November 28, 2022

Legislative Coordinating Council
Kansas State Capitol
300 W 10th Ave.
Topeka, KS 66612

Dear Members of the LCC:

Pursuant to New Section 6(d) of chapter 92 of the 2021 Session Laws of Kansas, I am writing to certify the dollar amount of improper payments estimated by the audit performed on the Department of Labor, as required by New Section 1(g)(1) of Chapter 92 of the 2021 Session Laws of Kansas.

After reviewing the audit provided to me by the Unemployment Compensation Modernization and Improvement Council (UCMIC), as well as the first supplement to the audit also provided to me by the UCMIC, I hereby certify a total amount of $357.9 million identified as improper payments. This total amount is a combination of the $292.0 million in net fraud estimates as identified in the first supplement to the audit, as well as $65.9 million in non-fraud overpayments contained in the original audit dated 09/01/2022. It is important to note that the $65.9 million in non-fraud overpayments were not all paid from the state’s unemployment trust fund, so the impact to the state’s trust fund would likely be below $65.9 million.

Attached to this certification you will find a copy of the audit that was provided to me by the UCMIC, the first supplement to the audit, and the report from the UCMIC addressed to the Division of the Budget. Please feel free to contact me should you have any questions or require further information.

Sincerely,

Adam Proffitt
Director of the Budget

cc: J.G. Scott, Director of the Kansas Legislative Research Department