

MINUTES OF THE SENATE COMMERCE COMMITTEE

The meeting was called to order by Chairperson Karin Brownlee at 8:30 a.m. on February 13, 2004 in Room 123-S of the Capitol.

All members were present except:

Senator Pete Brungardt- excused  
Senator Susan Wagle- excused

Committee staff present:

Kathie Sparks, Legislative Research  
Susan Kannarr, Legislative Research  
Helen Pedigo, Revisor of Statutes  
Nikki Kraus, Committee Secretary

Conferees appearing before the committee:

Jeff Wheeler, Employee Relations Manager, Impact Design  
Dave Geenens, President, Impact Design  
Marlee Carpenter, Kansas Chamber of Commerce  
Dick Rader, Boeing  
Richard Clinesmith, Employers Unity  
Jim DeHoff, Kansas AFL-CIO

Others attending:

See Attached List.

Chairperson Brownlee opened the public hearing on:

**SB 481—An act concerning the employment security laws; relating to state unemployment tax, exempting private prison based industries from payment**

Mr. Wheeler testified in favor of the bill. (Attachment 1) He also provided the committee with a document from the Bureau of Justice Assistance entitled, “Program Brief: Prison Industry Enhancement Certification Program” (Attachment 2) and “Prison Industry Enhancement Certification Program—PIECP: Statistics Show it is Growing...and it Works!” (Attachment 3) and a series of letters from Impact Design. (Attachment 4)

Mr. Geenens testified in favor of the bill. He emphasized that the state of Kansas will recuperate \$750,000 a year and the state will deduct 25% for room and board. His testimony was submitted with Mr. Wheeler’s. ( See Attachment 1)

Chairperson Brownlee opened the public hearing on:

**SB 482—An act concerning the employment security laws; relating to freezing automatic benefit increases**

Ms. Carpenter testified in favor of the bill. (Attachment 5)

Mr. Rader testified in favor of the bill. (Attachment 6)

Mr. Clinesmith testified in favor of the bill.

Written testimony in favor of the bill was provided by Ashley Sherard, Lenexa Chamber of Commerce. (Attachment 7)

Mr. DeHoff, Kansas AFL-CIO testified in opposition to the bill. (Attachment 8)

Chairperson Brownlee opened the public hearing on:

**SB 483—An act concerning the employment security laws; relating to disqualification from recipient of benefits**

Ms. Carpenter testified in favor of the bill. (Attachment 9)

Mr. Rader and Mr. Clinesmith also testified in favor of the bill, the testimony for which is on the above

## CONTINUATION SHEET

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attachments, respectively.

Mr. DeHoff testified in opposition to the bill. (Attachment 10) Mr. DeHoff emphasized that the Advisory Council was important because it avoids fighting later on. Chairperson Brownlee agreed; Senator Barone stated that he finds it troubling when issues that would naturally go to the Advisory Council do not and when members of the Council say one thing there and another before the Legislature.

Chairperson Brownlee stated that it was hard to understand why there was no representative from the Department of Human Resources present for the hearings.

Mr. Clinesmith stated that if an individual on FMLA had exhausted leave and were not returning to work, so that his position was then filled by a new person, he could come back, and if his position were gone, he could then apply for unemployment. Senator Emler asked if an individual was on FMLA for an illness of his own, was gone 12 weeks, and then came back, should he not get any benefits? Mr. Clinesmith stated that employers should not have to foot the bill. Senator Emler stated that cancer would not be work-related, but he wondered about a broken leg from work. Mr. Clinesmith stated that in such a case, the company would be responsible. Chairperson Brownlee asked if there were situations in which employees get benefits, but the business is not charged. Mr. Clinesmith stated that yes, sometimes an individual can go beyond FMLA and, although not released by a doctor, go apply for unemployment benefits.

Chairperson Brownlee closed the hearing on **SB 483**.

Mr. Clinesmith provided the committee with some suggested language amendments to the bills. (Attachment 11) (Attachment 12) (Attachment 13)

Chairperson Brownlee stated that it seemed there was a disconnect here. She stated that, in regard to the testimonies provided, the business community did not pursue this at the Advisory Council meeting; also, it was disappointing that the Department of Human Resources did not submit testimony. She stated that it was difficult to tell the degree of the problem. Senator Barone stated that he agreed that there was a disconnect. Senator Jordan agreed also, stating the committee needed more background information before trying to deal with these.

Chairperson Brownlee told the committee that they should plan to work all five workers compensation bills on Monday morning. The Chair adjourned the meeting at 9:30 a.m. The next meeting will be at 8:30 a.m. on February 16, 2004 in Room 123-S of the Capitol.