

Kansas Administrative Regulations

Department of Labor—Division of Employment

Article 2.—Unemployment Insurance; Contributing, Reimbursing and Rated Governmental Employment

50-2-18. Surety bond or surety deposit requirements for reimbursing employers.

(a) Each employer who elects to become liable for payments in lieu of contributions in accordance with K.S.A. 44-710(e)(1), and amendments thereto, shall be required to file with the secretary a surety bond or surety deposit as set forth in K.S.A. 44-710(e)(2)(F), and amendments thereto.

(b) Minimum time period. The bond or deposit shall be required for a minimum period of four complete calendar years. If, at the close of that time period, the employer has a history of timely reporting and prompt payment of reimbursing the employer's quarterly benefit charges, the surety bond or deposit shall no longer be required by the secretary.

(c) Termination or inactivity. Any reimbursing employer who ceases to be an employer under the Kansas employment security law while a surety bond or deposit is in effect shall be required to maintain that bond or deposit for a minimum period of three years after required reporting of wages ends.

(d) Surety amount when wages not paid during four calendar quarters immediately preceding effective date of election. The surety amount shall not exceed 5.4% of an estimate of the organization's taxable wages for a four-calendar-quarter period. If an organization has an increase in employment during the time a surety bond or deposit is required, the organization may be required by the secretary or designee to increase the amount of the bond or deposit. The employer shall be notified of the increase within 60 days after the beginning of the calendar year in which the change is to be effective, and the employer shall have 30 days from the date of mailing of the notice to file the increased surety bond or deposit.

(Authorized by and implementing K.S.A. 1999 Supp. 44-710(e); effective May 1, 1983; amended Feb. 16, 2001.)

***** Authenticated Kansas Administrative Regulation *****