

**{As Amended by House Committee of the Whole}**

*Session of 2021*

**Substitute for HOUSE BILL No. 2196**

By Committee on Commerce, Labor and Economic Development

3-2

1 AN ACT concerning employment security; creating the unemployment  
2 compensation modernization and improvement council; providing for  
3 an audit to be conducted by the council; providing for development of a  
4 new unemployment insurance information technology system; claimant  
5 tax information; website publication of trust fund data; maximum  
6 benefit period; charging of employer accounts for benefits paid;  
7 employment security board of review and emergency expansion  
8 thereof; employer contribution rate determination and schedules;  
9 ~~abolishing the employment security interest assessment fund~~; crediting  
10 employer accounts for fraudulent or erroneous payments; transferring  
11 moneys from the state general fund to the unemployment insurance  
12 trust fund for improper benefit payments; services performed by  
13 petroleum landmen; lessor employment unit employee leasing  
14 restrictions; shared work compensation program; establishing the my  
15 reemployment plan; providing job search and job matching assistance  
16 to claimants and employers; providing for workforce training program  
17 availability for claimants; making and concerning appropriations for  
18 ~~the fiscal years ending June 30, 2021, and June 30, 2022~~ **{2021**  
19 **through 2028}**; **{changing the benefit disqualification period for**  
20 **fraud}**; amending K.S.A. 44-758 and K.S.A. 2020 Supp. 44-703, 44-  
21 704, **{44-706,}** 44-705, 44-709, 44-710, 44-710a, 44-710b and 44-757  
22 and repealing the existing sections.

23

24 *Be it enacted by the Legislature of the State of Kansas:*

25 New Section 1. (a) (1) There is hereby created the unemployment  
26 compensation modernization and improvement council. The council shall  
27 consist of ~~11~~ **{13}** members appointed as follows:

28 (A) ~~Two~~**{Three}** members who, on account of their vocation,  
29 employment or affiliations, may be classed as representative of employers,  
30 ~~to~~ **{one of whom shall}** be selected by the ~~workers compensation and~~  
31 ~~employment security boards nominating committee established under~~  
32 ~~K.S.A. 44-551, and amendments thereto, and appointed by the governor,~~  
33 **one by the speaker of the house of representatives and one by the**  
34 **president of the senate}**;

35 (B) ~~two~~**{three}** members who, on account of their vocation,  
36 employment or affiliation, may be classed as representative of employees,

1 to **{one of whom shall}** be selected by the ~~workers compensation and~~  
2 ~~employment security boards nominating committee and appointed by the~~  
3 ~~governor~~, **one by the speaker of the house of representatives and one**  
4 **by the president of the senate**};

5 (C) the chairpersons of the standing committees of the senate and the  
6 house of representatives to which legislation pertaining to the employment  
7 security law is customarily referred, appointed by the president of the  
8 senate and the speaker of the house of representatives, respectively;

9 (D) two members of the senate, **{one of whom shall be a member of**  
10 **the majority party}** appointed by the president of the senate; **{and}** one  
11 of whom ~~is~~ **{shall be}** a member of the ~~majority~~ **{minority}** party ~~and one~~  
12 of whom is a member of the minority party **{appointed by the minority**  
13 **leader of the senate}**};

14 (E) two members of the house of representatives, **{one of whom shall**  
15 **be a member of the majority party}** appointed by the speaker of the  
16 house of representatives; **{and}** one of whom ~~is~~ **{shall be}** a member of the  
17 ~~majority~~ **{minority}** party ~~and one of whom is a member of the minority~~  
18 ~~party~~ **{appointed by the minority leader of the house of**  
19 **representatives}**}; and

20 (F) the secretary of labor or a designee of the secretary who has  
21 administrative responsibilities with respect to the unemployment insurance  
22 compensation system of the department of labor.

23 ~~(2) In the event the governor fails to appoint a member selected by~~  
24 ~~the workers compensation and employment security boards nominating~~  
25 ~~committee, the committee may replace that selection with another, subject~~  
26 ~~to the same appointment requirements. Members of the council appointed~~  
27 ~~by the governor shall serve for a term of four years, and each term shall~~  
28 ~~end on the same day as the date of their original appointment. When an~~  
29 ~~employer representative vacancy or employee representative vacancy on~~  
30 ~~the council occurs, the workers compensation and employment security~~  
31 ~~boards nominating committee shall convene and submit a nominee to the~~  
32 ~~governor for appointment.~~

33 ~~(3)—~~Legislative members shall serve during the legislative session in  
34 which they are appointed to the council and shall remain members of the  
35 legislature in order to retain membership on the council. Vacancies of  
36 legislative members during a term shall be filled in the same manner as the  
37 original appointment only for the unexpired part of the term.

38 **{(3) The members of the council shall be appointed and the**  
39 **council shall hold its first meeting within 30 days of the effective date**  
40 **of this act.}**

41 (b) All other members shall serve for three years or until the council  
42 is dissolved, whichever is shorter. Vacancies of non legislative members  
43 shall be filled in the same manner as the original appointment only for the

1 unexpired part of the term.

2 (c) The council shall be dissolved and the provisions of this section  
3 pertaining to the establishment, function and operation of the council shall  
4 no longer be in effect after three years from the date of the council's first  
5 meeting.

6 (d) Each member of the council shall be entitled to receive  
7 compensation for the member's services, together with the member's travel  
8 and other necessary expenses actually incurred in the performance of the  
9 member's official duties, in accordance with rules and regulations adopted  
10 by the council. Members' compensation and expenses shall be paid from  
11 the employment security administration fund or any account of the state  
12 general fund of the department of labor, as designated by the secretary.

13 ~~(e) The members who are the chairpersons of the standing~~  
14 ~~committees of the senate and the house of representatives to which~~  
15 ~~legislation pertaining to employment security law is customarily referred~~  
16 ~~shall jointly call the first meeting of the council. The council shall annually~~  
17 ~~organize itself and select a chairperson. Six members shall constitute a~~  
18 ~~quorum, and the council shall act only on the affirmative vote of six~~  
19 ~~members. A vacancy on the council shall not impair the right of a quorum,~~  
20 ~~to exercise all the rights and perform all the duties of the council. The~~  
21 ~~council shall meet as often as necessary to perform its duties.~~  
22 **The chairperson of the house of representatives standing committee on**  
23 **commerce, labor and economic development, or a successor committee**  
24 **to which legislation pertaining to employment security law is**  
25 **customarily referred, shall serve as the chairperson of the committee**  
26 **when first organized and for the ensuing two years. The chairperson**  
27 **of the senate standing committee on commerce, or a successor**  
28 **committee to which legislation pertaining to employment security law**  
29 **is customarily referred, shall serve as the chairperson of the**  
30 **committee for the next two years, and thereafter the office of**  
31 **chairperson shall continue to alternate between the chambers as**  
32 **provided herein}.**

33 (f) The council shall examine and recommend changes to the  
34 unemployment compensation system to include current limitations, new  
35 features and benefits, system enhancements and dynamic, accurate  
36 reporting for the benefit of both employers and individuals. The council  
37 shall also examine the process by which an individual files a claim for and  
38 receives benefits and any changes made to that process after the effective  
39 date of this section. The scope of the council's examinations and  
40 recommendations shall include, but not be limited to, the following:

41 (1) The technological infrastructure used to file and process claims  
42 and pay benefits and the experience of individuals and employers  
43 participating in the process;

1 (2) system improvements or upgrades that will maximize  
2 responsiveness for individuals and employers;

3 (3) methods for information and data sharing across agency systems  
4 related to unemployment compensation to maximize efficiency;

5 (4) system improvements or upgrades relating to system integrity by  
6 reporting vulnerabilities and recommended system enhancements to  
7 include identity verification and protection, social security administration  
8 cross-match, systematic alien verification for entitlement, incarceration  
9 cross-matches, interstate connection network, internet protocol address and  
10 data mining and analytics to detect and prevent fraud. Such data mining  
11 and analytics shall include current and future recommendations by the  
12 United States department of labor and the national association of state  
13 workforce agencies, including suspicious actor repository, suspicious  
14 email domains, foreign IP addresses, multi-state cross-match, identity  
15 verification, fraud alert system, and other assets provided by the  
16 unemployment insurance integrity center; and

17 (5) methods for synergizing user experience across multiple programs  
18 administered or supervised by the secretary of labor.

19 (g) (1) The council shall conduct an audit that shall examine the  
20 effects on the department of labor and the unemployment insurance system  
21 of fraudulent claims and improper payments during the period of March  
22 15, 2020, through March 31, 2022, and the response by the department of  
23 labor to such fraudulent claims and improper payments during that period.  
24 The council shall select an independent firm to conduct the audit. The  
25 auditor shall have access to all confidential documents. The scope of the  
26 audit shall include, but not be limited to, the amounts and nature of  
27 improper payments and fraudulent claims, fraud processes and methods  
28 and the possibility of recovery of any improper payments. The audit shall  
29 also include, but not be limited to, an evaluation that provides likelihood  
30 of a data breach being a contributing factor to any fraudulent payments,  
31 improper network architecture allowing a potential breach to have  
32 occurred and a timeline of relevant events. The independent firm shall  
33 make a preliminary report to the council by May 1, 2022, and a final report  
34 by September 1, 2022, that shall be made publicly available by the council.  
35 The preliminary report should include, but not be limited to, an evaluation  
36 of systems with access to the payment and processing of claims, forensic  
37 endpoint images related to the claims and the external perimeter housing  
38 the claims systems, as well as an evaluation of the department of labor's  
39 response to claims. Any confidential information shall be redacted and  
40 shall not be made public. The audit shall be paid for by the state, subject to  
41 appropriations therefor.

42 (2) The council may hold an executive session that shall not be public  
43 under the Kansas open meetings act for the purpose of hearing and

1 discussing any confidential portions of the audit. The council shall follow  
2 the provisions of K.S.A. 75-4319, and amendments thereto, when  
3 conducting such an executive session.

4 (h) The council shall not examine the solvency of the unemployment  
5 compensation fund created by K.S.A. 44-710a, and amendments thereto,  
6 or changes that would either increase or reduce benefits paid from the  
7 fund.

8 (i) The secretary of labor shall appoint an executive secretary of the  
9 council, and the executive secretary shall attend the meetings of the  
10 council. The executive secretary's duties shall include:

11 (1) Maintaining council agendas and assisting in planning meetings  
12 and conferences;

13 (2) attending meetings and keeping minutes;

14 (3) receiving and screening phone calls and redirecting phone calls  
15 when appropriate;

16 (4) handling and prioritizing all official outgoing or incoming regular  
17 mail or electronic correspondence;

18 (5) making travel arrangements for members related to council  
19 business;

20 (6) handling confidential documents and ensuring they remain secure;

21 (7) maintaining electronic and paper records and ensuring such  
22 information is organized and easily accessible; and

23 (8) conducting research and preparing presentations or reports as  
24 assigned by the chairperson or the secretary of labor.

25 (j) (1) The council shall only have access to records of the department  
26 of labor that are necessary for the administration and duties of the council.  
27 The council shall not have access to any confidential or personal  
28 identifying information. The council may request that the secretary of  
29 labor, department of labor employee or any private or public employer or  
30 employee with information of value to the council appear before the  
31 council and testify to matters within the council's purview. At least once  
32 per year, the council shall allow members of the public to appear before  
33 the council to testify on any such matters.

34 (2) Not later than 90 days after the council's first meeting, the council  
35 shall issue an initial report that, at a minimum, describes the state of the  
36 process by which an individual files a claim for and receives benefits  
37 under the employment security law at the time the report is issued and  
38 planned improvements to the process. The council may address other  
39 matters within the council's purview in the report.

40 (3) The secretary of labor shall post all testimony and other relevant  
41 materials discussed, presented to or produced for the council on a publicly  
42 accessible website maintained by the secretary.

43 (k) The secretary of labor shall notify the chairperson of the council

1 of any unauthorized third-party access to or acquisition of records  
2 maintained by the secretary that are necessary for the administration of the  
3 employment security law. The secretary shall provide the notice not more  
4 than five days after the secretary discovers or is notified of the  
5 unauthorized access or acquisition.

6 (l) The secretary of labor shall notify the members of the council of  
7 any substantial disruption in the process by which applications for  
8 determination of benefit rights and claims for benefits are filed with the  
9 secretary. The council shall, in cooperation with the secretary, adopt and  
10 periodically review a definition of substantial disruption for purposes of  
11 this subsection.

12 (m) (1) The secretary of labor shall, with the assistance of the  
13 council:

14 (A) Develop a written strategic staffing plan to be implemented  
15 whenever there is a substantial increase or a substantial decrease in the  
16 number of inquiries or claims for benefits and review the plan in  
17 accordance with the provisions of subsection (k);

18 (B) create, in a single place on the website maintained by the  
19 secretary, a list of all points of contact by which an applicant for or a  
20 recipient of unemployment compensation benefits or an employer may  
21 submit inquiries related to the employment security law; and

22 (C) adopt rules and regulations creating a uniform process through  
23 which an applicant for or a recipient of benefits under the employment  
24 security law or an employer may submit a complaint related to the service  
25 the applicant, recipient or employer received.

26 (2) In the written strategic staffing plan required under paragraph (1)  
27 (A), the secretary shall include an explanation of whether and in what  
28 manner the secretary will utilize:

29 (A) Department employees who do not ordinarily perform services  
30 related to unemployment compensation;

31 (B) employees employed by other state agencies; and

32 (C) employees provided by private entities.

33 (n) For purposes of subsection (j)(1)(A), the secretary of labor shall  
34 develop the initial written strategic staffing plan not later than six months  
35 after the first meeting of the council and provide such plan to the council,  
36 the president of the senate, the speaker of the house of representatives and  
37 the governor. The secretary shall review the plan at least once per year. If,  
38 after reviewing the plan, the secretary determines that the plan should be  
39 revised, the secretary shall revise the plan. After each review of the plan as  
40 provided under this subsection, the secretary shall provide the most recent  
41 version of the plan to the council, the president of the senate, the speaker  
42 of the house of representatives and the governor. The secretary shall post  
43 the most recent version of the plan on a publicly accessible website

1 maintained by the secretary.

2 (o) The council may suggest rules and regulations for adoption by the  
3 secretary as necessary to implement the provisions of this section.

4 (p) This section shall be a part of and supplemental to the  
5 employment security law.

6 New Sec. 2. (a) It is the intent of the legislature that, in order to  
7 accomplish the mission of collecting state employment security taxes,  
8 processing unemployment insurance benefit claims and paying benefits,  
9 the department of labor's information technology system shall be  
10 continually developed, customized, enhanced and upgraded. The purpose  
11 of this section is to ensure the state's unemployment insurance program is  
12 utilizing current technology and features to protect the sensitive data  
13 required in the unemployment insurance benefit and tax systems relating  
14 to program integrity, system efficiency and customer service experience.

15 (b) The legislature finds that, as a result of the vulnerabilities exposed  
16 in the legacy unemployment insurance system by the COVID-19 pandemic  
17 unemployment insurance crisis, a new system shall be fully designed,  
18 implemented and administered by the department of labor not later than  
19 December 31, 2022.

20 (c) The information technology system, technology and platform  
21 shall include, but not be limited to, the following components, as defined  
22 by the unemployment compensation modernization and improvement  
23 council established by section 1, and amendments thereto, in consultation  
24 with the secretary:

- 25 (1) Component-centric architecture;
- 26 (2) configurability;
- 27 (3) results-driven customer empowerment;
- 28 (4) extensibility;
- 29 (5) reporting;
- 30 (6) adaptable and scalable platform;
- 31 (7) enterprise service bus;
- 32 (8) version control;
- 33 (9) change control;
- 34 (10) multi-speed information technology;
- 35 (11) data migration or data architecture; and
- 36 (12) legacy integration.

37 (d) The new system shall include, but not be limited to, the following  
38 features and benefits, as defined by the unemployment compensation  
39 modernization and improvement council established by section 1, and  
40 amendments thereto, in consultation with the secretary:

- 41 (1) Benefit claims and payment management, including:
  - 42 (A) Claims management;
  - 43 (B) eligibility and payment processes;

- 1 (C) monetary and non-monetary determinations;
- 2 (D) overpayment and collections management;
- 3 (E) fraud prevention; and
- 4 (F) accounting and auditing;
- 5 (2) integrated tax management functionality, including:
- 6 (A) Account registration;
- 7 (B) tax and wage reports;
- 8 (C) adjustments and payments;
- 9 (D) delinquencies and collections; and
- 10 (E) tax audit assignments; and
- 11 (3) tax performance systems, including:
- 12 (A) Comprehensive appeals filing and tracking;
- 13 (B) appeal filing and management;
- 14 (C) hearings and decisions;
- 15 (D) correspondence and notices;
- 16 (E) integrated workflow;
- 17 (F) self-service features; **{and}**
- 18 (G) federal reporting; and
- 19 ~~(H)~~**{(4)}** automated work opportunity tax credit eligibility
- 20 determination.
- 21 (e) The secretary shall implement and utilize all program integrity
- 22 elements and guidance issued by the United States department of labor and
- 23 the national association of state workforce agencies, including the integrity
- 24 data hub, within 60 days of the issuance of such guidance. The secretary
- 25 shall implement and utilize the following—~~specific~~ program integrity
- 26 elements**{, including, but not limited to}**:
- 27 (1) Social security administration cross-matching for the purpose of
- 28 validating social security numbers supplied by a claimant;
- 29 (2) checking of new hire records against the national directorate of
- 30 new hires to verify eligibility;
- 31 (3) verification of immigration status or citizenship and confirmation
- 32 of benefit applicant information through the systematic alien verification
- 33 for entitlement program;
- 34 (4) comparison of applicant information to local, state and federal
- 35 prison databases through incarceration cross-matches;
- 36 (5) detection of duplicate claims by applicants filed in other states or
- 37 other unemployment insurance programs through utilization of the
- 38 interstate connection network, interstate benefits cross-match, the state
- 39 identification inquiry state claims and overpayment file and the interstate
- 40 benefits 8606 application for overpayment recoveries for Kansas claims
- 41 filed from a state other than Kansas;
- 42 (6) identification of internet protocol addresses linked to multiple
- 43 claims or to claims filed outside of the United States; and



1 (7) use of data mining and data analytics to detect and prevent fraud  
2 when a claim is filed, and on an ongoing basis throughout the lifecycle of a  
3 claim, by using current and future functionalities to include suspicious  
4 actor repository, suspicious email domains, foreign internet protocol  
5 addresses, multi-state cross-match, identity verification, fraud alert  
6 systems and other assets provided by the unemployment insurance  
7 integrity center.

8 (f) The secretary, on a scheduled basis, shall cross check new and  
9 active unemployment insurance claims against the cross-check programs  
10 described in subsection (e). If the secretary receives information  
11 concerning an individual approved for benefits that indicates a change in  
12 circumstances that may affect eligibility, the secretary shall review the  
13 individual's case and act in accordance with the law.

14 (g) The department of labor shall have the authority to execute a  
15 memorandum of understanding with any department, agency or agency  
16 division for information required to be shared between agencies pursuant  
17 to the provisions of this section. ~~Such rules and regulations shall be~~  
18 ~~adopted within 12 months of the effective date of this act.~~

19 (h) The secretary of labor shall adopt rules and regulations necessary  
20 for the purposes of carrying out this section. Such rules and regulations  
21 shall be adopted within 12 months of the effective date of this act.

22 (i) The secretary of labor shall provide an annual status update and  
23 progress report regarding the requirements of this section to the  
24 unemployment compensation modernization and improvement council and  
25 the legislative coordinating council.

26 (j) This section shall be a part of and supplemental to the employment  
27 security law.

28 New Sec. 3. (a) The secretary of labor shall include information on an  
29 unemployment insurance benefit claimant's initial notice of determination  
30 that informs the claimant of the federal and state tax consequences of any  
31 unemployment compensation benefits that the claimant may receive. This  
32 information shall include an explanation regarding the department of labor  
33 income tax withholding agreement form designated as K-BEN 233 or a  
34 successor form, tax withholding elections and the tax withholding process  
35 and estimated weekly and maximum claim year federal and state tax  
36 withholding amounts.

37 (b) This section shall be a part of and supplemental to the  
38 employment security law.

39 New Sec. 4. (a) The secretary of labor shall post trust fund  
40 computations and data as required by subsection (b) on a publicly  
41 accessible website maintained by the secretary as follows:

42 (1) The secretary shall post and maintain the computations and data  
43 for each of the most recent 20 fiscal years within 120 days of the effective

1 date of this act; and

2 (2) for the fiscal year beginning on July 1, 2021, and each fiscal year  
3 thereafter, the secretary shall post the trust fund computations and data for  
4 the fiscal year to the website within 120 days of such fiscal year's closing  
5 date.

6 (b) The computations and data to be posted shall include:

7 (1) Distributions of taxable wages by experience factor for each state  
8 fiscal year including the following information:

9 (A) The rate group;

10 (B) the reserve ratio lower limit;

11 (C) the number of accounts;

12 (D) the taxable wages by fiscal year;

13 (E) a summary of active positive eligible accounts with the number of  
14 accounts and fiscal year taxable wages;

15 (F) a summary of active ineligible accounts with the number of  
16 accounts and fiscal year taxable wages;

17 (G) a summary of active negative accounts with the number of  
18 accounts and fiscal year taxable wages; and

19 (H) a summary of terminated and inactive accounts with the number  
20 of accounts and fiscal year taxable wages; and

21 (2) an average high cost benefit rate summary, including:

22 (A) The average high cost benefit rate currently in effect; and

23 (B) the benefit cost rate for the fiscal years used to calculate the  
24 average high benefit cost rate.

25 (c) This section shall be a part of and supplemental to the  
26 employment security law.

27 New Sec. 5. (a) (1) The secretary of labor and the secretary of  
28 commerce shall jointly establish and implement the my reemployment  
29 plan as provided in this section. For purposes of this section, "my  
30 reemployment plan" means a program jointly established and implemented  
31 by the Kansas department of labor and the Kansas department of  
32 commerce that provides enhanced reemployment services to Kansans  
33 receiving unemployment insurance benefits.

34 (2) Not later than the fourth week of benefits provided to an  
35 unemployment insurance claimant, the secretary of labor shall request the  
36 claimant's resume or work history, a skills list and a job search plan. The  
37 secretary shall offer and provide, when requested, assistance to the  
38 claimant in developing a resume or work history, a skills list and a job  
39 search plan through collaboration with the Kansasworks workforce  
40 system.

41 (3) The secretary of labor shall share labor market information and  
42 current available job positions with unemployment insurance claimants.  
43 The secretary of labor may collaborate with the secretary of commerce and

1 Kansasworks or other state or federal agencies with job availability  
2 information in obtaining or sharing such information. The secretary shall  
3 match open job positions with claimants based on skills and work history  
4 and job location that is a reasonable commute from the claimant's  
5 residence and communicate the match information to the claimant and to  
6 the employer. The secretary of labor shall also consider whether the  
7 claimant or a Kansas employer would benefit from the claimant's  
8 participation in a work skills training or retraining program as provided by  
9 subsection (e) and, if so, provide such information to the employer, if  
10 applicable, the claimant and the secretary of commerce.

11 (4) The secretary shall facilitate and monitor the claimant and  
12 employer interview process. The secretary shall monitor the results of job  
13 matches, including information regarding any claimant who did not attend  
14 an interview or did not accept a position that was a reasonable match for  
15 the person's work history and skills and was within a reasonable commute  
16 from the claimant's residence. The secretary of labor shall contact a  
17 claimant who did not attend an interview or did not accept a position and  
18 shall consider whether the claimant has failed to meet work search  
19 requirements under Kansas law and if benefits should continue to the  
20 claimant.

21 (b) The secretary of labor and the secretary of commerce shall jointly  
22 implement a work skills training or retraining program for claimants in  
23 collaboration with the Kansasworks workforce system. The program shall  
24 be developed in collaboration with Kansas employers and other state or  
25 federal agencies or organizations as appropriate. The secretary of labor and  
26 the secretary of commerce shall seek to obtain or utilize any available  
27 federal funds for such program, and to the extent feasible, the secretary of  
28 commerce may make current work skills training and retraining programs  
29 available to claimants. The secretary of labor may allow claimants to  
30 participate in a work skills training or retraining program offered by the  
31 secretary of labor, the secretary of commerce or by another state or federal  
32 agency in lieu of requiring the claimant to meet job search requirements of  
33 the employment security law and the requirements of the my  
34 reemployment plan until the number of allowed benefit weeks has expired.  
35 A claimant shall participate in such a program for not less than 25 hours  
36 per week. The secretary of labor shall monitor claimants who are  
37 participating in a work skills training or retraining program to ensure  
38 attendance and progress.

39 (c) Claimants who participate in the my reemployment plan or the  
40 work skills training or retraining program, as provided by subsection (b),  
41 shall meet attendance or progress requirements established by the secretary  
42 to continue eligibility for unemployment insurance benefits. Claimants  
43 who fail to participate in the my reemployment plan or the work skills

1 training or retraining program after having been required to do so by the  
2 secretary shall be disqualified from receiving unemployment benefits until  
3 they demonstrate compliance to the secretary. The secretary may continue  
4 benefits or reinstate a claimant's eligibility for benefits upon a showing of  
5 good cause by the claimant for the failure to meet attendance or progress  
6 requirements or the failure to participate in the my reemployment plan or  
7 the work skills training or retraining program.

8 (d) The secretary of labor shall provide an annual status update and  
9 progress report regarding the requirements of this section to the house  
10 committee on commerce, labor and economic development and the senate  
11 committee on commerce during the first month of the 2022 regular  
12 legislative session and during the first month of each regular legislative  
13 session thereafter.

14 (e) This section shall be a part of and supplemental to the  
15 employment security law.

16 New Sec. 6. Notwithstanding the provisions of chapter 1 of the 2020  
17 Special Session Laws of Kansas, any other statute or any other provision  
18 of this act, for the fiscal years ending June 30, 2021, and June 30, 2022, on  
19 or before July 15, 2021, the director of the budget shall determine the  
20 amount of moneys received by the state that are identified as moneys from  
21 the federal government for aid to the state of Kansas for coronavirus relief  
22 as appropriated in the following acts that are eligible to be used for  
23 employment security, may be expended at the discretion of the state and  
24 are unencumbered: (1) The federal CARES act, public law 116-136, the  
25 federal coronavirus preparedness and response supplemental appropriation  
26 act, 2020, public law 116-123, the federal families first coronavirus  
27 response act, public law 116-127, and the federal paycheck protection  
28 program and health care enhancement act, public law 116-139; (2) the  
29 federal consolidated appropriations act, 2021, public law 116-260; and (3)  
30 any other federal law that appropriates moneys to the state for aid for  
31 coronavirus relief. Of such identified moneys, the director of the budget  
32 shall determine in the aggregate an amount equal to \$450,000,000  
33 available in special revenue funds. **{If such identified moneys in the  
34 aggregate are less than \$450,000,000, the director of the budget shall  
35 determine the maximum amount available.}** The director of the budget  
36 shall certify the amount so determined from each fund to the director of  
37 accounts and reports and, at the same time as such certification is  
38 transmitted to the director of accounts and reports, shall transmit a copy of  
39 such certification to the director of legislative research. Upon receipt of  
40 each such certification, or as soon thereafter as moneys are available, the  
41 director of accounts and reports shall transfer an aggregate amount equal  
42 to **{such certification and in the aggregate, an amount equal to}**  
43 **\$450,000,000 {if available}** from such funds to the employment security

1 fund (296-00-7056-7200) of the department of labor.

2 New Sec. 7. (a) On or before January 31 of each calendar year, the  
3 secretary of labor shall transmit to the standing committee on commerce,  
4 labor and economic development of the house of representatives or any  
5 successor committee, a report, based on information received or developed  
6 by the department of labor, concerning the employment security trust fund,  
7 unemployment benefit claims and employer contributions to the  
8 employment security trust fund. Such report shall contain the following  
9 information:

10 (1) The amount of claims for the 12-month period ending on June 30  
11 of the previous calendar year;

12 (2) The actual and projected amount of claims for the 12-month  
13 period beginning on July 1 of the previous calendar year;

14 (3) the amount of employer contributions for the 12-month period  
15 ending on June 30 of the previous calendar year and current employer  
16 contribution rates;

17 (4) The actual and projected amount of employer contributions for the  
18 12-month period beginning on July 1 of the previous calendar year and  
19 ending on June 30 of the current calendar year and projected employer  
20 contribution rates for the next succeeding calendar year.

21 (5) the balance of the employment security trust fund on June 30 of  
22 the previous calendar year and the current balance of the fund; and

23 (6) the projected balance of the employment security trust fund on  
24 June 30 of the current calendar year and on January 1 of the next  
25 succeeding calendar year.

26 (b) In arriving at the amount of employer contributions to the  
27 employment security trust fund pursuant to subsection (a)(3), and the  
28 projected amount of employer contributions pursuant to subsection (a)(4),  
29 contributions paid or projected to be paid on or before July 31 following  
30 the respective 12-month period ending date of June 30 shall be considered.

31 (c) The secretary may include in the report any recommendations of  
32 the secretary regarding changes in contribution rates or the contribution  
33 rate tables. If the secretary makes recommendations, the secretary shall  
34 include projections of changes to employer contribution rates and to the  
35 balance of the employment security trust fund if the secretary's  
36 recommendations were adopted by the legislature.

37 (d) The provisions of this section shall not be in effect on and after  
38 February 1, 2024.

39 (e) This section shall be a part of and supplemental to the  
40 employment security law.

41 **{Sec. 8. K.S.A. 2020 Supp. 44-706 is hereby amended to read as**  
42 **follows: 44-706. The secretary shall examine whether an individual**  
43 **has separated from employment for each week claimed. The secretary**

1 shall apply the provisions of this section to the individual's most recent  
2 employment prior to the week claimed. An individual shall be  
3 disqualified for benefits:

4 (a) If the individual left work voluntarily without good cause  
5 attributable to the work or the employer, subject to the other  
6 provisions of this subsection. For purposes of this subsection, "good  
7 cause" is cause of such gravity that would impel a reasonable, not  
8 supersensitive, individual exercising ordinary common sense to leave  
9 employment. Good cause requires a showing of good faith of the  
10 individual leaving work, including the presence of a genuine desire to  
11 work. Failure to return to work after expiration of approved personal  
12 or medical leave, or both, shall be considered a voluntary resignation.  
13 After a temporary job assignment, failure of an individual to  
14 affirmatively request an additional assignment on the next succeeding  
15 workday, if required by the employment agreement, after completion  
16 of a given work assignment, shall constitute leaving work voluntarily.  
17 The disqualification shall begin the day following the separation and  
18 shall continue until after the individual has become reemployed and  
19 has had earnings from insured work of at least three times the  
20 individual's weekly benefit amount. An individual shall not be  
21 disqualified under this subsection if:

22 (1) The individual was forced to leave work because of illness or  
23 injury upon the advice of a licensed and practicing health care  
24 provider and, upon learning of the necessity for absence, immediately  
25 notified the employer thereof, or the employer consented to the  
26 absence, and after recovery from the illness or injury, when recovery  
27 was certified by a practicing health care provider, the individual  
28 returned to the employer and offered to perform services and the  
29 individual's regular work or comparable and suitable work was not  
30 available. As used in this paragraph "health care provider" means  
31 any person licensed by the proper licensing authority of any state to  
32 engage in the practice of medicine and surgery, osteopathy,  
33 chiropractic, dentistry, optometry, podiatry or psychology;

34 (2) the individual left temporary work to return to the regular  
35 employer;

36 (3) the individual left work to enlist in the armed forces of the  
37 United States, but was rejected or delayed from entry;

38 (4) the spouse of an individual who is a member of the armed  
39 forces of the United States who left work because of the voluntary or  
40 involuntary transfer of the individual's spouse from one job to another  
41 job, which is for the same employer or for a different employer, at a  
42 geographic location which makes it unreasonable for the individual to  
43 continue work at the individual's job. For the purposes of this

1 provision the term "armed forces" means active duty in the army,  
2 navy, marine corps, air force, coast guard or any branch of the  
3 military reserves of the United States;

4 (5) the individual left work because of hazardous working  
5 conditions; in determining whether or not working conditions are  
6 hazardous for an individual, the degree of risk involved to the  
7 individual's health, safety and morals, the individual's physical fitness  
8 and prior training and the working conditions of workers engaged in  
9 the same or similar work for the same and other employers in the  
10 locality shall be considered; as used in this paragraph, "hazardous  
11 working conditions" means working conditions that could result in a  
12 danger to the physical or mental well-being of the individual; each  
13 determination as to whether hazardous working conditions exist shall  
14 include, but shall not be limited to, a consideration of: (A) The safety  
15 measures used or the lack thereof; and (B) the condition of equipment  
16 or lack of proper equipment; no work shall be considered hazardous if  
17 the working conditions surrounding the individual's work are the  
18 same or substantially the same as the working conditions generally  
19 prevailing among individuals performing the same or similar work for  
20 other employers engaged in the same or similar type of activity;

21 (6) the individual left work to enter training approved under  
22 section 236(a)(1) of the federal trade act of 1974, provided the work  
23 left is not of a substantially equal or higher skill level than the  
24 individual's past adversely affected employment, as defined for  
25 purposes of the federal trade act of 1974, and wages for such work are  
26 not less than 80% of the individual's average weekly wage as  
27 determined for the purposes of the federal trade act of 1974;

28 (7) the individual left work because of unwelcome harassment of  
29 the individual by the employer or another employee of which the  
30 employing unit had knowledge and that would impel the average  
31 worker to give up such worker's employment;

32 (8) the individual left work to accept better work; each  
33 determination as to whether or not the work accepted is better work  
34 shall include, but shall not be limited to, consideration of: (A) The rate  
35 of pay, the hours of work and the probable permanency of the work  
36 left as compared to the work accepted; (B) the cost to the individual of  
37 getting to the work left in comparison to the cost of getting to the work  
38 accepted; and (C) the distance from the individual's place of residence  
39 to the work accepted in comparison to the distance from the  
40 individual's residence to the work left;

41 (9) the individual left work as a result of being instructed or  
42 requested by the employer, a supervisor or a fellow employee to  
43 perform a service or commit an act in the scope of official job duties

1 which is in violation of an ordinance or statute;

2 (10) the individual left work because of a substantial violation of  
3 the work agreement by the employing unit and, before the individual  
4 left, the individual had exhausted all remedies provided in such  
5 agreement for the settlement of disputes before terminating. For the  
6 purposes of this paragraph, a demotion based on performance does  
7 not constitute a violation of the work agreement;

8 (11) after making reasonable efforts to preserve the work, the  
9 individual left work due to a personal emergency of such nature and  
10 compelling urgency that it would be contrary to good conscience to  
11 impose a disqualification; or

12 (12) (A) the individual left work due to circumstances resulting  
13 from domestic violence, including:

14 (i) The individual's reasonable fear of future domestic violence at  
15 or en route to or from the individual's place of employment;

16 (ii) the individual's need to relocate to another geographic area in  
17 order to avoid future domestic violence;

18 (iii) the individual's need to address the physical, psychological  
19 and legal impacts of domestic violence;

20 (iv) the individual's need to leave employment as a condition of  
21 receiving services or shelter from an agency which provides support  
22 services or shelter to victims of domestic violence; or

23 (v) the individual's reasonable belief that termination of  
24 employment is necessary to avoid other situations which may cause  
25 domestic violence and to provide for the future safety of the individual  
26 or the individual's family.

27 (B) An individual may prove the existence of domestic violence by  
28 providing one of the following:

29 (i) A restraining order or other documentation of equitable relief  
30 by a court of competent jurisdiction;

31 (ii) a police record documenting the abuse;

32 (iii) documentation that the abuser has been convicted of one or  
33 more of the offenses enumerated in articles 34 and 35 of chapter 21 of  
34 the Kansas Statutes Annotated, prior to their repeal, or articles 54 or  
35 55 of chapter 21 of the Kansas Statutes Annotated, or K.S.A. 2020  
36 Supp. 21-6104, 21-6325, 21-6326 or 21-6418 through 21-6422, and  
37 amendments thereto, where the victim was a family or household  
38 member;

39 (iv) medical documentation of the abuse;

40 (v) a statement provided by a counselor, social worker, health  
41 care provider, clergy, shelter worker, legal advocate, domestic violence  
42 or sexual assault advocate or other professional who has assisted the  
43 individual in dealing with the effects of abuse on the individual or the



1 individual's family; or

2 (vi) a sworn statement from the individual attesting to the abuse.

3 (C) No evidence of domestic violence experienced by an  
4 individual, including the individual's statement and corroborating  
5 evidence, shall be disclosed by the department of labor unless consent  
6 for disclosure is given by the individual.

7 (b) If the individual has been discharged or suspended for  
8 misconduct connected with the individual's work. The disqualification  
9 shall begin the day following the separation and shall continue until  
10 after the individual becomes reemployed and in cases where the  
11 disqualification is due to discharge for misconduct has had earnings  
12 from insured work of at least three times the individual's determined  
13 weekly benefit amount, except that if an individual is discharged for  
14 gross misconduct connected with the individual's work, such  
15 individual shall be disqualified for benefits until such individual again  
16 becomes employed and has had earnings from insured work of at least  
17 eight times such individual's determined weekly benefit amount. In  
18 addition, all wage credits attributable to the employment from which  
19 the individual was discharged for gross misconduct connected with the  
20 individual's work shall be canceled. No such cancellation of wage  
21 credits shall affect prior payments made as a result of a prior  
22 separation.

23 (1) For the purposes of this subsection, "misconduct" is defined  
24 as a violation of a duty or obligation reasonably owed the employer as  
25 a condition of employment including, but not limited to, a violation of  
26 a company rule, including a safety rule, if: (A) The individual knew or  
27 should have known about the rule; (B) the rule was lawful and  
28 reasonably related to the job; and (C) the rule was fairly and  
29 consistently enforced.

30 (2) (A) Failure of the employee to notify the employer of an  
31 absence and an individual's leaving work prior to the end of such  
32 individual's assigned work period without permission shall be  
33 considered prima facie evidence of a violation of a duty or obligation  
34 reasonably owed the employer as a condition of employment.

35 (B) For the purposes of this subsection, misconduct shall include,  
36 but not be limited to, violation of the employer's reasonable  
37 attendance expectations if the facts show:

38 (i) The individual was absent or tardy without good cause;

39 (ii) the individual had knowledge of the employer's attendance  
40 expectation; and

41 (iii) the employer gave notice to the individual that future absence  
42 or tardiness may or will result in discharge.

43 (C) For the purposes of this subsection, if an employee disputes

1 being absent or tardy without good cause, the employee shall present  
2 evidence that a majority of the employee's absences or tardiness were  
3 for good cause. If the employee alleges that the employee's repeated  
4 absences or tardiness were the result of health related issues, such  
5 evidence shall include documentation from a licensed and practicing  
6 health care provider as defined in subsection (a)(1).

7 (3) (A) The term "gross misconduct" as used in this subsection  
8 shall be construed to mean conduct evincing extreme, willful or  
9 wanton misconduct as defined by this subsection. Gross misconduct  
10 shall include, but not be limited to: (i) Theft; (ii) fraud; (iii) intentional  
11 damage to property; (iv) intentional infliction of personal injury; or  
12 (v) any conduct that constitutes a felony.

13 (B) For the purposes of this subsection, the following shall be  
14 conclusive evidence of gross misconduct:

15 (i) The use of alcoholic liquor, cereal malt beverage or a  
16 nonprescribed controlled substance by an individual while working;

17 (ii) the impairment caused by alcoholic liquor, cereal malt  
18 beverage or a nonprescribed controlled substance by an individual  
19 while working;

20 (iii) a positive breath alcohol test or a positive chemical test,  
21 provided:

22 (a) The test was either:

23 (1) Required by law and was administered pursuant to the drug  
24 free workplace act, 41 U.S.C. § 701 et seq.;

25 (2) administered as part of an employee assistance program or  
26 other drug or alcohol treatment program in which the employee was  
27 participating voluntarily or as a condition of further employment;

28 (3) requested pursuant to a written policy of the employer of  
29 which the employee had knowledge and was a required condition of  
30 employment;

31 (4) required by law and the test constituted a required condition  
32 of employment for the individual's job; or

33 (5) there was reasonable suspicion to believe that the individual  
34 used, had possession of, or was impaired by alcoholic liquor, cereal  
35 malt beverage or a nonprescribed controlled substance while working;

36 (b) the test sample was collected either:

37 (1) As prescribed by the drug free workplace act, 41 U.S.C. § 701  
38 et seq.;

39 (2) as prescribed by an employee assistance program or other  
40 drug or alcohol treatment program in which the employee was  
41 participating voluntarily or as a condition of further employment;

42 (3) as prescribed by the written policy of the employer of which  
43 the employee had knowledge and which constituted a required

1 **condition of employment;**

2 **(4) as prescribed by a test which was required by law and which**  
3 **constituted a required condition of employment for the individual's**  
4 **job; or**

5 **(5) at a time contemporaneous with the events establishing**  
6 **probable cause;**

7 **(c) the collecting and labeling of a chemical test sample was**  
8 **performed by a licensed health care professional or any other**  
9 **individual certified pursuant to paragraph (b)(3)(A)(iii)(f) or**  
10 **authorized to collect or label test samples by federal or state law, or a**  
11 **federal or state rule or regulation having the force or effect of law,**  
12 **including law enforcement personnel;**

13 **(d) the chemical test was performed by a laboratory approved by**  
14 **the United States department of health and human services or licensed**  
15 **by the department of health and environment, except that a blood**  
16 **sample may be tested for alcohol content by a laboratory commonly**  
17 **used for that purpose by state law enforcement agencies;**

18 **(e) the chemical test was confirmed by gas chromatography, gas**  
19 **chromatography-mass spectroscopy or other comparably reliable**  
20 **analytical method, except that no such confirmation is required for a**  
21 **blood alcohol sample or a breath alcohol test;**

22 **(f) the breath alcohol test was administered by an individual**  
23 **trained to perform breath tests, the breath testing instrument used**  
24 **was certified and operated strictly according to a description provided**  
25 **by the manufacturers and the reliability of the instrument**  
26 **performance was assured by testing with alcohol standards; and**

27 **(g) the foundation evidence establishes, beyond a reasonable**  
28 **doubt, that the test results were from the sample taken from the**  
29 **individual;**

30 **(iv) an individual's refusal to submit to a chemical test or breath**  
31 **alcohol test, provided:**

32 **(a) The test meets the standards of the drug free workplace act,**  
33 **41 U.S.C. § 701 et seq.;**

34 **(b) the test was administered as part of an employee assistance**  
35 **program or other drug or alcohol treatment program in which the**  
36 **employee was participating voluntarily or as a condition of further**  
37 **employment;**

38 **(c) the test was otherwise required by law and the test constituted**  
39 **a required condition of employment for the individual's job;**

40 **(d) the test was requested pursuant to a written policy of the**  
41 **employer of which the employee had knowledge and was a required**  
42 **condition of employment; or**

43 **(e) there was reasonable suspicion to believe that the individual**

1 used, possessed or was impaired by alcoholic liquor, cereal malt  
2 beverage or a nonprescribed controlled substance while working;

3 (v) an individual's dilution or other tampering of a chemical test.

4 (C) For purposes of this subsection:

5 (i) "Alcohol concentration" means the number of grams of  
6 alcohol per 210 liters of breath;

7 (ii) "alcoholic liquor" shall be defined as provided in K.S.A. 41-  
8 102, and amendments thereto;

9 (iii) "cereal malt beverage" shall be defined as provided in K.S.A.  
10 41-2701, and amendments thereto;

11 (iv) "chemical test" shall include, but is not limited to, tests of  
12 urine, blood or saliva;

13 (v) "controlled substance" shall be defined as provided in K.S.A.  
14 2020 Supp. 21-5701, and amendments thereto;

15 (vi) "required by law" means required by a federal or state law, a  
16 federal or state rule or regulation having the force and effect of law, a  
17 county resolution or municipal ordinance, or a policy relating to  
18 public safety adopted in an open meeting by the governing body of  
19 any special district or other local governmental entity;

20 (vii) "positive breath test" shall mean a test result showing an  
21 alcohol concentration of 0.04 or greater, or the levels listed in 49  
22 C.F.R. part 40, if applicable, unless the test was administered as part  
23 of an employee assistance program or other drug or alcohol treatment  
24 program in which the employee was participating voluntarily or as a  
25 condition of further employment, in which case "positive chemical  
26 test" shall mean a test result showing an alcohol concentration at or  
27 above the levels provided for in the assistance or treatment program;

28 (viii) "positive chemical test" shall mean a chemical result  
29 showing a concentration at or above the levels listed in K.S.A. 44-501,  
30 and amendments thereto, or 49 C.F.R. part 40, as applicable, for the  
31 drugs or abuse listed therein, unless the test was administered as part  
32 of an employee assistance program or other drug or alcohol treatment  
33 program in which the employee was participating voluntarily or as a  
34 condition of further employment, in which case "positive chemical  
35 test" shall mean a chemical result showing a concentration at or above  
36 the levels provided for in the assistance or treatment program.

37 (4) An individual shall not be disqualified under this subsection if  
38 the individual is discharged under the following circumstances:

39 (A) The employer discharged the individual after learning the  
40 individual was seeking other work or when the individual gave notice  
41 of future intent to quit, except that the individual shall be disqualified  
42 after the time at which such individual intended to quit and any  
43 individual who commits misconduct after such individual gives notice

1 to such individual's intent to quit shall be disqualified;

2 (B) the individual was making a good-faith effort to do the  
3 assigned work but was discharged due to:

4 (i) Inefficiency;

5 (ii) unsatisfactory performance due to inability, incapacity or lack  
6 of training or experience;

7 (iii) isolated instances of ordinary negligence or inadvertence;

8 (iv) good-faith errors in judgment or discretion; or

9 (v) unsatisfactory work or conduct due to circumstances beyond  
10 the individual's control; or

11 (C) the individual's refusal to perform work in excess of the  
12 contract of hire.

13 (c) If the individual has failed, without good cause, to either apply  
14 for suitable work when so directed by the employment office of the  
15 secretary of labor, or to accept suitable work when offered to the  
16 individual by the employment office, the secretary of labor, or an  
17 employer, such disqualification shall begin with the week in which  
18 such failure occurred and shall continue until the individual becomes  
19 reemployed and has had earnings from insured work of at least three  
20 times such individual's determined weekly benefit amount. In  
21 determining whether or not any work is suitable for an individual, the  
22 secretary of labor, or a person or persons designated by the secretary,  
23 shall consider the degree of risk involved to health, safety and morals,  
24 physical fitness and prior training, experience and prior earnings,  
25 length of unemployment and prospects for securing local work in the  
26 individual's customary occupation or work for which the individual is  
27 reasonably fitted by training or experience, and the distance of the  
28 available work from the individual's residence. Notwithstanding any  
29 other provisions of this act, an otherwise eligible individual shall not  
30 be disqualified for refusing an offer of suitable employment, or failing  
31 to apply for suitable employment when notified by an employment  
32 office, or for leaving the individual's most recent work accepted  
33 during approved training, including training approved under section  
34 236(a)(1) of the trade act of 1974, if the acceptance of or applying for  
35 suitable employment or continuing such work would require the  
36 individual to terminate approved training and no work shall be  
37 deemed suitable and benefits shall not be denied under this act to any  
38 otherwise eligible individual for refusing to accept new work under  
39 any of the following conditions: (1) If the position offered is vacant due  
40 directly to a strike, lockout or other labor dispute; (2) if the  
41 remuneration, hours or other conditions of the work offered are  
42 substantially less favorable to the individual than those prevailing for  
43 similar work in the locality; (3) if as a condition of being employed, the

1 individual would be required to join or to resign from or refrain from  
2 joining any labor organization; and (4) if the individual left  
3 employment as a result of domestic violence, and the position offered  
4 does not reasonably accommodate the individual's physical,  
5 psychological, safety, or legal needs relating to such domestic violence.

6 (d) For any week with respect to which the secretary of labor, or a  
7 person or persons designated by the secretary, finds that the  
8 individual's unemployment is due to a stoppage of work which exists  
9 because of a labor dispute or there would have been a work stoppage  
10 had normal operations not been maintained with other personnel  
11 previously and currently employed by the same employer at the  
12 factory, establishment or other premises at which the individual is or  
13 was last employed, except that this subsection (d) shall not apply if it is  
14 shown to the satisfaction of the secretary of labor, or a person or  
15 persons designated by the secretary, that: (1) The individual is not  
16 participating in or financing or directly interested in the labor dispute  
17 which caused the stoppage of work; and (2) the individual does not  
18 belong to a grade or class of workers of which, immediately before the  
19 commencement of the stoppage, there were members employed at the  
20 premises at which the stoppage occurs any of whom are participating  
21 in or financing or directly interested in the dispute. If in any case  
22 separate branches of work which are commonly conducted as separate  
23 businesses in separate premises are conducted in separate  
24 departments of the same premises, each such department shall, for the  
25 purpose of this subsection be deemed to be a separate factory,  
26 establishment or other premises. For the purposes of this subsection,  
27 failure or refusal to cross a picket line or refusal for any reason during  
28 the continuance of such labor dispute to accept the individual's  
29 available and customary work at the factory, establishment or other  
30 premises where the individual is or was last employed shall be  
31 considered as participation and interest in the labor dispute.

32 (e) For any week with respect to which or a part of which the  
33 individual has received or is seeking unemployment benefits under the  
34 unemployment compensation law of any other state or of the United  
35 States, except that if the appropriate agency of such other state or the  
36 United States finally determines that the individual is not entitled to  
37 such unemployment benefits, this disqualification shall not apply.

38 (f) For any week with respect to which the individual is entitled to  
39 receive any unemployment allowance or compensation granted by the  
40 United States under an act of congress to ex-service men and women  
41 in recognition of former service with the military or naval services of  
42 the United States.

43 (g) For the period of ~~five~~ *two years for the first occurrence or the*

1 *lifetime of the individual for a second occurrence* **beginning with the first**  
2 **day following the last week of unemployment for which the individual**  
3 **received benefits, or for ~~five~~ two years for the first occurrence or the**  
4 *lifetime of the individual for a second occurrence* **from the date the act**  
5 **was committed, whichever is the later, if the individual, or another in**  
6 **such individual's behalf with the knowledge of the individual, has**  
7 **knowingly made a false statement or representation, or has knowingly**  
8 **failed to disclose a material fact to obtain or increase benefits under**  
9 **this act or any other unemployment compensation law administered**  
10 **by the secretary of labor. In addition to the penalties set forth in**  
11 **K.S.A. 44-719, and amendments thereto, an individual who has**  
12 **knowingly made a false statement or representation or who has**  
13 **knowingly failed to disclose a material fact to obtain or increase**  
14 **benefits under this act or any other unemployment compensation law**  
15 **administered by the secretary of labor shall be liable for a penalty in**  
16 **the amount equal to 25% of the amount of benefits unlawfully**  
17 **received. Notwithstanding any other provision of law, such penalty**  
18 **shall be deposited into the employment security trust fund.**

19 (h) For any week with respect to which the individual is receiving  
20 compensation for temporary total disability or permanent total  
21 disability under the workmen's compensation law of any state or  
22 under a similar law of the United States.

23 (i) For any week of unemployment on the basis of service in an  
24 instructional, research or principal administrative capacity for an  
25 educational institution as defined in K.S.A. 44-703(v), and  
26 amendments thereto, if such week begins during the period between  
27 two successive academic years or terms or, when an agreement  
28 provides instead for a similar period between two regular but not  
29 successive terms during such period or during a period of paid  
30 sabbatical leave provided for in the individual's contract, if the  
31 individual performs such services in the first of such academic years  
32 or terms and there is a contract or a reasonable assurance that such  
33 individual will perform services in any such capacity for any  
34 educational institution in the second of such academic years or terms.

35 (j) For any week of unemployment on the basis of service in any  
36 capacity other than service in an instructional, research, or  
37 administrative capacity in an educational institution, as defined in  
38 K.S.A. 44-703(v), and amendments thereto, if such week begins during  
39 the period between two successive academic years or terms if the  
40 individual performs such services in the first of such academic years  
41 or terms and there is a reasonable assurance that the individual will  
42 perform such services in the second of such academic years or terms,  
43 except that if benefits are denied to the individual under this

1 subsection and the individual was not offered an opportunity to  
2 perform such services for the educational institution for the second of  
3 such academic years or terms, such individual shall be entitled to a  
4 retroactive payment of benefits for each week for which the individual  
5 filed a timely claim for benefits and for which benefits were denied  
6 solely by reason of this subsection.

7 (k) For any week of unemployment on the basis of service in any  
8 capacity for an educational institution as defined in K.S.A. 44-703(v),  
9 and amendments thereto, if such week begins during an established  
10 and customary vacation period or holiday recess, if the individual  
11 performs services in the period immediately before such vacation  
12 period or holiday recess and there is a reasonable assurance that such  
13 individual will perform such services in the period immediately  
14 following such vacation period or holiday recess.

15 (l) For any week of unemployment on the basis of any services,  
16 substantially all of which consist of participating in sports or athletic  
17 events or training or preparing to so participate, if such week begins  
18 during the period between two successive sport seasons or similar  
19 period if such individual performed services in the first of such  
20 seasons or similar periods and there is a reasonable assurance that  
21 such individual will perform such services in the later of such seasons  
22 or similar periods.

23 (m) For any week on the basis of services performed by an alien  
24 unless such alien is an individual who was lawfully admitted for  
25 permanent residence at the time such services were performed, was  
26 lawfully present for purposes of performing such services, or was  
27 permanently residing in the United States under color of law at the  
28 time such services were performed, including an alien who was  
29 lawfully present in the United States as a result of the application of  
30 the provisions of section 212(d)(5) of the federal immigration and  
31 nationality act. Any data or information required of individuals  
32 applying for benefits to determine whether benefits are not payable to  
33 them because of their alien status shall be uniformly required from all  
34 applicants for benefits. In the case of an individual whose application  
35 for benefits would otherwise be approved, no determination that  
36 benefits to such individual are not payable because of such  
37 individual's alien status shall be made except upon a preponderance of  
38 the evidence.

39 (n) For any week in which an individual is receiving a  
40 governmental or other pension, retirement or retired pay, annuity or  
41 other similar periodic payment under a plan maintained by a base  
42 period employer and to which the entire contributions were provided  
43 by such employer, except that: (1) If the entire contributions to such



1 plan were provided by the base period employer but such individual's  
2 weekly benefit amount exceeds such governmental or other pension,  
3 retirement or retired pay, annuity or other similar periodic payment  
4 attributable to such week, the weekly benefit amount payable to the  
5 individual shall be reduced, but not below zero, by an amount equal to  
6 the amount of such pension, retirement or retired pay, annuity or  
7 other similar periodic payment which is attributable to such week; or  
8 (2) if only a portion of contributions to such plan were provided by the  
9 base period employer, the weekly benefit amount payable to such  
10 individual for such week shall be reduced, but not below zero, by the  
11 prorated weekly amount of the pension, retirement or retired pay,  
12 annuity or other similar periodic payment after deduction of that  
13 portion of the pension, retirement or retired pay, annuity or other  
14 similar periodic payment that is directly attributable to the percentage  
15 of the contributions made to the plan by such individual; or (3) if the  
16 entire contributions to the plan were provided by such individual, or  
17 by the individual and an employer, or any person or organization, who  
18 is not a base period employer, no reduction in the weekly benefit  
19 amount payable to the individual for such week shall be made under  
20 this subsection; or (4) whatever portion of contributions to such plan  
21 were provided by the base period employer, if the services performed  
22 for the employer by such individual during the base period, or  
23 remuneration received for the services, did not affect the individual's  
24 eligibility for, or increased the amount of, such pension, retirement or  
25 retired pay, annuity or other similar periodic payment, no reduction in  
26 the weekly benefit amount payable to the individual for such week  
27 shall be made under this subsection. No reduction shall be made for  
28 payments made under the social security act or railroad retirement act  
29 of 1974.

30 (o) For any week of unemployment on the basis of services  
31 performed in any capacity and under any of the circumstances  
32 described in subsection (i), (j) or (k) which an individual performed in  
33 an educational institution while in the employ of an educational  
34 service agency. For the purposes of this subsection, the term  
35 "educational service agency" means a governmental agency or entity  
36 which is established and operated exclusively for the purpose of  
37 providing such services to one or more educational institutions.

38 (p) For any week of unemployment on the basis of service as a  
39 school bus or other motor vehicle driver employed by a private  
40 contractor to transport pupils, students and school personnel to or  
41 from school-related functions or activities for an educational  
42 institution, as defined in K.S.A. 44-703(v), and amendments thereto, if  
43 such week begins during the period between two successive academic

1 years or during a similar period between two regular terms, whether  
2 or not successive, if the individual has a contract or contracts, or a  
3 reasonable assurance thereof, to perform services in any such capacity  
4 with a private contractor for any educational institution for both such  
5 academic years or both such terms. An individual shall not be  
6 disqualified for benefits as provided in this subsection for any week of  
7 unemployment on the basis of service as a bus or other motor vehicle  
8 driver employed by a private contractor to transport persons to or  
9 from nonschool-related functions or activities.

10 (q) For any week of unemployment on the basis of services  
11 performed by the individual in any capacity and under any of the  
12 circumstances described in subsection (i), (j), (k) or (o) which are  
13 provided to or on behalf of an educational institution, as defined in  
14 K.S.A. 44-703(v), and amendments thereto, while the individual is in  
15 the employ of an employer which is a governmental entity, Indian  
16 tribe or any employer described in section 501(c)(3) of the federal  
17 internal revenue code of 1986 which is exempt from income under  
18 section 501(a) of the code.

19 (r) For any week in which an individual is registered at and  
20 attending an established school, training facility or other educational  
21 institution, or is on vacation during or between two successive  
22 academic years or terms. An individual shall not be disqualified for  
23 benefits as provided in this subsection provided:

24 (1) The individual was engaged in full-time employment  
25 concurrent with the individual's school attendance;

26 (2) the individual is attending approved training as defined in  
27 K.S.A. 44-703(s), and amendments thereto; or

28 (3) the individual is attending evening, weekend or limited day  
29 time classes, which would not affect availability for work, and is  
30 otherwise eligible under K.S.A. 44-705(c), and amendments thereto.

31 (s) For any week with respect to which an individual is receiving  
32 or has received remuneration in the form of a back pay award or  
33 settlement. The remuneration shall be allocated to the week or weeks  
34 in the manner as specified in the award or agreement, or in the  
35 absence of such specificity in the award or agreement, such  
36 remuneration shall be allocated to the week or weeks in which such  
37 remuneration, in the judgment of the secretary, would have been paid.

38 (1) For any such weeks that an individual receives remuneration  
39 in the form of a back pay award or settlement, an overpayment will be  
40 established in the amount of unemployment benefits paid and shall be  
41 collected from the claimant.

42 (2) If an employer chooses to withhold from a back pay award or  
43 settlement, amounts paid to a claimant while they claimed

1 unemployment benefits, such employer shall pay the department the  
2 amount withheld. With respect to such amount, the secretary shall  
3 have available all of the collection remedies authorized or provided in  
4 K.S.A. 44-717, and amendments thereto.

5 (t) (1) Any applicant for or recipient of unemployment benefits  
6 who tests positive for unlawful use of a controlled substance or  
7 controlled substance analog shall be required to complete a substance  
8 abuse treatment program approved by the secretary of labor,  
9 secretary of commerce or secretary for children and families, and a  
10 job skills program approved by the secretary of labor, secretary of  
11 commerce or the secretary for children and families. Subject to  
12 applicable federal laws, any applicant for or recipient of  
13 unemployment benefits who fails to complete or refuses to participate  
14 in the substance abuse treatment program or job skills program as  
15 required under this subsection shall be ineligible to receive  
16 unemployment benefits until completion of such substance abuse  
17 treatment and job skills programs. Upon completion of both substance  
18 abuse treatment and job skills programs, such applicant for or  
19 recipient of unemployment benefits may be subject to periodic drug  
20 screening, as determined by the secretary of labor. Upon a second  
21 positive test for unlawful use of a controlled substance or controlled  
22 substance analog, an applicant for or recipient of unemployment  
23 benefits shall be ordered to complete again a substance abuse  
24 treatment program and job skills program, and shall be terminated  
25 from unemployment benefits for a period of 12 months, or until such  
26 applicant for or recipient of unemployment benefits completes both  
27 substance abuse treatment and job skills programs, whichever is later.  
28 Upon a third positive test for unlawful use of a controlled substance or  
29 controlled substance analog, an applicant for or a recipient of  
30 unemployment benefits shall be terminated from receiving  
31 unemployment benefits, subject to applicable federal law.

32 (2) Any individual who has been discharged or refused  
33 employment for failing a preemployment drug screen required by an  
34 employer may request that the drug screening specimen be sent to a  
35 different drug testing facility for an additional drug screening. Any  
36 such individual who requests an additional drug screening at a  
37 different drug testing facility shall be required to pay the cost of drug  
38 screening.

39 (u) If the individual was found not to have a disqualifying  
40 adjudication or conviction under K.S.A. 39-970 or 65-5117, and  
41 amendments thereto, was hired and then was subsequently convicted  
42 of a disqualifying felony under K.S.A. 39-970 or 65-5117, and  
43 amendments thereto, and discharged pursuant to K.S.A. 39-970 or 65-

1 **5117, and amendments thereto. The disqualification shall begin the**  
2 **day following the separation and shall continue until after the**  
3 **individual becomes reemployed and has had earnings from insured**  
4 **work of at least three times the individual's determined weekly benefit**  
5 **amount.**

6 **(v) Notwithstanding the provisions of any subsection, an**  
7 **individual shall not be disqualified for such week of part-time**  
8 **employment in a substitute capacity for an educational institution if**  
9 **such individual's most recent employment prior to the individual's**  
10 **benefit year begin date was for a non-educational institution and such**  
11 **individual demonstrates application for work in such individual's**  
12 **customary occupation or for work for which the individual is**  
13 **reasonably fitted by training or experience.}**

14 Sec. 8 {9}. K.S.A. 2020 Supp. 44-703 is hereby amended to read as  
15 follows: 44-703. As used in this act, unless the context clearly requires  
16 otherwise:

17 (a) (1) "Annual payroll" means the total amount of wages paid or  
18 payable by an employer during the calendar year.

19 (2) "Average annual payroll" means the average of the annual  
20 payrolls of any employer for the last three calendar years immediately  
21 preceding the computation date as hereinafter defined if the employer has  
22 been continuously subject to contributions during those three calendar  
23 years and has paid some wages for employment during each of such years.  
24 In determining contribution rates for the calendar year, if an employer has  
25 not been continuously subject to contribution for the three calendar years  
26 immediately preceding the computation date but has paid wages subject to  
27 contributions during only the two calendar years immediately preceding  
28 the computation date, such employer's "average annual payroll" shall be  
29 the average of the payrolls for those two calendar years.

30 (3) "Total wages" means the total amount of wages paid or payable  
31 by an employer during the calendar year, including that part of  
32 remuneration in excess of the limitation prescribed as provided in  
33 subsection (o)(1) ~~of this section.~~

34 (b) "Base period" means the first four of the last five completed  
35 calendar quarters immediately preceding the first day of an individual's  
36 benefit year, except that the base period in respect to combined wage  
37 claims means the base period as defined in the law of the paying state.

38 (1) If an individual lacks sufficient base period wages in order to  
39 establish a benefit year in the manner set forth above and satisfies the  
40 requirements of ~~subsection (g) of K.S.A. 44-705(g) and subsection (hh) of~~  
41 ~~K.S.A. 44-703(hh)~~, and amendments thereto, the claimant shall have an  
42 alternative base period substituted for the current base period so as not to  
43 prevent establishment of a valid claim. For the purposes of this subsection,

1 "alternative base period" means the last four completed quarters  
2 immediately preceding the date the qualifying injury occurred. In the event  
3 the wages in the alternative base period have been used on a prior claim,  
4 then they shall be excluded from the new alternative base period.

5 (2) For the purposes of this chapter, the term "base period" includes  
6 the alternative base period.

7 (c) (1) "Benefits" means the money payments payable to an  
8 individual, as provided in this act, with respect to such individual's  
9 unemployment.

10 (2) "Regular benefits" means benefits payable to an individual under  
11 this act or under any other state law, including benefits payable to federal  
12 civilian employees and to ex-servicemen pursuant to 5 U.S.C. chapter 85,  
13 other than extended benefits.

14 (d) "Benefit year" with respect to any individual, means the period  
15 beginning with the first day of the first week for which such individual  
16 files a valid claim for benefits, and such benefit year shall continue for one  
17 full year. In the case of a combined wage claim, the benefit year shall be  
18 the benefit year of the paying state. Following the termination of a benefit  
19 year, a subsequent benefit year shall commence on the first day of the first  
20 week with respect to which an individual next files a claim for benefits.  
21 When such filing occurs with respect to a week ~~which~~ that overlaps the  
22 preceding benefit year, the subsequent benefit year shall commence on the  
23 first day immediately following the expiration date of the preceding  
24 benefit year. Any claim for benefits made in accordance with ~~subsection~~  
25 ~~(a)~~ of K.S.A. 44-709(a), and amendments thereto, shall be deemed to be a  
26 "valid claim" for the purposes of this subsection if the individual has been  
27 paid wages for insured work as required under ~~subsection (e)~~ of K.S.A. 44-  
28 705(e), and amendments thereto. Whenever a week of unemployment  
29 overlaps two benefit years, such week shall, for the purpose of granting  
30 waiting-period credit or benefit payment with respect thereto, be deemed  
31 to be a week of unemployment within that benefit year in which the  
32 greater part of such week occurs.

33 (e) "Commissioner" or "secretary" means the secretary of labor.

34 (f) (1) "Contributions" means the money payments to the state  
35 employment security fund ~~which~~ that are required to be made by  
36 employers on account of employment under K.S.A. 44-710, and  
37 amendments thereto, and voluntary payments made by employers pursuant  
38 to such statute.

39 (2) "Payments in lieu of contributions" means the money payments to  
40 the state employment security fund from employers ~~which~~ that are  
41 required to make or ~~which~~ that elect to make such payments under  
42 ~~subsection (e)~~ of K.S.A. 44-710(e), and amendments thereto.

43 (g) "Employing unit" means any individual or type of organization,

1 including any partnership, association, limited liability company, agency  
2 or department of the state of Kansas and political subdivisions thereof,  
3 trust, estate, joint-stock company, insurance company or corporation,  
4 whether domestic or foreign including nonprofit corporations, or the  
5 receiver, trustee in bankruptcy, trustee or successor thereof, or the legal  
6 representatives of a deceased person, ~~which~~ *that* has in its employ one or  
7 more individuals performing services for it within this state. All  
8 individuals performing services within this state for any employing unit  
9 ~~which~~ *that* maintains two or more separate establishments within this state  
10 shall be deemed to be employed by a single employing unit for all the  
11 purposes of this act. Each individual employed to perform or to assist in  
12 performing the work of any agent or employee of an employing unit shall  
13 be deemed to be employed by such employing unit for all the purposes of  
14 this act, whether such individual was hired or paid directly by such  
15 employing unit or by such agent or employee, provided the employing unit  
16 had actual or constructive knowledge of the employment.

17 (h) "Employer" means:

18 (1) (A) Any employing unit for which agricultural labor as defined in  
19 subsection (w) ~~of this section~~ is performed and ~~which~~ during any calendar  
20 quarter in either the current or preceding calendar year paid remuneration  
21 in cash of \$20,000 or more to individuals employed in agricultural labor or  
22 for some portion of a day in each of 20 different calendar weeks, whether  
23 or not such weeks were consecutive, in either the current or the preceding  
24 calendar year, employed in agricultural labor 10 or more individuals,  
25 regardless of whether they were employed at the same moment of time.

26 (B) For the purpose of this subsection (h)(1), any individual who is a  
27 member of a crew furnished by a crew leader to perform ~~service~~ *services*  
28 in agricultural labor for any other person shall be treated as an employee of  
29 such crew leader if:

30 (i) Such crew leader holds a valid certificate of registration under the  
31 federal migrant and seasonal agricultural workers protection act or  
32 substantially all the members of such crew operate or maintain tractors,  
33 mechanized harvesting or cropdusting equipment or any other mechanized  
34 equipment, ~~which~~ *that* is provided by such crew leader; and

35 (ii) such individual is not in the employment of such other person  
36 within the meaning of subsection (i) ~~of this section~~.

37 (C) For the purpose of this subsection (h)(1), in the case of any  
38 individual who is furnished by a crew leader to perform ~~service~~ *services* in  
39 agricultural labor for any other person and who is not treated as an  
40 employee of such crew leader:

41 (i) Such other person and not the crew leader shall be treated as the  
42 employer of such individual; and

43 (ii) such other person shall be treated as having paid cash

1 remuneration to such individual in an amount equal to the amount of cash  
2 remuneration paid to such individual by the crew leader, either on the crew  
3 leader's own behalf or on behalf of such other person, for the ~~service~~  
4 ~~services~~ in agricultural labor performed for such other person.

5 (D) For the purposes of this subsection (h)(1) "crew leader" means an  
6 individual who:

7 (i) Furnishes individuals to perform ~~service~~ services in agricultural  
8 labor for any other person;

9 (ii) pays, either on such individual's own behalf or on behalf of such  
10 other person, the individuals so furnished by such individual for the  
11 ~~service~~ services in agricultural labor performed by them; and

12 (iii) has not entered into a written agreement with such other person  
13 under which such individual is designated as an employee of such other  
14 person.

15 (2) (A) Any employing unit ~~which that~~ for calendar year 2007 and  
16 each calendar year thereafter: (i) In any calendar quarter in either the  
17 current or preceding calendar year paid for ~~service~~ services in employment  
18 wages of \$1,500 or more; (ii) for some portion of a day in each of 20  
19 different calendar weeks, whether or not such weeks were consecutive, in  
20 either the current or preceding calendar year, had in employment at least  
21 one individual, whether or not the same individual was in employment in  
22 each such day; or (iii) elects to have an unemployment tax account  
23 established at the time of initial registration in accordance with ~~subsection~~  
24 ~~(e)~~ of K.S.A. 44-711(c), and amendments thereto.

25 (B) Employment of individuals to perform domestic service or  
26 agricultural labor and wages paid for such service or labor shall not be  
27 considered in determining whether an employing unit meets the criteria of  
28 this subsection (h)(2).

29 (3) Any employing unit for which service is employment as defined  
30 in subsection (i)(3)(E) ~~of this section~~.

31 (4) (A) Any employing unit, whether or not it is an employing unit  
32 under subsection (g) ~~of this section~~, ~~which that~~ acquires or in any manner  
33 succeeds to: (i) Substantially all of the employing enterprises,  
34 organization, trade or business; or (ii) substantially all the assets, of  
35 another employing unit ~~which that~~ at the time of such acquisition was an  
36 employer subject to this act;

37 (B) any employing unit ~~which that~~ is controlled substantially, either  
38 directly or indirectly by legally enforceable means or otherwise, by the  
39 same interest or interests, whether or not such interest or interests are an  
40 employing unit under subsection (g) ~~of this section~~, ~~which~~ acquires or in  
41 any manner succeeds to a portion of an employer's annual payroll, ~~which~~ is  
42 less than 100% of such employer's annual payroll, and ~~which~~ intends to  
43 continue the acquired portion as a going business.

1 (5) Any employing unit ~~which~~ *that* paid cash remuneration of \$1,000  
2 or more in any calendar quarter in the current or preceding calendar year to  
3 individuals employed in domestic service as defined in subsection (aa) ~~of~~  
4 ~~this section.~~

5 (6) Any employing unit ~~which~~ *that* having become an employer  
6 under this subsection (h) has not, under ~~subsection (b) of~~ K.S.A. 44-  
7 711(b), and amendments thereto, ceased to be an employer subject to this  
8 act.

9 (7) Any employing unit ~~which~~ *that* has elected to become fully  
10 subject to this act in accordance with ~~subsection (e) of~~ K.S.A. 44-711(c),  
11 and amendments thereto.

12 (8) Any employing unit not an employer by reason of any other  
13 paragraph of this subsection (h), for which within either the current or  
14 preceding calendar year services in employment are or were performed  
15 with respect to which such employing unit is liable for any federal tax  
16 against which credit may be taken for contributions required to be paid  
17 into a state unemployment compensation fund; or ~~which~~ *that*, as a  
18 condition for approval of this act for full tax credit against the tax imposed  
19 by the federal unemployment tax act, is required, pursuant to such act, to  
20 be an "employer" under this act.

21 (9) Any employing unit described in section 501(c)(3) of the federal  
22 internal revenue code of 1986 ~~which~~ *that* is exempt from income tax under  
23 section 501(a) of the code that had four or more individuals in  
24 employment for some portion of a day in each of 20 different weeks,  
25 whether or not such weeks were consecutive, within either the current or  
26 preceding calendar year, regardless of whether they were employed at the  
27 same moment of time.

28 (i) "Employment" means:

29 (1) Subject to the other provisions of this subsection, service,  
30 including ~~service~~ *services* in interstate commerce, performed by:

31 (A) Any active officer of a corporation; or

32 (B) any individual who, under the usual common law rules applicable  
33 in determining the employer-employee relationship, has the status of an  
34 employee subject to the provisions of subsection (i)(3)(D); or

35 (C) any individual other than an individual who is an employee under  
36 subsection (i)(1)(A) or subsection (i)(1)(B) above who performs services  
37 for remuneration for any person:

38 (i) As an agent-driver or commission-driver engaged in distributing  
39 meat products, vegetable products, fruit products, bakery products,  
40 beverages ~~(, other than milk)~~, or laundry or dry-cleaning services, for such  
41 individual's principal; or

42 (ii) as a traveling or city salesman, other than as an agent-driver or  
43 commission-driver, engaged upon a full-time basis in the solicitation on



1 behalf of, and the transmission to, a principal~~), except for side-line sales~~  
2 activities on behalf of some other person), of orders from wholesalers,  
3 retailers, contractors, or operators of hotels, restaurants, or other similar  
4 establishments for merchandise for resale or supplies for use in their  
5 business operations.

6 For purposes of subsection (i)(1)(C), the term "employment" shall  
7 include services described in paragraphs (i) and (ii) above only if:

8 (a) The contract of service contemplates that substantially all of the  
9 services are to be performed personally by such individual;

10 (b) the individual does not have a substantial investment in facilities  
11 used in connection with the performance of the services~~), other than in~~  
12 facilities for transportation); and

13 (c) the services are not in the nature of a single transaction that is not  
14 part of a continuing relationship with the person for whom the services are  
15 performed.

16 (2) The term "employment" shall include an individual's entire  
17 service within the United States, even though performed entirely outside  
18 this state if:

19 (A) The service is not localized in any state;

20 (B) the individual is one of a class of employees who are required to  
21 travel outside this state in performance of their duties; and

22 (C) the individual's base of operations is in this state, or if there is no  
23 base of operations, then the place ~~from which~~ where service is directed or  
24 controlled is in this state.

25 (3) The term "employment" shall also include:

26 (A) Services performed within this state but not covered by the  
27 provisions of subsection (i)(1) or subsection (i)(2) shall be deemed to be  
28 employment subject to this act if contributions are not required and paid  
29 with respect to such services under an unemployment compensation law of  
30 any other state or of the federal government.

31 (B) Services performed entirely without this state, with respect to no  
32 part of which contributions are required and paid under an unemployment  
33 compensation law of any other state or of the federal government, shall be  
34 deemed to be employment subject to this act only if the individual  
35 performing such services is a resident of this state and the secretary  
36 approved the election of the employing unit for whom such services are  
37 performed that the entire service of such individual shall be deemed to be  
38 employment subject to this act.

39 (C) Services covered by an arrangement pursuant to ~~subsection (1) of~~  
40 K.S.A. 44-714(j), and amendments thereto, between the secretary and the  
41 agency charged with the administration of any other state or federal  
42 unemployment compensation law, pursuant to which all services  
43 performed by an individual for an employing unit are deemed to be

1 performed entirely within this state, shall be deemed to be employment if  
2 the secretary has approved an election of the employing unit for whom  
3 such services are performed, pursuant to which the entire service of such  
4 individual during the period covered by such election is deemed to be  
5 insured work.

6 (D) Services performed by an individual for wages or under any  
7 contract of hire shall be deemed to be employment subject to this act if the  
8 business for which activities of the individual are performed retains not  
9 only the right to control the end result of the activities performed, but the  
10 manner and means by which the end result is accomplished.

11 (E) ~~Service~~Services performed by an individual in the employ of this  
12 state or any instrumentality thereof, any political subdivision of this state  
13 or any instrumentality thereof, or in the employ of an Indian tribe, as  
14 defined pursuant to section 3306(u) of the federal unemployment tax act,  
15 any instrumentality of more than one of the foregoing or any  
16 instrumentality ~~which that~~ is jointly owned by this state or a political  
17 subdivision thereof or Indian tribes and one or more other states or  
18 political subdivisions of this or other states, provided that such service is  
19 excluded from "employment" as defined in the federal unemployment tax  
20 act by reason of section 3306(c)(7) of that act and is not excluded from  
21 "employment" under subsection (i)(4)(A) of this section. For purposes of  
22 this section, the exclusions from employment in subsections (i)(4)(A) and  
23 (i)(4)(L) shall also be applicable to services performed in the employ of an  
24 Indian tribe.

25 (F) ~~Service~~Services performed by an individual in the employ of a  
26 religious, charitable, educational or other organization ~~which that~~ is  
27 excluded from the term "employment" as defined in the federal  
28 unemployment tax act solely by reason of section 3306(c)(8) of that act,  
29 and is not excluded from employment under paragraphs (I) through (M) of  
30 subsection (i)(4).

31 (G) The term "employment" shall include the ~~service services~~ of an  
32 individual who is a citizen of the United States, performed outside the  
33 United States except in Canada, in the employ of an American employer ~~or,~~  
34 other than service ~~which that~~ is deemed "employment" under the  
35 provisions of subsection (i)(2) or subsection (i)(3) or the parallel  
36 provisions of another state's law), if:

37 (i) The employer's principal place of business in the United States is  
38 located in this state; or

39 (ii) the employer has no place of business in the United States, but:

40 (a) The employer is an individual who is a resident of this state;

41 (b) the employer is a corporation which is organized under the laws  
42 of this state; or

43 (c) the employer is a partnership or a trust and the number of the

1 partners or trustees who are residents of this state is greater than the  
2 number who are residents of any other state; or

3 (iii) none of the criteria of paragraphs (i) and (ii) above of this  
4 subsection (i)(3)(G) are met but the employer has elected coverage in this  
5 state or, the employer having failed to elect coverage in any state, the  
6 individual has filed a claim for benefits, based on such service, under the  
7 law of this state.

8 (H) An "American employer," for purposes of subsection (i)(3)(G),  
9 means a person who is:

10 (i) An individual who is a resident of the United States;

11 (ii) a partnership if  $\frac{2}{3}$  or more of the partners are residents of the  
12 United States;

13 (iii) a trust, if all of the trustees are residents of the United States; or

14 (iv) a corporation organized under the laws of the United States or of  
15 any state.

16 (I) Notwithstanding subsection (i)(2) ~~of this section~~, all ~~service~~  
17 ~~services~~ performed by an officer or member of the crew of an American  
18 vessel or American aircraft on or in connection with such vessel or aircraft,  
19 if the operating office, from which the operations of such vessel or aircraft  
20 operating within, or within and without, the United States are ordinarily  
21 and regularly supervised, managed, directed and controlled is within this  
22 state.

23 (J) Notwithstanding any other provisions of this subsection (i),  
24 ~~service services~~ with respect to which a tax is required to be paid under  
25 any federal law imposing a tax against which credit may be taken for  
26 contributions required to be paid into a state unemployment compensation  
27 fund or ~~which~~ *that* as a condition for full tax credit against the tax imposed  
28 by the federal unemployment tax act is required to be covered under this  
29 act.

30 (K) Domestic service in a private home, local college club or local  
31 chapter of a college fraternity or sorority performed for a person who paid  
32 cash remuneration of \$1,000 or more in any calendar quarter in the current  
33 calendar year or the preceding calendar year to individuals employed in  
34 such domestic service.

35 (4) The term "employment" shall not include: (A) ~~Service Services~~  
36 performed in the employ of an employer specified in subsection (h)(3) ~~of~~  
37 ~~this section~~ if such service is performed by an individual in the exercise of  
38 duties:

39 (i) As an elected official;

40 (ii) as a member of a legislative body, or a member of the judiciary, of  
41 a state, political subdivision or of an Indian tribe;

42 (iii) as a member of the state national guard or air national guard;

43 (iv) as an employee serving on a temporary basis in case of fire,

1 storm, snow, earthquake, flood or similar emergency;

2 (v) in a position ~~which~~ *that*, under or pursuant to the laws of this state  
3 or tribal law, is designated as a major nontenured policymaking or  
4 advisory position or as a policymaking or advisory position the  
5 performance of the duties of which ordinarily does not require more than  
6 eight hours per week;

7 (B) ~~services~~*services* with respect to which unemployment  
8 compensation is payable under an unemployment compensation system  
9 established by an act of congress;

10 (C) ~~services~~*services* performed by an individual in the employ of such  
11 individual's son, daughter or spouse, and ~~services~~*services* performed by a  
12 child under the age of 21 years in the employ of such individual's father or  
13 mother;

14 (D) ~~services~~*services* performed in the employ of the United States  
15 government or an instrumentality of the United States exempt under the  
16 constitution of the United States from the contributions imposed by this  
17 act, except that to the extent that the congress of the United States shall  
18 permit states to require any instrumentality of the United States to make  
19 payments into an unemployment fund under a state unemployment  
20 compensation law, all of the provisions of this act shall be applicable to  
21 such instrumentalities, and to *services* performed for such  
22 instrumentalities, in the same manner, to the same extent and on the same  
23 terms as to all other employers, employing units, individuals and *services*.  
24 If this state shall not be certified for any year by the federal security  
25 agency under section 3304(c) of the federal internal revenue code of 1986,  
26 the payments required of such instrumentalities with respect to such year  
27 shall be refunded by the secretary from the fund in the same manner and  
28 within the same period as is provided in ~~subsection (f)~~ of K.S.A. 44-  
29 717(h), and amendments thereto, with respect to contributions erroneously  
30 collected;

31 (E) ~~services~~*services* covered by an arrangement between the secretary  
32 and the agency charged with the administration of any other state or  
33 federal unemployment compensation law pursuant to which all *services*  
34 performed by an individual for an employing unit during the period  
35 covered by such employing unit's duly approved election, are deemed to  
36 be performed entirely within the jurisdiction of such other state or federal  
37 agency;

38 (F) ~~services~~*services* performed by an individual under the age of 18 in  
39 the delivery or distribution of newspapers or shopping news, not including  
40 delivery or distribution to any point for subsequent delivery or  
41 distribution;

42 (G) ~~services~~*services* performed by an individual for an employing unit  
43 as an insurance agent or as an insurance solicitor, if all such *service*

1 performed by such individual for such employing unit is performed for  
2 remuneration solely by way of commission;

3 (H) ~~services~~services performed in any calendar quarter in the employ  
4 of any organization exempt from income tax under section 501(a) of the  
5 federal internal revenue code of 1986—(, other than an organization  
6 described in section 401(a) or under section 521 of such code), if the  
7 remuneration for such service is less than \$50. In construing the  
8 application of the term "employment," if services performed during  $\frac{1}{2}$  or  
9 more of any pay period by an individual for the person employing such  
10 individual constitute employment, all the services of such individual for  
11 such period shall be deemed to be employment; but if the services  
12 performed during more than  $\frac{1}{2}$  of any such pay period by an individual for  
13 the person employing such individual do not constitute employment, then  
14 none of the services of such individual for such period shall be deemed to  
15 be employment. As used in this subsection (i)(4)(H) the term "pay period"  
16 means a period—(, of not more than 31 consecutive days), for which a  
17 payment of remuneration is ordinarily made to the individual by the person  
18 employing such individual. This subsection (i)(4)(H) shall not be  
19 applicable with respect to services with respect to which unemployment  
20 compensation is payable under an unemployment compensation system  
21 established by an act of congress;

22 (I) services performed in the employ of a church or convention or  
23 association of churches, or an organization which is operated primarily for  
24 religious purposes and which is operated, supervised, controlled, or  
25 principally supported by a church or convention or association of  
26 churches;

27 (J) ~~services~~services performed by a duly ordained, commissioned, or  
28 licensed minister of a church in the exercise of such individual's ministry  
29 or by a member of a religious order in the exercise of duties required by  
30 such order;

31 (K) ~~services~~services performed in a facility conducted for the purpose  
32 of carrying out a program of:

33 (i) Rehabilitation for individuals whose earning capacity is impaired  
34 by age or physical or mental deficiency or injury; or

35 (ii) providing remunerative work for individuals who because of their  
36 impaired physical or mental capacity cannot be readily absorbed in the  
37 competitive labor market, by an individual receiving such rehabilitation or  
38 remunerative work;

39 (L) ~~services~~services performed as part of an employment work-relief  
40 or work-training program assisted or financed in whole or in part by any  
41 federal agency or an agency of a state or political subdivision thereof or of  
42 an Indian tribe, by an individual receiving such work relief or work  
43 training;

1 (M) ~~services~~services performed by an inmate of a custodial or  
2 correctional institution;

3 (N) ~~services~~services performed, in the employ of a school, college, or  
4 university, if such service is performed by a student who is enrolled and is  
5 regularly attending classes at such school, college or university;

6 (O) ~~services~~services performed by an individual who is enrolled at a  
7 nonprofit or public educational institution ~~which that~~ normally maintains a  
8 regular faculty and curriculum and normally has a regularly organized  
9 body of students in attendance at the place where its educational activities  
10 are carried on as a student in a full-time program, taken for credit at such  
11 institution, ~~which that~~ combines academic instruction with work  
12 experience, if such service is an integral part of such program, and such  
13 institution has so certified to the employer, except that this subsection (i)  
14 (4)(O) shall not apply to service performed in a program established for or  
15 on behalf of an employer or group of employers;

16 (P) ~~services~~services performed in the employ of a hospital licensed,  
17 certified or approved by the secretary of health and environment, if such  
18 service is performed by a patient of the hospital;

19 (Q) services performed as a qualified real estate agent. As used in this  
20 subsection (i)(4)(Q) the term "qualified real estate agent" means any  
21 individual who is licensed by the Kansas real estate commission as a  
22 salesperson under the real estate brokers' and salespersons' license act and  
23 for whom:

24 (i) Substantially all of the remuneration, whether or not paid in cash,  
25 for the services performed by such individual as a real estate salesperson is  
26 directly related to sales or other output, including the performance of  
27 services, rather than to the number of hours worked; and

28 (ii) the services performed by the individual are performed pursuant  
29 to a written contract between such individual and the person for whom the  
30 services are performed and such contract provides that the individual will  
31 not be treated as an employee with respect to such services for state tax  
32 purposes;

33 (R) services performed for an employer by an extra in connection  
34 with any phase of motion picture or television production or television  
35 commercials for less than 14 days during any calendar year. As used in this  
36 subsection, the term "extra" means an individual who pantomimes in the  
37 background, adds atmosphere to the set and performs such actions without  
38 speaking and "employer" shall not include any employer ~~which that~~ is a  
39 governmental entity or any employer described in section 501(c)(3) of the  
40 federal internal revenue code of 1986 ~~which that~~ is exempt from income  
41 taxation under section 501(a) of the code;

42 (S) services performed by an oil and gas contract pumper. As used in  
43 this subsection (i)(4)(S), "oil and gas contract pumper" means a person

1 performing pumping and other services on one or more oil or gas leases, or  
2 on both oil and gas leases, relating to the operation and maintenance of  
3 such oil and gas leases, on a contractual basis for the operators of such oil  
4 and gas leases and "services" shall not include services performed for a  
5 governmental entity or any organization described in section 501(c)(3) of  
6 the federal internal revenue code of 1986—~~which that~~ is exempt from  
7 income taxation under section 501(a) of the code;

8 (T) service not in the course of the employer's trade or business  
9 performed in any calendar quarter by an employee, unless the cash  
10 remuneration paid for such service is \$200 or more and such service is  
11 performed by an individual who is regularly employed by such employer  
12 to perform such service. For purposes of this paragraph, an individual shall  
13 be deemed to be regularly employed by an employer during a calendar  
14 quarter only if:

15 (i) On each of some 24 days during such quarter such individual  
16 performs for such employer for some portion of the day service not in the  
17 course of the employer's trade or business; or

18 (ii) such individual was regularly employed, as determined under  
19 subparagraph (i), by such employer in the performance of such service  
20 during the preceding calendar quarter.

21 Such excluded service shall not include any services performed for an  
22 employer—~~which that~~ is a governmental entity or any employer described in  
23 section 501(c)(3) of the federal internal revenue code of 1986—~~which that~~ is  
24 exempt from income taxation under section 501(a) of the code;

25 (U) service which is performed by any person who is a member of a  
26 limited liability company and—~~which that~~ is performed as a member or  
27 manager of that limited liability company; and

28 (V) services performed as a qualified direct seller. The term "direct  
29 seller" means any person if:

30 (i) Such person:

31 (a) Is engaged in the trade or business of selling or soliciting the sale  
32 of consumer products to any buyer on a buy-sell basis or a deposit-  
33 commission basis for resale, by the buyer or any other person, in the home  
34 or otherwise rather than in a permanent retail establishment; or

35 (b) is engaged in the trade or business of selling or soliciting the sale  
36 of consumer products in the home or otherwise than in a permanent retail  
37 establishment;

38 (ii) substantially all the remuneration whether or not paid in cash for  
39 the performance of the services described in subparagraph (i) is directly  
40 related to sales or other output including the performance of services rather  
41 than to the number of hours worked;

42 (iii) the services performed by the person are performed pursuant to a  
43 written contract between such person and the person for whom the services

1 are performed and such contract provides that the person will not be  
2 treated as an employee for federal and state tax purposes;

3 (iv) for purposes of this act, a sale or a sale resulting exclusively from  
4 a solicitation made by telephone, mail, or other telecommunications  
5 method, or other nonpersonal method does not satisfy the requirements of  
6 this subsection;

7 (W) ~~services~~services performed as an election official or election  
8 worker, if the amount of remuneration received by the individual during  
9 the calendar year for services as an election official or election worker is  
10 less than \$1,000;

11 (X) ~~services~~services performed by agricultural workers who are aliens  
12 admitted to the United States to perform labor pursuant to section 1101 (a)  
13 (15)(H)(ii)(a) of the immigration and nationality act; ~~and~~

14 (Y) ~~services~~services performed by an owner-operator of a motor  
15 vehicle that is leased or contracted to a licensed motor carrier with the  
16 services of a driver and is not treated under the terms of the lease  
17 agreement or contract with the licensed motor carrier as an employee for  
18 purposes of the federal insurance contribution act, 26 U.S.C. § 3101 et  
19 seq., the federal social security act, 42 U.S.C. § 301 et seq., the federal  
20 unemployment tax act, 26 U.S.C. § 3301 et seq., and the federal statutes  
21 prescribing income tax withholding at the source, 26 U.S.C. § 3401 et seq.  
22 Employees or agents of the owner-operator shall not be considered  
23 employees of the licensed motor carrier for purposes of employment  
24 security taxation or compensation. As used in this subsection (Y), the  
25 following definitions apply: (i) "Motor vehicle" means any automobile,  
26 truck-trailer, semitrailer, tractor, motor bus or any other self-propelled or  
27 motor-driven vehicle used upon any of the public highways of Kansas for  
28 the purpose of transporting persons or property; (ii) "licensed motor  
29 carrier" means any person, firm, corporation or other business entity that  
30 holds a certificate of convenience and necessity or a certificate of public  
31 service from the state corporation commission or is required to register  
32 motor carrier equipment pursuant to 49 U.S.C. § 14504; and (iii) "owner-  
33 operator" means a person, firm, corporation or other business entity that is  
34 the owner of a single motor vehicle that is driven exclusively by the owner  
35 under a lease agreement or contract with a licensed motor carrier; *and*

36 (Z) *services performed by a petroleum landman on a contractual basis.*  
37 *As used in this subparagraph, "petroleum landman" means an individual*  
38 *performing services on a contractual basis who is not an individual who is*  
39 *an active officer of a corporation as described in subsection (i)(1)(A) that*  
40 *may include:*

41 (i) *Negotiating for the acquisition or divestiture of mineral rights;*

42 (ii) *negotiating business agreements that provide exploration for or*  
43 *development of minerals;*



1       (iii) *determining ownership in minerals through the research of*  
2 *public and private records;*

3       (iv) *reviewing the status of title, curing title defects, providing title*  
4 *due diligence and otherwise reducing title risk associated with ownership*  
5 *in minerals or the acquisition and divestiture of mineral properties;*

6       (v) *managing rights or obligations derived from ownership of*  
7 *interests in minerals; or*

8       (vi) *unitizing or pooling of interests in minerals. For purposes of this*  
9 *subparagraph, "minerals" includes oil, natural gas or petroleum.*

10 *"Services" shall not include services performed for a governmental entity*  
11 *or any organization described in section 501(c)(3) of the federal internal*  
12 *revenue code of 1986, or a federally recognized Indian tribe that is exempt*  
13 *from income taxation under section 501(a) of the code.*

14       (j) "Employment office" means any office operated by this state and  
15 maintained by the secretary of labor for the purpose of assisting persons to  
16 become employed.

17       (k) "Fund" means the employment security fund established by this  
18 act, to which all contributions and reimbursement payments required and  
19 from which all benefits provided under this act shall be paid and including  
20 all money received from the federal government as reimbursements  
21 pursuant to section 204 of the federal-state extended compensation act of  
22 1970, and amendments thereto.

23       (l) "State" includes, in addition to the states of the United States of  
24 America, any dependency of the United States, the Commonwealth of  
25 Puerto Rico, the District of Columbia and the Virgin Islands.

26       (m) "Unemployment." An individual shall be deemed "unemployed"  
27 with respect to any week during which such individual performs no  
28 services and with respect to which no wages are payable to such  
29 individual, or with respect to any week of less than full-time work if the  
30 wages payable to such individual with respect to such week are less than  
31 such individual's weekly benefit amount.

32       (n) "Employment security administration fund" means the fund  
33 established by this act, from which administrative expenses under this act  
34 shall be paid.

35       (o) "Wages" means all compensation for services, including  
36 commissions, bonuses, back pay and the cash value of all remuneration,  
37 including benefits, paid in any medium other than cash. The reasonable  
38 cash value of remuneration in any medium other than cash, shall be  
39 estimated and determined in accordance with rules and regulations  
40 prescribed by the secretary. Compensation payable to an individual ~~which~~  
41 *that* has not been actually received by that individual within 21 days after  
42 the end of the pay period in which the compensation was earned shall be  
43 considered to have been paid on the 21<sup>st</sup> day after the end of that pay

1 period. Effective January 1, 1986, gratuities, including tips received from  
2 persons other than the employing unit, shall be considered wages when  
3 reported in writing to the employer by the employee. Employees must  
4 furnish a written statement to the employer, reporting all tips received if  
5 they total \$20 or more for a calendar month whether the tips are received  
6 directly from a person other than the employer or are paid over to the  
7 employee by the employer. This includes amounts designated as tips by a  
8 customer who uses a credit card to pay the bill. Notwithstanding the other  
9 provisions of this subsection (o), wages paid in back pay awards or  
10 settlements shall be allocated to the week or weeks and reported in the  
11 manner as specified in the award or agreement, or, in the absence of such  
12 specificity in the award or agreement, such wages shall be allocated to the  
13 week or weeks in which such wages, in the judgment of the secretary,  
14 would have been paid. The term "wages" shall not include:

15 (1) That part of the remuneration—~~which~~ *that* has been paid in a  
16 calendar year to an individual by an employer or such employer's  
17 predecessor in excess of \$3,000 for all calendar years prior to 1972, in  
18 excess of \$4,200 for the calendar years 1972 to 1977, inclusive, in excess  
19 of \$6,000 for calendar years 1978 to 1982, inclusive, in excess of \$7,000  
20 for the calendar year 1983, in excess of \$8,000 for the calendar years 1984  
21 to 2014, inclusive, and in excess of \$12,000 with respect to employment  
22 during calendar year 2015, and in excess of \$14,000 with respect to all  
23 calendar years thereafter, except that if the definition of the term "wages"  
24 as contained in the federal unemployment tax act is amended to include  
25 remuneration paid to an individual by an employer under the federal act in  
26 excess of \$8,000 for the calendar years 1984-2014, inclusive, and in  
27 excess of \$12,000 with respect to employment during calendar year 2015,  
28 and in excess of \$14,000 with respect to all calendar years thereafter,  
29 wages shall include remuneration paid in a calendar year to an individual  
30 by an employer subject to this act or such employer's predecessor with  
31 respect to employment during any calendar year up to an amount equal to  
32 the dollar limitation specified in the federal unemployment tax act. For the  
33 purposes of this subsection (o)(1), the term "employment" shall include  
34 service constituting employment under any employment security law of  
35 another state or of the federal government;

36 (2) the amount of any payment—~~(~~ including any amount paid by an  
37 employing unit for insurance or annuities, or into a fund, to provide for  
38 any such payment), made to, or on behalf of, an employee or any of such  
39 employee's dependents under a plan or system established by an employer  
40 ~~which~~ *that* makes provisions for employees generally, for a class or classes  
41 of employees or for such employees or a class or classes of employees and  
42 their dependents, on account of: (A) Sickness or accident disability, except  
43 in the case of any payment made to an employee or such employee's

1 dependents, this subparagraph shall exclude from the term "wages" only  
2 payments ~~which~~ *that* are received under a workers compensation law. Any  
3 third party ~~which~~ *that* makes a payment included as wages by reason of  
4 this subparagraph (2)(A) shall be treated as the employer with respect to  
5 such wages; or (B) medical and hospitalization expenses in connection  
6 with sickness or accident disability; or (C) death;

7 (3) any payment on account of sickness or accident disability, or  
8 medical or hospitalization expenses in connection with sickness or  
9 accident disability, made by an employer to, or on behalf of, an employee  
10 after the expiration of six calendar months following the last calendar  
11 month in which the employee worked for such employer;

12 (4) any payment made to, or on behalf of, an employee or such  
13 employee's beneficiary:

14 (A) From or to a trust described in section 401(a) of the federal  
15 internal revenue code of 1986 ~~which~~ *that* is exempt from tax under section  
16 501(a) of the federal internal revenue code of 1986 at the time of such  
17 payment unless such payment is made to an employee of the trust as  
18 remuneration for services rendered as such employee and not as a  
19 beneficiary of the trust;

20 (B) under or to an annuity plan ~~which~~ *that*, at the time of such  
21 payment, is a plan described in section 403(a) of the federal internal  
22 revenue code of 1986;

23 (C) under a simplified employee pension as defined in section 408(k)  
24 (1) of the federal internal revenue code of 1986, other than any  
25 contribution described in section 408(k)(6) of the federal internal revenue  
26 code of 1986;

27 (D) under or to an annuity contract described in section 403(b) of the  
28 federal internal revenue code of 1986, other than a payment for the  
29 purchase of such contract ~~which~~ *that* was made by reason of a salary  
30 reduction agreement whether evidenced by a written instrument or  
31 otherwise;

32 (E) under or to an exempt governmental deferred compensation plan  
33 as defined in section 3121(v)(3) of the federal internal revenue code of  
34 1986;

35 (F) to supplement pension benefits under a plan or trust described in  
36 any of the foregoing provisions of this subparagraph to take into account  
37 some portion or all of the increase in the cost of living, as determined by  
38 the secretary of labor, since retirement but only if such supplemental  
39 payments are under a plan ~~which~~ *that* is treated as a welfare plan under  
40 section 3(2)(B)(ii) of the federal employee retirement income security act  
41 of 1974; or

42 (G) under a cafeteria plan within the meaning of section 125 of the  
43 federal internal revenue code of 1986;

- 1 (5) the payment by an employing unit~~(, without deduction from the~~  
2 remuneration of the employee), of the tax imposed upon an employee  
3 under section 3101 of the federal internal revenue code of 1986 with  
4 respect to remuneration paid to an employee for domestic service in a  
5 private home of the employer or for agricultural labor;
- 6 (6) remuneration paid in any medium other than cash to an employee  
7 for service not in the course of the employer's trade or business;
- 8 (7) remuneration paid to or on behalf of an employee if and to the  
9 extent that at the time of the payment of such remuneration it is reasonable  
10 to believe that a corresponding deduction is allowable under section 217 of  
11 the federal internal revenue code of 1986 relating to moving expenses;
- 12 (8) any payment or series of payments by an employer to an  
13 employee or any of such employee's dependents~~which that~~ is paid:
- 14 (A) Upon or after the termination of an employee's employment  
15 relationship because of (i) death or (ii) retirement for disability; and
- 16 (B) under a plan established by the employer~~which that~~ makes  
17 provisions for employees generally, a class or classes of employees or for  
18 such employees or a class or classes of employees and their dependents,  
19 other than any such payment or series of payments~~which that~~ would have  
20 been paid if the employee's employment relationship had not been so  
21 terminated;
- 22 (9) remuneration for agricultural labor paid in any medium other than  
23 cash;
- 24 (10) any payment made, or benefit furnished, to or for the benefit of  
25 an employee if at the time of such payment or such furnishing it is  
26 reasonable to believe that the employee will be able to exclude such  
27 payment or benefit from income under section 129 of the federal internal  
28 revenue code of 1986~~which that~~ relates to dependent care assistance  
29 programs;
- 30 (11) the value of any meals or lodging furnished by or on behalf of  
31 the employer if at the time of such furnishing it is reasonable to believe  
32 that the employee will be able to exclude such items from income under  
33 section 119 of the federal internal revenue code of 1986;
- 34 (12) any payment made by an employer to a survivor or the estate of  
35 a former employee after the calendar year in which such employee died;
- 36 (13) any benefit provided to or on behalf of an employee if at the time  
37 such benefit is provided it is reasonable to believe that the employee will  
38 be able to exclude such benefit from income under section 74(c), 117 or  
39 132 of the federal internal revenue code of 1986;
- 40 (14) any payment made, or benefit furnished, to or for the benefit of  
41 an employee, if at the time of such payment or such furnishing it is  
42 reasonable to believe that the employee will be able to exclude such  
43 payment or benefit from income under section 127 of the federal internal

1 revenue code of 1986 relating to educational assistance to the employee; or  
2 (15) any payment made to or for the benefit of an employee if at the  
3 time of such payment it is reasonable to believe that the employee will be  
4 able to exclude such payment from income under section 106(d) of the  
5 federal internal revenue code of 1986 relating to health savings accounts.

6 Nothing in any paragraph of subsection (o), other than paragraph (1),  
7 shall exclude from the term "wages": (1) Any employer contribution under  
8 a qualified cash or deferred arrangement, as defined in section 401(k) of  
9 the federal internal revenue code of 1986, to the extent that such  
10 contribution is not included in gross income by reason of section 402(a)(8)  
11 of the federal internal revenue code of 1986; or (2) any amount treated as  
12 an employer contribution under section 414(h)(2) of the federal internal  
13 revenue code of 1986.

14 Any amount deferred under a nonqualified deferred compensation plan  
15 shall be taken into account for purposes of this section as of the later of  
16 when the services are performed or when there is no substantial risk of  
17 forfeiture of the rights to such amount. Any amount taken into account as  
18 wages by reason of this paragraph, and the income attributable thereto,  
19 shall not thereafter be treated as wages for purposes of this section. For  
20 purposes of this paragraph, the term "nonqualified deferred compensation  
21 plan" means any plan or other arrangement for deferral of compensation  
22 other than a plan described in subsection (o)(4).

23 (p) "Week" means such period or periods of seven consecutive  
24 calendar days, as the secretary may by rules and regulations prescribe.

25 (q) "Calendar quarter" means the period of three consecutive calendar  
26 months ending March 31, June 30, September 30 or December 31, or the  
27 equivalent thereof as the secretary may by rules and regulations prescribe.

28 (r) "Insured work" means employment for employers.

29 (s) "Approved training" means any vocational training course or  
30 course in basic education skills, including a job training program  
31 authorized under the federal workforce investment act of 1998, approved  
32 by the secretary or a person or persons designated by the secretary.

33 (t) "American vessel" or "American aircraft" means any vessel or  
34 aircraft documented or numbered or otherwise registered under the laws of  
35 the United States; and any vessel or aircraft ~~which~~ *that* is neither  
36 documented or numbered or otherwise registered under the laws of the  
37 United States nor documented under the laws of any foreign country, if its  
38 crew performs service solely for one or more citizens or residents of the  
39 United States or corporations organized under the laws of the United  
40 States or of any state.

41 (u) "Institution of higher education," for the purposes of this section,  
42 means an educational institution ~~which~~ *that*:

43 (1) Admits as regular students only individuals having a certificate of

1 graduation from a high school, or the recognized equivalent of such a  
2 certificate;

3 (2) is legally authorized in this state to provide a program of  
4 education beyond high school;

5 (3) provides an educational program for which it awards a bachelor's  
6 or higher degree, or provides a program ~~which~~ that is acceptable for full  
7 credit toward such a degree, a program of postgraduate or postdoctoral  
8 studies, or a program of training to prepare students for gainful  
9 employment in a recognized occupation; and

10 (4) is a public or other nonprofit institution.

11 Notwithstanding any of the foregoing provisions of this subsection (u),  
12 all colleges and universities in this state are institutions of higher education  
13 for purposes of this section, except that no college, university, junior  
14 college or other postsecondary school or institution ~~which~~ that is operated  
15 by the federal government or any agency thereof shall be an institution of  
16 higher education for purposes of the employment security law.

17 (v) "Educational institution" means any institution of higher  
18 education, as defined in subsection (u) ~~of this section~~, or any institution,  
19 except private for profit institutions, in which participants, trainees or  
20 students are offered an organized course of study or training designed to  
21 transfer to them knowledge, skills, information, doctrines, attitudes or  
22 abilities from, by or under the guidance of an instructor or teacher and  
23 ~~which~~ that is approved, licensed or issued a permit to operate as a school  
24 by the state department of education or other government agency that is  
25 authorized within the state to approve, license or issue a permit for the  
26 operation of a school or to an Indian tribe in the operation of an  
27 educational institution. The courses of study or training ~~which~~ that an  
28 educational institution offers may be academic, technical, trade or  
29 preparation for gainful employment in a recognized occupation.

30 (w) (1) "Agricultural labor" means any remunerated service:

31 (A) On a farm, in the employ of any person, in connection with  
32 cultivating the soil, or in connection with raising or harvesting any  
33 agricultural or horticultural commodity, including the raising, shearing,  
34 feeding, caring for, training, and management of livestock, bees, poultry,  
35 and furbearing animals and wildlife.

36 (B) In the employ of the owner or tenant or other operator of a farm,  
37 in connection with the operating, management, conservation,  
38 improvement, or maintenance of such farm and its tools and equipment, or  
39 in salvaging timber or clearing land of brush and other debris left by a  
40 hurricane, if the major part of such service is performed on a farm.

41 (C) In connection with the production or harvesting of any  
42 commodity defined as an agricultural commodity in section (15)(g) of the  
43 agricultural marketing act, as amended, 46 Stat. 1500, sec. 3; 12 U.S.C. §

1 1141j), or in connection with the ginning of cotton, or in connection with  
2 the operation or maintenance of ditches, canals, reservoirs or waterways,  
3 not owned or operated for profit, used exclusively for supplying and  
4 storing water for farming purposes.

5 (D) (i) In the employ of the operator of a farm in handling, planting,  
6 drying, packing, packaging, processing, freezing, grading, storing, or  
7 delivering to storage or to market or to a carrier for transportation to  
8 market, in its unmanufactured state, any agricultural or horticultural  
9 commodity; but only if such operator produced more than  $\frac{1}{2}$  of the  
10 commodity with respect to which such service is performed;

11 (ii) in the employ of a group of operators of farms~~(, or a cooperative~~  
12 organization of which such operators are members), in the performance of  
13 ~~service services~~ described in paragraph (i) above of this subsection (w)(1)  
14 (D), but only if such operators produced more than  $\frac{1}{2}$  of the commodity  
15 with respect to which such service is performed;

16 (iii) the provisions of paragraphs (i) and (ii) ~~above of this subsection~~  
17 ~~(w)(1)(D)~~ shall not be deemed to be applicable with respect to ~~service~~  
18 ~~services~~ performed in connection with commercial canning or commercial  
19 freezing or in connection with any agricultural or horticultural commodity  
20 after its delivery to a terminal market for distribution for consumption.

21 (E) On a farm operated for profit if such service is not in the course  
22 of the employer's trade or business.

23 (2) "Agricultural labor" does not include ~~service services~~ performed  
24 prior to January 1, 1980, by an individual who is an alien admitted to the  
25 United States to perform service in agricultural labor pursuant to sections  
26 214(c) and 101(a)(15)(H) of the federal immigration and nationality act.

27 (3) As used in this subsection ~~(w)~~, the term "farm" includes stock,  
28 dairy, poultry, fruit, fur-bearing animal, and truck farms, plantations,  
29 ranches, nurseries, ranges, greenhouses, or other similar structures used  
30 primarily for the raising of agricultural or horticultural commodities, and  
31 orchards.

32 (4) For the purpose of this section, if an employing unit does not  
33 maintain sufficient records to separate agricultural labor from other  
34 employment, all services performed during any pay period by an  
35 individual for the person employing such individual shall be deemed to be  
36 agricultural labor if services performed during  $\frac{1}{2}$  or more of such pay  
37 period constitute agricultural labor; but if the services performed during  
38 more than  $\frac{1}{2}$  of any such pay period by an individual for the person  
39 employing such individual do not constitute agricultural labor, then none  
40 of the services of such individual for such period shall be deemed to be  
41 agricultural labor. As used in this subsection ~~(w)~~, the term "pay period"  
42 means a period of not more than 31 consecutive days for which a payment  
43 of remuneration is ordinarily made to the individual by the person

1 employing such individual.

2 (x) "Reimbursing employer" means any employer who makes  
3 payments in lieu of contributions to the employment security fund as  
4 provided in ~~subsection (e) of~~ K.S.A. 44-710(e), and amendments thereto.

5 (y) "Contributing employer" means any employer other than a  
6 reimbursing employer or rated governmental employer.

7 (z) "Wage combining plan" means a uniform national arrangement  
8 approved by the United States secretary of labor in consultation with the  
9 state unemployment compensation agencies and in which this state shall  
10 participate, whereby wages earned in one or more states are transferred to  
11 another state, called the "paying state," and combined with wages in the  
12 paying state, if any, for the payment of benefits under the laws of the  
13 paying state and as provided by an arrangement so approved by the United  
14 States secretary of labor.

15 (aa) "Domestic service" means ~~any service~~ services for a person in  
16 the operation and maintenance of a private household, local college club or  
17 local chapter of a college fraternity or sorority, as distinguished from  
18 service as an employee in the pursuit of an employer's trade, occupation,  
19 profession, enterprise or vocation.

20 (bb) "Rated governmental employer" means any governmental entity  
21 ~~which that~~ elects to make payments as provided by K.S.A. 44-710d, and  
22 amendments thereto.

23 (cc) "Benefit cost payments" means payments made to the  
24 employment security fund by a governmental entity electing to become a  
25 rated governmental employer.

26 (dd) "Successor employer" means any employer, as described in  
27 subsection (h) ~~of this section, which that~~ acquires or in any manner  
28 succeeds to: (1) Substantially all of the employing enterprises,  
29 organization, trade or business of another employer; or (2) substantially all  
30 the assets of another employer.

31 (ee) "Predecessor employer" means an employer, as described in  
32 subsection (h) ~~of this section~~, who has previously operated a business or  
33 portion of a business with employment to which another employer has  
34 succeeded.

35 (ff) "Lessor employing unit" means any independently established  
36 business entity ~~which that~~ engages in the business of providing leased  
37 employees to a client lessee.

38 (gg) "Client lessee" means any individual, organization, partnership,  
39 corporation or other legal entity leasing employees from a lessor  
40 employing unit.

41 (hh) "Qualifying injury" means a personal injury by accident arising  
42 out of and in the course of employment within the coverage of the Kansas  
43 workers compensation act, K.S.A. 44-501 et seq., and amendments



1 thereto.}

2 Sec. 9{10}. K.S.A. 2020 Supp. 44-704 is hereby amended to read as  
3 follows: 44-704. (a) *Payment of benefits*. All benefits provided herein shall  
4 be payable from the fund. All benefits shall be paid through the secretary  
5 of labor, in accordance with such rules and regulations as the secretary  
6 may adopt. Benefits based on service in employment defined in K.S.A. 44-  
7 703(i)(3)(E) and (i)(3)(F), and amendments thereto, shall be payable in the  
8 same amount, on the same terms and subject to the same conditions as  
9 compensation payable on the basis of other service subject to this act  
10 except as provided in K.S.A. 44-705(e) and 44-711(e), and amendments  
11 thereto.

12 (b) *Determined weekly benefit amount*. An individual's determined  
13 weekly benefit amount shall be an amount equal to 4.25% of the  
14 individual's total wages for insured work paid during that calendar quarter  
15 of the individual's base period that such total wages were highest, subject  
16 to the following limitations:

17 (1) If an individual's determined weekly benefit amount is less than  
18 the minimum weekly benefit amount, it shall be raised to such minimum  
19 weekly benefit amount;

20 (2) if the individual's determined weekly benefit amount is more than  
21 the maximum weekly benefit amount, it shall be reduced to the maximum  
22 weekly benefit amount; and

23 (3) if the individual's determined weekly benefit amount is not a  
24 multiple of \$1, it shall be reduced to the next lower multiple of \$1.

25 (c) *Maximum weekly benefit amount*. (1) For initial claims effective  
26 prior to July 1, 2015, the maximum weekly benefit amount shall be  
27 determined as follows: On July 1 of each year, the secretary shall  
28 determine the maximum weekly benefit amount by computing 60% of the  
29 average weekly wages paid to employees in insured work during the  
30 previous calendar year and shall, prior to that date, announce the  
31 maximum weekly benefit amount so determined, by publication in the  
32 Kansas register. Such computation shall be made by dividing the gross  
33 wages reported as paid for insured work during the previous calendar year  
34 by the product of the average of mid-month employment during such  
35 calendar year multiplied by 52. The maximum weekly benefit amount so  
36 determined and announced for the twelve-month period shall apply only to  
37 those claims filed in that period qualifying for maximum payment under  
38 the foregoing formula. All claims qualifying for payment at the maximum  
39 weekly benefit amount shall be paid at the maximum weekly benefit  
40 amount in effect when the benefit year to which the claim relates was first  
41 established, notwithstanding a change in the maximum benefit amount for  
42 a subsequent twelve-month period. If the computed maximum weekly  
43 benefit amount is not a multiple of \$1, then the computed maximum

1 weekly benefit amount shall be reduced to the next lower multiple of \$1.

2 (2) For initial claims effective on or after July 1, 2015, the maximum  
3 weekly benefit amount shall be determined as follows: On July 1 of each  
4 year, the secretary shall determine the maximum weekly benefit amount by  
5 computing 55% of the average weekly wages paid to employees in insured  
6 work during the previous calendar year, but not to be less than \$474, and  
7 shall, prior to that date, announce the maximum weekly benefit amount so  
8 determined by publication in the Kansas register. Such computation shall  
9 be made by dividing the gross wages reported as paid for insured work  
10 during the previous calendar year by the product of the average of mid-  
11 month employment during such calendar year multiplied by 52. The  
12 maximum weekly benefit amount so determined and announced for the  
13 12-month period shall apply only to those claims filed in that period  
14 qualifying for maximum payment under the foregoing formula. All claims  
15 qualifying for payment at the maximum weekly benefit amount shall be  
16 paid at the maximum weekly benefit amount in effect when the benefit  
17 year to which the claim relates was first established, notwithstanding a  
18 change in the maximum benefit amount for a subsequent 12-month period.  
19 If the computed maximum weekly benefit amount is not a multiple of \$1,  
20 then the computed maximum weekly benefit amount shall be reduced to  
21 the next lower multiple of \$1.

22 (d) *Minimum weekly benefit amount.* The minimum weekly benefit  
23 amount payable to any individual shall be 25% of the maximum weekly  
24 benefit amount effective as of the beginning of the individual's benefit  
25 year. If the minimum weekly benefit amount is not a multiple of \$1 it shall  
26 be reduced to the next lower multiple of \$1. The minimum weekly benefit  
27 amount shall apply through the benefit year, notwithstanding a change in  
28 the minimum weekly benefit amount.

29 (e) All claims qualifying for payment at the maximum weekly benefit  
30 amount shall be paid at the maximum weekly benefit amount in effect  
31 when the benefit year to which the claim relates was first established,  
32 notwithstanding a subsequent change in the maximum weekly benefit  
33 amount.

34 (f) *Weekly benefit payable.* Each eligible individual who is  
35 unemployed with respect to any week, except as to final payment, shall be  
36 paid with respect to such week a benefit in an amount equal to such  
37 individual's determined weekly benefit amount, less that part of the wage,  
38 if any, payable to such individual with respect to such week that is in  
39 excess of the amount that is equal to 25% of such individual's determined  
40 weekly benefit amount, and if the resulting amount is not a multiple of \$1,  
41 it shall be reduced to the next lower multiple of \$1.

42 (1) For the purposes of this section, remuneration received under the  
43 following circumstances shall be construed as wages:

1 (A) Vacation or holiday pay that was attributable to a week that the  
2 individual claimed benefits; and

3 (B) severance pay, if paid as scheduled, and all other employment  
4 benefits within the employer's control, as defined in subsection (f)(3), if  
5 continued as though the severance had not occurred, except as set out in  
6 subsection (f)(2)(C).

7 (2) For the purposes of this section, remuneration received under the  
8 following circumstances shall not be construed as wages:

9 (A) Remuneration received for services performed on a public  
10 assistance work project;

11 (B) severance pay, in lieu of notice, under the provisions of public  
12 law 100-379, the federal worker adjustment and retraining notification act,  
13 29 U.S.C. §§ 2101 through 2109;

14 (C) all other severance pay, separation pay, bonuses, wages in lieu of  
15 notice or remuneration of a similar nature that is payable after the  
16 severance of the employment relationship, except as set out in subsection  
17 (f)(1)(B); and

18 (D) moneys received as federal social security payments.

19 (3) For the purposes of this subsection, "employment benefits within  
20 the employer's control" means benefits offered by the employer to  
21 employees that are employee benefit plans as defined by section 3 of the  
22 federal employee retirement income security act of 1974, as amended, 29  
23 U.S.C. § 1002, and that the employer has the option to continue to provide  
24 to the employee after the last day that the employee worked for that  
25 employer.

26 (g) *Duration of benefits.* Any otherwise eligible individual shall be  
27 entitled during any benefit year to a total amount of benefits equal to  
28 whichever is the lesser of 26 times such individual's weekly benefit  
29 amount, or  $\frac{1}{3}$  of such individual's wages for insured work paid during such  
30 individual's base period. Such total amount of benefits, if not a multiple of  
31 \$1, shall be reduced to the next lower multiple of \$1.

32 (h) For the purposes of this section, wages shall be counted as "wages  
33 for insured work" for benefit purposes with respect to any benefit year  
34 only if such benefit year begins subsequent to the date when the  
35 employing unit by whom such wages were paid has satisfied the  
36 conditions of K.S.A. 44-703(h), and amendments thereto, with respect to  
37 becoming an employer.

38 (i) Notwithstanding any other provisions of this section to the  
39 contrary, any benefit otherwise payable for any week shall be reduced by  
40 the amount of any separation, termination, severance or other similar  
41 payment paid to a claimant at the time of or after the claimant's separation  
42 from employment during the benefit year.

43 (1) If any payment pursuant to this subsection is paid with respect to

1 a month, then the amount deemed to be received with respect to any week  
2 during such month shall be computed by multiplying such monthly  
3 amount by 12 and dividing the product by 52. If there is no designation of  
4 the period with respect to which payments to an individual are made under  
5 this section, then an amount equal to such individual's normal weekly  
6 wage shall be attributed to and deemed paid with respect to the first and  
7 each succeeding week following payment of the separation pay to the  
8 individual until such amount so paid is exhausted.

9 (2) If benefits for any week, when reduced as provided in this  
10 subsection, result in an amount that is not a multiple of \$1, such benefits  
11 shall be rounded to the next lower multiple of \$1.

12 (3) Notwithstanding the reemployment provisions of K.S.A. 44-  
13 705(e), and amendments thereto, any individual whose benefit amount is  
14 completely reduced under this subsection for 52 or more weeks shall, upon  
15 exhaustion of the separation pay, be entitled to a new benefit year based  
16 upon entitlement from the base period of the claim that was reduced.

17 (j) Except as provided in subsection (k), for weeks commencing on  
18 and after January 1, 2014, *and ending before April 1, 2021*, if at the  
19 beginning of the benefit year, the three-month seasonally adjusted average  
20 unemployment rate for the state of Kansas is: (1) Less than 4.5%, a  
21 claimant shall be eligible for a maximum of 16 weeks of benefits; (2) at  
22 least 4.5% but less than 6%, a claimant shall be eligible for a maximum of  
23 20 weeks of benefits; or (3) at least 6%, a claimant shall be eligible for a  
24 maximum of 26 weeks of benefits.

25 (k) On and after the effective date of this act, a claimant shall be  
26 eligible for a maximum of 26 weeks of benefits. A claimant who filed a  
27 new claim on or after January 1, 2020, and before the effective date of this  
28 act shall be eligible for a maximum of 26 weeks of benefits including the  
29 number of weeks of benefits received after January 1, 2020, and before the  
30 effective date of this act. This subsection shall not apply to initial claims  
31 effective on and after April 1, 2021.

32 (l) *For weeks commencing on and after April 1, 2021, if at the*  
33 *beginning of the benefit year, the three-month seasonally adjusted average*  
34 *unemployment rate for the state of Kansas is: (1) Less than 5%, a claimant*  
35 *shall be eligible for a maximum of 16 weeks of benefits; (2) at least 5%*  
36 *but less than 6%, a claimant shall be eligible for a maximum of 20 weeks*  
37 *of benefits; or (3) at least 6%, a claimant shall be eligible for a maximum*  
38 *of 26 weeks of benefits.*

39 (m) *Upon the secretary of labor's receipt of notification that the*  
40 *claimant has become employed, the secretary shall notify the secretary of*  
41 *the department for children and families in order that the secretary for*  
42 *children and families may determine the claimant's eligibility for state or*  
43 *federal benefits provided or facilitated by the department for children and*

1 *families. The department of labor and the department for children and*  
2 *families shall enter into a memorandum of understanding that shall*  
3 *provide for the transfer of information as provided in this subsection.*

4 Sec. ~~10~~**11**. K.S.A. 2020 Supp. 44-705 is hereby amended to read as  
5 follows: 44-705. Except as provided by K.S.A. 44-757, and amendments  
6 thereto, an unemployed individual shall be eligible to receive benefits with  
7 respect to any week only if the secretary, or a person or persons designated  
8 by the secretary, finds that:

9 (a) The claimant has registered for work at and thereafter continued  
10 to report at an employment office in accordance with rules and regulations  
11 adopted by the secretary, except that, subject to the provisions of K.S.A.  
12 44-704(a), and amendments thereto, the secretary may adopt rules and  
13 regulations that waive or alter either or both of the requirements of this  
14 subsection.

15 (b) The claimant has made a claim for benefits with respect to such  
16 week in accordance with rules and regulations adopted by the secretary.

17 (c) (1) The claimant is able to perform the duties of such claimant's  
18 customary occupation or the duties of other occupations that the claimant  
19 is reasonably fitted by training or experience, and is available for work, as  
20 demonstrated by the claimant's pursuit of the full course of action most  
21 reasonably calculated to result in the claimant's reemployment except that,  
22 notwithstanding any other provisions of this section, an unemployed  
23 claimant otherwise eligible for benefits shall not become ineligible for  
24 benefits:

25 ~~(1)~~(A) Because of the claimant's enrollment in and satisfactory pursuit  
26 of approved training, including training approved under section 236(a)(1)  
27 of the trade act of 1974;

28 ~~(2)~~(B) solely because such individual is seeking only part-time  
29 employment if the individual is available for a number of hours per week  
30 that are comparable to the individual's part-time work experience in the  
31 base period; or

32 ~~(3)~~(C) because a claimant is not actively seeking work:

33 (i) During a state of disaster emergency proclaimed by the governor  
34 pursuant to K.S.A. 48-924 and 48-925, and amendments thereto;

35 (ii) in response to the spread of the public health emergency of  
36 COVID-19; and

37 (iii) the state's temporary waiver of the work search requirement  
38 under the employment security law for such claimant is in compliance  
39 with the families first coronavirus response act, public law 116-127.

40 (2) *The secretary shall develop and implement procedures to address*  
41 *claimants who refuse to return to suitable work or refuse to accept an offer*  
42 *of suitable work without good cause. Such procedures shall include the*  
43 *receipt and processing of job refusal reports from employers, the*

1 *evaluation of such reports in consideration of the claimant's work history*  
2 *and skills and suitability of the offered employment and guidelines for a*  
3 *determination of whether the claimant shall remain eligible for*  
4 *unemployment benefits or has failed to meet the work search requirements*  
5 *of this subsection or the requirements of K.S.A. 2020 Supp. 44-706(c), and*  
6 *amendments thereto. In determining whether the employment offered is*  
7 *suitable, the secretary's considerations shall include whether the*  
8 *employment offers wages comparable to the claimant's recent employment*  
9 *and work duties that correspond to the claimant's education level and*  
10 *previous work experience. The secretary shall also consider whether the*  
11 *employment offers wages of at least the amount of the claimant's*  
12 *maximum weekly benefits.*

13 *(3) To facilitate the requirements of paragraph (2), the secretary shall*  
14 *provide readily accessible means for employers to notify the department*  
15 *when a claimant refuses to return to work or refuses an offer of*  
16 *employment, including by telephone, email or an online web portal.*  
17 *Nothing in this subsection shall be construed as to require an employer to*  
18 *report such job refusals to the department.*

19 *(4) At the time of receipt of notice from an employer pursuant to*  
20 *paragraph (3), the secretary shall, within 10 days of receipt of such notice*  
21 *from the employer, provide a notice to the claimant who has refused to*  
22 *return to work or to accept an offer of suitable work without good cause.*  
23 *The method of providing the notice to the claimant shall be consistent with*  
24 *other correspondence from the department to the claimant and may*  
25 *include mail, telephone, email or through an online web portal. The notice*  
26 *shall, at minimum, include the following information:*

27 *(A) A summary of state employment security law regarding a*  
28 *claimant's duties to return to work or accept suitable work;*

29 *(B) a statement that the claimant has been or may be disqualified and*  
30 *the claimant's right to collect benefits has been or may be terminated for*  
31 *refusal to return to work or accept suitable work without good cause, as*  
32 *provided by this subsection and K.S.A. 2020 Supp. 44-706(c), and*  
33 *amendments thereto;*

34 *(C) an explanation of what constitutes suitable work under the*  
35 *employment security law; and*

36 *(D) instructions for contesting a denial of a claim if the denial is*  
37 *based upon a report by an employer that the claimant has refused to*  
38 *return to work or has refused to accept an offer of suitable work.*

39 *(5) For the purposes of this subsection, an inmate of a custodial or*  
40 *correctional institution shall be deemed to be unavailable for work and not*  
41 *eligible to receive unemployment compensation while incarcerated.*

42 *(d) (1) Except as provided further, the claimant has been unemployed*  
43 *for a waiting period of one week or the claimant is unemployed and has*

1 satisfied the requirement for a waiting period of one week under the shared  
2 work unemployment compensation program as provided in K.S.A. 44-  
3 757(k)(4), and amendments thereto, and that period of one week, in either  
4 case, occurs within the benefit year that includes the week for which the  
5 claimant is claiming benefits. No week shall be counted as a week of  
6 unemployment for the purposes of this subsection:

7 (A) If benefits have been paid for such week;

8 (B) if the individual fails to meet with the other eligibility  
9 requirements of this section; or

10 (C) if an individual is seeking unemployment benefits under the  
11 unemployment compensation law of any other state or of the United  
12 States, except that if the appropriate agency of such state or of the United  
13 States finally determines that the claimant is not entitled to unemployment  
14 benefits under such other law, this subparagraph shall not apply.

15 (2) (A) The waiting week requirement of paragraph (1) shall not  
16 apply to:

17 (i) New claims by claimants who become unemployed as a result of  
18 an employer terminating business operations within this state, declaring  
19 bankruptcy or initiating a work force reduction pursuant to public law 100-  
20 379, the federal worker adjustment and retraining notification act, 29  
21 U.S.C. §§ 2101 through 2109, as amended; or

22 (ii) new claims filed on or after April 5, 2020, through December 26,  
23 2020, in accordance with the families first coronavirus response act, public  
24 law 116-127 and the federal CARES act, public law 116-136.

25 (B) The secretary shall adopt rules and regulations to administer the  
26 provisions of this paragraph.

27 (3) If the waiting week requirement of paragraph (1) applies, a  
28 claimant shall become eligible to receive compensation for the waiting  
29 period of one week, pursuant to paragraph (1), upon completion of three  
30 weeks of unemployment consecutive to such waiting period. This  
31 paragraph shall not apply to initial claims effective on and after April 1,  
32 2021.

33 (e) For benefit years established on and after the effective date of this  
34 act, the claimant has been paid total wages for insured work in the  
35 claimant's base period of not less than 30 times the claimant's weekly  
36 benefit amount and has been paid wages in more than one quarter of the  
37 claimant's base period, except that the wage credits of an individual earned  
38 during the period commencing with the end of a prior base period and  
39 ending on the date that such individual filed a valid initial claim shall not  
40 be available for benefit purposes in a subsequent benefit year unless, in  
41 addition thereto, such individual has returned to work and subsequently  
42 earned wages for insured work in an amount equal to at least eight times  
43 the claimant's current weekly benefit amount.

1 (f) The claimant participates in reemployment services, such as job  
2 search assistance services, if the individual has been determined to be  
3 likely to exhaust regular benefits and needs reemployment services  
4 pursuant to a profiling system established by the secretary, unless the  
5 secretary determines that: (1) The individual has completed such services;  
6 or (2) there is justifiable cause for the claimant's failure to participate in  
7 such services.

8 (g) The claimant is returning to work after a qualifying injury and has  
9 been paid total wages for insured work in the claimant's alternative base  
10 period of not less than 30 times the claimant's weekly benefit amount and  
11 has been paid wages in more than one quarter of the claimant's alternative  
12 base period if:

13 (1) The claimant has filed for benefits within four weeks of being  
14 released to return to work by a licensed and practicing health care  
15 provider;

16 (2) the claimant files for benefits within 24 months of the date the  
17 qualifying injury occurred; and

18 (3) the claimant attempted to return to work with the employer where  
19 the qualifying injury occurred, but the individual's regular work or  
20 comparable and suitable work was not available.

21 Sec. ~~H~~ {12}. K.S.A. 2020 Supp. 44-709 is hereby amended to read as  
22 follows: 44-709. (a) *Filing*. Claims for benefits shall be made in  
23 accordance with rules and regulations adopted by the secretary. The  
24 secretary shall furnish a copy of such rules and regulations to any  
25 individual requesting them. Each employer shall: (1) Post and maintain  
26 printed statements furnished by the secretary without cost to the employer  
27 in places readily accessible to individuals in the service of the employer;  
28 and (2) provide any other notification to individuals in the service of the  
29 employer as required by the secretary pursuant to the families first  
30 coronavirus response act, public law 116-127.

31 (b) *Determination*. (1) Except as otherwise provided in this  
32 paragraph, a representative designated by the secretary, and hereinafter  
33 referred to as an examiner, shall promptly examine the claim and, on the  
34 basis of the facts found by the examiner, shall determine whether or not  
35 the claim is valid. If the examiner determines that the claim is valid, the  
36 examiner shall determine the first day of the benefit year, the weekly  
37 benefit amount and the total amount of benefits payable with respect to the  
38 benefit year. If the claim is determined to be valid, the examiner shall send  
39 a notice to the last employing unit who shall respond within 10 days by  
40 providing the examiner all requested information including all information  
41 required for a decision under K.S.A. 44-706, and amendments thereto. The  
42 information may be submitted by the employing unit in person at an  
43 employment office of the secretary or by mail, by telefacsimile machine or



1 by electronic mail. If the required information is not submitted or  
2 postmarked within a response time limit of 10 days after the examiner's  
3 notice was sent, the employing unit shall be deemed to have waived its  
4 standing as a party to the proceedings arising from the claim and shall be  
5 barred from protesting any subsequent decisions about the claim by the  
6 secretary, a referee, the employment security board of review or any court,  
7 except that the employing unit's response time limit may be waived or  
8 extended by the examiner or upon appeal, if timely response was  
9 impossible due to excusable neglect. In any case in which the payment or  
10 denial of benefits will be determined by the provisions of K.S.A. 44-  
11 706(d), and amendments thereto, the examiner shall promptly transmit the  
12 claim to a special examiner designated by the secretary to make a  
13 determination on the claim after the investigation as the special examiner  
14 deems necessary. The parties shall be promptly notified of the special  
15 examiner's decision and any party aggrieved by the decision may appeal to  
16 the referee as provided in subsection (c). The claimant and the claimant's  
17 most recent employing unit shall be promptly notified of the examiner's or  
18 special examiner's decision.

19 (2) The examiner may for good cause reconsider the examiner's  
20 decision and shall promptly notify the claimant and the most recent  
21 employing unit of the claimant, that the decision of the examiner is to be  
22 reconsidered, except that no reconsideration shall be made after the  
23 termination of the benefit year.

24 (3) Notwithstanding the provisions of any other statute, a decision of  
25 an examiner or special examiner shall be final unless the claimant or the  
26 most recent employing unit of the claimant files an appeal from the  
27 decision as provided in subsection (c), except that the time limit for appeal  
28 may be waived or extended by the referee or board of review if a timely  
29 response was impossible due to excusable neglect. The appeal must be  
30 filed within 16 calendar days after the mailing of notice to the last known  
31 addresses of the claimant and employing unit or, if notice is not by mail,  
32 within 16 calendar days after the delivery of the notice to the parties.

33 (c) *Appeals.* Unless the appeal is withdrawn, a referee, after affording  
34 the parties reasonable opportunity for fair hearing, shall affirm or modify  
35 the findings of fact and decision of the examiner or special examiner. The  
36 parties shall be duly notified of the referee's decision, together with the  
37 reasons for the decision. The decision shall be final, notwithstanding the  
38 provisions of any other statute, unless a further appeal to the employment  
39 security board of review is filed within 16 calendar days after the mailing  
40 of the decision to the parties' last known addresses or, if notice is not by  
41 mail, within 16 calendar days after the delivery of the decision, except that  
42 the time limit for appeal may be waived or extended by the referee or  
43 board of review if a timely response was impossible due to excusable

1 neglect.

2 (d) *Referees.* The secretary shall appoint, in accordance with K.S.A.  
3 44-714(c), and amendments thereto, one or more referees to hear and  
4 decide disputed claims.

5 (e) *Time, computation and extension.* In computing the period of time  
6 for an employing unit response or for appeals under this section from the  
7 examiner's or the special examiner's determination or from the referee's  
8 decision, the day of the act, event or default from which the designated  
9 period of time begins to run shall not be included. The last day of the  
10 period shall be included unless it is a Saturday, Sunday or legal holiday, in  
11 which event the period runs until the end of the next day that is not a  
12 Saturday, Sunday or legal holiday.

13 (f) *Board of review.*—(1) There is hereby created an employment  
14 security board of review, hereinafter referred to as the board, ~~consisting~~.

15 (1) (A) *Except as provided in subparagraph (B), the board shall*  
16 *consist of three members. Each member of the board shall be appointed for*  
17 *a term of four years as provided in this subsection. Not more than two*  
18 *members of the board shall belong to the same political party.*

19 (B) *On the effective date of this act, the board shall consist of six*  
20 *members. The six-member board shall consist of the following: (i) Three*  
21 *members appointed under subparagraph (A); and (ii) three members*  
22 *appointed for a term that shall expire upon the expiration of this*  
23 *subparagraph. Each member of the board appointed under subparagraph*  
24 *(B)(ii) shall be appointed as provided in this subsection. Not more than*  
25 *four members of the six-member board shall belong to the same political*  
26 *party. The provisions of this subparagraph shall expire on June 30, 2024.*

27 (2) When a vacancy on the employment security board of review  
28 occurs, the workers compensation and employment security boards  
29 nominating committee established under K.S.A. 44-551, and amendments  
30 thereto, shall convene and submit a nominee to the governor for  
31 appointment to each vacancy on the employment security board of review,  
32 subject to confirmation by the senate as provided by K.S.A. 75-4315b, and  
33 amendments thereto. The governor shall either: (A) Accept and submit to  
34 the senate for confirmation the person nominated by the nominating  
35 committee; or (B) reject the nomination and request the nominating  
36 committee to nominate another person for that position. Except as  
37 provided by K.S.A. 46-2601, and amendments thereto, no person  
38 appointed to the employment security board of review, whose appointment  
39 is subject to confirmation by the senate, shall exercise any power, duty or  
40 function as a member until confirmed by the senate.

41 (3) No member of the employment security board of review shall  
42 serve more than two consecutive terms. *This paragraph shall not apply to*  
43 *members of the board appointed under subsection (f)(1)(B)(ii). The service*

1 *of a board member appointed under subsection (f)(1)(B)(ii) shall not*  
2 *constitute a term as contemplated in this paragraph.*

3 (4) Each member of the employment security board shall serve until a  
4 successor has been appointed and confirmed. Any vacancy in the  
5 membership of the board occurring prior to expiration of a term shall be  
6 filled by appointment for the unexpired term in the same manner as  
7 provided for original appointment of the member.

8 (5) Each member of the employment security board of review shall  
9 be entitled to receive as compensation for the member's services at the rate  
10 of \$15,000 per year, together with the member's travel and other necessary  
11 expenses actually incurred in the performance of the member's official  
12 duties in accordance with rules and regulations adopted by the secretary.  
13 Members' compensation and expenses shall be paid from the employment  
14 security administration fund.

15 (6) The employment security board of review shall organize annually  
16 by the election of a chairperson from among its members. The chairperson  
17 shall serve in that capacity for a term of one year and until a successor is  
18 elected. *For the purpose of hearing and determining cases, the board*  
19 *members may sit in panels. A board panel shall consist of three members*  
20 *with not more than two members belonging to the same political party.*  
21 *The chairperson may sit as a member of a panel and shall preside over*  
22 *such panel. When the chairperson is not a member of a hearing panel, the*  
23 *chairperson shall appoint a member of the panel to preside. The board or*  
24 *board panel shall meet on the first Monday of each month or on the call of*  
25 *the chairperson or any two members of the board at the place designated.*  
26 *The secretary of labor shall appoint an executive secretary of the board*  
27 *and the executive secretary or the executive secretary's designee shall*  
28 *attend the meetings of the board and board panels.*

29 (7) The employment security board of review *or board panel*, on its  
30 own motion, may affirm, modify or set aside any decision of a referee on  
31 the basis of the evidence previously submitted in the case; may direct the  
32 taking of additional evidence; or may permit any of the parties to initiate  
33 further appeal before it. The board *or board panel* shall permit such further  
34 appeal by any of the parties interested in a decision of a referee that  
35 overrules or modifies the decision of an examiner. The board *or board*  
36 *panel* may remove to itself the proceedings on any claim pending before a  
37 referee. Any proceedings so removed to the board *or board panel* shall be  
38 heard in accordance with the requirements of subsection (c). The board *or*  
39 *board panel* shall promptly notify the interested parties of its findings and  
40 decision.

41 (8) ~~Two~~ *A simple majority of the members of the employment security*  
42 *board of review or board panel shall constitute a quorum and no action of*  
43 *the board or board panel shall be valid unless it has the concurrence of at*

1 ~~least two~~ a majority of its members. A vacancy on the board shall not  
2 impair the right of a quorum to exercise all the rights and perform all the  
3 duties of the board.

4 (g) *Procedure.* The manner that disputed claims are presented, the  
5 reports on claims required from the claimant and from employers and the  
6 conduct of hearings and appeals shall be in accordance with rules of  
7 procedure prescribed by the employment security board of review for  
8 determining the rights of the parties, whether or not such rules conform to  
9 common law or statutory rules of evidence and other technical rules of  
10 procedure. A full and complete record shall be kept of all proceedings and  
11 decisions in connection with a disputed claim. All testimony at any hearing  
12 upon a disputed claim shall be recorded, but need not be transcribed unless  
13 the disputed claim is further appealed. In the performance of its official  
14 duties, the board *or board panel* shall have access to all of the records that  
15 pertain to the disputed claim and are in the custody of the secretary of  
16 labor and shall receive the assistance of the secretary upon request.

17 (h) *Witness fees.* Witnesses subpoenaed pursuant to this section shall  
18 be allowed fees and necessary travel expenses at rates fixed by the board.  
19 Such fees and expenses shall be deemed a part of the expense of  
20 administering this act.

21 (i) *Review of board action.* Any action of the employment security  
22 board of review *including that of a board panel*, may not be reconsidered  
23 after the mailing of the decision. An action of the board *or board panel*  
24 shall become final unless a petition for review in accordance with the  
25 Kansas judicial review act is filed within 16 calendar days after the date of  
26 the mailing of the decision. If an appeal has not been filed within 16  
27 calendar days of the date of the mailing of the decision, the decision  
28 becomes final. No bond shall be required for commencing an action for  
29 such review. In addition to those persons having standing pursuant to  
30 K.S.A. 77-611, and amendments thereto, the examiner shall have standing  
31 to obtain judicial review of an action of such board *or board panel*. The  
32 review proceeding, and the questions of law certified, shall be heard in a  
33 summary manner and shall be given precedence over all other civil cases  
34 except cases arising under the workers compensation act.

35 (j) Any finding of fact or law, judgment, determination, conclusion or  
36 final order made by the employment security board of review *or board*  
37 *panel* or any examiner, special examiner, referee or other person with  
38 authority to make findings of fact or law pursuant to the employment  
39 security law is not admissible or binding in any separate or subsequent  
40 action or proceeding, between a person and a present or previous employer  
41 brought before an arbitrator, court or judge of the state or the United  
42 States, regardless of whether the prior action was between the same or  
43 related parties or involved the same facts.

1 (k) In any proceeding or hearing conducted under this section, a party  
2 to the proceeding or hearing may appear before a referee or the  
3 employment security board of review *or board panel* either personally or  
4 by means of a designated representative to present evidence and to state  
5 the position of the party. Hearings may be conducted in person, by  
6 telephone or other means of electronic communication. The hearing shall  
7 be conducted by telephone or other means of electronic communication if  
8 none of the parties requests an in-person hearing. If ~~only one~~ a party  
9 requests an in-person hearing, the referee *or board or board panel* shall  
10 have the discretion ~~of requiring to deny the request in the absence of good~~  
11 *cause shown for the request by the requesting party. If a request for an in-*  
12 *person hearing is granted, the referee or board or board panel shall have*  
13 *the discretion to require* all parties to appear in person or allow the party  
14 not requesting an in-person hearing to appear by telephone or other means  
15 of electronic communication. The notice of hearing shall include notice to  
16 the parties of their right to request an in-person hearing and instructions on  
17 how to make the request.

18 Sec. ~~12~~**{13}**. K.S.A. 2020 Supp. 44-710 is hereby amended to read as  
19 follows: 44-710. (a) *Payment*. Contributions shall accrue and become  
20 payable by each contributing employer for each calendar year that the  
21 contributing employer is subject to the employment security law with  
22 respect to wages paid for employment. Such contributions shall become  
23 due and be paid by each contributing employer to the secretary for the  
24 employment security fund in accordance with such rules and regulations as  
25 the secretary may adopt and shall not be deducted, in whole or in part,  
26 from the wages of individuals in such employer's employ. In the payment  
27 of any contributions, a fractional part of \$.01 shall be disregarded unless it  
28 amounts to \$.005 or more, in which case it shall be increased to \$.01.  
29 Should contributions for any calendar quarter be less than \$5, no payment  
30 shall be required.

31 (b) *Rates and base of contributions*. (1) Except as provided in  
32 paragraph (2) ~~of this subsection~~, each contributing employer shall pay  
33 contributions on wages paid by the contributing employer during each  
34 calendar year with respect to employment as provided in K.S.A. 44-710a,  
35 and amendments thereto. Except that, notwithstanding the federal law  
36 requiring the secretary of labor to annually recalculate the contribution  
37 rate, for calendar years 2010, 2011, 2012, 2013 and 2014, the secretary  
38 shall charge each contributing employer in rate groups 1 through 32 the  
39 contribution rate in the 2010 original tax rate computation table, with  
40 contributing employers in rate groups 33 through 51 being capped at a  
41 5.4% contribution rate. For calendar year 2021, unemployment tax rates  
42 for eligible employers shall be limited to the standard rate schedule in  
43 K.S.A. 44-710a, and amendments thereto. Therefore, no additional

1 solvency adjustment shall be applied.

2 (2) (A) If the congress of the United States either amends or repeals  
3 the Wagner-Peyser act, the federal unemployment tax act, the federal  
4 social security act, or subtitle C of chapter 23 of the federal internal  
5 revenue code of 1986, or any act or acts supplemental to or in lieu thereof,  
6 or any part or parts of any such law, or if any such law, or any part or parts  
7 thereof, are held invalid with the effect that appropriations of funds by  
8 congress and grants thereof to the state of Kansas for the payment of costs  
9 of administration of the employment security law are no longer available  
10 for such purposes; or (B) if employers in Kansas subject to the payment of  
11 tax under the federal unemployment tax act are granted full credit against  
12 such tax for contributions or taxes paid to the secretary of labor, then, and  
13 in either such case, beginning with the year that the unavailability of  
14 federal appropriations and grants for such purpose occurs or that such  
15 change in liability for payment of such federal tax occurs and for each year  
16 thereafter, the rate of contributions of each contributing employer shall be  
17 equal to the total of 0.5% and the rate of contributions as determined for  
18 such contributing employer under K.S.A. 44-710a, and amendments  
19 thereto. The amount of contributions that each contributing employer  
20 becomes liable to pay under this paragraph (2) over the amount of  
21 contributions that such contributing employer would be otherwise liable to  
22 pay shall be credited to the employment security administration fund to be  
23 disbursed and paid out under the same conditions and for the same  
24 purposes as other moneys are authorized to be paid from the employment  
25 security administration fund, except that, if the secretary determines that as  
26 of the first day of January of any year there is an excess in the employment  
27 security administration fund over the amount required to be disbursed  
28 during such year, an amount equal to such excess as determined by the  
29 secretary shall be transferred to the employment security fund.

30 (c) *Charging of benefit payments.* (1) The secretary shall maintain a  
31 separate account for each contributing employer, and shall credit the  
32 contributing employer's account with all the contributions paid on the  
33 contributing employer's own behalf. Nothing in the employment security  
34 law shall be construed to grant any employer or individuals in such  
35 employer's service prior claims or rights to the amounts paid by such  
36 employer into the employment security fund either on such employer's  
37 own behalf or on behalf of such individuals. Benefits paid shall be charged  
38 against the accounts of each base period employer in the proportion that  
39 the base period wages paid to an eligible individual by each such employer  
40 bears to the total wages in the base period. Benefits shall be charged to  
41 contributing employers' accounts and rated governmental employers'  
42 accounts upon the basis of benefits paid during each twelve-month period  
43 ending on the computation date.

1 (2) (A) Benefits paid in benefit years established by valid new claims  
2 shall not be charged to the account of a contributing employer or rated  
3 governmental employer who is a base period employer if the examiner  
4 finds that claimant was separated from the claimant's most recent  
5 employment with such employer under any of the following conditions: (i)  
6 Discharged for misconduct or gross misconduct connected with the  
7 individual's work; (ii) leaving work voluntarily without good cause  
8 attributable to the claimant's work or the employer; or (iii) discharged from  
9 an employer directly impacted by COVID-19 in accordance with the  
10 families first coronavirus response act, public law 116-127.

11 (B) Where base period wage credits of a contributing employer or  
12 rated governmental employer represent part-time employment and the  
13 claimant continues in that part-time employment with that employer  
14 during the period for which benefits are paid, then that employer's account  
15 shall not be charged with any part of the benefits paid if the employer  
16 provides the secretary with information as required by rules and  
17 regulations. For the purposes of this subsection (c)(2)(B), "part-time  
18 employment" means any employment when an individual works less than  
19 full-time because the individual's services are not required for the  
20 customary, scheduled full-time hours prevailing at the work place or the  
21 individual does not customarily work the regularly scheduled full-time  
22 hours due to personal choice or circumstances.

23 (C) No contributing employer or rated governmental employer's  
24 account shall be charged with any extended benefits paid in accordance  
25 with the employment security law, except for weeks of unemployment  
26 beginning after December 31, 1978, all contributing governmental  
27 employers and governmental rated employers shall be charged an amount  
28 equal to all extended benefits paid.

29 (D) No contributing employer, rated governmental employer or  
30 reimbursing employer's account shall be charged for any additional  
31 benefits paid during the period July 1, 2003 through June 30, 2004.

32 (E) No contributing employer or rated governmental employer's  
33 account will be charged for benefits paid a claimant while pursuing an  
34 approved training course as defined in K.S.A. 44-703(s), and amendments  
35 thereto.

36 (F) No contributing employer or rated governmental employer's  
37 account shall be charged with respect to the benefits paid to any individual  
38 whose base period wages include wages for services not covered by the  
39 employment security law prior to January 1, 1978, to the extent that the  
40 employment security fund is reimbursed for such benefits pursuant to  
41 section 121 of public law 94-566 (90 Stat. 2673).

42 (G) With respect to weeks of unemployment beginning after  
43 December 31, 1977, wages for insured work shall include wages paid for

1 previously uncovered services. For the purposes of this subsection (c)(2)  
2 (G), the term "previously uncovered services" means services that were  
3 not covered employment, at any time during the one-year period ending  
4 December 31, 1975, except to the extent that assistance under title II of the  
5 federal emergency jobs and unemployment assistance act of 1974 was paid  
6 on the basis of such services, and that:

7 (i) Are agricultural labor as defined in K.S.A. 44-703(w), and  
8 amendments thereto, or domestic service as defined in K.S.A. 44-703(aa),  
9 and amendments thereto;

10 (ii) are services performed by an employee of this state or a political  
11 subdivision thereof, as provided in K.S.A. 44-703(i)(3)(E), and  
12 amendments thereto; or

13 (iii) are services performed by an employee of a nonprofit educational  
14 institution that is not an institution of higher education.

15 (H) No contributing employer or rated governmental employer's  
16 account shall be charged with respect to their pro rata share of benefit  
17 charges if such charges are of \$100 or less.

18 *(I) Contributing employers, rated governmental employers and*  
19 *reimbursing employers shall be held harmless for and shall not be*  
20 *required to reimburse the state for claims or benefits paid that have been*  
21 *identified as fraudulent or as an improper payment, as defined in K.S.A.*  
22 *2020 Supp. 44-710b(e)(2), and amendments thereto, by the contributing*  
23 *employer, rated governmental employer or reimbursing employer and*  
24 *reported to the secretary, unless the secretary determines the claims are*  
25 *not fraudulent or improper as provided by K.S.A. 44-710b(b)(2)(A), and*  
26 *amendments thereto. The time limitation for disputing a claim or an*  
27 *appeal of a claim as provided by this section, or by any other provision of*  
28 *the employment security law, shall not apply to identifications of fraud*  
29 *reported to the secretary for claims or benefits paid during the period*  
30 *beginning on March 15, 2020, through December 31, 2022. Contributing*  
31 *employers, rated governmental employers and reimbursing employers*  
32 *shall be refunded or credited, in the discretion of the employer, as*  
33 *provided by K.S.A. 44-710b(b), and amendments thereto, for any claims or*  
34 *benefits paid that have been reported as fraudulent.*

35 (3) An employer's account shall not be relieved of charges relating to  
36 a payment that was made erroneously if the secretary determines that:

37 (A) The erroneous payment was made because the employer, or the  
38 agent of the employer, was at fault for failing to respond timely or  
39 adequately to a written request from the secretary for information relating  
40 to the claim for unemployment compensation; and

41 (B) the employer or agent has established a pattern of failing to  
42 respond timely or adequately to requests for information.

43 (C) For purposes of this paragraph:



1 (i) "Erroneous payment" means a payment that but for the failure by  
2 the employer or the employer's agent with respect to the claim for  
3 unemployment compensation, would not have been made; and

4 (ii) "pattern of failure" means repeated documented failure on the part  
5 of the employer or the agent of the employer to respond, taking into  
6 consideration the number of instances of failure in relation to the total  
7 volume of requests. An employer or employer's agent failing to respond as  
8 described in (c)(3)(A) shall not be determined to have engaged in a  
9 "pattern of failure" if the number of such failures during the year prior to  
10 such request is fewer than two, or less than 2%, of such requests,  
11 whichever is greater.

12 (D) Determinations of the secretary prohibiting the relief of charges  
13 pursuant to this section shall be subject to appeal or protest as other  
14 determinations of the agency with respect to the charging of employer  
15 accounts.

16 (E) This paragraph shall apply to erroneous payments established on  
17 and after the effective date of this act.

18 (4) The examiner shall notify any base period employer whose  
19 account will be charged with benefits paid following the filing of a valid  
20 new claim and a determination by the examiner based on all information  
21 relating to the claim contained in the records of the division of  
22 employment security. Such notice shall become final and benefits charged  
23 to the base period employer's account in accordance with the claim unless  
24 within 10 calendar days from the date the notice was sent, the base period  
25 employer requests in writing that the examiner reconsider the  
26 determination and furnishes any required information in accordance with  
27 the secretary's rules and regulations. In a similar manner, a notice of an  
28 additional claim followed by the first payment of benefits with respect to  
29 the benefit year, filed by an individual during a benefit year after a period  
30 in such year during which such individual was employed, shall be given to  
31 any base period employer of the individual who has requested such a  
32 notice within 10 calendar days from the date the notice of the valid new  
33 claim was sent to such base period employer. For purposes of this  
34 subsection (c)(3), if the required information is not submitted or  
35 postmarked within a response time limit of 10 days after the base period  
36 employer notice was sent, the base period employer shall be deemed to  
37 have waived its standing as a party to the proceedings arising from the  
38 claim and shall be barred from protesting any subsequent decisions about  
39 the claim by the secretary, a referee, the board of review or any court,  
40 except that the base period employer's response time limit may be waived  
41 or extended by the examiner or upon appeal, if timely response was  
42 impossible due to excusable neglect. The examiner shall notify the  
43 employer of the reconsidered determination, which shall be subject to

1 appeal or further reconsideration, in accordance with the provisions of  
2 K.S.A. 44-709, and amendments thereto.

3 (5) *Time, computation and extension.* In computing the period of time  
4 for a base period employer response or appeals under this section from the  
5 examiner's or the special examiner's determination or from the referee's  
6 decision, the day of the act, event or default from which the designated  
7 period of time begins to run shall not be included. The last day of the  
8 period shall be included unless it is a Saturday, Sunday or legal holiday, in  
9 which event the period runs until the end of the next day that is not a  
10 Saturday, Sunday or legal holiday.

11 (d) *Pooled fund.* All contributions and payments in lieu of  
12 contributions and benefit cost payments to the employment security fund  
13 shall be pooled and available to pay benefits to any individual entitled  
14 thereto under the employment security law, regardless of the source of  
15 such contributions or payments in lieu of contributions or benefit cost  
16 payments.

17 (e) *Election to become reimbursing employer; payment in lieu of*  
18 *contributions.* (1) Any governmental entity, Indian tribes or tribal units,  
19 (subdivisions, subsidiaries or business enterprises wholly owned by such  
20 Indian tribes), for which services are performed as described in K.S.A. 44-  
21 703(i)(3)(E), and amendments thereto, or any nonprofit organization or  
22 group of nonprofit organizations described in section 501(c)(3) of the  
23 federal internal revenue code of 1986 that is exempt from income tax  
24 under section 501(a) of such code, that becomes subject to the  
25 employment security law may elect to become a reimbursing employer  
26 under this subsection (e)(1) and agree to pay the secretary for the  
27 employment security fund an amount equal to the amount of regular  
28 benefits and  $\frac{1}{2}$  of the extended benefits paid that are attributable to service  
29 in the employ of such reimbursing employer, except that each reimbursing  
30 governmental employer, Indian tribes or tribal units shall pay an amount  
31 equal to the amount of regular benefits and extended benefits paid for  
32 weeks of unemployment beginning after December 31, 1978, for  
33 governmental employers and December 21, 2000, for Indian tribes or  
34 tribal units to individuals for weeks of unemployment that begin during the  
35 effective period of such election.

36 (A) Any employer identified in this subsection (e)(1) may elect to  
37 become a reimbursing employer for a period encompassing not less than  
38 four complete calendar years if such employer files with the secretary a  
39 written notice of such election within the 30-day period immediately  
40 following January 1 of any calendar year or within the 30-day period  
41 immediately following the date when a determination of subjectivity to the  
42 employment security law is issued, whichever occurs later.

43 (B) Any employer that makes an election to become a reimbursing

1 employer in accordance with subparagraph (A) will continue to be liable  
2 for payments in lieu of contributions until such employer files with the  
3 secretary a written notice terminating its election not later than 30 days  
4 prior to the beginning of the calendar year for which such termination shall  
5 first be effective.

6 (C) Any employer identified in this subsection (e)(1) that has  
7 remained a contributing employer and has been paying contributions under  
8 the employment security law for a period subsequent to January 1, 1972,  
9 may change to a reimbursing employer by filing with the secretary not  
10 later than 30 days prior to the beginning of any calendar year a written  
11 notice of election to become a reimbursing employer. Such election shall  
12 not be terminable by the employer for four complete calendar years.

13 (D) The secretary may for good cause extend the period within which  
14 a notice of election, or a notice of termination, must be filed and may  
15 permit an election to be retroactive but not any earlier than with respect to  
16 benefits paid after January 1 of the year such election is received.

17 (E) The secretary, in accordance with such rules and regulations as  
18 the secretary may adopt, shall notify each employer identified in  
19 subsection (e)(1) of any determination that the secretary may make of its  
20 status as an employer and of the effective date of any election that it makes  
21 to become a reimbursing employer and of any termination of such  
22 election. Such determinations shall be subject to reconsideration, appeal  
23 and review in accordance with the provisions of K.S.A. 44-710b, and  
24 amendments thereto.

25 (2) *Reimbursement reports and payments.* Payments in lieu of  
26 contributions shall be made in accordance with the provisions of  
27 subparagraph (A) by all reimbursing employers except the state of Kansas.  
28 Each reimbursing employer shall report total wages paid during each  
29 calendar quarter by filing quarterly wage reports with the secretary that  
30 shall be filed by the last day of the month following the close of each  
31 calendar quarter. Wage reports are deemed filed as of the date they are  
32 placed in the United States mail.

33 (A) At the end of each calendar quarter, or at the end of any other  
34 period as determined by the secretary, the secretary shall bill each  
35 reimbursing employer, except the state of Kansas: (i) An amount to be paid  
36 that is equal to the full amount of regular benefits plus  $\frac{1}{2}$  of the amount of  
37 extended benefits paid during such quarter or other prescribed period that  
38 is attributable to service in the employ of such reimbursing employer; and  
39 (ii) for weeks of unemployment beginning after December 31, 1978, each  
40 reimbursing governmental employer and December 21, 2000, for Indian  
41 tribes or tribal units shall be certified an amount to be paid that is equal to  
42 the full amount of regular benefits and extended benefits paid during such  
43 quarter or other prescribed period that is attributable to service in the

1 employ of such reimbursing governmental employer.

2 (B) Payment of any bill rendered under subparagraph (A) shall be  
3 made not later than 30 days after such bill was mailed to the last known  
4 address of the reimbursing employer, or otherwise was delivered to such  
5 reimbursing employer, unless there has been an application for review and  
6 redetermination in accordance with subparagraph (D).

7 (C) Payments made by any reimbursing employer under the  
8 provisions of this subsection (e)(2) shall not be deducted or deductible, in  
9 whole or in part, from the remuneration of individuals in the employ of  
10 such employer.

11 (D) The amount due specified in any bill from the secretary shall be  
12 conclusive on the reimbursing employer, unless, not later than 15 days  
13 after the bill was mailed to the last known address of such employer, or  
14 was otherwise delivered to such employer, the reimbursing employer files  
15 an application for redetermination in accordance with K.S.A. 44-710b, and  
16 amendments thereto.

17 (E) Past due payments of amounts certified by the secretary under  
18 this section shall be subject to the same interest, penalties and actions  
19 required by K.S.A. 44-717, and amendments thereto. (1) If any nonprofit  
20 organization or group of nonprofit organizations described in section  
21 501(c)(3) of the federal internal revenue code of 1986 or governmental  
22 reimbursing employer is delinquent in making payments of amounts  
23 certified by the secretary under this section, the secretary may terminate  
24 such employer's election to make payments in lieu of contributions as of  
25 the beginning of the next calendar year and such termination shall be  
26 effective for such next calendar year and the calendar year thereafter so  
27 that the termination is effective for two complete calendar years. (2)  
28 Failure of the Indian tribe or tribal unit to make required payments,  
29 including assessment of interest and penalty within 90 days of receipt of  
30 the bill will cause the Indian tribe to lose the option to make payments in  
31 lieu of contributions as described pursuant to paragraph (e)(1) for the  
32 following tax year unless payment in full is received before contribution  
33 rates for the next tax year are calculated. (3) Any Indian tribe that loses the  
34 option to make payments in lieu of contributions due to late payment or  
35 nonpayment, as described in paragraph (2), shall have such option  
36 reinstated, if after a period of one year, all contributions have been made  
37 on time and no contributions, payments in lieu of contributions for benefits  
38 paid, penalties or interest remain outstanding.

39 (F) Failure of the Indian tribe or any tribal unit thereof to make  
40 required payments, including assessments of interest and penalties, after  
41 all collection activities deemed necessary by the secretary have been  
42 exhausted, will cause services performed by such tribe to not be treated as  
43 employment for purposes of K.S.A. 44-703(i)(3)(E), and amendments

1 thereto. If an Indian tribe fails to make payments required under this  
2 section, including assessments of interest and penalties, within 90 days of  
3 a final notice of delinquency, the secretary shall immediately notify the  
4 United States internal revenue service and the United States department of  
5 labor. The secretary may determine that any Indian tribe that loses  
6 coverage pursuant to this paragraph may have services performed on  
7 behalf of such tribe again deemed "employment" if all contributions,  
8 payments in lieu of contributions, penalties and interest have been paid.

9 (G) In the discretion of the secretary, any employer who elects to  
10 become liable for payments in lieu of contributions and any nonprofit  
11 organization or group of nonprofit organizations described in section  
12 501(c)(3) of the federal internal revenue code of 1986 or governmental  
13 reimbursing employer or Indian tribe or tribal unit who is delinquent in  
14 filing reports or in making payments of amounts certified by the secretary  
15 under this section shall be required within 60 days after the effective date  
16 of such election, in the case of an eligible employer so electing, or after the  
17 date of notification to the delinquent employer under this subsection (e)(2)  
18 (G), in the case of a delinquent employer, to execute and file with the  
19 secretary a surety bond, except that the employer may elect, in lieu of a  
20 surety bond, to deposit with the secretary money or securities as approved  
21 by the secretary or to purchase and deliver to an escrow agent a certificate  
22 of deposit to guarantee payment. The amount of the bond, deposit or  
23 escrow agreement required by this subsection (e)(2)(G) shall not exceed  
24 5.4% of the organization's taxable wages paid for employment by the  
25 eligible employer during the four calendar quarters immediately preceding  
26 the effective date of the election or the date of notification, in the case of a  
27 delinquent employer. If the employer did not pay wages in each of such  
28 four calendar quarters, the amount of the bond or deposit shall be as  
29 determined by the secretary. Upon the failure of an employer to comply  
30 with this subsection (e)(2)(G) within the time limits imposed or to  
31 maintain the required bond or deposit, the secretary may terminate the  
32 election of such eligible employer or delinquent employer, as the case may  
33 be, to make payments in lieu of contributions, and such termination shall  
34 be effective for the current and next calendar year.

35 (H) The state of Kansas shall make reimbursement payments  
36 quarterly at a fiscal year rate that shall be based upon: (i) The available  
37 balance in the state's reimbursing account as of December 31 of each  
38 calendar year; (ii) the historical unemployment experience of all covered  
39 state agencies during prior years; (iii) the estimate of total covered wages  
40 to be paid during the ensuing calendar year; (iv) the applicable fiscal year  
41 rate of the claims processing and auditing fee under K.S.A. 75-3798, and  
42 amendments thereto; and (v) actuarial and other information furnished to  
43 the secretary by the secretary of administration. In accordance with K.S.A.

1 75-3798, and amendments thereto, the claims processing and auditing fees  
2 charged to state agencies shall be deducted from the amounts collected for  
3 the reimbursement payments under this paragraph (H) prior to making the  
4 quarterly reimbursement payments for the state of Kansas. The fiscal year  
5 rate shall be expressed as a percentage of covered total wages and shall be  
6 the same for all covered state agencies. The fiscal year rate for each fiscal  
7 year will be certified in writing by the secretary to the secretary of  
8 administration on July 15 of each year and such certified rate shall become  
9 effective on the July 1 immediately following the date of certification. A  
10 detailed listing of benefit charges applicable to the state's reimbursing  
11 account shall be furnished quarterly by the secretary to the secretary of  
12 administration and the total amount of charges deducted from previous  
13 reimbursing payments made by the state. On January 1 of each year, if it is  
14 determined that benefit charges exceed the amount of prior reimbursing  
15 payments, an upward adjustment shall be made therefor in the fiscal year  
16 rate to be certified on the ensuing July 15. If total payments exceed benefit  
17 charges, all or part of the excess may be refunded, at the discretion of the  
18 secretary, from the fund or retained in the fund as part of the payments that  
19 may be required for the next fiscal year.

20 (3) *Allocation of benefit costs.* The reimbursing account of each  
21 reimbursing employer shall be charged the full amount of regular benefits  
22 and  $\frac{1}{2}$  of the amount of extended benefits paid except that each  
23 reimbursing governmental employer's account shall be charged the full  
24 amount of regular benefits and extended benefits paid for weeks of  
25 unemployment beginning after December 31, 1978, to individuals whose  
26 entire base period wage credits are from such employer. When benefits  
27 received by an individual are based upon base period wage credits from  
28 more than one employer then the reimbursing employer's or reimbursing  
29 governmental employer's account shall be charged in the same ratio as  
30 base period wage credits from such employer bear to the individual's total  
31 base period wage credits. Notwithstanding any other provision of the  
32 employment security law, no reimbursing employer's or reimbursing  
33 governmental employer's account shall be charged for payments of  
34 extended benefits that are wholly reimbursed to the state by the federal  
35 government. Payments of unemployment compensation that are wholly  
36 reimbursed to the reimbursing employer by the federal government shall  
37 be charged for the purpose of such reimbursement under the federal  
38 CARES act, public law 116-136.

39 (A) *Proportionate allocation (when fewer than all reimbursing base*  
40 *period employers are liable).* If benefits paid to an individual are based on  
41 wages paid by one or more reimbursing employers and on wages paid by  
42 one or more contributing employers or rated governmental employers, the  
43 amount of benefits payable by each reimbursing employer shall be an

1 amount that bears the same ratio to the total benefits paid to the individual  
2 as the total base period wages paid to the individual by such employer  
3 bears to the total base period wages paid to the individual by all of such  
4 individual's base period employers.

5 (B) *Proportionate allocation (when all base period employers are*  
6 *reimbursing employers)*. If benefits paid to an individual are based on  
7 wages paid by two or more reimbursing employers, the amount of benefits  
8 payable by each such employer shall be an amount that bears the same  
9 ratio to the total benefits paid to the individual as the total base period  
10 wages paid to the individual by such employer bear to the total base period  
11 wages paid to the individual by all of such individual's base period  
12 employers.

13 (4) *Group accounts*. Two or more reimbursing employers may file a  
14 joint application to the secretary for the establishment of a group account  
15 for the purpose of sharing the cost of benefits paid that are attributable to  
16 service in the employment of such reimbursing employers. Each such  
17 application shall identify and authorize a group representative to act as the  
18 group's agent for the purposes of this ~~subsection (e)(4)~~ *paragraph*. Upon  
19 approval of the application, the secretary shall establish a group account  
20 for such employers effective as of the beginning of the calendar quarter in  
21 which the secretary receives the application and shall notify the group's  
22 representative of the effective date of the account. Such account shall  
23 remain in effect for not less than four years and thereafter such account  
24 shall remain in effect until terminated at the discretion of the secretary or  
25 upon application by the group. Upon establishment of the account, each  
26 member of the group shall be liable for payments in lieu of contributions  
27 with respect to each calendar quarter in the amount that bears the same  
28 ratio to the total benefits paid in such quarter that are attributable to service  
29 performed in the employ of all members of the group as the total wages  
30 paid for service in employment by such member in such quarter bear to the  
31 total wages paid during such quarter for service performed in the employ  
32 of all members of the group. The secretary shall adopt such rules and  
33 regulations as the secretary deems necessary with respect to applications  
34 for establishment, maintenance and termination of group accounts that are  
35 authorized by this ~~subsection (e)(4)~~ *paragraph*, for addition of new  
36 members to, and withdrawal of active members from such accounts, and  
37 for the determination of the amounts that are payable under this ~~subsection~~  
38 ~~(e)(4)~~ *paragraph* by members of the group and the time and manner of  
39 such payments.

40 Sec. ~~13~~**14**. K.S.A. 2020 Supp. 44-710a is hereby amended to read  
41 as follows: 44-710a. (a) *Classification of employers by the secretary*. The  
42 term "employer" as used in this section refers to contributing employers.  
43 The secretary shall classify employers in accordance with their actual

1 experience in the payment of contributions on their own behalf and with  
2 respect to benefits charged against their accounts with a view of fixing  
3 such contribution rates as will reflect such experience. If, as of the date  
4 such classification of employers is made, the secretary finds that any  
5 employing unit has failed to file any report required in connection  
6 therewith, or has filed a report which the secretary finds incorrect or  
7 insufficient, the secretary shall make an estimate of the information  
8 required from such employing unit on the basis of the best evidence  
9 reasonably available to the secretary at the time, and notify the employing  
10 unit thereof by mail addressed to its last known address. Unless such  
11 employing unit shall file the report or a corrected or sufficient report as the  
12 case may be, within 15 days after the mailing of such notice, the secretary  
13 shall compute such employing unit's rate of contributions on the basis of  
14 such estimates, and the rate as so determined shall be subject to increase  
15 but not to reduction on the basis of subsequently ascertained information.  
16 The secretary shall determine the contribution rate of each employer in  
17 accordance with the requirements of this section.

18 (1) *New employers.* (A) No employer will be eligible for a rate  
19 computation until there have been 24 consecutive calendar months  
20 immediately preceding the computation date throughout which benefits  
21 could have been charged against such employer's account.

22 (B) (i) (a) ~~For the rate year 2014 and each rate year thereafter,~~ Each  
23 employer who is not eligible for a rate contribution shall pay contributions  
24 equal to 2.7% of wages paid during each calendar year with regard to  
25 employment, except such employers engaged in the construction industry  
26 shall pay a rate equal to 6%.

27 (b) (1) ~~For the rate year 2015 and each rate year thereafter,~~ An  
28 employer who was not doing business in Kansas prior to July 1, 2014,  
29 shall be eligible for either the new employer rate under subsection (a)(1)  
30 (B)(i)(a) or the rate associated with the reserve ratio such employer  
31 experienced in the state which such employer was formerly located, but in  
32 no event less than 1% if such:

33 (A) Employer has been in operation in the other state or states for at  
34 least the three years immediately preceding the date such employer  
35 becomes a liable employer in Kansas;

36 (B) employer provides the authenticated account history from  
37 information accumulated from operations of such employer in the other  
38 state or all the other states necessary to compute a current Kansas rate; and

39 (C) employer's business operations established in Kansas are of the  
40 same nature, as defined by the North American industrial classification  
41 system, as conducted by such employer in the other state or states.

42 (2) The election authorized in subsection (a)(1)(B)(i)(b) of this  
43 section must be made in writing within 30 days after notice of Kansas



1 liability. A rate in accordance with subsection (a)(1)(B)(i)(a) will be  
2 assigned unless a timely election has been made.

3 (3) If the election is made timely, the employer's account will receive  
4 the rate elected for the remainder of that rate year. The rate assigned for  
5 the next and subsequent years will be determined by the condition of the  
6 account on the computation date.

7 (ii) For purposes of this subsection (a), employers shall be classified  
8 by industrial activity in accordance with standard procedures as set forth in  
9 rules and regulations adopted by the secretary. Employers engaged in more  
10 than one type of industrial activity shall be classified by principal activity.  
11 All rates assigned will remain in effect for a complete calendar year. If the  
12 sale or acquisition of a new establishment would require reclassification of  
13 the employer to a different industry sector, the employer would be  
14 promptly notified, and the contribution rate applicable to the new industry  
15 sector would become effective the following January 1.

16 (C) "Computation date" means June 30 of each calendar year with  
17 respect to rates of contribution applicable to the calendar year beginning  
18 with the following January 1. In arriving at contribution rates for each  
19 calendar year, contributions paid on or before July 31 following the  
20 computation date for employment occurring on or prior to the computation  
21 date shall be considered for each contributing employer who has been  
22 subject to this act for a sufficient period of time to have such employer's  
23 rate computed under this subsection (a).

24 (2) *Eligible employers.* (A) A reserve ratio shall be computed for each  
25 eligible employer by the following method: Total benefits charged to the  
26 employer's account for all past years shall be deducted from all  
27 contributions paid by such employer for all such years. The balance,  
28 positive or negative, shall be divided by the employer's average annual  
29 payroll, and the result shall constitute the employer reserve ratio.

30 ~~(B)–(i) For rate year 2015 and prior rate years, negative account~~  
31 ~~balance employers, as defined in subsection (d), shall pay contributions at~~  
32 ~~the rate of 5.4% for each calendar year.~~

33 ~~(ii) For rate year 2016 and rate years thereafter, Negative account~~  
34 ~~balance employers, as defined in subsection (d), shall pay contributions at~~  
35 ~~the rate referenced in section subsection (a)(4)(D)(ii)(B).~~

36 (C) Eligible employers, other than negative account balance  
37 employers, who do not meet the average annual payroll requirements as  
38 stated in K.S.A. 44-703(a)(2), and amendments thereto, will be issued the  
39 maximum rate indicated by the maximum rate group of standard rate  
40 schedule—standard schedule 7 in subsection (a)(4)(D)(B)(ii) of this  
41 section until such employer establishes a new period of 24 consecutive  
42 calendar months immediately preceding the computation date throughout  
43 which benefits could have been charged against such employer's account

1 by resuming the payment of wages. Contribution rates effective for each  
 2 calendar year thereafter shall be determined as prescribed below.

3 ~~(D) For rate year 2015 and prior rate years, as of each computation~~  
 4 ~~date, the total of the taxable wages paid during the 12-month period prior~~  
 5 ~~to the computation date by all employers eligible for rate computation,~~  
 6 ~~except negative account balance employers, shall be divided into 51~~  
 7 ~~approximately equal parts designated in column A of schedule I as "rate~~  
 8 ~~groups," except, with regard to a year in which the taxable wage base~~  
 9 ~~changes. The taxable wages used in the calculation for such a year and the~~  
 10 ~~following year shall be an estimate of what the taxable wages would have~~  
 11 ~~been if the new taxable wage base had been in effect during the entire~~  
 12 ~~twelve-month period prior to the computation date. The lowest numbered~~  
 13 ~~of such rate groups shall consist of the employers with the most favorable~~  
 14 ~~reserve ratios, as defined in this section, whose combined taxable wages~~  
 15 ~~paid are less than 1.96% of all taxable wages paid by all eligible~~  
 16 ~~employers. Each succeeding higher numbered rate group shall consist of~~  
 17 ~~employers with reserve ratios that are less favorable than those of~~  
 18 ~~employers in the preceding lower numbered rate groups and whose taxable~~  
 19 ~~wages when combined with the taxable wages of employers in all lower~~  
 20 ~~numbered rate groups equal the appropriate percentage of total taxable~~  
 21 ~~wages designated in column B of schedule I. Each eligible employer, other~~  
 22 ~~than a negative account balance employer, shall be assigned an experience~~  
 23 ~~factor designated under column C of schedule I in accordance with the rate~~  
 24 ~~group to which the employer is assigned on the basis of the employer's~~  
 25 ~~reserve ratio and taxable payroll. If an employer's taxable payroll falls into~~  
 26 ~~more than one rate group the employer shall be assigned the experience~~  
 27 ~~factor of the lower numbered rate group. If one or more employers have~~  
 28 ~~reserve ratios identical to that of the last employer included in the next~~  
 29 ~~lower numbered rate group, all such employers shall be assigned the~~  
 30 ~~experience factor designated to such last employer, notwithstanding the~~  
 31 ~~position of their taxable payroll in column B of schedule I.~~

32 SCHEDULE I—Eligible Employers

33 Column A	Column B	Column C
34 Rate	Cumulative	Experience factor
35 group	taxable payroll	(Ratio to total wages)
36 1	Less than 1.96% .....	.025%
37 2	1.96% but less than 3.92 .....	.04
38 3	3.92 but less than 5.88 .....	.08
39 4	5.88 but less than 7.84 .....	.12
40 5	7.84 but less than 9.80 .....	.16
41 6	9.80 but less than 11.76 .....	.20
42 7	11.76 but less than 13.72 .....	.24
43 8	13.72 but less than 15.68 .....	.28

1	— 9	15.68 but less than 17.64	.32
2	— 10	17.64 but less than 19.60	.36
3	— 11	19.60 but less than 21.56	.40
4	— 12	21.56 but less than 23.52	.44
5	— 13	23.52 but less than 25.48	.48
6	— 14	25.48 but less than 27.44	.52
7	— 15	27.44 but less than 29.40	.56
8	— 16	29.40 but less than 31.36	.60
9	— 17	31.36 but less than 33.32	.64
10	— 18	33.32 but less than 35.28	.68
11	— 19	35.28 but less than 37.24	.72
12	— 20	37.24 but less than 39.20	.76
13	— 21	39.20 but less than 41.16	.80
14	— 22	41.16 but less than 43.12	.84
15	— 23	43.12 but less than 45.08	.88
16	— 24	45.08 but less than 47.04	.92
17	— 25	47.04 but less than 49.00	.96
18	— 26	49.00 but less than 50.96	1.00
19	— 27	50.96 but less than 52.92	1.04
20	— 28	52.92 but less than 54.88	1.08
21	— 29	54.88 but less than 56.84	1.12
22	— 30	56.84 but less than 58.80	1.16
23	— 31	58.80 but less than 60.76	1.20
24	— 32	60.76 but less than 62.72	1.24
25	— 33	62.72 but less than 64.68	1.28
26	— 34	64.68 but less than 66.64	1.32
27	— 35	66.64 but less than 68.60	1.36
28	— 36	68.60 but less than 70.56	1.40
29	— 37	70.56 but less than 72.52	1.44
30	— 38	72.52 but less than 74.48	1.48
31	— 39	74.48 but less than 76.44	1.52
32	— 40	76.44 but less than 78.40	1.56
33	— 41	78.40 but less than 80.36	1.60
34	— 42	80.36 but less than 82.32	1.64
35	— 43	82.32 but less than 84.28	1.68
36	— 44	84.28 but less than 86.24	1.72
37	— 45	86.24 but less than 88.20	1.76
38	— 46	88.20 but less than 90.16	1.80
39	— 47	90.16 but less than 92.12	1.84
40	— 48	92.12 but less than 94.08	1.88
41	— 49	94.08 but less than 96.04	1.92
42	— 50	96.04 but less than 98.00	1.96
43	— 51	98.00 and over	2.00

1       (E) ~~For rate year 2015 and prior rate years, negative account balance~~  
2 ~~employers shall, in addition to paying the rate provided for in subsection~~  
3 ~~(a)(2)(B) of this section, pay a surcharge based on the size of the~~  
4 ~~employer's negative reserve ratio, the calculation which is provided for in~~  
5 ~~subsection (a)(2) of this section. The amount of the surcharge shall be~~  
6 ~~determined from column B2 of schedule II of this section for calendar~~  
7 ~~years 2012, 2013, 2014 and from column B4 of schedule II of this section~~  
8 ~~for each calendar year after 2014. Each negative account balance employer~~  
9 ~~who does not satisfy the requirements to have an average annual payroll,~~  
10 ~~as defined by K.S.A. 44-703(a)(2), and amendments thereto, shall be~~  
11 ~~assigned a surcharge of equal to the maximum negative ratio surcharge~~  
12 ~~from column B2 of schedule II of this section for calendar years 2012,~~  
13 ~~2013 and 2014. Funds from the surcharge paid according to this subsection~~  
14 ~~(a)(2)(E), and amendments thereto, shall be used to pay principal and~~  
15 ~~interest due on funds received from the federal unemployment account~~  
16 ~~under title XII of the social security act, (42 U.S.C. §§ 1321 to 1324), in~~  
17 ~~the following manner:~~

18       (i) ~~For each calendar year 2012, 2013 and 2014, an additional 0.10%~~  
19 ~~of the taxable wages paid by all negative account balance employers with~~  
20 ~~a negative reserve ratio between 0.0% and 19.9% shall be designated an~~  
21 ~~interest assessment surcharge and paid into the employment security~~  
22 ~~interest assessment fund for the purpose of paying interest due and owing~~  
23 ~~on funds received from the federal unemployment account under title XII~~  
24 ~~of the social security act. The total surecharges assessed, including the~~  
25 ~~additional 0.10% surcharge mentioned above, on such employers are listed~~  
26 ~~in schedule II column B2. For the calendar year 2015, the surcharge rate~~  
27 ~~for negative balance employers with a negative reserve ratio between 0.0%~~  
28 ~~and 19.9% shall be as listed in schedule II column B4.~~

29       (ii) ~~For the calendar years 2012, 2013 and 2014, an additional~~  
30 ~~surcharge on negative balance employers with a negative reserve ratio of~~  
31 ~~20.0% and higher shall be designated an interest assessment surcharge and~~  
32 ~~deposited in the employment security interest assessment fund. The~~  
33 ~~additional surcharge shall be used for the purposes of paying interest due~~  
34 ~~and owing on funds received from the federal unemployment account~~  
35 ~~under title XII of the social security act. The total surcharge including the~~  
36 ~~additional surcharge on such employers is listed in schedule II column B3~~  
37 ~~of this section.~~

38       (iii) ~~For any succeeding year in which interest is due and owing on~~  
39 ~~funds received from the federal unemployment account under title XII of~~  
40 ~~the social security act, the secretary of labor may adjust the surcharge~~  
41 ~~amounts necessary to pay such interest;~~

42       (iv) ~~the portion of such surcharge used for the payment of such~~  
43 ~~interest shall not be included in the calculation of such employers reserve~~

1 ratio pursuant to subsection (a)(2). The portion of such surcharge used for  
 2 the payment of principal shall be included in the calculation of such  
 3 employers reserve ratio pursuant to subsection (a)(2); and

4 (v) if the amounts collected under this subsection are in excess of the  
 5 amounts needed to pay interest due, the amounts in excess shall remain in  
 6 the employment security interest assessment fund to be used to pay interest  
 7 in future years. Whenever the secretary certifies all interest payments have  
 8 been paid pursuant to this section, any excess funds remaining in the  
 9 employment security interest assessment fund shall be transferred to the  
 10 employment security trust fund for the purpose of paying any remaining  
 11 principal amount due for advances described in this section. In the event  
 12 that the amount transferred from the employment security interest  
 13 assessment fund exceeds such remaining amount of principal due, the  
 14 balance shall be used for the purposes of the employment security trust  
 15 fund.

16 SCHEDULE II—Surcharge on Negative Accounts

17 Column A	Column B1	Column B2	Column B3	Column B4
18 Negative Reserve	Surcharge as a	Surcharge as a	Surcharge as a	Surcharge as a
19 a	percent of	percent of	percent of	percent of
20 Ratio	taxable wage	taxable wages	taxable wage	taxable
21	wages	wages	wage	taxable
22 wages				
23 Less than 2.0%	0.20%	0.30%		0.10%
24 2.0% but less than 4.0	0.40	0.50		0.20
25 4.0 but less than 6.0	0.60	0.70		0.30
26 6.0 but less than 8.0	0.80	0.90		0.40
27 8.0 but less than 10.0	1.00	1.10		0.50
28 10.0 but less than 12.0	1.20		1.30	
29	0.60			
30 12.0 but less than 14.0	1.40		1.50	
31	0.70			
32 14.0 but less than 16.0	1.60		1.70	
33	0.80			
34 16.0 but less than 18.0	1.80		1.90	
35	0.90			
36 18.0 but less than 20.0	2.00		2.10	
37	1.00			
38 20.0 but less than 22.0	2.00			2.20
39	1.10			
40 22.0 but less than 24.0	2.00			2.40
41	1.20			
42 24.0 but less than 26.0	2.00			2.60
43	1.30			

1	26.0 but less than 28.0.....	2.00.....	2.80
2	.....	1.40	
3	28.0 but less than 30.0.....	2.00.....	3.00
4	.....	1.50	
5	30.0 but less than 32.0.....	2.00.....	3.20
6	.....	1.60	
7	32.0 but less than 34.0.....	2.00.....	3.40
8	.....	1.70	
9	34.0 but less than 36.0.....	2.00.....	3.60
10	.....	1.80	
11	36.0 but less than 38.0.....	2.00.....	3.80
12	.....	1.90	
13	38.0 and over.....	2.00.....	4.00.....
			2.00

14 **{(D) If the amounts collected from negative account balance**  
 15 **employers and paid into the employment security interest assessment**  
 16 **fund for the purpose of paying interest due and owing on funds**  
 17 **received from the federal unemployment account under title XII of the**  
 18 **social security act are in excess of the amounts needed to pay interest**  
 19 **due, the amounts in excess shall remain in the employment security**  
 20 **interest assessment fund to be used to pay interest in future years.**  
 21 **Whenever the secretary certifies all interest payments have been paid,**  
 22 **any excess funds remaining in the employment security interest**  
 23 **assessment fund shall be transferred to the employment security trust**  
 24 **fund for the purpose of paying any remaining principal amount due**  
 25 **for advances described in this section. In the event that the amount**  
 26 **transferred from the employment security interest assessment fund**  
 27 **exceeds such remaining amount of principal due, the balance shall be**  
 28 **used for the purposes of the employment security trust fund.}**

29 (3) *Entering and expanding employer.* (A) The secretary, as a method  
 30 of providing for a reduced rate of contributions to an employer shall verify  
 31 the qualifications in this statute that bear a direct relation to unemployment  
 32 risk for that employer.

33 (B) If, as of the computation date, an eligible, positive balance  
 34 employer's reserve ratio is significantly affected due to an increase in the  
 35 employer's taxable payroll of at least 100% and such increase is  
 36 attributable to a growth in employment, and not to a change in the taxable  
 37 wage base from the previous year, the secretary shall assign a reduced rate  
 38 of contributions for a period of three years.

39 (i) Such reduced rate of contributions shall be the new employer rate  
 40 described in subsection (a)(1)(B)(i)(a), or a rate based on the employer's  
 41 demonstrated risk as reflected in the employer's reserve fund ratio history.

42 (ii) To be eligible for such reduced rate, the employer must maintain a  
 43 positive account balance throughout the reduced-rate period and must have

1 an increase in account balance for each year.

2 (4) ~~Planned yield.~~ (A) For rate year 2015 and prior rate years, the  
 3 average required yield shall be determined from schedule III of this  
 4 section, and the planned yield on total wages in column B of schedule III  
 5 shall be determined by the reserve fund ratio in column A of schedule III.  
 6 The reserve fund ratio shall be determined by dividing total assets in the  
 7 employment security fund provided for in K.S.A. 44-712(a), and  
 8 amendments thereto, excluding all moneys credited to the account of this  
 9 state pursuant to section 903 of the federal social security act, as amended,  
 10 which have been appropriated by the state legislature, whether or not  
 11 withdrawn from the trust fund, and excluding contributions not yet paid on  
 12 July 31 by total payrolls for contributing employers for the preceding  
 13 fiscal year which ended June 30.

14 (B)(A) For the *each* rate year 2016 and rate years thereafter, the  
 15 contribution schedule in effect shall be determined by the *applicable* fund  
 16 control table and rate schedule table of subsection (a)(4)(~~D~~)(B).

17 SCHEDULE III—Fund Control  
 18 Ratios to Total Wages

19 Column A	Column B
20 Reserve Fund Ratio	Planned Yield
21 4.500 and over .....	0.00
22 4.475 but less than 4.500.....	0.01
23 4.450 but less than 4.475.....	0.02
24 4.425 but less than 4.450.....	0.03
25 4.400 but less than 4.425.....	0.04
26 4.375 but less than 4.400.....	0.05
27 4.350 but less than 4.375.....	0.06
28 4.325 but less than 4.350.....	0.07
29 4.300 but less than 4.325.....	0.08
30 4.275 but less than 4.300.....	0.09
31 4.250 but less than 4.275.....	0.10
32 4.225 but less than 4.250.....	0.11
33 4.200 but less than 4.225.....	0.12
34 4.175 but less than 4.200.....	0.13
35 4.150 but less than 4.175.....	0.14
36 4.125 but less than 4.150.....	0.15
37 4.100 but less than 4.125.....	0.16
38 4.075 but less than 4.100.....	0.17
39 4.050 but less than 4.075.....	0.18
40 4.025 but less than 4.050.....	0.19
41 4.000 but less than 4.025.....	0.20
42 3.950 but less than 4.000.....	0.21
43 3.900 but less than 3.950.....	0.22

1	3.850 but less than 3.900.....	0.23
2	3.800 but less than 3.850.....	0.24
3	3.750 but less than 3.800.....	0.25
4	3.700 but less than 3.750.....	0.26
5	3.650 but less than 3.700.....	0.27
6	3.600 but less than 3.650.....	0.28
7	3.550 but less than 3.600.....	0.29
8	3.500 but less than 3.550.....	0.30
9	3.450 but less than 3.500.....	0.31
10	3.400 but less than 3.450.....	0.32
11	3.350 but less than 3.400.....	0.33
12	3.300 but less than 3.350.....	0.34
13	3.250 but less than 3.300.....	0.35
14	3.200 but less than 3.250.....	0.36
15	3.150 but less than 3.200.....	0.37
16	3.100 but less than 3.150.....	0.38
17	3.050 but less than 3.100.....	0.39
18	3.000 but less than 3.050.....	0.40
19	2.950 but less than 3.000.....	0.41
20	2.900 but less than 2.950.....	0.42
21	2.850 but less than 2.900.....	0.43
22	2.800 but less than 2.850.....	0.44
23	2.750 but less than 2.800.....	0.45
24	2.700 but less than 2.750.....	0.46
25	2.650 but less than 2.700.....	0.47
26	2.600 but less than 2.650.....	0.48
27	2.550 but less than 2.600.....	0.49
28	2.500 but less than 2.550.....	0.50
29	2.450 but less than 2.500.....	0.51
30	2.400 but less than 2.450.....	0.52
31	2.350 but less than 2.400.....	0.53
32	2.300 but less than 2.350.....	0.54
33	2.250 but less than 2.300.....	0.55
34	2.200 but less than 2.250.....	0.56
35	2.150 but less than 2.200.....	0.57
36	2.100 but less than 2.150.....	0.58
37	2.050 but less than 2.100.....	0.59
38	2.000 but less than 2.050.....	0.60
39	1.975 but less than 2.000.....	0.61
40	1.950 but less than 1.975.....	0.62
41	1.925 but less than 1.950.....	0.63
42	1.900 but less than 1.925.....	0.64
43	1.875 but less than 1.900.....	0.65



1	1.850 but less than 1.875.....	0.66
2	1.825 but less than 1.850.....	0.67
3	1.800 but less than 1.825.....	0.68
4	1.775 but less than 1.800.....	0.69
5	1.750 but less than 1.775.....	0.70
6	1.725 but less than 1.750.....	0.71
7	1.700 but less than 1.725.....	0.72
8	1.675 but less than 1.700.....	0.73
9	1.650 but less than 1.675.....	0.74
10	1.625 but less than 1.650.....	0.75
11	1.600 but less than 1.625.....	0.76
12	1.575 but less than 1.600.....	0.77
13	1.550 but less than 1.575.....	0.78
14	1.525 but less than 1.550.....	0.79
15	1.500 but less than 1.525.....	0.80
16	1.475 but less than 1.500.....	0.81
17	1.450 but less than 1.475.....	0.82
18	1.425 but less than 1.450.....	0.83
19	1.400 but less than 1.425.....	0.84
20	1.375 but less than 1.400.....	0.85
21	1.350 but less than 1.375.....	0.86
22	1.325 but less than 1.350.....	0.87
23	1.300 but less than 1.325.....	0.88
24	1.275 but less than 1.300.....	0.89
25	1.250 but less than 1.275.....	0.90
26	1.225 but less than 1.250.....	0.91
27	1.200 but less than 1.225.....	0.92
28	1.175 but less than 1.200.....	0.93
29	1.150 but less than 1.175.....	0.94
30	1.125 but less than 1.150.....	0.95
31	1.100 but less than 1.125.....	0.96
32	1.075 but less than 1.100.....	0.97
33	1.050 but less than 1.075.....	0.98
34	1.025 but less than 1.050.....	0.99
35	1.000 but less than 1.025.....	1.00
36	0.900 but less than 1.000.....	1.01
37	0.800 but less than 0.900.....	1.02
38	0.700 but less than 0.800.....	1.03
39	0.600 but less than 0.700.....	1.04
40	0.500 but less than 0.600.....	1.05
41	0.400 but less than 0.500.....	1.06
42	0.300 but less than 0.400.....	1.07
43	0.200 but less than 0.300.....	1.08

1 0.100 but less than 0.200.....1.09  
 2 Less than 0.100%.....1.10  
 3 (C) ~~Adjustment to taxable wages.~~ For rate year 2015 and prior rate  
 4 years, the planned yield as a percent of total wages, as determined in this  
 5 subsection (a)(4), shall be adjusted to taxable wages by multiplying by the  
 6 ratio of total wages to taxable wages for all contributing employers for the  
 7 preceding fiscal year ending June 30, except, with regard to a year in  
 8 which the taxable wage base changes. The taxable wages used in the  
 9 calculation for such a year and the following year shall be an estimate of  
 10 what the taxable wages would have been if the new taxable wage base had  
 11 been in effect during all of the preceding fiscal year ending June 30.

12 ~~(D)(B)~~ *Effective rates.* (i) For rate year 2016 and ensuing rate years,  
 13 Employer contribution rates to be effective for the ensuing each calendar  
 14 year shall be determined by the applicable rate schedule in clause (ii) and  
 15 the fund control table for the rate year as specified contained in this  
 16 section clause. The average high cost multiple of the trust fund as of the  
 17 computation date shall determine the contribution schedule in effect for the  
 18 next rate year. For purposes of subsection (a)(4)~~(D)(B)(i) and (v)~~, the  
 19 average high cost multiple is the reserve fund ratio, as defined by  
 20 subsection (a)(4)(A), divided by the average high benefit cost rate. The  
 21 average high benefit cost rate shall be determined by averaging the three  
 22 highest benefit cost rates over the last 20 years from the preceding fiscal  
 23 year which ended June 30. The high benefit cost rate is defined by dividing  
 24 total benefits paid in the fiscal year by total payrolls for covered employers  
 25 in the fiscal year. *The reserve fund ratio shall be determined by dividing*  
 26 *total assets in the employment security fund provided for in K.S.A. 44-*  
 27 *712(a), and amendments thereto, excluding all moneys credited to the*  
 28 *account of this state pursuant to section 903 of the federal social security*  
 29 *act, as amended, that have been appropriated by the legislature, whether*  
 30 *or not withdrawn from the trust fund, and excluding contributions not yet*  
 31 *paid on July 31, by total payrolls for contributing employers for the*  
 32 *preceding fiscal year that ended on June 30.*

33 Fund Control Table A  
 34 For Rate Years 2016-2021

35 Lower AHCM	Upper AHCM	Solvency Adjustment
36 Threshold	Threshold	to Standard Rate per
		37 Standard Rate Schedule
38 <del>1000.00000</del> -1,000.00000	0.19999	1.60%
39 0.20000	0.44999	1.40%
40 0.45000	0.59999	1.20%
41 0.60000	0.74999	1.00%
42 0.75000	1.14999	0.00%
43 1.15000	<del>1000.00000</del> 1,000.00000	-0.50%

*Fund Control Table B*  
*For Rate Year 2022 and Ensuing Calendar Years*

KS SUTA	Lower	Upper	Solvency/Credit	Solvency/Credit	Adjustment to	Adjustment as a	Adjustment
<i>as</i>							
Schedules	Threshold	Threshold	Maximum	Rate Group	Total % to	<i>a</i>	
<i>Standard Rate Multiplier to Employer's Standard, Earned</i>							
				Rate Group	Rate Group		
1-1,000.00000	0.00001		2.00%	0.05263%	26.32%		
2	0.00000	0.24999	1.80%	0.04737%	23.68%		
Solvency3	0.25000	0.44999	1.60%	0.04211%	21.05%		
Schedules	4	0.45000	0.59999	1.40%	0.03684%		
	18.42%						
(1-6)	5	0.60000	0.69999	1.20%	0.03158%	15.79%	
	6	0.70000	0.74999	1.00%	0.02632%	13.16%	
<i>Standard</i>							
Schedule7	0.75000	1.24999	0.00%	0.00000%	0.00%		
(7)							
	8	1.25000	1.29999	-1.00%	-0.02632%	-13.16%	
Credit	9	1.30000	1.39999	-1.20%	-0.03158%	-15.79%	
Schedules	10	1.40000	1.54999	-1.40%	-0.03684%	-18.42%	
(8-13)	11	1.55000	1.74999	-1.60%	-0.04211%	-21.05%	
	12	1.75000	1.99999	-1.80%	-0.04737%	-23.68%	
	13	2.00000	1,000.00000	-2.00%	-0.05263%	-26.32%	

(ii) (a) ~~For rate year 2016 and ensuing rate years,~~ Eligible employers shall be classified by rate group according to the standard rate schedule - standard rate schedule 7 in this section, ~~subject to any adjustment pursuant to the effective rate schedule~~ for that rate year. Except as provided in subclause (b), for rate years 2016 through 2021, the rate pursuant to the standard rate schedule as adjusted by fund control table A shall apply. Except as provided in subclause (b), for rate year 2022 and ensuing calendar years, the rate pursuant to standard rate schedule 7, solvency schedules 1 through 6 or credit schedules 8 through 13 shall apply as provided by fund control table B.

(b) In the event the full appropriation is not made as provided in section 6, and amendments thereto, to the employment security fund on or before July 15, 2021, all contributing employers shall pay the rate as set forth in standard schedule S - standard rate schedule 7 for the 2022 calendar year.

STANDARD RATE SCHEDULE S -				
<i>STANDARD RATE SCHEDULE 7</i>				
	Rate	Lower Reserve	Upper Reserve	Standard
	Group	Ratio Limit	Ratio Limit	Rate
5	1	18.590	1,000,000.000	0.20%
6	2	17.875	18.589	0.40%
7	3	17.160	17.874	0.60%
8	4	16.445	17.159	0.80%
9	5	15.730	16.444	1.00%
10	6	15.015	15.729	1.20%
11	7	14.300	15.014	1.40%
12	8	13.585	14.299	1.60%
13	9	12.870	13.584	1.80%
14	10	12.155	12.869	2.00%
15	11	11.440	12.154	2.20%
16	12	10.725	11.439	2.40%
17	13	10.010	10.724	2.60%
18	14	9.295	10.009	2.80%
19	15	8.580	9.294	3.00%
20	16	7.865	8.579	3.20%
21	17	7.150	7.864	3.40%
22	18	6.435	7.149	3.60%
23	19	5.720	6.434	3.80%
24	20	5.005	5.719	4.00%
25	21	4.290	5.004	4.20%
26	22	3.575	4.289	4.40%
27	23	2.860	3.574	4.60%
28	24	2.145	2.859	4.80%
29	25	1.430	2.144	5.00%
30	26	0.715	1.429	5.20%
31	27	0.000	0.714	5.40%
32	N1	-0.714	-0.001	5.60%
33	N2	-1.429	-0.715	5.80%
34	N3	-2.144	-1.430	6.00%
35	N4	-2.859	-2.145	6.20%
36	N5	-3.574	-2.860	6.40%
37	N6	-4.289	-3.575	6.60%
38	N7	-5.004	-4.290	6.80%
39	N8	-5.719	-5.005	7.00%
40	N9	-6.434	-5.720	7.20%
41	N10	-7.149	-6.435	7.40%
42	N11	-1,000,000.000	-7.150	7.60%

43 ~~(iii) For all rate years prior to 2016, except with regard to rates for~~

1 ~~negative account balance employers, employer contribution rates to be~~  
 2 ~~effective for the ensuing calendar year shall be computed by adjusting~~  
 3 ~~proportionately the experience factors from schedule I of this section to the~~  
 4 ~~required yield on taxable wages. For the purposes of this subsection (a)(4),~~  
 5 ~~all rates computed shall be rounded to the nearest .01% and for calendar~~  
 6 ~~year 1983 and ensuing calendar years, the maximum effective contribution~~  
 7 ~~rate shall not exceed 5.4%.~~

8 (iv) ~~For rate years 2007 through 2015, employers who are current in~~  
 9 ~~filing quarterly wage reports and in payment of all contributions due and~~  
 10 ~~owing, shall be issued a contribution rate based upon the following~~  
 11 ~~reduction: For rate groups 1 through 5, the rates would be reduced to~~  
 12 ~~0.00%; for rate groups 6 through 28, the rates would be reduced by 50%;~~  
 13 ~~for rate groups 29 through 51, the rates would be reduced by 40%.~~

14 (v) ~~For rate year 2014 and rate years thereafter, an eligible employer~~  
 15 ~~other than a negative account balance employer, who has filed all reports~~  
 16 ~~due and paid all contributions due and owing on or before January 31 of~~  
 17 ~~the applicable year is entitled to a rate discount of 15% except as provided~~  
 18 ~~in this subsection. For rate year 2015 and rate years thereafter, an eligible~~  
 19 ~~employer other than a negative account balance employer, who has filed~~  
 20 ~~all reports due and paid all contributions due and owing on or before~~  
 21 ~~January 31 of the applicable year is entitled to a rate discount of 25%~~  
 22 ~~except as provided in this subsection. This discount shall not be in effect if~~  
 23 ~~other reduced rates pursuant to subsections (a)(4)(D)(i) through (iv) are in~~  
 24 ~~effect. This discount shall not be available for a rate year if the average~~  
 25 ~~high cost multiple, as defined in subsection (a)(4)(D)(i), of the~~  
 26 ~~employment security trust fund balance falls below 1.0 as of the~~  
 27 ~~computation date of that year's rates, and this discount shall thereafter~~  
 28 ~~cease to be in effect for all subsequent rate years.~~

29 *Rate SOLVENCY RATE SCHEDULES (1-6)*

30	<i>Group</i>	<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>	<i>6</i>
31	<i>1</i>	0.252632%	0.247375%	0.24211%	0.23684%	0.23158%	0.22632%
32	<i>2</i>	0.505263%	0.49474%	0.48421%	0.47368%	0.46316%	0.45263%
33	<i>3</i>	0.757895%	0.74211%	0.72632%	0.71053%	0.69474%	0.67895%
34	<i>4</i>	1.010526%	0.98947%	0.96842%	0.94737%	0.92632%	0.90526%
35	<i>5</i>	1.263158%	1.23684%	1.21053%	1.18421%	1.15789%	1.13158%
36	<i>6</i>	1.515789%	1.48421%	1.45263%	1.42105%	1.38947%	1.35789%
37	<i>7</i>	1.768421%	1.73158%	1.69474%	1.65789%	1.62105%	1.58421%
38	<i>8</i>	2.021053%	1.97895%	1.93684%	1.89474%	1.85263%	1.81053%
39	<i>9</i>	2.273684%	2.22632%	2.17895%	2.13158%	2.08421%	2.03684%
40	<i>10</i>	2.526316%	2.47368%	2.42105%	2.36842%	2.31579%	2.26316%
41	<i>11</i>	2.778947%	2.72105%	2.66316%	2.60526%	2.54737%	2.48947%
42	<i>12</i>	3.031579%	2.96842%	2.90526%	2.84211%	2.77895%	2.71579%
43	<i>13</i>	3.284211%	3.21579%	3.14737%	3.07895%	3.01053%	2.94211%

1	14	3.536842%	3.46316%	3.38947%	3.31579%	3.24211%	3.16842%
2	15	3.789474%	3.71053%	3.63158%	3.55263%	3.47368%	3.39474%
3	16	4.042105%	3.95789%	3.87368%	3.78947%	3.70526%	3.62105%
4	17	4.294737%	4.20526%	4.11579%	4.02632%	3.93684%	3.84737%
5	18	4.547368%	4.45263%	4.35789%	4.26316%	4.16842%	4.07368%
6	19	4.800000%	4.70000%	4.60000%	4.50000%	4.40000%	4.30000%
7	20	5.052632%	4.94737%	4.84211%	4.73684%	4.63158%	4.52632%
8	21	5.305263%	5.19474%	5.08421%	4.97368%	4.86316%	4.75263%
9	22	5.557895%	5.44211%	5.32632%	5.21053%	5.09474%	4.97895%
10	23	5.810526%	5.68947%	5.56842%	5.44737%	5.32632%	5.20526%
11	24	6.063158%	5.93684%	5.81053%	5.68421%	5.55789%	5.43158%
12	25	6.315789%	6.18421%	6.05263%	5.92105%	5.78947%	5.65789%
13	26	6.568421%	6.43158%	6.29474%	6.15789%	6.02105%	5.88421%
14	27	6.821053%	6.67895%	6.53684%	6.39474%	6.25263%	6.11053%
15	N17	0.73684%	6.92632%	6.77895%	6.63158%	6.48421%	6.33684%
16	N27	3.26316%	7.17368%	7.02105%	6.86842%	6.71579%	6.56316%
17	N37	5.78947%	7.42105%	7.26316%	7.10526%	6.94737%	6.78947%
18	N47	8.31579%	7.66842%	7.50526%	7.34211%	7.17895%	7.01579%
19	N58	0.84211%	7.91579%	7.74737%	7.57895%	7.41053%	7.24211%
20	N68	3.36842%	8.16316%	7.98947%	7.81579%	7.64211%	7.46842%
21	N78	5.89474%	8.41053%	8.23158%	8.05263%	7.87368%	7.69474%
22	N88	8.42105%	8.65789%	8.47368%	8.28947%	8.10526%	7.92105%
23	N99	0.94737%	8.90526%	8.71579%	8.52632%	8.33684%	8.14737%
24	N109	3.47368%	9.15263%	8.95789%	8.76316%	8.56842%	8.37368%
25	N119	6.00000%	9.40000%	9.20000%	9.00000%	8.80000%	8.60000%

26	<i>Rate</i> CREDIT RATE SCHEDULES (8-13)						
27	<i>Group</i>	8	9	10	11	12	13
28	1	0.173684%	0.16842%	0.16316%	0.15789%	0.15263%	0.14737%
29	2	0.347368%	0.33684%	0.32632%	0.31579%	0.30526%	0.29474%
30	3	0.521053%	0.50526%	0.48947%	0.47368%	0.45789%	0.44211%
31	4	0.694737%	0.67368%	0.65263%	0.63158%	0.61053%	0.58947%
32	5	0.868421%	0.84211%	0.81579%	0.78947%	0.76316%	0.73684%
33	6	1.042105%	1.01053%	0.97895%	0.94737%	0.91579%	0.88421%
34	7	1.215789%	1.17895%	1.14211%	1.10526%	1.06842%	1.03158%
35	8	1.389474%	1.34737%	1.30526%	1.26316%	1.22105%	1.17895%
36	9	1.563158%	1.51579%	1.46842%	1.42105%	1.37368%	1.32632%
37	10	1.736842%	1.68421%	1.63158%	1.57895%	1.52632%	1.47368%
38	11	1.910526%	1.85263%	1.79474%	1.73684%	1.67895%	1.62105%
39	12	2.084211%	2.02105%	1.95789%	1.89474%	1.83158%	1.76842%
40	13	2.257895%	2.18947%	2.12105%	2.05263%	1.98421%	1.91579%
41	14	2.431579%	2.35789%	2.28421%	2.21053%	2.13684%	2.06316%
42	15	2.605263%	2.52632%	2.44737%	2.36842%	2.28947%	2.21053%
43	16	2.778947%	2.69474%	2.61053%	2.52632%	2.44211%	2.35789%

1	17	2.952632%	2.86316%	2.77368%	2.68421%	2.59474%	2.50526%
2	18	3.126316%	3.03158%	2.93684%	2.84211%	2.74737%	2.65263%
3	19	3.300000%	3.20000%	3.10000%	3.00000%	2.90000%	2.80000%
4	20	3.473684%	3.36842%	3.26316%	3.15789%	3.05263%	2.94737%
5	21	3.647368%	3.53684%	3.42632%	3.31579%	3.20526%	3.09474%
6	22	3.821053%	3.70526%	3.58947%	3.47368%	3.35789%	3.24211%
7	23	3.994737%	3.87368%	3.75263%	3.63158%	3.51053%	3.38947%
8	24	4.168421%	4.04211%	3.91579%	3.78947%	3.66316%	3.53684%
9	25	4.342105%	4.21053%	4.07895%	3.94737%	3.81579%	3.68421%
10	26	4.515789%	4.37895%	4.24211%	4.10526%	3.96842%	3.83158%
11	27	4.689474%	4.54737%	4.40526%	4.26316%	4.12105%	3.97895%
12	N1	4.863158%	4.71579%	4.56842%	4.42105%	4.27368%	4.12632%
13	N2	5.036842%	4.88421%	4.73158%	4.57895%	4.42632%	4.27368%
14	N3	5.210526%	5.05263%	4.89474%	4.73684%	4.57895%	4.42105%
15	N4	5.384211%	5.22105%	5.05789%	4.89474%	4.73158%	4.56842%
16	N5	5.557895%	5.38947%	5.22105%	5.05263%	4.88421%	4.71579%
17	N6	5.731579%	5.55789%	5.38421%	5.21053%	5.03684%	4.86316%
18	N7	5.905263%	5.72632%	5.54737%	5.36842%	5.18947%	5.01053%
19	N8	6.078947%	5.89474%	5.71053%	5.52632%	5.34211%	5.15789%
20	N9	6.252632%	6.06316%	5.87368%	5.68421%	5.49474%	5.30526%
21	N10	6.426316%	6.23158%	6.03684%	5.84211%	5.64737%	5.45263%
22	N11	6.600000%	6.40000%	6.20000%	6.00000%	5.80000%	5.60000%

23 (b) *Successor classification.* (1) (A) For the purposes of  
 24 subsection—(b), whenever an employing unit, whether or not it is an  
 25 "employing unit" within the meaning of of K.S.A. 44-703(g), and  
 26 amendments thereto, becomes an employer pursuant to K.S.A. 44-703(h)  
 27 (4), and amendments thereto, or is an employer at the time of acquisition  
 28 and meets the definition of a "successor employer" as defined by K.S.A.  
 29 44-703(dd), and amendments thereto, and thereafter transfers its trade or  
 30 business, or any portion thereof, to another employer and, at the time of  
 31 the transfer, there is substantially common ownership, management or  
 32 control of the two employers, then the unemployment experience  
 33 attributable to the transferred trade or business shall be transferred to the  
 34 employer to whom such business is so transferred. These experience  
 35 factors consist of all contributions paid, benefit experience and annual  
 36 payrolls of the predecessor employer. The transfer of some or all of an  
 37 employer's workforce to another employer shall be considered a transfer of  
 38 trade or business when, as the result of such transfer, the transferring  
 39 employer no longer performs trade or business with respect to the  
 40 transferred workforce, and such trade or business is performed by the  
 41 employer to whom the workforce is transferred.

42 (B) If, following a transfer of experience under subparagraph (A), the  
 43 secretary determines that a substantial purpose of the transfer or business

1 was to obtain a reduced liability for contributions, then the experience  
2 rating accounts of the employers involved shall be combined into a single  
3 account and a single rate assigned to such account.

4 (2) A successor employer as defined by K.S.A. 44-703(h)(4) or (dd),  
5 and amendments thereto, may receive the experience rating factors of the  
6 predecessor employer if an application is made to the secretary or the  
7 secretary's designee in writing within 120 days of the date of the transfer.

8 (3) Whenever an employing unit, whether or not it is an "employing  
9 unit" within the meaning of K.S.A. 44-703(g), and amendments thereto,  
10 acquires or in any manner succeeds to a percentage of an employer's  
11 annual payroll which is less than 100% and intends to continue the  
12 acquired percentage as a going business, the employing unit may acquire  
13 the same percentage of the predecessor's experience factors if: (A) The  
14 predecessor employer and successor employing unit make an application  
15 in writing on the form prescribed by the secretary; (B) the application is  
16 submitted within 120 days of the date of the transfer; (C) the successor  
17 employing unit is or becomes an employer subject to this act immediately  
18 after the transfer; (D) the percentage of the experience rating factors  
19 transferred shall not be thereafter used in computing the contribution rate  
20 for the predecessor employer; and (E) the secretary finds that such transfer  
21 will not tend to defeat or obstruct the object and purposes of this act.

22 (4) (A) The rate of both employers in a full or partial successorship  
23 under paragraph (1) ~~of this subsection~~ shall be recalculated and made  
24 effective on the first day of the next calendar quarter following the date of  
25 transfer of trade or business.

26 (B) If a successor employer is determined to be qualified under  
27 paragraph (2) or (3) ~~of this subsection~~ to receive the experience rating  
28 factors of the predecessor employer, the rate assigned to the successor  
29 employer for the remainder of the contributions year shall be determined  
30 by the following:

31 (i) If the acquiring employing unit was an employer subject to this act  
32 prior to the date of the transfer, the rate of contribution shall be the same as  
33 the contribution rate of the acquiring employer on the date of the transfer.

34 (ii) If the acquiring employing unit was not an employer subject to  
35 this act prior to the date of the transfer, the successor employer shall have a  
36 newly computed rate for the remainder of the contribution year which shall  
37 be based on the transferred experience rating factors as they existed on the  
38 most recent computation date immediately preceding the date of  
39 acquisition. These experience rating factors consist of all contributions  
40 paid, benefit experience and annual payrolls.

41 (5) Whenever an employing unit is not an employer at the time it  
42 acquires the trade or business of an employer, the unemployment  
43 experience factors of the acquired business shall not be transferred to such



1 employing unit if the secretary finds that such employing unit acquired the  
2 business solely or primarily for the purpose of obtaining a lower rate of  
3 contributions. Instead, such employing unit shall be assigned the  
4 applicable industry rate for a "new employer" as described in subsection  
5 (a)(1). In determining whether the business was acquired solely or  
6 primarily for the purpose of obtaining a lower rate of contributions, the  
7 secretary shall use objective factors which may include the cost of  
8 acquiring the business, whether the employer continued the business  
9 enterprise of the acquired business, how long such business enterprise was  
10 continued, or whether a substantial number of new employees were hired  
11 for performance of duties unrelated to the business activity conducted  
12 prior to acquisition.

13 (6) Whenever an employer's account has been terminated as provided  
14 in K.S.A. 44-711(d) and (e), and amendments thereto, and the employer  
15 continues with employment to liquidate the business operations, that  
16 employer shall continue to be an "employer" subject to the employment  
17 security law as provided in K.S.A. 44-703(h)(8), and amendments thereto.  
18 The rate of contribution from the date of transfer to the end of the then  
19 current calendar year shall be the same as the contribution rate prior to the  
20 date of the transfer. At the completion of the then current calendar year, the  
21 rate of contribution shall be that of a "new employer" as described in  
22 subsection (a)(1).

23 (7) No rate computation will be permitted an employing unit  
24 succeeding to the experience of another employing unit pursuant to this  
25 section for any period subsequent to such succession except in accordance  
26 with rules and regulations adopted by the secretary. Any such regulations  
27 shall be consistent with federal requirements for additional credit  
28 allowance in section 3303 of the federal internal revenue code of 1986,  
29 and consistent with the provisions of this act.

30 (c) *Voluntary contributions.* Notwithstanding any other provision of  
31 the employment security law, any employer may make voluntary payments  
32 for the purpose of reducing or maintaining a reduced rate in addition to the  
33 contributions required under this section. Such voluntary payments may be  
34 made only during the thirty-day period immediately following the date of  
35 mailing of experience rating notices for a calendar year. All such voluntary  
36 contribution payments shall be paid prior to the expiration of 120 days  
37 after the beginning of the year for which such rates are effective. The  
38 amount of voluntary contributions shall be credited to the employer's  
39 account as of the next preceding computation date and the employer's rate  
40 shall be computed accordingly. Under no circumstances shall voluntary  
41 payments be refunded in whole or in part.

42 (d) As used in this section, "negative account balance employer"  
43 means an eligible employer whose total benefits charged to such

1 employer's account for all past years have exceeded all contributions paid  
2 by such employer for all such years.

3 ~~(e) There is hereby established in the state treasury, separate and apart~~  
4 ~~from all public moneys or funds of this state, an employment security~~  
5 ~~interest assessment fund, which shall be administered by the secretary as~~  
6 ~~provided in this act. Moneys in the employment security fund established~~  
7 ~~by K.S.A. 44-712, and amendments thereto, and employment security~~  
8 ~~interest assessment fund established by K.S.A. 44-710, and amendments~~  
9 ~~thereto, shall not be invested in the pooled money investment portfolio~~  
10 ~~established under K.S.A. 75-4234, and amendments thereto.~~  
11 ~~Notwithstanding the provisions of K.S.A. 44-712(a), K.S.A. 44-716,~~  
12 ~~K.S.A. 44-717 and K.S.A. 75-4234, and amendments thereto, or any like~~  
13 ~~provision the secretary shall remit all moneys received from employers~~  
14 ~~pursuant to the interest payment assessment established in subsection (a)~~  
15 ~~(2)(E), to the state treasurer in accordance with the provisions of K.S.A.~~  
16 ~~75-4215, and amendments thereto. Upon receipt of each such remittance,~~  
17 ~~the state treasurer shall deposit the entire amount in the employment~~  
18 ~~security interest assessment fund. All moneys in this fund which are~~  
19 ~~received from employers pursuant to the interest payment assessment~~  
20 ~~established in subsection (a)(2)(E), shall be expended solely for the~~  
21 ~~purposes and in the amounts found by the secretary necessary to pay any~~  
22 ~~principal and interest due and owing the United States department of labor~~  
23 ~~resulting from any advancements made to the Kansas employment security~~  
24 ~~fund pursuant to the provisions of title XII of the social security act (42~~  
25 ~~U.S.C. §§ 1321 to 1324) except as may be otherwise provided under~~  
26 ~~subsection (a)(2)(E). Notwithstanding any provision of this section, all~~  
27 ~~moneys received and credited to this fund pursuant to subsection (a)(2)(E),~~  
28 ~~shall remain part of the employment security interest assessment fund and~~  
29 ~~shall be used only in accordance with the conditions specified in~~  
30 ~~subsection (a)(2)(E). *On July 1, 2021, the director of accounts and reports*~~  
31 ~~*shall transfer all moneys in the employment security interest assessment*~~  
32 ~~*fund to the employment security trust fund. On July 1, 2021, all liabilities*~~  
33 ~~*of the employment security interest assessment fund are hereby transferred*~~  
34 ~~*to and imposed on the employment security trust fund, and the employment*~~  
35 ~~*security interest assessment fund is hereby abolished* {There is hereby~~  
36 ~~established in the state treasury, separate and apart from all public~~  
37 ~~moneys or funds of this state, an employment security interest~~  
38 ~~assessment fund, which shall be administered by the secretary as~~  
39 ~~provided in this act. Moneys in the employment security fund~~  
40 ~~established by K.S.A. 44-712, and amendments thereto, and~~  
41 ~~employment security interest assessment fund established by K.S.A.~~  
42 ~~44-710, and amendments thereto, shall not be invested in the pooled~~  
43 ~~money investment portfolio established under K.S.A. 75-4234, and~~

1 amendments thereto. Notwithstanding the provisions of K.S.A. 44-  
2 712(a), 44-716, 44-717 and 75-4234, and amendments thereto, or any  
3 like provision the secretary shall remit all moneys received from  
4 employers pursuant to the interest payment assessment pursuant to  
5 law to the state treasurer in accordance with the provisions of K.S.A.  
6 75-4215, and amendments thereto. Upon receipt of each such  
7 remittance, the state treasurer shall deposit the entire amount in the  
8 employment security interest assessment fund. All moneys in the  
9 employment security interest assessment fund that are received from  
10 employers pursuant to interest payment assessments shall be  
11 expended solely for the purposes and in the amounts found by the  
12 secretary necessary to pay any principal and interest due and owing  
13 the United States department of labor resulting from any  
14 advancements made to the Kansas employment security fund  
15 pursuant to the provisions of title XII of the social security act (42  
16 U.S.C. §§ 1321 to 1324) except as may be otherwise provided under  
17 subsection (a)(2)(D). Notwithstanding any provision of this section, all  
18 moneys received and credited to this fund shall remain part of the  
19 employment security interest assessment fund and shall be used only  
20 in accordance with the conditions specified}.

21 (f) The secretary of labor shall annually prepare and submit a  
22 certification as to the solvency and adequacy of the amount credited to the  
23 state of Kansas' account in the federal employment security trust fund to  
24 the governor and the legislative coordinating council. The certification  
25 shall be submitted on or before December 1 of each calendar year and  
26 shall be for the 12-month period ending on June 30 of that calendar year.  
27 In arriving at the certification contributions paid on or before July 31  
28 following the 12-month period ending date of June 30 shall be considered.  
29 Each certification shall be used to determine the need for any adjustment  
30 to schedule III in subsection (a)(4)(B) and to assist in preparing legislation  
31 to accomplish any such adjustment.

32 Sec. ~~14~~{15}. K.S.A. 2020 Supp. 44-710b is hereby amended to read  
33 as follows: 44-710b. (a) *By the secretary of labor.* The secretary of labor  
34 shall promptly notify each contributing employer of its rate of  
35 contributions, each rated governmental employer of its benefit cost rate  
36 and each reimbursing employer of its benefit liability as determined for  
37 any calendar year pursuant to K.S.A. 44-710 and 44-710a, and  
38 amendments thereto, on or before November 30 of the calendar year  
39 immediately preceding the calendar year in which such rate takes effect.  
40 Such determination shall become conclusive and binding upon the  
41 employer unless, within 15 days after the mailing of notice thereof to the  
42 employer's last known address or in the absence of mailing, within 15 days  
43 after the delivery of such notice, the employer files an application for

1 review and redetermination, setting forth the reasons therefor. If the  
2 secretary of labor grants such review, the employer shall be promptly  
3 notified thereof and shall be granted an opportunity for a fair hearing, but  
4 no employer shall have standing, in any proceeding involving the  
5 employer's rate of contributions or benefit liability, to contest the  
6 chargeability to the employer's account of any benefits paid in accordance  
7 with a determination, redetermination or decision pursuant to ~~subsection~~  
8 ~~(e)~~ of K.S.A. 44-710(c), and amendments thereto, except upon the ground  
9 that the services on the basis of which such benefits were found to be  
10 chargeable did not constitute services performed in employment for the  
11 employer and only in the event that the employer was not a party to such  
12 determination, redetermination or decision or to any other proceedings  
13 under this act in which the character of such services was determined. Any  
14 such hearing conducted pursuant to this section shall be heard in the  
15 county where the contributing employer maintains its principle place of  
16 business. The hearing officer shall render a decision concerning all matters  
17 at issue in the hearing within 90 days.

18 (b) (1) *The secretary shall, without necessity of a request by or as an*  
19 *improper payment, as defined in K.S.A. 2020 Supp. 44-710b(e)(2), and*  
20 *amendments thereto, employer or a hearing, immediately and fully credit*  
21 *any contributing employer's, governmental rated employer's or*  
22 *reimbursing employer's account for any benefits paid upon a*  
23 *determination by the secretary that such benefits were paid to any person*  
24 *who received such benefits: (A) By fraud; or (B) in error where any*  
25 *conditions imposed by this act for the receipt of benefits were not fulfilled*  
26 *or where the recipient was not qualified to or disqualified from receiving*  
27 *such benefits.*

28 (2) (A) *Contributing employers, rated governmental employers and*  
29 *reimbursing employers shall be held harmless for and shall not be*  
30 *required to reimburse the state for any benefits paid that have been*  
31 *identified by the employer as fraudulent or as an improper payment, as*  
32 *defined by subsection (e)(2), and reported to the secretary unless the*  
33 *secretary determines that such benefits were received properly and not: (i)*  
34 *By fraud; or (ii) in error where any conditions imposed by this act for the*  
35 *receipt of benefits were not fulfilled or where the recipient was not*  
36 *qualified to or disqualified from receiving such benefits. Any such*  
37 *determination by the secretary shall be subject to appeal as provided by*  
38 *the employment security law.*

39 (B) *Reimbursing employers shall be refunded immediately, without*  
40 *necessity of a request or a hearing, for reimbursements made to the state*  
41 *for any claims or benefits paid on or after March 15, 2020, that are or*  
42 *have been reported to the secretary as fraudulent. Amounts refunded shall*  
43 *become due, subject to appeal as provided by the employment security*

1 law, upon a determination by the secretary, as provided by subparagraph  
2 (A), that the benefits were paid properly and not by fraud or in error.

3 (C) For the time period of March 15, 2020, through December 31,  
4 2022, identifications of fraud reported to the secretary pursuant to  
5 subparagraphs (A) and (B) shall not be subject to any time limitation for  
6 disputing a claim or for appeal pursuant to K.S.A. 44-710, and  
7 amendments thereto, or pursuant to any other provision of the employment  
8 security law.

9 (3) The secretary shall review all reimbursing employer accounts and  
10 shall apply credit for any benefits previously paid by fraud or in error, as  
11 provided by paragraph (1), that have been charged against a reimbursing  
12 employer's account and have not yet been recovered through normal  
13 recovery efforts.

14 (c) *Judicial review.* Any action of the secretary upon an employer's  
15 timely request for a review and redetermination of its rate of contributions  
16 or benefit liability, in accordance with subsection (a), is subject to review  
17 in accordance with the Kansas judicial review act. Any action for such  
18 review shall be heard in a summary manner and shall be given precedence  
19 over all other civil cases except cases arising under ~~subsection (i) of~~  
20 K.S.A. 44-709(i), and amendments thereto, and the workmen's  
21 compensation act.

22 ~~(e)~~(d) *Periodic notification of benefits charged.* The secretary of labor  
23 may provide by rules and regulations for periodic notification to  
24 employers of benefits paid and chargeable to their accounts or of the status  
25 of such accounts, and any such notification, in the absence of an  
26 application for redetermination filed in such manner and within such  
27 period as the secretary of labor may prescribe, shall become conclusive  
28 and binding upon the employer for all purposes. Such redeterminations,  
29 made after notice and opportunity for hearing, and the secretary's findings  
30 of facts in connection therewith may be introduced in any subsequent  
31 administrative or judicial proceedings involving the determination of the  
32 rate of contributions of any employer for any calendar year and shall be  
33 entitled to the same finality as is provided in this subsection with respect to  
34 the findings of fact made by the secretary of labor in proceedings to  
35 redetermine the contribution rate of an employer. The review or any other  
36 proceedings relating thereto as provided for in this section may be heard  
37 by any duly authorized employee of the secretary of labor and such action  
38 shall have the same effect as if heard by the secretary.

39 (e) (1) *The secretary shall review the information reported by the*  
40 *United States department of labor pursuant to the payment integrity*  
41 *information act of 2019, public law 116-117, and any other relevant*  
42 *information available from the United States department of labor and any*  
43 *relevant information held by the department of labor available to the*

1 *secretary regarding improper payment amounts for the state of Kansas for*  
2 *the period beginning on March 15, 2020, through December 31, 2022.*

3 (2) *If the full appropriation pursuant to section 6, and amendments*  
4 *thereto, is not made, the secretary shall determine the amount of such*  
5 *improper payments within 60 days of any such information becoming*  
6 *available for any portion of such period and shall immediately certify such*  
7 *amount for such time period to the director of accounts and reports. The*  
8 *secretary shall certify any additional amount for any such time period*  
9 *within 60 days of information supporting an additional amount becoming*  
10 *available. At the same time that the secretary certifies the amount to the*  
11 *director of accounts and reports, the secretary shall transmit a copy of*  
12 *each such certification to the director of the budget and the director of*  
13 *legislative research. Upon receipt of each such certification, the director*  
14 *of accounts and reports shall transfer an amount equal to the amount*  
15 *certified from the state general fund to the employment security fund. If the*  
16 *governor determines that it is prudent for the transfer to be from a*  
17 *different fund in the state treasury, the governor, with the approval of the*  
18 *state finance council acting on this matter, which is hereby characterized*  
19 *as a matter of legislative delegation and subject to the guidelines*  
20 *prescribed in K.S.A. 75-3711c(c), and amendments thereto, may authorize*  
21 *the transfer from such different fund.*

22 (3) *If the secretary recovers any improper payments from any party,*  
23 *the improper payment shall be remitted to the state treasurer in*  
24 *accordance with the provisions of K.S.A. 75-4215, and amendments*  
25 *thereto. Upon receipt of each such remittance, the state treasurer shall*  
26 *deposit the entire amount in the state treasury to the credit of the state*  
27 *general fund.*

28 (4) *For purposes of this subsection and subsection (f), "improper*  
29 *payment amounts" or "improper payments" means any payment that*  
30 *should not have been made or that was made in an incorrect amount*  
31 *under statutory, contractual, administrative or other legally applicable*  
32 *requirements and includes any payment to an ineligible recipient.*

33 (f) (1) *As soon as information, as described by subsection (e)(1),*  
34 *regarding the total amount of fraudulent or improper payments for the*  
35 *period of March 15, 2020, through December 31, 2022, is available to the*  
36 *secretary, but not later than December 31, 2022, the secretary shall*  
37 *determine the total amount and whether the amount of fraudulent or*  
38 *improper payments for such time period is more or less than the transfer*  
39 *made to the employment security fund pursuant to section 6, and*  
40 *amendments thereto.*

41 (2) (A) *If the secretary determines that the amount of fraudulent or*  
42 *improper payments is more than such transfer, the secretary shall certify*  
43 *such additional amount to the director of accounts and reports. At the*

1 same time that the secretary certifies the amount to the director of  
2 accounts and reports, the secretary shall transmit a copy of such  
3 certification to the director of the budget and the director of legislative  
4 research. Upon receipt of such certification, the director of accounts and  
5 reports shall transfer an amount equal to  $\frac{1}{5}$  of the amount certified from  
6 the state general fund to the employment security fund on or before July  
7 15, 2023, July 15, 2024, July 15, 2025, July 15, 2026, and July 15, 2027.

8 (B) If the governor determines that it is prudent for a transfer made  
9 pursuant to paragraph (2)(A) to be made from a different fund in the state  
10 treasury, the governor, with the approval of the state finance council  
11 acting on this matter, which is hereby characterized as a matter of  
12 legislative delegation and subject to the guidelines prescribed in K.S.A.  
13 75-3711c(c), and amendments thereto, may authorize the transfer from  
14 such other fund.

15 (3) (A) If the secretary determines that the amount of fraudulent or  
16 improper payments is less than such transfer, the secretary shall certify  
17 such amount to the director of accounts and reports. At the same time that  
18 the secretary certifies the amount to the director of accounts and reports,  
19 the secretary shall transmit a copy of such certification to the director of  
20 the budget and the director of legislative research. Upon receipt of such  
21 certification, the director of accounts and reports shall transfer an amount  
22 equal to the amount certified from the employment security fund to the  
23 state general fund. Such moneys shall be designated for use for COVID-  
24 19-related purposes, as provided by appropriation acts of the legislature.

25 (B) If the governor determines that it is prudent for a transfer made  
26 pursuant to paragraph (3)(A) to be made to a different fund in the state  
27 treasury, the governor, with the approval of the state finance council  
28 acting on this matter, which is hereby characterized as a matter of  
29 legislative delegation and subject to the guidelines prescribed in K.S.A.  
30 75-3711c(c), and amendments thereto, may authorize the transfer to such  
31 other fund.

32 (g) Any federal unemployment insurance benefit program established  
33 as a result of COVID-19 or any pandemic shall not be continued after the  
34 ending date of the federal program through the use of Kansas state  
35 unemployment insurance fund contributions made by Kansas employers.

36 Sec. 45{16}. K.S.A. 2020 Supp. 44-757 is hereby amended to read as  
37 follows: 44-757. Shared work unemployment compensation program. (a)  
38 As used in this section:

39 (1) "Affected unit" means a specified department, shift or other unit  
40 of two or more employees that is designated by an employer to participate  
41 in a shared work plan.

42 (2) "Fringe benefit" means health insurance, a retirement benefit  
43 received under a pension plan, a paid vacation day, a paid holiday, sick

1 leave, and any other analogous employee benefit that is provided by an  
2 employer.

3 (3) "Fund" has the meaning ascribed thereto by K.S.A. 44-703(k),  
4 and amendments thereto.

5 (4) "Normal weekly hours of work" means the lesser of 40 hours or  
6 the average obtained by dividing the total number of hours worked per  
7 week during the preceding twelve-week period by the number 12.

8 (5) "Participating employee" means an employee who works a  
9 reduced number of hours under a shared work plan *initiated by their*  
10 *employer and approved by the secretary.*

11 (6) "Participating employer" means an employer who has *applied to*  
12 *and been approved by the secretary for* a shared work plan *that is* in effect.

13 (7) "Secretary" means the secretary of labor or the secretary's  
14 designee.

15 (8) "Shared work benefit" means an unemployment compensation  
16 benefit that is payable to an individual in an affected unit because the  
17 individual works reduced hours under an approved shared work plan.

18 (9) "Shared work plan" means a *short-term compensation* program  
19 ~~for reducing unemployment under which employees who are members of~~  
20 ~~an affected unit share the work remaining after a reduction in their normal~~  
21 ~~weekly hours of work.~~

22 ~~(10) "Shared work unemployment compensation program" means a~~  
23 ~~program designed to reduce unemployment and stabilize the work force by~~  
24 ~~allowing certain employees to collect unemployment compensation~~  
25 ~~benefits if the employees share the work remaining after a reduction in the~~  
26 ~~total number of hours of work and a corresponding reduction in~~  
27 ~~wages."Short-term compensation program" means a shared work plan~~  
28 ~~program designed to provide an alternative to layoffs for employers~~  
29 ~~experiencing a reduction in available work. A "short-term compensation~~  
30 ~~program" preserves employees' jobs and an employer's trained workforce~~  
31 ~~during times of lowered economic activity by allowing an employer to~~  
32 ~~reduce hours of work for employees rather than laying off some employees~~  
33 ~~while others continue to work full time. Under a "short-term compensation~~  
34 ~~program," employees experiencing a reduction in hours are allowed to~~  
35 ~~collect a pro-rata share of their unemployment compensation benefits to~~  
36 ~~replace a portion of the employee's lost wages.~~

37 (b) The secretary shall establish a voluntary ~~shared work~~  
38 ~~unemployment~~ *short-term* compensation program as provided by this  
39 section. The secretary may adopt rules and regulations and establish  
40 procedures necessary to administer the ~~shared work unemployment~~ *short-*  
41 *term* compensation program.

42 (c) *The secretary shall create and manage an annual promotional*  
43 *campaign for the short-term compensation program to encourage and*



1 *improve business participation. The promotional campaign shall include*  
2 *the following elements:*

3 (A) *Engagement in proactive educational communications with other*  
4 *state agencies and stakeholders, including the governor's office,*  
5 *legislators, workforce investment boards{, **labor unions**} and local,*  
6 *regional or state chambers of commerce;*

7 (B) *a dedicated department of labor employee or team to efficiently*  
8 *and timely answer employer's questions about the short-term*  
9 *compensation program;*

10 (C) *presentation materials that provide consistency of messaging*  
11 *about the benefits of using a short-term compensation program to provide*  
12 *stakeholders for distribution to employer groups, workforce investment*  
13 *boards or other interested parties;*

14 (D) *proactive engagement with employers experiencing economic*  
15 *stress or layoffs to share the benefits of the short-term compensation*  
16 *program and to ensure such employers are aware of the program; and*

17 (E) *an automated application, claims and weekly certification*  
18 *process for participating employers designed to facilitate participation,*  
19 *reduce an employer's administrative burden and promote the use of the*  
20 *short-term compensation program.*

21 (d) ~~An employer who wishes to participate in the shared work-~~  
22 ~~unemployment short-term compensation program must submit a written~~  
23 ~~shared work plan to the secretary for the secretary's approval. As a~~  
24 ~~condition for approval, a participating employer must agree to furnish the~~  
25 ~~secretary with reports relating to the operation of the shared work plan as~~  
26 ~~requested by the secretary. The employer shall monitor and evaluate the~~  
27 ~~operation of the established shared work plan as requested by the secretary~~  
28 ~~and shall report the findings to the secretary.~~

29 ~~(d)(e)~~ (e) The secretary may approve a shared work plan if:

30 (1) The shared work plan applies to and identifies a specific affected  
31 unit;

32 (2) the employees in the affected unit are identified by name and  
33 social security number;

34 (3) the shared work plan reduces the normal weekly hours of work  
35 for an employee, including regular part-time employees, in the affected  
36 unit by not less than ~~20%~~ 10% and not more than ~~40%~~ 50%;

37 (4) the shared work plan applies to at least 10% of the employees in  
38 the affected unit;

39 (5) the shared work plan describes the manner that the participating  
40 employer treats the fringe benefits of each employee in the affected unit  
41 and the employer certifies that if the employer provides health benefits and  
42 retirement benefits under a defined benefit plan, as defined in 26 U.S.C. §  
43 414(j), or contributions under a defined contribution plan, as defined in 26

1 U.S.C. § 414(i), to any employee whose workweek is reduced under the  
2 program that such benefits will continue to be provided to employees  
3 participating in the ~~shared work~~ *short-term* compensation program under  
4 the same terms and conditions as though the workweek of such employee  
5 had not been reduced or to the same extent as other employees not  
6 participating in the shared work program;

7 (6) the employer certifies that the implementation of a shared work  
8 plan and the resulting reduction in work hours is in lieu of layoffs that  
9 would affect at least 10% of the employees in the affected unit and that  
10 would result in an equivalent reduction in work hours;

11 (7) the employer has filed all reports required to be filed under the  
12 employment security law for all past and current periods and has paid all  
13 contributions, benefit cost payments, or if a reimbursing employer has  
14 made all payments in lieu of contributions due for all past and current  
15 periods;

16 (8) (A) a contributing employer must be eligible for a rate  
17 computation under K.S.A. 44-710a(a)(2), and amendments thereto, and the  
18 contributing employer, as determined by the secretary, does not adversely  
19 impact the state's eligibility under section 2108 of the federal CARES act,  
20 public law 116-136;

21 (B) *if section 2108 of the federal CARES act, public law 116-136, is*  
22 *no longer in effect, a contributing employer eligible for a rate computation*  
23 *under K.S.A. 44-710(a)(2), and amendments thereto, that is a negative*  
24 *account employer as defined by K.S.A. 44-710a(d), and amendments*  
25 *thereto, may only be approved for a shared work application if the*  
26 *negative account employer's most recent calculated reserve ratio has*  
27 *improved from the previous reporting year's reserve ratio;*

28 (C) a rated governmental employer must be eligible for a rate  
29 computation under K.S.A. 44-710d(g), and amendments thereto;

30 (9) eligible employees may participate, as appropriate, in training,  
31 including without limitation, employer-sponsored training or worker  
32 training funded under the workforce investment act of 1998, to enhance  
33 job skills if such program has been approved by the state of Kansas;

34 (10) the employer includes a plan for giving advance notice, where  
35 feasible, to an employee whose workweek is to be reduced together with  
36 an estimate of the number of layoffs that would have occurred absent the  
37 ability to participate in shared work compensation and such other  
38 information as the secretary of labor determines is appropriate; and

39 (11) the terms of the employer's written plan and implementation are  
40 consistent with employer obligations under applicable federal and Kansas  
41 laws.

42 (e)(f) If any of the employees who participate in a shared work plan  
43 under this section are covered by a collective bargaining agreement, the

1 shared work plan must be approved in writing by the collective bargaining  
2 agent.

3 ~~(f)~~(g) A shared work plan may not be implemented to subsidize  
4 seasonal employers during the off-season.

5 ~~(g)~~(h) The secretary shall approve or deny a shared work plan no later  
6 than the 30<sup>th</sup> day after the day the shared work plan is received by the  
7 secretary. The secretary shall approve or deny a shared work plan in  
8 writing. If the secretary denies a shared work plan, the secretary shall  
9 notify the employer of the reasons for the denial.

10 ~~(h)~~(i) A shared work plan is effective on the date it is approved by the  
11 secretary, except for good cause a shared work plan may be effective at  
12 any time within a period of 14 days prior to the date such plan is approved  
13 by the secretary. The shared work plan expires on the last day of the 12<sup>th</sup>  
14 full calendar month after the effective date of the shared work plan.

15 ~~(i)~~(j) An employer may modify a shared work plan created under this  
16 section to meet changed conditions if the modification conforms to the  
17 basic provisions of the shared work plan as approved by the secretary. The  
18 employer must report the changes made to the shared work plan in writing  
19 to the secretary before implementing the changes. If the original shared  
20 work plan is substantially modified, the secretary shall reevaluate the  
21 shared work plan and may approve the modified shared work plan if it  
22 meets the requirements for approval under subsection (d). The approval of  
23 a modified shared work plan does not affect the expiration date originally  
24 set for that shared work plan. If substantial modifications cause the shared  
25 work plan to fail to meet the requirements for approval, the secretary shall  
26 deny approval to the modifications as provided by subsection (g).

27 ~~(j)~~(k) Notwithstanding any other provisions of the employment  
28 security law, an individual is unemployed and is eligible for shared work  
29 benefits in any week in which the individual, as an employee in an affected  
30 unit, works for less than the individual's normal weekly hours of work in  
31 accordance with an approved shared work plan in effect for that week. The  
32 secretary may not deny shared work benefits for any week to an otherwise  
33 eligible individual by reason of the application of any provision of the  
34 employment security law that relates to availability for work, active search  
35 for work or refusal to apply for or accept work with an employer other  
36 than the participating employer.

37 ~~(k)~~(l) An individual is eligible to receive shared work benefits with  
38 respect to any week in which the secretary finds that:

39 (1) *The employee is determined to be eligible for unemployment*  
40 *compensation, except that while receiving shared work benefits, an*  
41 *employee shall not be required to meet work availability or work search*  
42 *requirements but shall be required to be available for the employee's*  
43 *normal work week;*

1 (2) The individual is employed as a member of an affected unit  
2 subject to a shared work plan that was approved before the week in  
3 question and is in effect for that week;

4 ~~(2)~~(3) the individual is able to work and is available for additional  
5 hours of work or full-time work with the participating employer;

6 ~~(3)~~(4) the individual's normal weekly hours of work have been  
7 reduced by at least ~~20%~~ 10% but not more than ~~40%~~ 50%, with a  
8 corresponding reduction in wages; and

9 ~~(4)~~(5) the individual's normal weekly hours of work and wages have  
10 been reduced as described in subsection (k)~~(3)~~(4) for a waiting period of  
11 one week that occurs within the period the shared work plan is in effect,  
12 which period includes the week for which the individual is claiming shared  
13 work benefits.

14 ~~(h)~~(m) The secretary shall pay an individual who is eligible for shared  
15 work benefits under this section a weekly shared work benefit amount  
16 equal to the individual's regular weekly benefit amount for a period of total  
17 unemployment multiplied by the nearest full percentage of reduction of the  
18 individual's hours as set forth in the employer's shared work plan. If the  
19 shared benefit amount is not a multiple of \$1, the secretary shall reduce the  
20 amount to the next lowest multiple of \$1. All shared work benefits under  
21 this section shall be payable from the fund.

22 ~~(m)~~(n) An individual may not receive shared work benefits and  
23 regular unemployment compensation benefits in an amount that exceeds  
24 the maximum total amount of benefits payable to that individual in a  
25 benefit year as provided by K.S.A. 44-704(g), and amendments thereto.

26 ~~(n)~~(o) An individual who has received all of the shared work benefits  
27 and regular unemployment compensation benefits available in a benefit  
28 year is an exhaustee under K.S.A. 44-704a and 44-704b, and amendments  
29 thereto, and is entitled to receive extended benefits under such statutes if  
30 the individual is otherwise eligible under such statutes.

31 ~~(o)~~(p) The secretary may terminate a shared work plan for good cause  
32 if the secretary determines that the shared work plan is not being executed  
33 according to the terms and intent of the shared work unemployment  
34 compensation program.

35 ~~(p)~~(q) Notwithstanding any other provisions of this section, an  
36 individual shall not be eligible to receive shared work benefits for more  
37 than ~~26~~ 52 calendar weeks during the 12-month period of the shared work  
38 plan, ~~except that two weeks of additional benefits shall be payable to~~  
39 ~~claimants who exhaust regular benefits and any benefits under any other~~  
40 ~~federal or state extended benefits program during the period July 1, 2003~~  
41 ~~through June 30, 2004.~~ No week shall be counted as a week for which an  
42 individual is eligible for shared work benefits for the purposes of this  
43 section unless the week occurs within the 12-month period of the shared

1 work plan.

2 ~~(q)~~(r) No shared work benefit payment shall be made under any  
3 shared work plan or this section for any week that commences before April  
4 1, 1989.

5 ~~(r)~~(s) This section shall be construed as part of the employment  
6 security law.

7 Sec. ~~16~~{17}. K.S.A. 44-758 is hereby amended to read as follows: 44-  
8 758. (a) Any employer or any individual, organization, partnership,  
9 corporation or other legal entity ~~which~~ that is a lessor employing unit, as  
10 defined by ~~subsection (ff)~~ of K.S.A. 44-703(~~ff~~), and amendments thereto,  
11 shall be liable for contributions on wages paid by the lessor employing  
12 unit to individuals performing services for client lessees. ~~For the purposes~~  
13 ~~of the employment security law, no client lessee shall lease an individual~~  
14 ~~proprietor, partner or corporate officer, who is a shareholder or a member~~  
15 ~~of the board of directors of the corporation, from any lessor employing~~  
16 ~~unit.~~ Any client lessee shall be jointly and severally liable for any unpaid  
17 contributions, interest and penalties due under this law from any lessor  
18 employing unit attributable to wages for services performed for the client  
19 lessee by employees leased to the client lessee. The lessor employing unit  
20 shall keep separate records and submit separate quarterly contributions and  
21 wage reports for each client lessee.

22 (b) Any lessor employing unit ~~which~~ that is currently engaged in the  
23 business of leasing employees to client lessees shall comply with the  
24 provisions of subsection (a) prior to October 1, 1990.

25 (c) The provisions of this section shall not be applicable to private  
26 employment agencies ~~which~~ that provide temporary workers to employers  
27 on a temporary help basis, provided the private employment agencies are  
28 liable as employers for the payment of contributions on wages paid to  
29 temporary workers so employed.

30 (d) This section shall be construed as part of the employment security  
31 law.

32 Sec. ~~17~~{18}. K.S.A. 44-758 and K.S.A. 2020 Supp. 44-703, 44-704,  
33 44-705, {44-706,} 44-709, 44-710, 44-710a, 44-710b and 44-757 are  
34 hereby repealed.

35 Sec. ~~18~~{19}. This act shall take effect and be in force from and after  
36 its publication in the Kansas register.