

MINUTES OF THE SENATE COMMERCE COMMITTEE.

The meeting was called to order by Chairperson Karin Brownlee at 8:00 a.m. on February 19, 2003 in Room 123-S of the Capitol.

All members were present except:

Committee staff present: April Holman, Legislative Research
Deb Hollon, Legislative Research
Mitch Rice, Revisor of Statutes
Norman Furse, Revisor of Statutes
Jodie Anspaugh, Secretary

Conferees appearing before the committee: Julie Bachman, Wichita Area Employers Work Comp Task Force
Wanda Roehl, Wichita Area Employers Work Comp Task Force
Bill Curtis, Kansas Association of School Boards
Secretary Garner, Kansas Department of Human Resources
Bud Langston, resident of Topeka
Pamela Pettis, resident of Carbondale
James Snell, injured worker, resident of McClouth
Diana McCombs, injured worker, resident of Kansas City

Others attending: See attached list.

Chairperson Brownlee called the meeting to order at 8:00 a.m. She announced that SB 65 will be voted on tomorrow due to time constraints today. Mitch Rice, Revisor of Statutes, distributed a revised SB 133, and explained the changes in the bill. (Attachment 1) Senator Emler moved that the bill be amended as the balloon states. Senator Jordan seconded. The motion carried. Senator Barone moved that the committee recommend SB 133 favorable for passage as amended. Senator Emler seconded. The motion carried.

Chairperson Brownlee continued the hearing on SB 181. Phil Harness, Acting Director of Workers Compensation, distributed a chart regarding the 2002 Oregon Workers' Compensation Premium Rate Ranking, which compares workers compensation premium rates for all fifty states. (Attachment 2) Kansas was ranked 41st in 2002. He also distributed a handout from the National Council on Compensation Insurance's Kansas Workers Compensation State Advisory Forum (Attachment 3) and an Occupational Injuries and Illnesses Table. (Attachment 4) Mr. Harness said that Kansas is doing well in safety compared to the Midwest region.

Jim Garner, Acting Secretary of Human Resources, testified in opposition to SB 181. (Attachment 5) He is opposed to the bill because it is unfair and unnecessary. He believes that the date of injury should be the date an employee cannot return to work. Workers may lose benefits if the date of injury is changed. Insurance rates have stabilized and have decreased in the last couple of years, so this is unnecessary.

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There is no need for the dramatic reduction in benefits that SB 181 would cause.

Bud Langston, resident of Topeka, testified in opposition to SB 181. (Attachment 6) He questioned the committee on what was to be done with the injured worker who can no longer work. This bill jeopardizes injured workers. He does not believe that businesses are suffering from increased premiums.

Pamela Pettis, resident of Carbondale, testified in opposition to SB 181. (Attachment 7) She is an injured worker, and lost her career as a result of her injury. She believes that this bill will only make things worse for injured workers.

James Snell, resident of McLouth, testified in opposition to SB 181. (Attachment 8) He is an injured worker who will soon no longer receive work comp benefits, and is not able to return to his former job. He disagrees with the decision of the legislature to terminate vocational rehabilitation.

Diana McComb is a resident of Kansas City and an injured worker. She testified in opposition to SB 181 because it reduces benefits to workers who need them the most. (Attachment 9)

Julie Bachman, Wichita Area Employers Work Comp Task Force and KOCH Industries, testified in support of SB 181. (Attachment 10) She believes that Kansas businesses need an equitable and streamlined Workers Compensation Act in order to remain competitive. She supports the language in the bill that would restore the credit for preexisting conditions. She said that employers need this more specific language in order to apportion Permanent Partial Disability in cases where non-work-related problems are aggravated by work activities. She also appreciates the clarification of the date of accident that this bill contains.

Wanda Roehl, Wichita Area Employers Work Comp Task Force and Raytheon Aircraft, testified in support of SB 181. (Attachment 11) She believes that this bill would minimize litigation and simplify the work disability calculation process. She said that it would partially address the issue of employees being laid off, and filing a claim that turns into a work disability claim when the employee is not off due to the injury, but rather to a downturn in the economy.

Bill Curtis, Kansas Association of School Boards, testified as a proponent to SB 181. (Attachment 12) He is most supportive of two conditions of the bill which include the credit for pre-existing conditions and a workers compensation offset for general disability compensation when that disability compensation was financed by the employer. He believes Kansas is at the threshold of a workers compensation crisis and SB 181 is a step in the right direction.

Written testimony was provided by the following: (Attachments 13-34)

Proponents:

Representative Rob Boyer

Pete Schrepferman, Johnstone Supply Company

Bob Vancrum, Greater Kansas City Chamber of Commerce

Alan P. Weldon, Wichita Area Work Comp Task Force

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Opponents:

Doug Banka, resident of Topeka
Bridget Cozad, resident of Wichita
Charles W. Evans, resident of Olathe
Leland Glaser, resident of Emporia
Dennis Horner, Kansas Trial Lawyers Association
Patrick T. Lehman, Kansas Fire Service Alliance
Patrick Nichols, resident of Topeka
John Ostrowski, McCullough, Wareheim, and LaBunker
George Pearson
Doug Pickard, International Association of Fire Fighters
W Clark Roush, resident of Topeka
Elton "Sonny" Schmidt, resident of Topeka
C.E. "Sonny" Scroggins, Kansas National Action Network
Dennis N. Shumate, resident of Junction City
William A. Sweet, resident of Wichita
Bart Thomas, resident of Manhattan
Jason Witte, resident of Overland Park
Albert Herdoiza, resident of Topeka

The committee briefly asked questions of the three proponents. Senator Brownlee announced that she will form a subcommittee on workers compensation. The committee members will be announced at the end of the day.

The meeting was adjourned at 9:30 a.m. The next meeting is scheduled for February 20 at 8:30 a.m.