



## Tri-County Labor Council of Eastern Kansas

Serving Wyandotte, Johnson, Leavenworth, Atchison and Miami counties in Kansas

7540 Leavenworth Road, Kansas City, Kansas 66109

Chairman Olson and Members of the Committee,

The Tri-County Labor Council writes to you today to testify in opposition of SB 177 as it is currently written. Tri-County Labor Council represents over 20 labor unions with approximately eight thousand members, which spans across Wyandotte, Johnson, Leavenworth, Miami, and Atchison counties in Kansas.

While Tri-County currently opposes SB 177, there are aspects of the bill we support. We support SB 177's efforts to resolve fraud our unemployment system has experienced during the COVID-19 pandemic. However, the changes to unemployment benefits within SB 177 will not alleviate unemployment fraud, but instead harm Kansans.

SB 177 makes changes to the benefit structure in which a claimant may receive unemployment benefits. In particular, it makes changes to how long a claimant may receive benefits depending on the unemployment rate. Tri-County Labor does not understand how changing the amount of time a claimant may receive benefits will alleviate our system's current fraud issues. Tri-County also believes no changes should be made to the benefits structure unemployed Kansans currently receive.

Additionally, SB 177 seeks to protect and make whole; employers who have been victim of unemployment fraud; through reimbursement of fraudulent claims. While Tri-County Labor Council supports this effort, why does SB 177 only protect employers? As current law stands, if an individual is deemed to have committed unemployment fraud, they are barred from receiving unemployment benefits for five (5) years; one of the strictest penalties in the nation. However, there is nothing in SB 177 that ensures individuals who were the victim of these fraudulent claims will not be barred from receiving unemployment benefits for five (5) years; now or in the future.

Another item to consider is the membership of the modernization committee as the bill is currently written. As of now, the appointments made by the Governor go through the Workers' Compensation and Employment Security Board nominating committee (the "Board"). We believe the committee should consider allowing the Governor to make her own appointments instead of choosing from nominations presented by the Board.

Tri-County also urges the Committee to consider amending changes made to the Shared Work program. In SB 177, the Secretary of Labor must work with specific entities, including area chambers of commerce, to promote the program. Tri-County Labor Council would like to see an amendment that would include labor unions. Labor unions are present in almost every industry and would aid in the promotion of the program.

Thank you for your time today. Should the Committee have any questions, please do not hesitate to reach out to me at [mike@local1290.com](mailto:mike@local1290.com). Thanks! – Mike Kane