earned was the only factor in the growth of the Fund. He responded that the favorable employment situation has resulted in smaller payouts and concurred that the surcharge applied in 1983 and a freeze on benefit levels also contributed. Representative Hensley asked what is an adequate balance for the Fund. He responded that the balance is looked at in relation to total wages and potential for payout. Kansas has enough in the Fund to continue paying benefits for 37 months equal to the rate it has been paying for the last 12 months. Representative Patrick asked if this wasn't an excessive amount in reserve. Mr. Layes responded that during 1982-83 benefits exceeded contributions and should such a recession occur again the Fund is in a better financial position.

The meeting adjourned at 9:55 a.m. The next meeting of the committee is scheduled for Thursday, January 25, 1990 at 9:00 a.m. in room 526-S.



## What is Shared Work?

Shared work is an unemployment insurance program that provides employers an alternative to laying off employees. If an employer elects to participate in a Shared Work Plan and the plan is approved, affected employees are allowed to share the work available in lieu of some employees being laid off.

Employees who share the work under an approved Shared Work Plan collect a percentage of regular unemployment insurance benefits to compensate for reduced hours of work and wages. Benefits paid under this program may be charged to the participating employer's unemployment insurance account.

## Eligibility

### To be eligible for Shared Work:

Your employer must submit a plan certifying that reduction of hours is in lieu of temporary layoffs;

You must have or be able to file a valid Kansas unemployment insurance claim;

You must serve or have served a waiting week;

Your normal weekly work hours are reduced at least 20 percent but not more than 40 percent for each week;

You and your employer must certify that you worked all the available hours with the participating employer for the week(s) being claimed;

If you are participating in a Shared Work Plan you are not required to look for work and are not penalized for refusing job offers from other employers.

## How to Claim Shared Work Benefits

The Kansas Department of Human Resources mails a list of Shared Work Plan employee names to the employer. Your employer makes this list available for you to certify:

The hours your employer compensated you for work;

Whether or not you refused an offer of full-time work with your employer.

The employer also certifies this information and the list is returned to the Kansas Department of Human Resources. If you are eligible for Shared Work benefits, your check is mailed to you.

## Computation of Benefits

If you have an existing Kansas unemployment insurance claim, your weekly and maximum benefit amounts do not change for the remainder of your benefit year.

If you are establishing a new claim when you file for Shared Work benefits, you will receive a monetary determination in the mail. The monetary determination shows your employers and wages earned in Kansas during the period used to establish a claim. The monetary determination also shows your weekly and maximum benefit amounts.

If you have missing Kansas wages or have wages from military service, federal employment or wages in another state during the period shown, you must report to the local office to have these wages added to your claim.

Unemployment insurance benefits are reduced in proportion to the hours your employer reduces your normal work week.

### Example No. 1

You normally work a 40-hour week and your employer reduces your work by eight hours a week. You are eligible to receive 20 percent of your unemployment insurance weekly benefit amount (WBA).

If your WBA	=	\$130
20% X \$130	=	\$26

Your Shared Work benefit is \$26.

## Restrictions

An employee cannot be paid more than 26 weeks under the Shared Work Plan. Any amount paid is deducted from the total amount of regular benefits during a benefit year, and the total amount cannot exceed the individual's maximum benefit amount.

You are not eligible for any week in which you perform work for the participating employer and for which you are paid in excess of the reduced hours established under the Shared Work Plan.

# SHARED WORK PROGRAM

Information  
and  
Instructions  
for  
**EMPLOYEES**

Participation Affect an Employer's  
Employment Tax Rate?

Benefits paid under Shared Work Plans are charged against employers' accounts for use in computing (experience) tax rates. Thus, they affect employers' tax rates in the same manner and to the same extent as other benefit charges.

An Alternative to Layoffs

Legislation now provides employers the opportunity to participate in the Shared Work Unemployment Insurance Program effective April 1, 1989.

The Shared Work Unemployment Insurance Program is designed to help both employers and employees. It is an alternative for employers faced with a reduction in force. It allows an employer to divide the available work or hours of work among a specified group of affected employees in lieu of a layoff, and it allows the employees to receive a portion of their unemployment insurance benefits while working reduced hours.

# SHARED WORK PROGRAM

Information  
and  
Instructions  
for  
**EMPLOYERS**

## The Process

An interested employer may obtain a Shared Work Plan Application by contacting the Kansas Department of Human Resources at 913-296-5086. To participate, an employer must have reduced the normal weekly hours of work for an employee in the affected unit by at least 20 percent (but not more than 40 percent), and the plan must apply to at least 10 percent of the employees in the affected unit who meet monetary requirements for regular unemployment compensation. If the plan is approved by the Kansas Department of Human Resources, workers who qualify for unemployment benefits can receive both wages and Shared Work benefits. The Shared Work benefits are the percentage of regular unemployment benefits matching the reduction described in the employer's plan.

### For Example:

A firm facing a 20 percent reduction in production may lay off one-fifth of its work force. Faced with this situation, a company can retain its total work force on a four-day-a-week basis. This reduction from 40 hours to 32 hours cuts production by the required 20 percent without reducing the number of employees. All affected employees receive their wages based on four days of work and, in addition, receive a portion of unemployment compensation benefits equal to 20 percent of the unemployment compensation weekly benefit amount payable had the employee been unemployed a full week.

An employee normally works a 40-hour week. The employer reduces the work schedule by 20 percent. The employer submits a plan and is approved under the Shared Work Program. The employee qualifies for regular unemployment compensation with a weekly benefit amount (WBA) of \$130.

20% x 40 hour work week = 8 hours  
Employee works and earns wages for 32 hours  
20% x \$130 WBA = \$26

The employee receives \$26 of unemployment benefits in addition to the 32 hours of wages earned during the week.

### What Happens Once the Application is Filed?

Once the plan is approved, a certification is mailed to the employer for completion. The certification forms continue to be mailed to the employer for each week the plan is to be followed.

## The Conditions

### The Department of Human Resources May Approve a Shared Work Plan If:

- \* There is an "affected unit" of four or more employees.
- \* The normal weekly hours of work and corresponding wages for a participating employee are reduced in the plan by not less than 20 percent and no more than 40 percent.
- \* The plan applies to at least 10 percent of the employees in the affected unit.
- \* The plan describes the manner in which the participating employer treats the fringe benefits of each employee in the affected unit.

- \* The employer certifies that implementation of a Shared Work and the resulting reduction in work hours is in lieu of a temporary layoff affecting at least 10 percent of the employees in the affected unit and results in an equivalent reduction in work hours.

### Conditions for Shared Work Benefits:

- \* An individual must accept all work offered by the participating employer for the claim period filed.
- \* An individual is able to work and is available for full-time work with the participating employer.
- \* An individual is eligible for regular benefits in the State of Kansas.
- \* No benefits are paid to an individual who works for the participating employer more than the reduced hours specified in the plan.
- \* No benefits are paid to an individual whose work hours are reduced as a result of seasonal lack of work.

### Shared Work Plan Application Format:

- \* Name and Kansas Department of Human Resources employer serial number.
- \* Description of how fringe benefits will be affected by the plan.
- \* Concurrence of a bargaining representative if one exists.
- \* Certification that:
  - a) The plan applies to at least 10 percent of employees.
  - b) The reduction is in lieu of temporary layoffs.
- \* An attached listing of affected employees showing:
  - Full names.
  - Social security numbers.

Shared Work Activity  
From April 1, 1989 to Date

1. Approved Shared Work Plans.....	50
2. Disapproved Shared Work Plans.....	9
3. Number of Affected Workers.....	1813
4. Number of Employers Now Active.....	31
5. Number of Workers Currently Claiming.....	1451
6. Shared Work Applications Pending.....	92
7. Number of Compensable Weeks.....	4366
8. Number of Waiting Period Weeks.....	679
9. Amount of Payments (as of 12-31-89).....	\$198,294

Effective: July 1, 1988

Payments Began: April 1, 1989

This program sunsets April 1, 1992

Benefit Branch  
Department of Human Resources



CURRENT FINANCIAL POSITION OF  
KANSAS UNEMPLOYMENT INSURANCE  
BENEFIT TRUST FUND

. . . PREPARED FOR  
HOUSE LABOR AND INDUSTRY COMMITTEE  
MEETING OF JANUARY 24, 1990

RAY D. SIEHNDEL, SECRETARY  
KANSAS DEPARTMENT OF HUMAN RESOURCES  
DIVISION OF POLICY AND MANAGEMENT ANALYSIS  
LABOR MARKET INFORMATION SERVICES  
JANUARY 1990

## TABLE OF CONTENTS

	<u>Page</u>
Summary.....	1
Key Facts.....	2
Trust Fund Highlights.....	3
Measurements of Trust Fund Adequacy.....	4

## LIST OF TABLES

Table 1; Benefits, Contributions, and Interest.....	5
Table 2; Tax Rate Computation Statistics.....	6
Table 3; Comparison of End of Year Fund Balances.....	6
Table 4; Trust Fund Balance.....	7
Table 5; Trust Fund Balance, As a Per Cent of Total Wages.....	7
Table 6; Average Tax Rates and Range of Rates, By State.....	12
Table 7; Selected Adequacy Measures.....	13
Table 8; Labor Market Summary 1979-1989.....	16
Table 9; State of Kansas Labor Force History, Jan '79-Nov '89.	17

## LIST OF GRAPHS

Graph 1; Interest Earned on Reserve Fund.....	5
Graph 2; Unemployment Rates - Insured and Total.....	8
Graph 3; Benefit Payments and Contributions.....	9
Graph 4; Reserve Fund Balance.....	10
Graph 5; High Cost Multiple.....	11
Graph 6; Kansas Employment and Unemployment.....	14
Graph 7; Kansas Nonfarm Payroll Employment.....	15

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SUMMARY  
10-Year Review of Kansas UI Trust Fund

- \* December 31, 1979 trust fund balance at \$234 million.
- \* Schedule III (fund control) of K.S.A. 44-710a was amended to reduce levels of total contributions required effective with 1979 rates.
- \* Fund balance fell to \$93 million in midst of 1982-1983 recession.
- \* Method for determining total income to the fund (fund control) was reset in 1983 to original levels and expanded to 18 steps (K.S.A. 44-710a)
- \* Surcharge on employer contributions was enacted for CY 1983 and maximum weekly benefit was "frozen" at set levels for FY 1984-1986.
- \* Fund control schedule was expanded to 131 levels by 1987 session of legislature.
- \* From 1979 to 1989 benefits exceeded contributions by nearly \$68 million. Growth of fund during that period is attributed to interest earned.
- \* Current trust fund balance (December 1989) is approximately \$462 million.
- \* Current reserve fund ratio at 2.37 per cent and high cost multiple at 1.3 are below recommended levels (3.00 per cent and 2.0-3.0).

Key Facts  
Kansas Unemployment Insurance  
State Fiscal Year 1989 a/

- \* 95,100 persons received 928,585 weekly payments in 1989.
- \* Weekly UI benefits ranged from \$52.00 to \$210.00 in 1989. In 1990, the minimum payment is \$54.00 and the maximum payment is \$216.00. Benefit payments are based on a claimant's prior earnings in insured work.
- \* A total of \$150.2M was paid in UI benefits in 1989.
- \* The average number of weeks a claimant drew benefits was 13.2.
- \* 58,494 Kansas employers were covered under the Kansas Employment Security Law.
- \* An employer is liable for UI taxes on the first \$8,000 in wages for each employee. The average UI tax in Calendar Year 1989 was 2.51%, or approximately \$201.00, per employee. The highest employer UI tax was 6.4% and the lowest was .06%.
- \* In 1989, Kansas employers paid \$163.1M in UI contributions.
- \* Kansas UI Trust Fund monies are held in the U.S. Treasury. Money is drawn monthly to meet an estimated outlay.
- \* The average interest rate on funds held in the U.S. Treasury was 8.66% in Calendar Year 1989.

a/ All data are for State Fiscal Year 1989 except as noted.

### Trust Fund Highlights

The Kansas Employment Security Fund is an account into which all required contributions and reimbursement payments are deposited and from which all benefits are paid. Within the Kansas Employment Security Law are provisions to maintain the fund at a sufficient level. The fund's balance had reached a level of \$461.7 million at the close of the 1989 calendar year. These reserves are ample such that the fund can be declared to be actuarially sound.

The contribution program in Kansas is designed to collect taxes and build up funds in favorable times in order to cover high benefit costs during recessionary times. A recession as experienced during 1982-1983 could quickly decrease reserves as demonstrated by the following factors.

- 1) Various one week periods during the 1982-1983 recession saw nearly \$6 million in benefits paid out.
- 2) The maximum weekly benefit amount, computed as 60 per cent of the average weekly wage, has risen to \$216.00 for FY 1990 from \$149.00 for FY 1982.
- 3) The covered labor force rose 14 per cent over the same period.
- 4) Total benefit payments during a future recession could thus, easily exceed \$600 million.

A sizable positive balance during recent years has allowed interest earned to be a major contributing factor to growth of the trust fund. During the period from 1979-1989, benefits paid exceeded contributions by nearly \$68 million. Without nearly \$272 million of interest earned, the current fund balance would be less than in 1979. Even during calendar year 1989, a period of reserve fund expansion, 65 per cent of the fund's growth was due to interest earned. Interest accrued during the 1989 calendar year would have paid nearly 13 weeks of benefits.

## Measurements of Trust Fund Adequacy

The dollar balance of a state's reserve fund is just one of several measures used in determining its adequacy. Prior to the recessions of the mid-1970's and early 1980's, many states would only look at flat dollar amounts. After being forced to borrow federal funds to pay benefits during these recessions, many states were considering other measures. Among these were three recommended by United States Department of Labor actuaries: the reserve fund ratio, the high cost multiple, and the months of benefits in the trust fund.

The reserve fund ratio is the percentage of the reserve balance to total covered wages and is currently used as a basis for taxation in the Kansas Law. The law is centered such that the desired level of the reserve fund ratio is 3.00 per cent. At this level, the planned yield on total wages of contributing employers is 1.00 per cent. In Kansas, deviation from the desired reserve fund ratio level at the time of rate computation requires an adjustment to tax rates. The reserve fund ratio in Kansas was 2.73 per cent as of September 30, 1989. As shown in the attached table of selected adequacy measures, this is higher than 34 other states.

The high cost multiple is a parameter derived from the reserve fund ratio and benefit cost rate comparing present reserves to benefits paid during times of high unemployment. Although not specifically used by any state as the basis of its taxation system, it has become widely accepted in analysis of trust fund balance. The minimum safe level of the high cost multiple is considered to be 1.5, meaning the reserve fund balance would be sufficient to pay benefits equal to 1.5 times those of the highest 12-month period in the last 15 years. The Kansas high cost multiple of 1.39 as of September 30, 1989 was exceeded in just five other states.

The "months of benefits in trust fund" figure represents the number of months benefits could be paid if benefit payouts continue at their most recent levels. Using this parameter, a majority of states rank above Kansas as only current unemployment payments are considered. Two major factors effecting this figure are the maximum weekly benefit amount and the insured unemployment rate. The former for Kansas is higher than in 39 other states. The rate is above that of 28 states. Many of the states with "better" ratings than Kansas in this category were required to take stringent, belt-tightening measures by statutory changes to rebuild their trust fund balances following the recessions of the 1970's and early 1980's. Their fund balances are now greater and benefit payments comparatively less as these laws remain in place. In contrast, Kansas has been able to build up reserves without dramatic changes to either its taxation or benefit formula.

Table 1  
Benefits, Contributions, and Interest  
CY's 1979 - 1989

<u>Calendar Year</u>	<u>Benefits Paid (000,000's)</u>	<u>Contributions Received (000,000's)</u>	<u>Interest Earned (000,000's)</u>	<u>Average Interest Rate</u>
1979	\$ 59.4	\$ 79.5	\$ 15.3	6.96%
1980	117.7	83.3	20.0	8.53
1981	112.3	88.2	22.1	9.99
1982	217.8	105.7	21.4	11.29
1983	165.9	157.5	14.0	10.44
1984	112.8	172.2	20.6	10.18
1985	139.7	167.9	28.2	10.34
1986	168.4	157.0	31.1	9.77
1987	166.1	158.3	30.3	9.05
1988	148.9	161.7	31.9	8.50
1989	153.4	163.6	36.9	8.66
TOTAL	\$1,562.4	\$1,494.9	\$271.8	9.43%

Graph 1  
INTEREST EARNED ON RESERVE FUND  
1979-1989

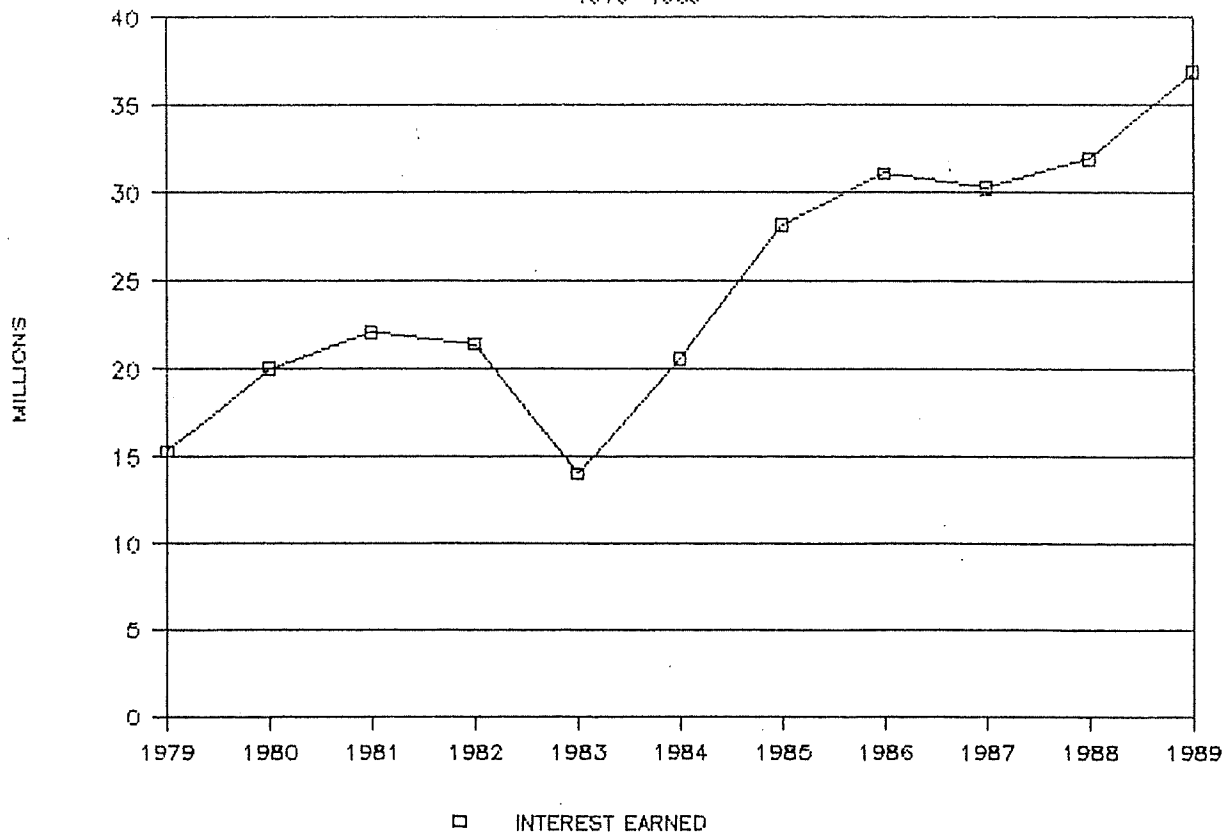


Table 2  
Tax Rate Computation Statistics  
1980 -1990

Rate Year	Reserve Fund Balance, July 31 Prior Year (000,000's)	Average Required Yield (000,000's)	Tax Rates For		
			Positive Minimum	Eligible Maximum	Employers Average
1980	\$234.9	\$ 80.9	0.05%	3.60%	1.861%
1981	246.2	90.4	0.05	3.80	1.993
1982	236.0	108.6	0.06	4.30	2.422
1983	216.8	127.9 <sup>a/</sup>	0.07 <sup>a/</sup>	5.40 <sup>a/</sup>	2.786 <sup>a/</sup>
1984	166.2	150.0	0.06	5.13	2.567
1985	225.0	148.7	0.06	4.80	2.398
1986	301.6	144.4	0.06	4.40	2.202
1987	340.6	143.8	0.06	4.42	2.209
1988	369.2	144.7	0.05	4.40	2.199
1989	402.0	152.3	0.06	4.50	2.248
1990	468.6	151.1	0.06	4.41	2.201

a/ Does not include 20 per cent surcharge. With surcharge:  
\$153,500,000, 0.08%, 6.48%, and 3.343%, respectively.

Table 3  
Comparison of End of Year Fund Balances  
1979 - 1989

Calendar Year	Total Wages (000,000's)	Reserve Fund Balance (000,000's)	Reserve Fund Ratio	High Cost Multiple
1979	\$10,400.6	\$234.2	2.25%	1.5
1980	11,507.7	218.7	1.90	1.2
1981	12,706.3	220.8	1.74	1.1
1982	13,214.9	135.1	1.02	0.6
1983	13,751.1	152.5	1.11	0.6
1984	15,009.4	234.7	1.56	0.9
1985	15,770.7	295.7	1.87	1.1
1986	16,552.8	322.7	1.95	1.1
1987	17,386.8	355.0	2.04	1.1
1988	18,437.0	404.5	2.19	1.2
1989	19,500.0 (est.)	461.7	2.37 (est.)	1.3 (est.)



Table 4  
Trust Fund Balance  
December 31 a/  
(\$000)

<u>State and Current Wage Base</u>	<u>1989</u>	<u>1988</u>	<u>1987</u>	<u>1986</u>	<u>1985</u>	<u>1984</u>
Kansas (\$8,000)...	469,305	413,095	362,577	329,753	302,040	240,825
Arkansas (\$7,500).	135,957	118,895	100,701	98,243	90,989	41,990
Colorado (\$10,000)	226,631	163,164	96,052	83,120	84,470	28,035
Iowa (\$11,500)....	501,136	427,446	282,758	143,871	50,618	0
Missouri (\$7,000).	389,508	386,954	365,983	330,099	224,535	183,515
Nebraska (\$7,000).	123,264	104,841	86,959	78,029	70,670	75,780
Oklahoma (\$9,200).	310,201	214,446	112,446	68,383	105,720	82,934

a/ Data for 1989 is for September 30.

Table 5  
Trust Fund Balance  
As a Per Cent of Total Wages  
December 31 a/

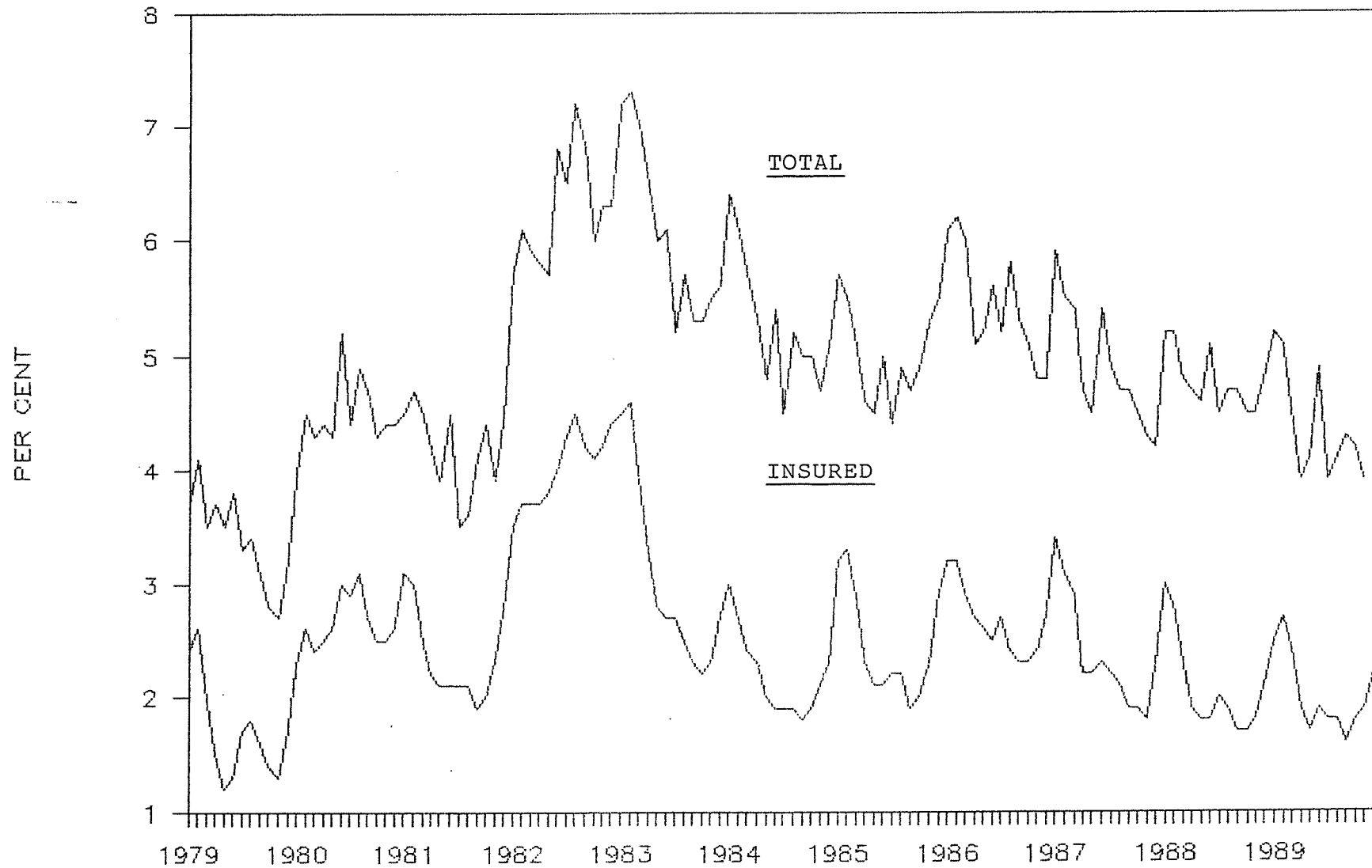
<u>State</u>	<u>1989</u>	<u>1988</u>	<u>1987</u>	<u>1986</u>	<u>1985</u>	<u>1984</u>
Kansas.....	2.73	2.47	2.26	2.02	1.96	1.65
Arkansas.....	1.17	1.05	0.95	0.80	0.80	0.39
Colorado.....	0.93	0.67	0.37	0.31	0.33	0.11
Iowa.....	3.20	2.84	2.05	0.88	0.31	0
Missouri.....	1.08	1.10	1.11	0.89	0.65	0.57
Nebraska.....	1.42	1.25	1.11	0.80	0.76	0.89
Oklahoma.....	1.81	1.29	0.71	0.33	0.54	0.44

a/ Data for 1989 is for September 30.

Source: U.S. Department of Labor, Division of Actuarial Services

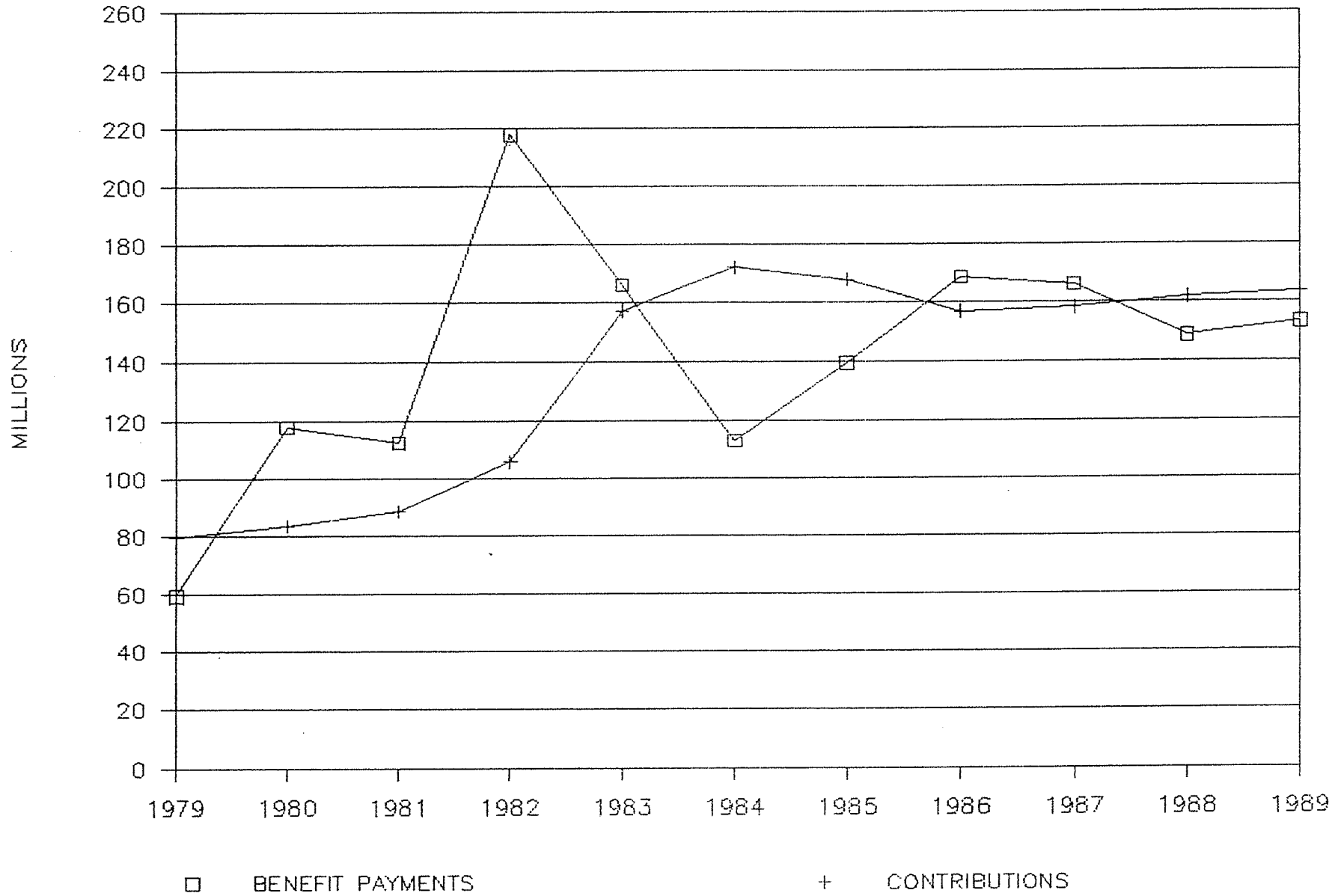
Graph 2  
UNEMPLOYMENT RATES—INSURED AND TOTAL

JAN 1979—DEC 1989, BY MONTH



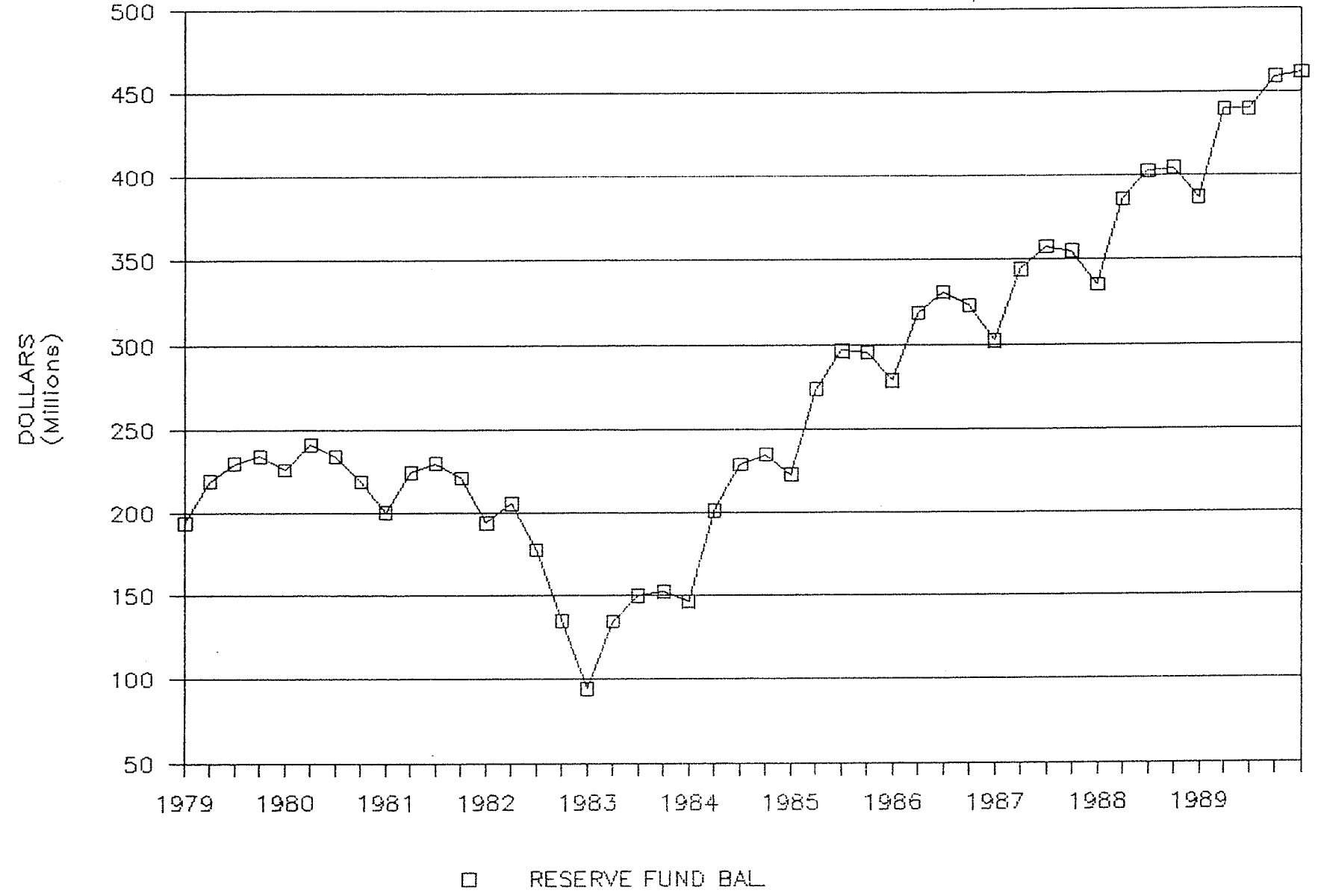
# Graph 3 BENEFIT PAYMENTS AND CONTRIBUTIONS

CY 1979-1989



# Graph 4 RESERVE FUND BALANCE

JAN 1979-DEC 1989 BY QUARTER



10

# Graph 5 HIGH COST MULTIPLE

JAN 1980 - JUNE 1989, BY QUARTER

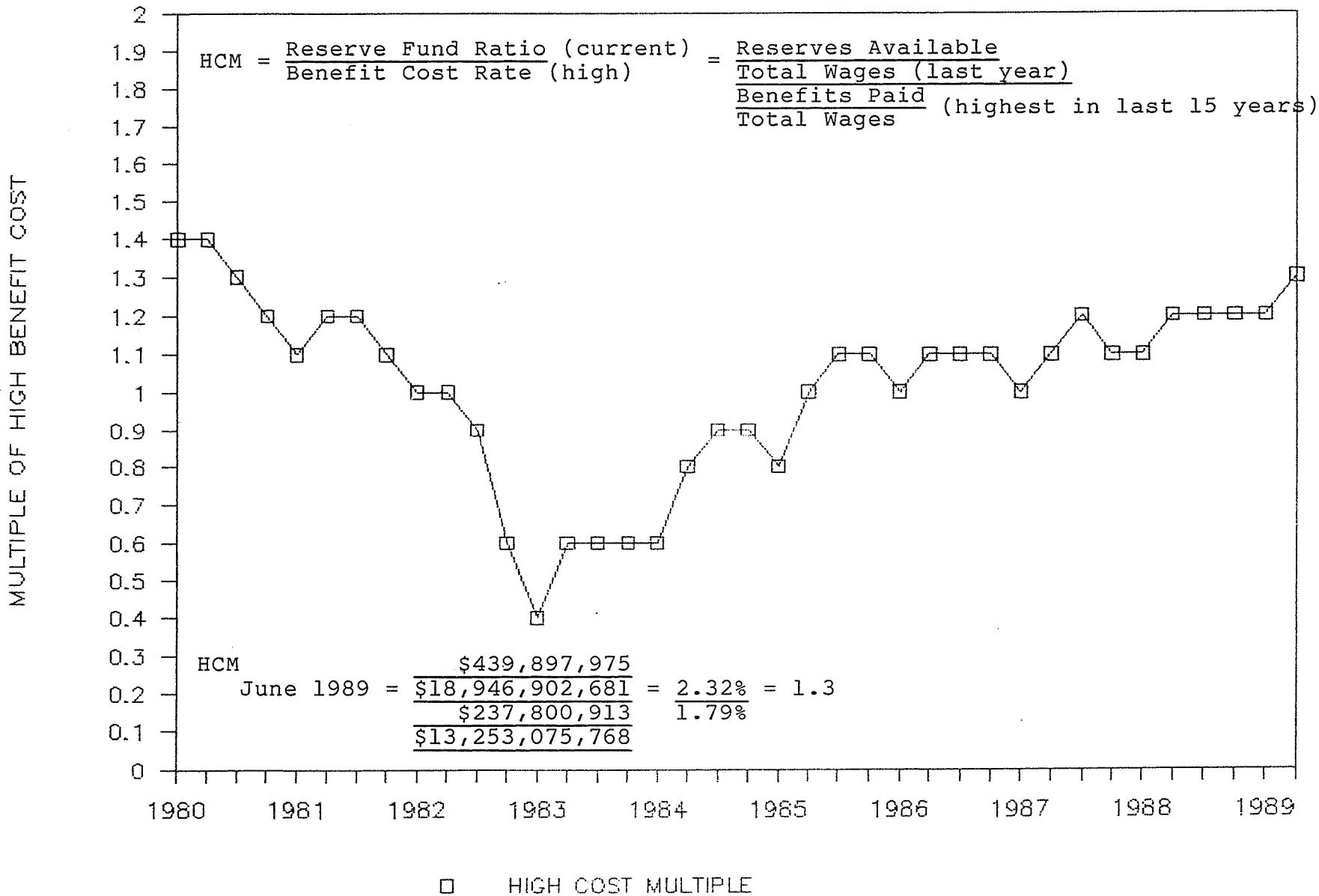


TABLE 6  
AVERAGE TAX RATES AND RANGE OF RATES 1/  
CALENDAR YEAR 1989

STATE	AVERAGE TAXABLE	TAX RATES TOTAL	TAX RATES	
			MAXIMUM	MINIMUM 2/
ALABAMA (8,000)	1.55	0.67	5.40	0.50
ALASKA (20,900)	4.14	3.30	6.25	2.20
ARIZONA	1.18	0.45	5.40	0.10
ARKANSAS (7,500)	2.10	1.00	6.40	0.50
CALIFORNIA	2.28	0.73	5.40	0.30
COLORADO (10,000)	1.77	0.79	6.60	0.30
CONNECTICUT (7,100)	1.80	0.50	6.00	1.10
DELAWARE (8,500)	2.50	1.00	9.50	1.20
FLORIDA	0.82	0.33	5.40	0.10
GEORGIA (7,500)	1.47	0.57	8.64	0.06
HAWAII (18,600)	1.20	0.80	5.40	0.00
IDAHO (16,800)	2.16	1.49	5.40	0.90
ILLINOIS (9,000)	2.98	1.10	7.20	0.06
INDIANA	1.40	0.50	5.40	0.30
IOWA (11,500)	2.00	1.10	8.40	0.00
KANSAS (8,000)	2.51	1.05	6.40	0.06
KENTUCKY (8,000)	2.50	1.00	9.25	0.40
LOUISIANA (8,500)	4.00	1.50	6.39	0.31
MAINE	2.04	0.72	5.80	1.70
MARYLAND	1.28	0.35	5.40	0.10
MASSACHUSETTS	2.70	0.80	5.70	1.50
MICHIGAN (9,500)	3.90	1.40	10.00	1.00
MINNESOTA (12,200)	2.10	1.00	8.50	0.70
MISSISSIPPI	1.10	0.05	5.40	0.10
MISSOURI	1.53	0.43	5.58	0.00
MONTANA (12,800)	2.00	1.20	6.40	0.50
NEBRASKA	1.52	0.63	5.40	0.10
NEVADA (12,800)	1.43	0.84	5.40	0.30
NEW HAMPSHIRE	0.75	0.26	6.50	0.01
NEW JERSEY (12,800)	2.10	1.00	5.80	0.50
NEW MEXICO (11,100)	1.84	0.97	5.40	0.90
NEW YORK	1.76	0.50	5.40	0.30
NORTH CAROLINA (10,700)	0.80	0.44	5.70	0.01
NORTH DAKOTA (11,200)	2.40	1.33	6.60	0.60
OHIO (8,000)	2.80	0.90	7.80	0.80
OKLAHOMA (9,200)	2.40	1.20	9.20	0.30
OREGON (15,000)	3.10	1.90	5.40	2.20
PENNSYLVANIA (8,000)	3.50	1.30	9.20	1.50
RHODE ISLAND (12,800)	2.50	1.40	7.30	1.40
SOUTH CAROLINA	1.88	0.77	5.40	1.24
SOUTH DAKOTA	0.60	0.30	8.00	0.00
TENNESSEE	1.60	0.64	10.00	0.15
TEXAS (9,000)	2.68	0.91	8.34	0.64
UTAH (13,600)	1.55	0.90	8.00	0.50
VERMONT (8,000)	3.00	1.20	6.50	0.80
VIRGINIA	0.95	0.25	6.20	0.10
WASHINGTON (15,600)	2.60	1.60	5.40	0.58
WEST VIRGINIA (8,000)	4.00	1.30	8.50	0.50
WISCONSIN (10,500)	3.07	1.43	9.80	0.27
WYOMING (10,400)	3.20	1.60	6.01	2.61

1/ TAX BASE IS \$7,000 EXCEPT AS SHOWN IN PARENTHESES.

2/ MINIMUM RATE FOR POSITIVE BALANCE EMPLOYER.

TABLE 7  
 SELECTED ADEQUACY MEASURES  
 CALENDAR YEAR 1989, THIRD QUARTER

STATE 1/ -----	RESERVE RATIO -----	HIGH COST MULTIPLE -----	MONTHS IN TRUST FUND -----
ALABAMA (8,000)	2.72	1.25	48.7
ALASKA (20,900)	3.88	0.90	24.0
ARIZONA	2.10	0.85	47.8
ARKANSAS (7,500)	1.17	0.43	13.1
CALIFORNIA	2.18	0.93	38.6
COLORADO (10,000)	0.93	0.74	17.9
CONNECTICUT (7,100)	0.84	0.26	15.0
DELAWARE (8,500)	3.34	1.24	75.1
FLORIDA	2.50	1.36	74.5
GEORGIA (7,500)	2.11	0.99	48.8
HAWAII (18,600)	4.22	1.59	96.2
IDAHO (16,800)	4.35	1.37	44.0
ILLINOIS (9,000)	1.28	0.48	20.2
INDIANA	1.89	1.06	80.7
IOWA (11,500)	3.20	1.22	47.1
KANSAS (8,000)	2.73	1.39	37.3
KENTUCKY (8,000)	1.99	0.72	30.9
LOUISIANA (8,500)	1.28	0.41	19.6
MAINE	2.76	0.97	43.0
MARYLAND	1.76	0.80	37.9
MASSACHUSETTS	1.66	0.52	17.3
MICHIGAN (9,500)	1.65	0.45	15.0
MINNESOTA (12,200)	0.99	0.51	12.9
MISSISSIPPI	3.40	1.73	50.5
MISSOURI	1.08	0.55	19.8
MONTANA (12,800)	1.84	0.61	25.3
NEBRASKA	1.42	0.94	40.7
NEVADA (12,800)	3.27	1.19	58.4
NEW HAMPSHIRE	2.24	0.89	114.2
NEW JERSEY (12,800)	3.59	1.08	46.4
NEW MEXICO (11,100)	2.43	1.48	34.8
NEW YORK	2.05	0.82	33.0
NORTH CAROLINA (10,700)	3.17	1.23	81.6
NORTH DAKOTA (11,200)	1.50	0.64	17.4
OHIO (8,000)	0.93	0.30	18.8
OKLAHOMA (9,200)	1.81	1.32	38.6
OREGON (15,000)	4.33	1.35	44.9
PENNSYLVANIA (8,000)	1.95	0.58	20.7
RHODE ISLAND (12,800)	4.18	0.96	35.9
SOUTH CAROLINA	1.96	0.68	50.9
SOUTH DAKOTA	1.59	1.53	49.7
TENNESSEE	2.05	0.94	41.4
TEXAS (9,000)	0.82	0.72	14.9
UTAH (13,600)	2.54	1.26	45.5
VERMONT (8,000)	5.24	1.61	85.0
VIRGINIA	1.58	1.20	63.4
WASHINGTON (15,600)	4.20	1.00	41.8
WEST VIRGINIA (8,000)	1.71	0.43	19.4
WISCONSIN (10,500)	2.96	1.15	38.6
WYOMING (10,400)	1.97	0.65	22.7

1/ TAX BASE IS \$7,000 EXCEPT AS SHOWN IN PARENTHESES.

Graph 6  
Kansas Employment and Unemployment

January 1979--November 1989





Graph 7  
Kansas Nonfarm Payroll Employment

1979--1989

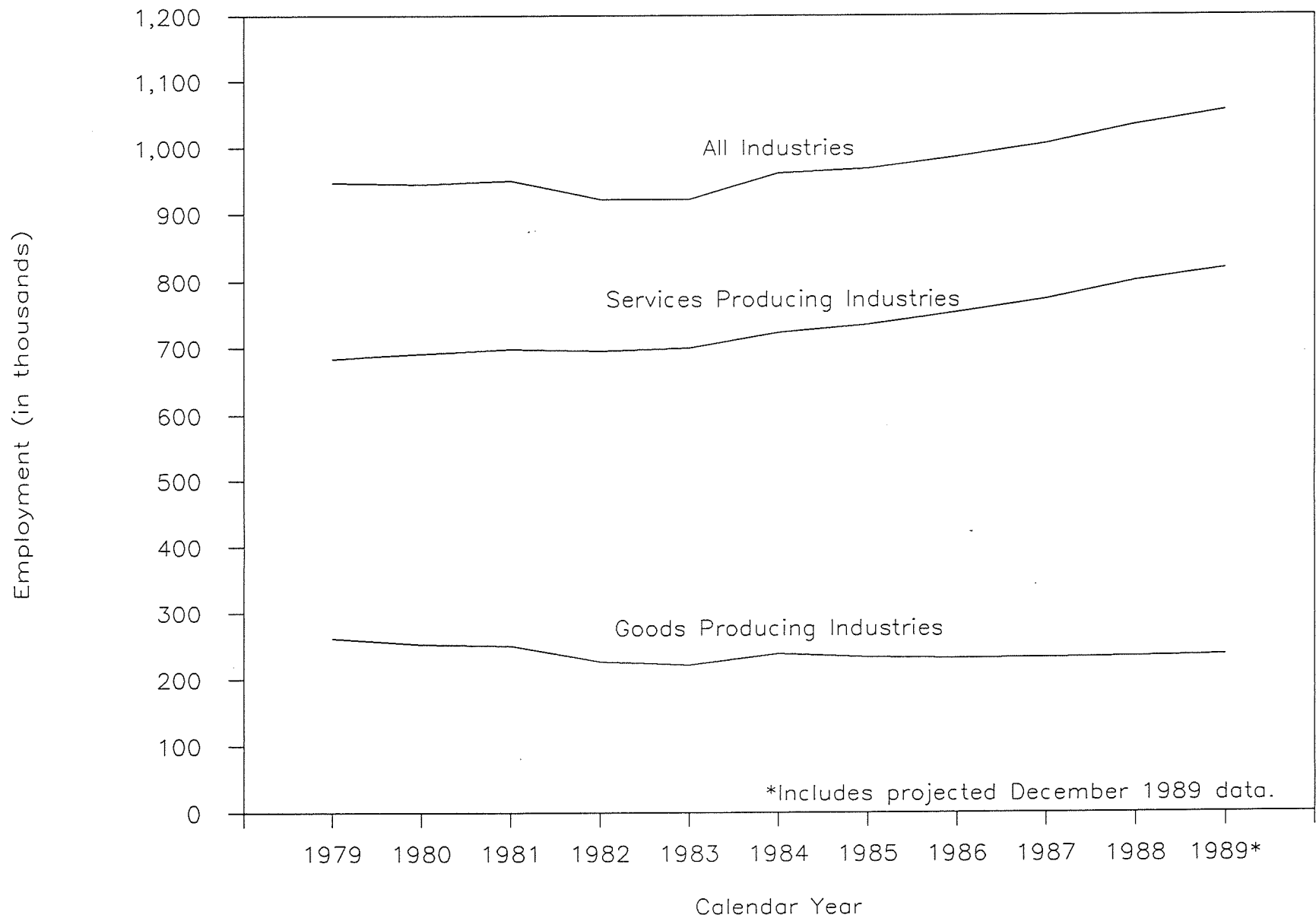


Table 8  
LABOR MARKET SUMMARY 1979--1989  
Kansas

Month	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989*
Civilian Labor Force--Place of Residence Data											
Civilian Labor Force	1,176,000	1,184,000	1,190,000	1,185,000	1,186,000	1,196,000	1,237,000	1,237,000	1,267,000	1,277,000	1,281,762
Employment	1,137,000	1,131,000	1,140,000	1,111,000	1,114,000	1,133,000	1,176,000	1,169,000	1,205,000	1,216,000	1,225,991
Unemployment	40,000	53,000	50,000	74,000	72,000	63,000	62,000	67,000	62,000	61,000	55,771
Unemployment Rate	3.4	4.5	4.2	6.3	6.1	5.2	5.0	5.4	4.9	4.8	4.4
Nonfarm Wage and Salary Employment--Place of Work Data (in thousands)											
All Industries	946.8	944.7	949.7	921.4	921.6	960.7	967.9	984.8	1,005.2	1,033.4	1,054.3
Manufacturing	198.9	190.5	188.6	168.8	164.7	176.4	174.4	175.7	176.2	181.4	184.4
Durable Goods	130.3	122.3	119.4	101.2	97.1	105.3	102.1	102.6	102.8	107.6	110.2
Stone, Clay & Glass Products	8.6	7.7	7.3	6.6	6.8	6.9	6.8	6.7	6.7	6.9	6.9
Primary Metal Industries	4.2	3.9	3.8	2.9	2.4	3.2	3.0	3.0	2.9	3.3	3.5
Fabricated Metal Products	14.2	13.0	12.7	11.3	10.6	11.2	11.1	11.1	11.0	11.3	11.1
Machinery (including											
Electric & Electronic)	37.3	35.1	34.5	29.3	26.7	28.8	27.8	27.2	27.4	29.2	30.2
Transportation Equipment	53.5	51.3	50.1	40.9	40.3	44.2	43.3	45.2	44.8	46.6	48.2
Nondurable Goods	68.6	68.2	69.2	67.6	67.6	71.1	72.3	73.0	73.4	73.8	74.2
Food & Kindred Products	22.9	23.3	23.7	24.2	24.9	26.3	27.5	27.6	27.6	26.6	26.6
Meat Products	9.0	9.3	9.7	10.6	11.2	12.8	14.1	14.1	14.4	14.3	14.4
Dairy Products	2.1	2.0	1.9	1.8	1.8	1.6	1.4	1.5	1.5	1.3	1.2
Grain Mill Products	3.8	4.0	4.1	3.8	3.9	4.0	3.7	3.6	3.5	3.6	3.4
Apparel & Other Textile											
Products	3.7	3.6	3.6	3.4	3.5	3.6	3.4	3.3	3.4	3.7	3.6
Printing & Publishing	16.7	16.8	17.3	16.9	17.0	18.3	18.3	18.8	18.9	20.2	20.6
Chemicals & Allied Products	8.9	9.1	8.8	8.5	8.0	8.0	8.0	8.2	8.1	7.8	7.7
Petroleum & Coal Products	4.6	4.6	5.0	4.5	3.7	3.1	3.0	3.0	3.0	3.0	3.0
Mining	13.7	16.1	19.8	18.8	17.2	17.9	16.7	12.2	11.3	10.5	9.8
Oil & Gas Extraction	11.7	14.1	17.9	17.2	15.6	16.3	15.1	10.7	9.8	9.0	8.6
Construction	49.9	46.5	42.7	39.0	39.7	43.6	42.3	43.9	45.4	42.2	41.9
Transportation &											
Public Utilities	65.3	63.7	62.7	61.4	62.2	64.1	63.9	62.7	62.6	64.4	65.5
Railroad Transportation	14.7	13.4	12.8	11.7	11.5	11.9	11.2	10.2	9.5	9.2	8.9
Trucking & Warehousing	20.8	19.5	18.6	18.2	19.4	21.3	21.9	21.5	22.1	23.1	24.2
Electric, Gas &											
Sanitary Services	11.1	11.4	11.6	11.7	11.6	11.7	11.7	11.6	11.8	12.2	12.6
Trade Total	225.7	226.4	228.6	227.9	229.0	239.4	243.3	247.8	251.3	258.5	260.4
Wholesale Trade	63.5	64.7	65.8	65.3	64.4	67.2	67.2	67.1	67.3	67.9	68.2
Retail Trade	162.2	161.7	162.8	162.6	164.6	172.2	176.1	180.7	184.0	190.6	192.2
General Merchandise Stores	24.1	23.7	24.4	23.9	23.5	24.6	25.0	24.5	25.2	27.1	27.8
Food Stores	22.1	23.0	23.1	23.0	23.3	24.0	25.2	26.4	26.5	27.3	27.3
Automotive Dealers &											
Service Stations	23.5	21.8	20.8	21.0	21.0	22.1	22.3	22.6	23.3	24.2	24.1
Apparel & Accessory Stores	9.8	10.1	10.0	9.7	9.5	9.7	9.2	9.1	9.4	11.1	11.5
Finance, Insurance											
& Real Estate	46.3	47.2	48.2	48.9	50.0	51.3	52.8	54.7	56.8	58.1	58.5
Banking	15.0	15.4	15.8	16.0	16.0	16.1	16.3	16.4	16.3	16.0	16.3
Insurance Carriers	10.7	11.2	11.5	11.6	11.3	11.1	11.0	11.0	11.2	11.6	11.7
Services	163.7	166.8	173.2	172.8	175.9	182.8	185.8	193.7	202.6	212.3	221.3
Hotels &											
Other Lodging Places	7.4	7.7	8.4	8.3	7.9	8.6	9.2	9.3	9.5	9.6	9.6
Personal Services	9.2	9.2	9.5	9.7	9.8	10.2	10.5	11.2	11.5	11.8	11.9
Government	183.3	187.4	185.9	183.8	182.9	185.2	188.7	194.1	199.0	206.0	212.5
Federal Government	26.0	26.7	25.1	25.2	25.5	26.3	27.1	27.7	28.1	29.1	30.3
State & Local Government	157.3	160.7	160.8	158.5	157.4	158.9	161.6	166.4	170.9	176.9	182.2
Other Categories (in thousands)											
Labor-Management Disputes	0.2	0.5	0.1	0.0	0.4	0.3	0.1	0.1	0.0	0.0	0.0
Farm Employment	65.5	72.2	70.6	69.0	67.5	65.9	64.4	63.0	57.0	57.7	57.8

01/18/90 Kansas Department of Human Resources, Labor Market Information Services, phone (913) 296-5058.  
Developed in cooperation with the U. S. Bureau of Labor Statistics.

These estimates are based on data drawn from unemployment insurance employer records through March 1988.  
\*Includes projected December 1989 data.

Table 9  
State of Kansas Labor Force History Jan '79--Nov '89  
Place of Residence Data

Period	Year	Civilian Labor Force	Employment	Unemployment	Unemployment Rate (%)
January	1979	1,146,721	1,104,294	42,427	3.7
February	1979	1,152,169	1,105,126	47,043	4.1
March	1979	1,152,410	1,112,166	40,244	3.5
April	1979	1,160,671	1,117,542	43,129	3.7
May	1979	1,158,604	1,117,899	40,705	3.5
June	1979	1,199,425	1,153,897	45,528	3.8
July	1979	1,199,684	1,159,583	40,101	3.3
August	1979	1,188,069	1,147,494	40,575	3.4
September	1979	1,189,849	1,153,000	36,849	3.1
October	1979	1,194,431	1,161,242	33,189	2.8
November	1979	1,191,651	1,159,617	32,034	2.7
December	1979	1,190,317	1,152,140	38,177	3.2
Annual Average	1979	1,176,000	1,137,000	40,000	3.4
January	1980	1,179,451	1,132,413	47,038	4.0
February	1980	1,174,149	1,121,358	52,791	4.5
March	1980	1,175,035	1,124,751	50,284	4.3
April	1980	1,178,097	1,126,677	51,420	4.4
May	1980	1,186,479	1,135,974	50,505	4.3
June	1980	1,223,737	1,159,551	64,186	5.2
July	1980	1,219,102	1,166,042	53,060	4.4
August	1980	1,184,342	1,125,956	58,386	4.9
September	1980	1,173,223	1,118,514	54,709	4.7
October	1980	1,170,777	1,120,101	50,676	4.3
November	1980	1,167,390	1,116,569	50,821	4.4
December	1980	1,176,218	1,124,095	52,123	4.4
Annual Average	1980	1,184,000	1,131,000	53,000	4.5
January	1981	1,180,139	1,126,464	53,675	4.5
February	1981	1,181,171	1,125,141	56,030	4.7
March	1981	1,183,774	1,131,070	52,704	4.5
April	1981	1,189,457	1,140,030	49,427	4.2
May	1981	1,188,548	1,142,390	46,158	3.9
June	1981	1,230,807	1,174,835	55,972	4.5
July	1981	1,218,316	1,175,490	42,826	3.5
August	1981	1,191,404	1,148,030	43,374	3.6
September	1981	1,181,769	1,132,862	48,907	4.1
October	1981	1,182,121	1,129,801	52,320	4.4
November	1981	1,177,967	1,131,690	46,277	3.9
December	1981	1,174,526	1,122,196	52,330	4.5
Annual Average	1981	1,190,000	1,140,000	50,000	4.2
January	1982	1,161,168	1,094,493	66,675	5.7
February	1982	1,152,593	1,082,680	69,913	6.1
March	1982	1,155,962	1,088,214	67,748	5.9
April	1982	1,161,447	1,094,569	66,878	5.8
May	1982	1,163,428	1,096,637	66,791	5.7
June	1982	1,205,862	1,123,968	81,894	6.8
July	1982	1,208,274	1,130,192	78,082	6.5
August	1982	1,196,230	1,110,648	85,582	7.2
September	1982	1,195,639	1,114,823	80,816	6.8
October	1982	1,207,281	1,135,432	71,849	6.0
November	1982	1,205,490	1,130,016	75,474	6.3
December	1982	1,206,625	1,130,328	76,297	6.3
Annual Average	1982	1,185,000	1,111,000	74,000	6.3

01/18/90 Kansas Dept. of Human Resources, Labor Market Information Services, phone (913) 296-5058. Developed in cooperation with the U. S. Bureau of Labor Statistics.

State of Kansas Labor Force History Jan 19--Nov '89  
Place of Residence Data

Period	Year	Civilian Labor Force	Employment	Unemployment	Unemployment Rate (%)
January	1983	1,192,813	1,106,864	85,949	7.2
February	1983	1,181,118	1,095,078	86,040	7.3
March	1983	1,179,884	1,096,978	82,906	7.0
April	1983	1,178,554	1,101,801	76,753	6.5
May	1983	1,176,085	1,104,957	71,128	6.0
June	1983	1,220,666	1,145,694	74,972	6.1
July	1983	1,211,796	1,148,626	63,170	5.2
August	1983	1,185,375	1,117,918	67,457	5.7
September	1983	1,180,584	1,117,790	62,794	5.3
October	1983	1,181,047	1,118,451	62,596	5.3
November	1983	1,171,989	1,107,606	64,383	5.5
December	1983	1,172,088	1,106,236	65,852	5.6
Annual Average	1983	1,186,000	1,114,000	72,000	6.1
January	1984	1,160,265	1,085,548	74,717	6.4
February	1984	1,167,358	1,096,441	70,917	6.1
March	1984	1,172,676	1,105,889	66,787	5.7
April	1984	1,186,251	1,123,402	62,849	5.3
May	1984	1,201,333	1,143,135	58,198	4.8
June	1984	1,240,673	1,173,483	67,190	5.4
July	1984	1,224,370	1,168,825	55,545	4.5
August	1984	1,203,171	1,141,138	62,033	5.2
September	1984	1,189,534	1,130,628	58,906	5.0
October	1984	1,201,530	1,141,028	60,502	5.0
November	1984	1,196,622	1,139,964	56,658	4.7
December	1984	1,208,219	1,146,521	61,698	5.1
Annual Average	1984	1,196,000	1,133,000	63,000	5.2
January	1985	1,210,564	1,141,219	69,345	5.7
February	1985	1,227,191	1,159,239	67,952	5.5
March	1985	1,246,425	1,183,119	63,306	5.1
April	1985	1,249,597	1,192,254	57,343	4.6
May	1985	1,257,844	1,201,847	55,997	4.5
June	1985	1,283,098	1,219,024	64,074	5.0
July	1985	1,265,725	1,209,462	56,263	4.4
August	1985	1,234,227	1,173,485	60,742	4.9
September	1985	1,223,753	1,165,648	58,105	4.7
October	1985	1,226,629	1,166,522	60,107	4.9
November	1985	1,223,683	1,159,356	64,327	5.3
December	1985	1,207,265	1,140,825	66,440	5.5
Annual Average	1985	1,237,000	1,176,000	62,000	5.0
January	1986	1,208,048	1,134,699	73,349	6.1
February	1986	1,207,064	1,132,624	74,440	6.2
March	1986	1,219,033	1,145,455	73,578	6.0
April	1986	1,232,672	1,170,332	62,340	5.1
May	1986	1,235,329	1,171,016	64,313	5.2
June	1986	1,266,589	1,195,844	70,745	5.6
July	1986	1,250,533	1,185,798	64,735	5.2
August	1986	1,224,708	1,153,908	70,800	5.8
September	1986	1,230,566	1,165,446	65,120	5.3
October	1986	1,241,185	1,177,983	63,202	5.1
November	1986	1,256,250	1,195,775	60,475	4.8
December	1986	1,260,025	1,199,122	60,903	4.8
Annual Average	1986	1,237,000	1,169,000	67,000	5.4

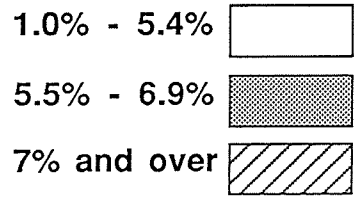
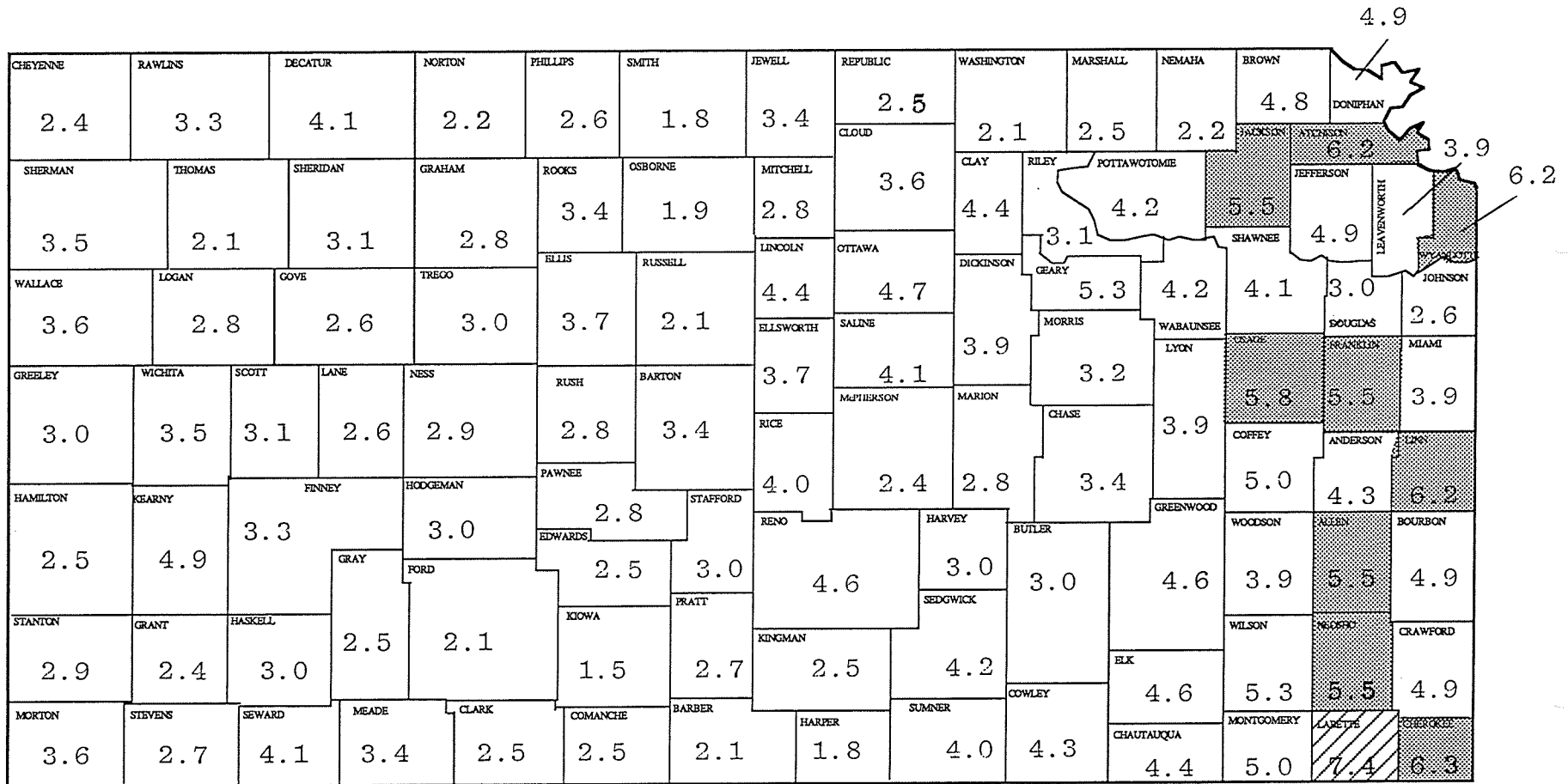
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State of Kansas Labor Force History Jan '89--Nov '89  
Place of Residence Data

Period	Year	Civilian Labor Force	Employment	Unemployment	Unemployment Rate (%)
January	1987	1,252,229	1,178,848	73,381	5.9
February	1987	1,255,055	1,185,770	69,285	5.5
March	1987	1,259,427	1,191,907	67,520	5.4
April	1987	1,259,980	1,200,344	59,636	4.7
May	1987	1,266,713	1,209,211	57,502	4.5
June	1987	1,296,194	1,225,940	70,254	5.4
July	1987	1,278,426	1,216,108	62,318	4.9
August	1987	1,265,291	1,205,970	59,321	4.7
September	1987	1,254,659	1,196,180	58,479	4.7
October	1987	1,265,602	1,208,192	57,410	4.5
November	1987	1,273,549	1,218,314	55,235	4.3
December	1987	1,276,875	1,223,216	53,659	4.2
Annual Average	1987	1,267,000	1,205,000	62,000	4.9
January	1988	1,269,995	1,203,597	66,398	5.2
February	1988	1,275,835	1,209,999	65,836	5.2
March	1988	1,274,390	1,212,806	61,584	4.8
April	1988	1,266,170	1,206,597	59,573	4.7
May	1988	1,272,336	1,213,338	58,998	4.6
June	1988	1,299,453	1,233,004	66,449	5.1
July	1988	1,285,344	1,227,984	57,360	4.5
August	1988	1,279,150	1,219,252	59,898	4.7
September	1988	1,264,007	1,204,681	59,326	4.7
October	1988	1,276,030	1,218,676	57,354	4.5
November	1988	1,282,699	1,224,434	58,265	4.5
December	1988	1,278,589	1,217,631	60,958	4.8
Annual Average	1988	1,277,000	1,216,000	61,000	4.8
January	1989	1,275,096	1,208,682	66,414	5.2
February	1989	1,286,770	1,221,230	65,540	5.1
March	1989	1,286,900	1,228,366	58,534	4.5
April	1989	1,292,455	1,241,588	50,867	3.9
May	1989	1,283,785	1,231,630	52,155	4.1
June	1989	1,316,723	1,252,341	64,382	4.9
July	1989	1,303,592	1,252,666	50,926	3.9
August	1989	1,280,321	1,227,921	52,400	4.1
September	1989	1,260,131	1,205,958	54,173	4.3
October	1989	1,264,167	1,211,190	52,977	4.2
November	1989	1,267,849	1,218,544	49,305	3.9

# November 1989 Unemployment Rates (Preliminary)

## State Average - 3.9



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20