

MINUTES OF THE HOUSE COMMERCE AND LABOR COMMITTEE.

The meeting was called to order by Chairman Donald Dahl at 9:00 a.m. on March 18, 2003 in Room 243-N of the Capitol.

All members were present:

Committee staff present: Jerry Ann Donaldson, Kansas Legislative Research Department
Norman Furse, Revisor of Statutes
Rena Jefferies, Revisor of Statutes
June Evans, Secretary

Conferees appearing before the committee: Representative Bob Bethell
Jim DeHoff, Executive Secretary, AFL/CIO

Others attending: See attached sheet

The Chairman called the meeting to order at 9:00 a.m. and opened the hearing on **HB 2267 - Service performed by certain alien agricultural workers not employment under employment security law.**

Staff briefed the committee on **HB 2267** - agricultural service performed by alien workers. Many legal alien workers start in the early spring in the southern part of the United States and migrate up to the Canadian border working on farm crops. This bill contains the law definition section. Starting on page 1, line 16, the definitions and the language as used in this act, all relate to the formula and authorizations in the employment security law (Attachment 1).

Representative Bethell, a proponent to **HB 2267**, testified that this is not a major change to existing Kansas law. The bill simply brings Kansas law into compliance with federal law. The federal government does not require withholding unemployment insurance (UI) on those individuals who are legal aliens working for an agricultural organization. However, Kansas law does not exempt agriculture employers from paying UI. Legal aliens are not able to claim UI benefits as they are required by federal law to return to their country when employment is terminated (Attachment 2).

Representative Holland asked if this bill discriminated against U.S. Citizens, and if no, why not? What is the Kansas unemployment rate?

Representative Bethell replied, no, this does not discriminate. There are agriculture jobs that U.S. citizens do not want which require work from sun up to sun down, seven days a week and start in the spring and work until late in the fall. U.S. citizens do not want to be away from home that long. The unemployment rate in Kansas is thought to be around 4.2%.

Representative Grant asked how many businesses does this bill affect?

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Representative Bethell replied it was mainly agricultural businesses.

Representative Grant asked, as far as you know, none of these workers have ever filed for unemployment?

Representative Bethell said that was correct. These people are here for a purpose and when the job is done they are to return to their home country.

Representative Johnson said he hired custom cutters. It is very difficult to even get Americans to apply for these jobs. Employers are desperate for someone to work. These jobs do not pay much, are very hard work, and Americans don't want to be away from home for an extended period of time.

Jim DeHoff, Executive Secretary, AFL/CIO, testified, saying that he and Representative Bethell had a conversation and the AFL/CIO now supports **HB 2267** with an amendment stating, "agricultural business must advertise in local newspapers for legal Kansas residents to be eligible to receive non-payment of employment security taxes."

The Chairman asked if that amendment was in writing?

Mr. DeHoff said he did not have the amendment in very good form. He stated he agreed with Representative Johnson as his father had been a custom cutter also. Hiring people is a major concern for custom cutters. The AFL/CIO does not have a problem with the bill if the amendment is added (Attachment 3 & 4).

After discussion, the Chairman suggested that the amendment, if adopted, should contain a time-frame when the advertisement should be printed in the newspapers.

Mr. DeHoff suggested the advertisement be for a period of one year and printed in either December or January.

With no further discussion, the Chairman closed the hearing on **HB 2267**.

Representative Grant moved and Representative Holland seconded to report **HB 2267** out non-favorably for passage.

Representative Swenson made a Substitute Motion to Table **HB 2267**. Representative Johnson seconded. The motion carried.

The Chairman stated the committee would take up **HBs 2241, 2242 and 2243**.

Staff briefed the committee on the proposed amendments concerning all three bills (Attachment 5).

Representative Johnson moved and Representative Novascone seconded to adopt all three balloons.

Representative Ruff commented on her concerns regarding subpoena powers. She did not believe **HB 2242** should be amended into **HB 2241**.

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Since there was no additional discussion, a vote was taken on Representative Johnson's motion. Motion passed.

Representative Ruff moved and Representative Humerickhouse seconded to combine **HB 2243**, as amended, into **HB 2241**. The motion carried.

Representative Ruff moved and Representative Humerickhouse seconded to move **HB 2241**, as amended, out favorably. The motion carried.

Representative Johnson voted "NO". Representative Johnson said that the subpoena power contained in **HB 2242** was important to the Board of Accountancy and he would like to see it amended into **HB 2241**.

The meeting adjourned at 10:05 a.m. and the next meeting will be March 20.