

MINUTES OF THE SENATE COMMITTEE ON LABOR, INDUSTRY AND SMALL BUSINESS

The meeting was called to order by Senator Dan Thiessen at
Chairperson

1:30 ~~am~~/p.m. on Monday, March 11, 1985 in room 529-S of the Capitol.

All members were present except:

Committee staff present:

Jerry Ann Donaldson, Legislative Research Department
Gordon Self, Office of the Revisor of Statutes
Marion Anzek, Committee secretary

Conferees appearing before the committee:

Stu Entz, Iowa Beef Packers, Inc.
Larry W. Magill, Independent Insurance Agents of Kansas
Bill Morrissey, Department of Human Resources, Div. of Workers' Compensation
Rob Hodges, KACI - Kansas Department of Commerce and Industry

The Chairman called the meeting to order.

A motion was made by Senator Morris, and seconded by Senator Yost to approve the minutes of February 25, and March 4, 1985. Motion carried.

SB 323 - An act relating to temporary total disability compensation and knowledge of impairment by employer, relating to workers' compensation act.

Gordon Self reviewed the bill stating the bill deals with workers' compensation, and the bill was requested by Stu Entz, Iowa Beef Packers Inc.. Part of the bill deals with a case, dealing with knowledge of pre existing impairment on the part of the employer and another change in the bill deals with medical evidence and knowledge of the physicians, all dealing with pre existing impairment.

Stu Entz we have a substitute bill which I would like to present to this committee. Mr. Rob Hodges, Mr. Wayne Maichel and myself have worked on this substitute bill and are ready to present it to the committee.

Larry W. Magill we have been studying the Taco Tico problem, and it seems to address what we perceive to be a problem on page 4 of SB 323. A number of our people claim that lawyers no longer know exactly what is required to establish a claim against the 2nd injury fund, in other words, establish the existance of disability and we think that would be an improvement. With the situation now, they do not know, even if they have hired someone with a handicap. Some employers may not have a very eleborate record, but they keep a job folder. We support this provision.

The Taco Tico case, saying as he understood the facts of the case, the manager of a Taco Tico resturant, hired a woman who had a previous injury, and had, had back surgery and knew that when he hired her, but in the process they did not establish this in the interview, and that there would be any lifting on the job or any reason to be concerned about the back injury when the person was hired, then she did lift something and injured her back, and I am not sure about additional surgery, so they completed the 2nd injury fund and coverage was denied under Workers' Compensation Fund, because at the time of hire the employer had not said, well you have a disability, but I am going to hire you anyway.

Chairman Thiessen In the Taco Tico case, that employee actually did a different job, than she was hired for, didn't she?

Larry Magill that was the impression that I got from the court decision, and I assume that she was hired to be a cash register person.

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON LABOR, INDUSTRY AND SMALL BUSINESS,
room 529-S Statehouse, at 1:30 ~~xxx~~/p.m. on Monday, March 11, 1985

Bill Morrissey notice this line on page 4 SB 323 Employers knowledge. The employer has to prove that they had knowledge that this person had a pre existing condition and also show that they had a reservation in their mind about hiring that person, or keeping them in order to be entitled to claims on Workers' Compensation. The Taco Tico case, the employer had no reservations in their mind about hiring this person, so therefore, they were not entitled to claim. This amendment, simply says the employers knowledge of pre existing impairment will establish a reservation in the mind of the employer when deciding whether to hire or retain the employee. This amendment is proof of condition and if the employer knows of the pre existing condition he will hire the employee.

Senator Werts I have problems with line 14 SB 323, Knowledge of a physician who examined or treated the employee on behalf of the employer. Shouldn't that be knowledge that a physician examined or treated the employee on behalf of the employer?

Bill Morrissey Knowledge can be possession. Possession of knowledge that has been give to the physician, and if the physician examined the employee for that employer.

Senator Daniels Does this mean, only a physician that is doing a Company job for the employer or does this mean any physician?

Bill Morrissey Any physician. It can be any doctor in the vicinity as long as it is for the employer, but does not have to be a Company physician.

Rob Hodges Regarding SB 323, Wayne Michaels and myself have discussed the bill, and felt there was room for improvement in the area of Workers' Compensation and I have worked with the interim committee and also this committee and we agreed there was a problem and needs to be resolved and we also agreed there is a solution to the problem. You have SB 324 which has not been heard today, but we see a problem in the area of rehabilitation and the problem with SB 323 has been read and discussed in the area where we did see a problem. We feel the 2nd injury fund was designed to provide an incentive for employers to hire handicapped to go back to work and many people after the court of appeals decision on both sides of the issue, seem to take that out of the incentive position, so we are asking that, that part of the bill be changed, and we ask the committee to look at what we have in the other areas and consider putting it together in one bill, and we also feel this is a great sense of urgency and ask this committee to fully consider this and act upon it this year, as we feel that changes can be made that have been agreed to and should be made this year. (Attachment A)

Chairman Thiessen I would entertain a motion to combine these concepts agreed upon from SB 323 and SB 324 and a new bill requested to be introduced by the Senate Ways and Means Committee for rereferral to Labor, Industry and Small Business.

Senator Gordon made a motion to request concepts agreed upon from SB 323 and SB 324 be introduced in a new bill, and referred to Senate Ways and Means Committee, and rereferred to Senate Labor, Industry and Small Business, seconded by Senator Feleciano. Motion carried.

Meeting adjourned at 2:25 p.m.

Call Bill Morrissey

Hodges

3-11-85

Attachment A

Senate Labor,
Industry & Sm. Bus

M E M O

TO: Rob Hodges
FROM: Fred Haag
RE: Workers' Compensation Act

George and I have discussed two changes to be made to this proposal. On page two, in the definition of work disability, line three, change performing work of "the" type to performing work of "a" type... On page six, two lines from the bottom, insert new paragraph as follows:

If a worker is maintained in job placement in comparable, gainful employment, then compensation shall be paid only for permanent partial general functional disability.

George anticipates that I would sign this agreement on behalf of KACI. Therefore, please let me know if you approve these changes and authorize me to proceed with this agreement.

Fred Haag

Senate Lbr. Ind. &
Sm. Bus. 3-11-85
Attachment A

FINAL DRAFT OF SUGGESTED CHANGES FOR THE WORKERS'
COMPENSATION ACT OF 1985 TO PROVIDE MEANINGFUL
VOCATIONAL REHABILITATION

K.S.A. 44-510d is amended as follows.

(a) No change.

(b) Whenever the employee is entitled to compensation for a specific injury under the foregoing schedule, the same shall be exclusive of all other compensation except the benefits provided in K.S.A. 44-510 and amendments thereto, and no additional compensation shall be allowable or payable for either temporary or permanent disability, except that: (1) weeks of temporary total disability compensation paid during vocational rehabilitation evaluation or training shall not be deducted from the schedule of weeks for the injury, and; (2) the director may, ~~in proper cases,~~ allow additional compensation during the actual healing period, such period not to be more than ten percent (10%) of the total period allowed for the scheduled injury in question nor in any event for longer than ~~fifteen (15)~~ twenty-one (21) weeks. The return of the employee to his or her usual occupation shall terminate the healing period.

K.S.A. 44-510e is amended as follows.

(a) Should the employer and the employee be unable to agree upon the amount of compensation to be paid in the case of injury not covered by the schedule in K.S.A. 44-510d, as amended, the amount of compensation shall be settled according to the provisions of the workers' compensation act as in other cases of disagreement: Provided, That in case of temporary or permanent partial general disability not covered by such schedule, the workman shall receive weekly compensation as determined in this subsection (1) during such period of temporary or permanent partial general disability not exceeding a maximum of four hundred fifteen (415) weeks. Weekly

compensation for temporary partial general disability shall be sixty-six and two-thirds percent (66 2/3%) of the difference between the average gross weekly wage that the workman was earning prior to such injury as provided in the workers' compensation act and the amount he is actually earning after such injury in any type of employment, such weekly compensation in no case to exceed the maximum as provided for in K.S.A. 44-510c, as amended. Permanent partial general disability exists when the workman is disabled in a manner which is partial in character and permanent in quality and which is not covered by the schedule in K.S.A. 44-510d, as amended. The extent of permanent partial general disability shall be the extent, expressed as a percentage, to which the ability of the workman to engage in work of the same type and character that he was performing at the time of his injury, has been reduced.

The extent of permanent partial general work disability shall be the extent, expressed as a percentage, by which the ability of a worker has been reduced from obtaining or performing work of the type and character that the worker was reasonably able to obtain or perform, considering the worker's age, education, training, previous work experience, and physical abilities. Post-injury earnings are not determinative of said percentages.

The extent of permanent partial general work disability shall in no event be less than the extent of permanent partial general functional disability.

The amount of weekly compensation for permanent partial general disability, except for loss of wage earning capacity provided by K.S.A. 44-510g, shall be determined: (1) By multiplying the average gross weekly wage of the workman prior to such injury by the percentage of permanent partial general disability as determined under this subsection (a); and (2) by then multiplying the result so obtained by sixty-six and two-thirds percent (66 2/3%). The amount of

weekly compensation for permanent partial general disability so determined shall in no case exceed the maximum as provided for in K.S.A. 44-510c, as amended. If there is an award of permanent partial disability as a result of the compensable injury, there shall be a presumption that disability existed immediately after such injury. In any case of permanent partial disability under this section, the workman shall be paid compensation for not to exceed four hundred fifteen (415) weeks following the date of such injury, subject to review and modification as provided in K.S.A. 44-528, as amended.

(b) No changes.

(c) No changes.

(d) No changes.

(e) No changes.

K.S.A. 44-510g, the entire present section will be stricken and the new language as follows.

(a) A primary purpose of the workers' compensation act shall be to restore the injured employee to comparable gainful employment.

(b) As used in the workers' compensation act, "comparable gainful employment" means employment which is reasonably attainable, which the employee can reasonably perform, and which returns the employee as close as feasible to pre-injury economic status.

"Vocational education" means a regimen of formal instruction in a classroom setting with an established curriculum designed to enable a successful pupil to acquire a new marketable skill in comparable gainful employment.

"On-the-job training" means a regimen of formal and informal instruction in a workplace setting designed to enable a successful pupil to acquire a new marketable skill in comparable gainful employment.

"Job placement" means placing a person in comparable gainful employment which is expected to be a permanent placement in a permanent job but which does not necessarily enable the person to acquire a new marketable skill.

"Without good cause" is limited solely to instances where a worker is unable to pursue rehabilitation due to physical or mental inability.

(c) The director shall appoint a specialist in vocational rehabilitation who shall be referred to as the rehabilitation administrator. The rehabilitation administrator shall be in the classified service, and if the administrator has served in this capacity for a period of one year prior to the passage of this act, the administrator shall be considered permanent in the classified service.

(d) The rehabilitation administrator shall study the problems of vocational rehabilitation education, on-the-job training and job placement, and investigate and maintain a directory of all rehabilitation facilities, public or private, and be fully knowledgeable regarding the eligibility requirements of all state and federal and other public vocational rehabilitation facilities and the benefits offered by each.

The rehabilitation administrator shall have the duties of directing and approving vocational rehabilitation of employees in accordance with this act.

(e) An employee who has suffered an injury or occupational disease which prevents the employee from returning to comparable gainful employment which the employee was performing at the time of the injury or occupational disease shall be referred to the rehabilitation administrator. Such employee shall be entitled to prompt vocational rehabilitation services as may be reasonably necessary to restore the employee to comparable gainful employment.

(f) On the rehabilitation administrator's own instance or upon application of the employee or employer, the rehabilitation administrator may refer the employee to a facility for evaluation and for a report of the practicability of, need for, and kind of service, training or rehabilitation which is or may be necessary and appropriate to render such employee fit for comparable gainful employment. Referral by the rehabilitation administrator shall be to the Kansas division of rehabilitation programs if such services are available within 60 days, otherwise such referral may be to private evaluation facilities. If the evaluation is done through a private facility, the cost, if any, of such evaluation and report shall be paid from the rehabilitation fund. If the employer chooses to refer the employee to a private evaluation facility, such referral must be approved by the rehabilitation administrator.

(g) Upon completion of evaluation, the rehabilitation specialist assigned to the case shall submit a rehabilitation plan to the rehabilitation administrator and the parties. The rehabilitation administrator shall approve or disapprove the plan within 30 days. If disapproved, the rehabilitation administrator shall give reasons for such disapproval and may make suggestions for modification of the plan. The report, together with the rehabilitation administrator's recommendation, shall be provided to the parties. A plan recommending job placement shall be disapproved unless the employee is maintained in comparable gainful employment.

If a party does not agree with the approval or disapproval of the plan by the rehabilitation administrator, such party may apply to the director for hearing on the plan within 20 days of the date such approval or disapproval was sent to the parties.

(h) After affording the parties an opportunity to be heard and present evidence, the director may (1) approve the vocational rehabilitation plan; (2) refer the claim back to the rehabilitation

administrator for further recommendation; (3) order a different plan; or (4) disallow vocational rehabilitation.

(i) Where vocational education or training is recommended in the report, or is deemed necessary by the director to restore the employee to comparable gainful employment, the director may direct the employee to an appropriate private or public training facility. If there is a cost for services, the costs will be paid from the rehabilitation fund.

(j) Where vocational evaluation, education or training requires that the employee reside at or near a facility or institution away from the employee's customary residence, either in or out of the state of Kansas, the reasonable costs of the employee's board, lodging and travel shall be paid from the rehabilitation fund pursuant to guidelines adopted by the rehabilitation administrator.

(k) The employer shall pay temporary total disability compensation during the period of vocational evaluation, and continuing until the employee completes the plan as approved by the rehabilitation administrator.

If the approved plan undertakes on-the-job training, compensation shall be paid, if for general bodily injury, at the greater of permanent partial general functional disability or 80% of the difference between pre-injury wage and post-injury wage earning capacity.

If the approved plan undertakes vocational education, temporary total compensation shall be paid until the completion of the education. Thereafter, compensation shall be paid, if for general bodily injury, at the greater of permanent partial general functional disability or 80% of the difference between pre-injury wage and post-injury wage earning capacity.

If an injured employee is determined to be physically or mentally incapable of rehabilitation, compensation, following temporary total

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disability compensation, if for general bodily injury, shall be on the basis of permanent partial general work disability, but not less than permanent partial general functional disability.

Compensation for scheduled injuries, following rehabilitation, shall be as provided by K.S.A. 44-510d.

A completed rehabilitation plan shall remain open for review and further recommendation for a period of six months. Thereafter, a party may apply for further modification of the plan on the ground that the employee is unable to perform the work established by the plan because of disability due to the accident.

If the injured employee refuses to undertake without good cause or fails to complete the rehabilitation education or training program without good cause determined to be suitable for such employee, or refuses to be evaluated under the provisions of this section, the employee shall be considered as having elected to not participate in the rehabilitation process and compensation shall be paid for disability equal to the percent of functional impairment suffered as a result of the accident.

Compensation provided pursuant to this section or otherwise shall be subject to the provisions of K.S.A. 44-510f.

K.S.A. 44-528 is amended as follows.

(a) Any award or modification thereof agreed upon by the parties, except lump sum settlements approved by the director or administrative law judge, whether the award provides for compensation into the future or whether it does not, may be reviewed by the director for good cause shown upon the application of the employee, employer, dependent, insurance carrier or any other interested party. In connection with such review the director may appoint one (1) or two (2) physicians to examine the employee and report to the director. The director shall hear all competent evidence offered and if the

director finds that the award has been obtained by fraud or undue influence that the award was made without authority or as a result of serious misconduct, that the award is excessive or inadequate or that the incapacity or disability impairment or work disability, of the employee has increased or diminished, the director may modify such award, or reinstate a prior award, upon such terms as may be just, by increasing or diminishing the compensation subject to the limitations provided in the workmen's compensation act.

(b) If the director shall find that the employee has returned to work for the same employer in whose employ the employee was injured or for another employer and is capable of earning the same or higher wages than the employee did at the time of the accident, or is capable of gaining an income from any trade or employment which is equal to or greater than the wages the employee was earning at the time of the accident, or shall find that the employee has absented and continues to absent so that a reasonable examination cannot be made of the employee by a physician selected by the employer, or has departed beyond the boundaries of the United States, the director may cancel or suspend payments under the award.

(c) The number of reviews under this section shall be limited pursuant to rules and regulations adopted by the director to avoid abuse.

(d) An award modified under this section shall be modified as of the date that the change actually occurred. Any increase in weekly payment shall be paid to the employee by the employer in an amount which would equal the difference between the new rate and the rate actually paid to the date the award is made. Payments under the modified award shall then be made at the new rate; if the award is reduced the reduction shall revert back to the date the change actually occurred and any payments made that exceed the amount

allowed on the modified award shall be reimbursed to the employer by the State Workers' Compensation Fund.

K.S.A. 44-531 should be amended as follows.

- (a) No changes.
- (b) No changes.
- (c) No lump sum awards shall be rendered with respect to accidents occurring after July 1, 1985, unless:

(1) it has been determined by the rehabilitation administrator that the employee is not in need of vocational rehabilitation, or;

(2) the employee has completed a rehabilitation program approved by the rehabilitation administrator, or;

(3) the employee has elected not to take part in a rehabilitation program.

K.S.A. 44-534a should be amended as follows.

(a) After filing an application for a hearing pursuant to K.S.A. 44-534 or K.S.A. 44-528 and amendments thereto, the employee may make application for a preliminary hearing, in such form as the director may require by rules and regulations, or the issues of:

(1) the furnishing of medical treatment; (2) the payment of temporary total disability compensation; (3) the payment of temporary total compensation during vocational rehabilitation evaluation or training; or (4) the advisability of the vocational rehabilitation plan as approved by the rehabilitation administrator.

At least seven days prior to filing an application or a preliminary hearing, the employee shall notify the employer of the employee's intent to file such an application and shall confirm such notice by letter. Upon receipt of an application for such a preliminary hearing, the director shall give seven days' written

notice by mail to the employer of the date set for such hearing. Such preliminary hearing shall be summary in nature and shall be held by the director or an administrative law judge, and the director or administrative law judge shall exercise such powers as are provided for the conduct of full hearings on claims under the workers' compensation act. Upon a preliminary finding that the injury to the employee is compensable and in accordance with the facts presented at such preliminary hearing, the director or administrative law judge may make a preliminary award of medical and temporary total disability compensation against the respondent or, in proper cases, the workmen's compensation fund to be in effect pending the conclusion of a full hearing on the claim. Temporary total compensation so ordered under this section shall be paid on a weekly basis. If such payments are made by the workmen's compensation fund and later determined to be the responsibility of the respondent, the workmen's compensation fund shall be reimbursed by the respondent. The decision in such preliminary hearing shall be rendered within five (5) days of the conclusion of such hearing. No such preliminary findings or preliminary awards shall be appealable by any party to the proceedings, and the same shall not be binding in a full hearing on the claim, but shall be subject to a full presentation of the facts.

(b) If compensation in the form of medical benefits or temporary total disability benefits have been paid by the employer or the employer's insurance carrier either voluntarily or pursuant to a preliminary award entered under this section and the amount of compensation so awarded is reduced or to which the employee is entitled is found upon full hearing of the claim to be less than the compensation paid or if compensation is totally disallowed upon a full hearing on the claim, the employer and the employer's insurance carrier shall be reimbursed from the workmen's compensation fund established in K.S.A. 1980 Supp. 44-566a and amendments thereto, for

all amounts of compensation so paid which are in excess of the amount of compensation that the employee is entitled to as determined in the full hearing on the claim. The director shall determine the amount of compensation paid by the employer or insurance carrier which is to be reimbursed under this subsection, and the director shall certify to the commissioner of insurance the amount so determined. Upon receipt of such certification, the commissioner of insurance shall cause payment to be made to the employer or the employer's insurance carrier in accordance therewith.

K.S.A. 44-567 should be amended as follows.

(a) An employer operating within the provisions of the workmen's compensation act who knowingly employs or retains a handicapped physically or mentally impaired employee as defined in K.S.A. 1978 Supp. 44-566 and amendments thereto, shall be relieved of liability for compensation awarded or be entitled to an apportionment of the costs thereof as follows:

(1) Whenever a handicapped an impaired employee is injured or is disabled or dies as a result of an injury and the director awards compensation therefor and finds that the injury, disability or the death resulting therefrom probably or most likely would not have occurred but for the preexisting physical or mental impairment of the handicapped employee, all compensation and benefits payable because of the injury, disability or death shall be paid from the workmen's compensation fund.

(2) Subject to the provisions of the workmen's compensation act, whenever a handicapped an impaired employee is injured or is disabled or dies as a result of an injury and the director finds that the injury probably or most likely would have been sustained or suffered without regard to the employee's preexisting physical or mental impairment but the resulting disability or death was

contributed to by the preexisting impairment, the director shall determine in a manner which is equitable and reasonable and based upon medical evidence the amount of disability and proportion of the cost of award which is attributable to the employee's preexisting physical or mental impairment, and the amount so found shall be paid from the workmen's compensation fund.

(b) In order to be relieved of liability under this section, the employer must prove either that the employer had knowledge of the preexisting impairment at the time the employer employed the handicapped impaired employee or that the employer retained the handicapped employee in employment after acquiring such knowledge. The employer's knowledge of the preexisting impairment may be established by any evidence sufficient to maintain the employer's burden of proof with regard thereto. Knowledge of a physician who examined or treated the employee on behalf of the employer shall be imputed to the employer. If the employer, prior to the occurrence of a subsequent injury to a handicapped employee, files with the director a notice of the employment or retention of such employee, together with a description of the handicap impairment claimed, such notice and description of handicap shall create a presumption that the employer had knowledge of the preexisting impairment.

(c) The employer's knowledge of the preexisting impairment will establish a reservation in the mind of the employer when deciding whether to hire or retain the employee.

~~(e)~~ (d) Knowledge of the employee's preexisting impairment as handicap at the time the employer employs or retains the employee in employment shall be presumed conclusively if the employee, in connection with an application for employment or an employment medical examination or otherwise in connection with obtaining or retaining employment with the employer, knowingly: (1) Misrepresents himself or herself as not having such an impairment as handicap; (2)

misrepresents himself or herself as not having had any previous accidents; (3) misrepresents himself or herself as not having previously been disabled or compensated in damages or otherwise because of any prior accident, injury or disease; (4) misrepresents himself or herself as not having had any employment terminated or suspended because of any prior accident, injury or disease; (5) misrepresents himself or herself as not having any mental, emotional or physical impairment, disability, condition, disease or infirmity; or (6) misrepresents or conceals any facts or information which are reasonably related to the employee's claim for compensation.

~~(d)~~(e) An employer shall not be relieved of liability for compensation awarded nor shall he or she be entitled to an apportionment of the costs thereof as provided in this section, unless the employer shall cause the commissioner of insurance, in the capacity of administrator of the workmen's compensation fund, to be impleaded, as provided in K.S.A. 1978 Supp. 44-566a and amendments thereto, in any proceedings to determine the compensation to be awarded a ~~handicapped~~ an impaired employee who is injured or disabled or has died, by giving written notice of the employee's claim to the commissioner of insurance prior to the first full hearing where any evidence is presented on the claim.

~~(e)~~(f) Amendments to this section shall apply only to cases where a ~~handicapped~~ an impaired employee, or his or her dependents, claims compensation as a result of an injury occurring after the effective date of such amendments.

~~(f)~~(g) The total amount of compensation due the employee shall be the amount for disability computed as provided in K.S.A. 1978 Supp. 44-503a, 44-510 to 44-510g, inclusive, and 44-511, and amendments thereto, and in no case shall the payments be less nor more than the amounts provided in K.S.A. 1978 Supp. 44-510c and amendments thereto.

New section

(a) There is hereby created in the state treasury the workers' compensation rehabilitation fund. The expense of workers' compensation vocational rehabilitation evaluation, testing and training pursuant to K.S.A. 44-510g shall be paid from such fund. The director of workers' compensation shall be responsible for administering the workers' compensation rehabilitation fund, and all payments from the workers' compensation rehabilitation fund shall be upon warrants of the director of accounts and reports issued pursuant to vouchers approved by the director of workers' compensation or a person or persons designated by the director.

The director of workers' compensation shall estimate as soon as practicable after January 1 of each year the expenses necessary for workers' compensation vocational rehabilitation testing and training pursuant to K.S.A. 44-510g for the fiscal year beginning on July 1 thereafter.

(b) On or before May 15 of each year, the director of workers' compensation shall impose an assessment against all insurance carriers, self-insurers and group-funded workers' compensation pools insuring the payment of compensation under the workers' compensation act, the proceeds of which shall be credited to the worker's compensation rehabilitation fund. The total amount of each such assessment shall be equal to an amount sufficient, in the opinion of the director of workers' compensation, to pay all amounts which may be required to be paid from such fund during the current fiscal year, less the balance remaining in the fund from prior fiscal years. The total amount of each such assessment shall be apportioned among those upon whom it is imposed, such that each is assessed an amount that bears the same relation to such total assessment as the amount of money paid or payable in workers' compensation claims by such insurance carrier, self-insurer or group-funded workers' compensation

pool in the immediately preceding calendar year bears to all such claims paid or payable during such calendar year. The maximum amount which shall be collected from any carrier, self-insurer or group-funded workers' compensation pool shall be one-half of 1% of the workers' compensation benefits paid or payable by such carrier, self-insurer or group-funded workers' compensation pool. Not later than May 15 of each year, the director of workers' compensation shall notify all such insurance carriers, self-insurers and group-funded workers' compensation pools of the amount of each assessment imposed under this subsection on such carrier, self-insurer or group-funded workers' compensation pool, and the same shall be due and payable on the July 1 following.

(c) The director of workers' compensation shall remit all monies received by or for such director under this subsection to the state treasurer. Upon receipt of any such remittance the state treasurer shall deposit the entire amount thereof in the state treasury to the credit of the workers' compensation rehabilitation fund.

APPROVED:

FREDERICK L. HAAG
Attorney for Kansas Association
of Commerce and Industry

GEORGE E. McCULLOUGH
Attorney for Kansas State
Federation of Labor, AFL-CIO