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Delía Garcia, Secretary

Laura Kelly, Governor

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## Written Testimony on HB 2315 Committee on Commerce, Labor, and Economic Development

Mr. Chairman and Members of the Committee,

My name is Shawn P. Yancy, and I am Deputy Director for Unemployment Insurance and Chief of the Office of Appeals for the Kansas Department of Labor. I have been with the Department since January, 2012, in benefits roles beginning as an Unemployment Insurance Appeals Referee, Unemployment Performance and Reporting Manager, Chief of Unemployment Benefits and Reporting, and in my current roles. I testify today in favor of HB 2315 on behalf of the Kansas Department of Labor.

The Federal Unemployment Tax Act (FUTA) requires states, as a condition of certifying their laws for conformity with federal law, to deny unemployment benefits to employees of educational institutions or employees of educational service agencies whose service is considered "professional," which is to say whose jobs are "instructional, research, or principal administrative." 26 U.S.C. § 3304(a)(6)(A)(i) & (iv). Such denials apply to scheduled vacation, holiday, semester, or term breaks. States are permitted, but it is not mandatory, to deny individuals who provide services "in any other capacity for an educational institution." 26 U.S.C. § 3304(a)(6)(A)(ii). Kansas has long denied all employees of educational institutions or educational service agencies.

Kansas enacted what is now K.S.A. 44-706(p) denying benefits between terms to privately employed school bus drivers in 1987, and the law has remained in place and unchanged ever since.

Kansas is in the minority among states in our region by denying privately employed school bus drivers. What is more, privately employed school bus drivers are the only privately employed education service type denied by Kansas law—we do not deny privately employed food service workers or custodial staff. Nor does Kansas law deny bus monitors employed by those same companies for which the drivers are being denied. Furthermore, other private industries in Kansas, such as construction or manufacturing, are permitted to claim unemployment benefits during regular and predictable periods of unemployment.

HB 2315 meets the public policy goals of preventing economic insecurity for those individuals who are out of work due to no fault of their own. *See* K.S.A. 44-702. The bill does no more than re-align privately employed school bus drivers with other privately employed individuals throughout Kansas by providing them equal treatment under Kansas law. It would also treat all staff employed by the private school bus company the same.

Note, of course, that HB 2315 does not guarantee payment of benefits to privately employed school bus drivers. These individuals will also have to meet, on an ongoing basis, all eligibility requirements under the Employment Security Law, including being physically able to work, being available for work, and actively seeking work. K.S.A. 44-705. Additionally, the individuals are expected by the law to accept any suitable work offered to them or else they may be subject to disqualification. K.S.A. 44-706(c).

Thank you for your time and attention to this bill. I am happy to stand for any questions you may have at the appropriate time.

Shawn P. Yancy

Deputy Director, Division of Unemployment Insurance

Chief of Appeals

Kansas Department of Labor