

**TESTIMONY
BEFORE THE
SENATE COMMITTEE
ON COMMERCE**

TO: Senator Karin Brownlee, Chairwoman
And Members of the Committee

FROM: Martha Neu Smith, Executive Director
Kansas Manufactured Housing Association

DATE: February 13, 2007

RE: SB 292 – Employment Security Law Contractor Liability For
Subcontractor Payments

Senator Brownlee and Members of the Committee, my name is Martha Neu Smith and I am the Executive Director of the Kansas Manufactured Housing Association (KMHA). KMHA is a statewide trade association, which represents all facets of the manufactured housing industry (i.e. manufacturers, retailers, community owners and operators, finance and insurance companies, service and suppliers and transport companies) and I appreciate the opportunity to submit written testimony in support of SB 292.

The current law requires contractors to be responsible for their subcontractors' unemployment contributions. It is unrealistic to expect contractors to continually check with the Department of Labor to make sure all of their subcontractors are current on their contributions. SB 292 strikes the language in K.S.A. 44-717 (b)(3) that makes contractors responsible for subcontractors' unemployment contributions. KMHA feels all contractors and subcontractors should be responsible for their own unemployment contributions.

Thank you for your favorable consideration of SB 292.