

## 2023 Kansas Statutes

**44-710d. Governmental entities; election, mode of payment; rated governmental employer; rate computation; notice.** (a) Governmental entities described in subsection (h)(3) of K.S.A. 44-703 and amendments thereto may elect to finance benefit payments as (1) a contributing employer, (2) a reimbursing employer or (3) a rated governmental employer.

(b) Any governmental entity identified in this section may elect to become a rated governmental employer for a period encompassing not less than four complete calendar years if such employer files with the secretary a written notice of such election within the thirty-day period immediately following January 1 of any calendar year or within a like period immediately following the date on which a determination of subjectivity to this act is issued, whichever occurs later.

(c) Any employer electing to become a rated governmental employer shall continue to be liable as a rated governmental employer until such employer files with the secretary a written notice terminating its election and not later than 30 days prior to the beginning of the calendar year for which such termination shall first be effective.

(d) A rated governmental employer shall report and make benefit cost payments based upon total wages paid during each calendar quarter.

(e) No rated governmental employer shall be eligible for a rate computed under subsection (g) of this section until there have been 24 consecutive calendar months immediately preceding the computation date throughout which benefits could have been charged against such employer's account.

(f) Each employer who has not been subject to this act for a sufficient period of time to have a rate computed under this subsection shall make quarterly payments at a calendar year rate expressed as a percentage of total wages and shall be the same for all rated governmental employers not eligible for a computed rate. The rate for rated governmental employers not eligible for a computed rate will be based upon the actual cost experience (benefits paid divided by total wages) of all rated governmental employers during the prior fiscal year ending March 31.

(g) Rated governmental employers eligible for a rate computation shall make quarterly payments at a calendar year rate determined by the experience of all rated governmental employers and the individual employer's experience. The rate shall be computed by the following method:

(1) An adjustment factor rounded to two decimal places shall be computed for all rated governmental employers by dividing total benefits paid by total benefits charged, reported by all rated governmental employers for the preceding fiscal year ending March 31;

(2) An experience factor, stated as a percent rounded to two decimal places, shall be computed for each eligible rated governmental employer by dividing benefits charged to such employer's account for the preceding fiscal year ending March 31, by the average of such employer's total wages reported for the two preceding fiscal years ending March 31;

(3) Benefit cost rates to be effective for the ensuing calendar year shall be computed by multiplying the experience factor determined in paragraph (2) of this subsection, by the adjustment factor determined in paragraph (1) of this subsection, rounding to the nearest .01%, except that no rated governmental employer's rate for any calendar year will be less than .1%.

(h) Whenever any governmental entity which acquires or in any manner succeeds to all the employment of another governmental entity and both the predecessor and successor have selected the same payment option, the successor shall acquire the experience rating account factors of the predecessor employer. Contributing employer's experience rating account factors consist of the actual contribution and benefit experience and annual payrolls while the rated governmental employer's experience rating account factors consist of the actual benefit experience and annual payrolls. If the successor employing unit was an employer subject to this act prior to the date of acquisition, the contribution rate or benefit cost rate for the period from such date to the end of the then current calendar year shall be the same as the rate with respect to the period immediately preceding the date of acquisition. If the

successor was not an employer prior to the date of acquisition, the rate shall be the rate applicable to the predecessor employer or employers with respect to the period immediately preceding the date of acquisition provided there was only one predecessor or there were only predecessors with identical rates. In the event that the predecessors' rates are not identical, the successor's rate shall be a newly computed rate based upon the combined experience of the predecessors as of the computation date immediately preceding the date of acquisition.

(i) Benefit payments shall be charged to the account of each rated governmental employer in accordance with subsection (c) of K.S.A. 44-710 and amendments thereto.

(j) The secretary shall promptly notify each rated governmental employer of such employer's rate for the calendar year, which will become final unless an application for review and redetermination is filed in accordance with subsection (b) of K.S.A. 44-710 and amendments thereto.

(k) Rated governmental employers shall make benefit cost payments each calendar quarter. Payments shall be computed by multiplying total wages by the benefit cost rate. Payment of benefit cost payments for any calendar quarter which amounts to less than \$1 shall not be required.

**History:** L. 1977, ch. 181, § 7; L. 1979, ch. 159, § 5; L. 1981, ch. 206, § 1; L. 1981, ch. 205, § 2; July 1.