

SESSION OF 2004

**CONFERENCE COMMITTEE REPORT BRIEF  
SENATE BILL NO. 440**

As Agreed to April 1, 2004

**Brief \***

SB 440, as amended, would make technical corrections to the Employment Security Act to correct numbering errors from amendments passed during the 2003 Session and clarify existing law regarding the carryover of experience rating factors to successor employers as a result of Supreme Court Ruling in *CPI Qualified Plan Consultants, Inc. Delaware vs. Kansas Department of Human Resources*. 272 Kan. 1288 (2002)

The following amendments were also agreed to in the bill:

- ! exempt private, for-profit employers from paying state unemployment taxes on inmate employees.
- ! provide that an individual would be disqualified from unemployment benefits if the individual has been discharged for failing a pre-employment drug screen required by the employer and if such discharge occurs not later than seven days after the employer is notified of the results of such drug screen. The disqualification would begin the day following the separation and would continue until after the individual becomes reemployed and has had earnings from insured work of at least three times the individual's determined weekly benefit.
- ! add other conditions when an individual would be disqualified from receiving unemployment benefits:
  - " if an employee failed to return to work after expiration of approved personal and/or medical leave;

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- " incarceration would not be considered good cause for absence or tardiness;
- " failure of the employee to notify the employer of an absence shall be considered *prima facie* evidence of a violation of a duty or obligation reasonably owed the employer as a condition of employment.
- " misconduct will include incarceration, resulting in absence from work of three days or longer, excluding weekends and legal holidays. These provisions are from SB 483.

### **Conference Committee Action**

In the Conference Committee, the Senate conferees agreed to the House amendments to the bill and add the following language recommended by the Department of Human Resources:

- ! The disqualification shall begin the day following the separation and shall continue until after the individual becomes reemployed and has had earnings from insured work of at least three times the individual's determined weekly benefit amount.

### **Background**

The Kansas Department of Human Resources requested the bill and an additional technical amendment to reference a proper section letter. The Department was the only conferee.

The fiscal note indicates the bill would have no fiscal impact.