

Greater Kansas City Building and Construction Trades Council, AFL-CIO

Affiliated With The Building and Construction Trades Department

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Alise Martiny
Business Manager/ Financial
Secretary

To: Senator Rob Olson and Members of the Committee
From: Alise Martiny, Business Manager, Greater Kansas City Building Trades Council
Re: Testimony in Opposition to House Sub for HB 2196
Date: March 15, 2021

Chairman Olson and Members of the Committee,

The Greater Kansas City Building & Construction Trades Council represents approximately 25,000 working men and women many of whom live in Kansas. The Council writes to you today to testify in opposition to H Sub for HB 2196 as it is currently written. While the Council currently opposes H Sub for HB 2196, there are aspects of the bill we support. We support H Sub for HB 2196's efforts to resolve fraud our unemployment system has experienced during the COVID-19 pandemic. However, the changes to unemployment benefits within this bill will not alleviate unemployment fraud but instead harm Kansans.

H Sub for HB 2196 changes the rate triggers (Percentages that determine how long a claimant may receive benefits) and the maximum duration for how long a claimant can receive unemployment benefits. The Building trades Council does not understand how changing the amount of time a claimant can receive benefits will alleviate our system's current issues. The Council believes no changes should be made to the benefits unemployed Kansans may receive.

In the midst of a pandemic, this bill targets to decrease the number of weeks claimants can receive unemployment. It is our opinion that does not fix fraud that our unemployment system has experienced, instead it changes benefits for unemployed Kansans.

Last week the Senate passed a bill that would give businesses immunity for an additional year from COVID-19 claims from their workers. Although this H Sub for HB 2196 does not address this issue, we must ask why the legislature is not extending the period in which claimants can receive 26 weeks of unemployment? This bill would no longer allow for 26 weeks on April 1, 2021. Why should businesses receive an extension but individual Kansans not?

Additionally, H Sub for HB 2196 seeks to protect and make whole employers who have been victims of unemployment fraud through reimbursement for fraudulent claims. While the Council supports this effort, why does H Sub for HB 2196 only protect employers? The House passed an amendment which would decrease the fraud penalty from 5 years to 2 years, which is a step in the right direction. However, nothing in this bill protects individuals who were victims of fraud from being banned for 2 years.

More than 40 states have penalties for unemployment fraud barring individuals from receiving unemployment benefits for one (1) year or less. While the Building Trades Council understands efforts to penalize individuals that have committed unemployment fraud, we support an amendment removing or reducing the two (2) year ban to align with penalties across the country.

Thank you for your time today. Should the Committee have any questions, please do not hesitate to reach out to me alise@buildkc.org.

Sincerely,

A handwritten signature in blue ink that reads "Alise Mantony". The signature is fluid and cursive, with a large loop at the end of the last name.

Business Manager/Financial Secretary-Treasurer