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

- (b) The legislature finds that, as a result of the vulnerabilities exposed in the legacy unemployment insurance system by the COVID-19 pandemic unemployment insurance crisis, a new system shall be fully designed, implemented and administered by the department of labor not later than December 31, 2022. The legislative coordinating council, upon consultation with the unemployment compensation modernization and improvement council established by section 1, and amendments thereto, may extend the deadline to a date certain and may further extend the deadline to another date certain at any time.
- (c) The information technology system, technology and platform shall include, but not be limited to, any components as specified and defined by the unemployment compensation modernization and improvement council established by section 1, and amendments thereto, in consultation with the secretary.
- (d) The new system shall include, but not be limited to, any features and benefits as specified and defined by the unemployment compensation modernization and improvement council established by section 1, and amendments thereto, in consultation with the secretary.
- (e) The secretary shall implement and utilize all program integrity elements, as specified and defined by the unemployment compensation modernization and improvement council established by section 1, and amendments thereto, in consultation with the secretary, including, but not limited to:
- (1) Social security administration cross-matching for the purpose of validating social security numbers supplied by a claimant;
- (2) checking of new hire records against the national directorate of new hires to verify eligibility;

- (i) The secretary of labor shall adopt rules and regulations necessary for the purposes of carrying out this section. Such rules and regulations shall be adopted within 12 months of the effective date of this act.
- (j) The secretary of labor shall provide an annual status update and progress report regarding the requirements of this section to the unemployment compensation modernization and improvement council and the legislative coordinating council.
- (k) This section shall be a part of and supplemental to the employment security law.

New Sec. 8. During the fiscal years ending June 30, 2021, and June 30, 2022, on the effective date of this act, no state agency named in this or other appropriation act of the 2021 regular session of the legislature shall expend any moneys appropriated from the state general fund or from any special revenue fund or funds for fiscal years 2021 and 2022 as authorized by chapter 5 of the 2020 Session Laws of Kansas or any appropriation act of the 2021 regular session of the legislature for the purposes of entering into a contract or agreement with any party to make any changes, improvements or upgrades to the technology infrastructure for claims, benefits and system integrity or to the methods for information and data sharing concerning Kansas unemployment benefits unless and until: (a) The unemployment compensation modernization and improvement council, created by section 1, and amendments thereto, has reviewed the information technology system, technology and platform specifications pursuant to the provisions of section 2, and amendments thereto, and made a recommendation to the legislative coordinating council; and (b) the legislative coordinating council has reviewed any such specifications and any such recommendations. Such legislative coordinating council review shall take place within 60 days of the last date of accepting bids on the modernization project. After the requesting state agency receives a report from the legislative coordinating council regarding such council's review, such state agency is authorized to expend all approved moneys lawfully credited to and available in such fund or funds during the fiscal years ending June 30, 2021, and June 30, 2022.

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