

## MINUTES OF THE SENATE COMMITTEE ON COMMERCE.

The meeting was called to order by Chairperson Alicia Salisbury at 8:00 a.m. on February 9, 1995 in Room 123-S of the Capitol.

Members present: Senators Salisbury, Burke, Downey, Feleciano, Gooch, Harris, Hensley, Kerr, Petty, Ranson, Reynolds, Steffes and Vidricksen.

Committee staff present: Lynne Holt, Legislative Research Department  
Jerry Donaldson, Legislative Research Department  
Bob Nugent, Revisor of Statutes  
Betty Bomar, Committee Secretary

Conferees appearing before the committee:  
Ron Smith, Kansas Bar Association  
George Pearson, Kansas Bar Association  
Bill Curtis, Kansas Association of School Boards

Others attending: See attached list

The Chair referred the Committee to the letter from Steven K. (Ken) Morse, withdrawing his name for appointment to the Public Employees Relations Board. See attachment 1. The Chair further advised that George E. McCullough had indicated verbally he was withdrawing his name for reappointment to the Public Employees Relations Board, however, the request had not been made in writing. Senator Feleciano requested the fact that Mr. McCullough reluctantly withdrew his name be reflected in the Minutes.

**Confirmation of James W. Parmelee, Member, Export Loan Guarantee Review Committee, term expires June 30, 1996.**

**Senator Kerr moved, seconded by Senator Steffes, that James W. Parmelee, be recommended for confirmation. The voice vote was unanimous in favor of the motion.**

**Confirmation of Deryl K. Schuster, Member, Kansas, Inc., term expires June 30, 1998.**

**Senator Gooch moved, seconded by Senator Steffes, that Deryl K. Schuster, be recommended for confirmation. The voice vote was unanimous in favor of the motion.**

**Confirmation of J. M. "Mike" Vess, Member, Kansas, Inc., term expires June 30, 1998.**

**Senator Ranson moved, seconded by Senator Reynolds, that the Committee recommend J.M. "Mike" Vess not be confirmed. Senator Feleciano made a substitute motion, seconded by Senator Downey that the appointment of J.M. "Mike" Vess be advanced to the full Senate with no recommendation. The substitute motion failed on a recorded vote of 7 Nays, 6 Ayes. The original motion passed on a recorded vote of 8 Ayes; 5 Nays.**

**S.B. 117 - Release of employer from liability in cases separate from workers compensation actions during workers compensation settlement prohibited.**

Ron Smith, Kansas Bar Association, explained the legislation which had been drafted at the request of his Association. Mr. Smith advised worker compensation claimants, not represented by counsel, who are asked to waive rights to retaliatory actions is a matter of concern to the Bar. SB 117 was requested to allow the legislature to determine the proper public policy. Mr. Smith introduced George Pearson, a Topeka attorney. Mr. Pearson testified that an individual appearing at a settlement hearing, without legal

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON COMMERCE, Room 123-S Statehouse, at 8:00 a.m. on February 9, 1995.

representation is confronted by the employer insisting that the employee sign a waiver to release the employer from further liability. Mr Pearson observed this practice occurs frequently, and the claimant who is the injured party is the one that suffers. Senator Harris inquired as to whether Mr. Pearson could supply a transcript from settlement hearings that would corroborate his statement. Mr. Smith responded that he would supply the information if it is available. Mr. Pearson further testified the issues relating to benefits available to an injured employee are separate from workers compensation issues and should not be a part of any settlement.

Bill Curtis, Assistant Director, Kansas Association of School Boards, testified the legislation would impede the settlement of workers compensation claims and the Association is opposed to SB 117. See attachment 2

The Chair requested the Director of Workers Compensation to testify as to the need for the legislation and to supply any available documentation that might support the conferees' statements.

Upon motion by Senator Gooch, seconded by Senator Reynolds, the Minutes of the February 8, 1995 meeting were adopted.

The Committee adjourned at 9:00 a.m.

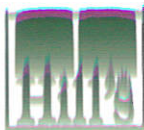
The next meeting is scheduled for February 10, 1995.



# SENATE COMMERCE COMMITTEE GUEST LIST

DATE: 2/9/95

NAME	REPRESENTING
LARRY MAGILL	KAIR
Bill Curtis	Ks Assoc of School Bds
Don Smith	Ks Bar Assoc
George Pearson	KBA
Bill Henry	Ks Assn Defense Counsel
FRANK HARRISON	BALBON ASSOCIATES
FRIT BROOK	mid-Am Lumberman Assn
David Shufelt	Division of Workers Compensation
BOB GOMEZ	Dir WC / DHR
Jon Newman	Ks governmental consulting
DAN RUNION	Western Resources, Inc.
Aurora Stanley	Division of WC.
Mark Bruce Sims	KDOCAH
Jim Crumpacker	Commerce Office
Jennifer Brandberry	KTLA
Don Schneider	Su County Leadership
Howell Stover	ICB &
Roger Tramm	FFC



Hill's Pet Nutrition, Inc.  
P.O. Box 148  
Topeka, Kansas 66601-0148  
913-384-8828

Steven K. (Ken) Morse  
Vice President for Legal and Governmental Affairs

February 2, 1995

VIA FACSIMILE - 298-8718

The Honorable Alicia Sallsbury  
State Senator  
Statehouse  
Topeka, KS 66612

Dear Senator Sallsbury:

Having been informed of the request by the Secretary of Human Resources not to confirm the current nominees for positions on the Public Employees Relations Board, I would request that my name be removed from consideration for PERB membership by the Senate Commerce Committee.

As noted in my confirmation hearing, I have no reservations about my ability to serve Governor Graves, Secretary Franklin, and the new administration. I do, however, understand their desire to position PERB to best fit within their new organization.

I appreciate the opportunity to serve the State, if only for a brief period. Thanks also to you and the members of the Committee for your courtesies during the confirmation process.

Sincerely,

A handwritten signature in black ink, appearing to read "Ken Morse". The signature is fluid and cursive.

Steven K. (Ken) Morse

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February 9, 1995  
Commerce  
Attachment 1

KANSAS  
ASSOCIATION



OF  
SCHOOL  
BOARDS

1420 S.W. Arrowhead Rd. Topeka, Kansas 66604  
913-273-3600

Testimony on S.B. 117  
before the  
Senate Committee on Commerce

by

Bill Curtis, Assistant Executive Director  
Kansas Association of School Boards

February 9, 1995

Madam Chair and members of the committee, we appreciate the opportunity to testify on behalf of the Kansas Association of School Boards on SB 117. In its current form KASB is opposed to the bill.

If the bill is adopted, it will impede the settlement of claims that are now routinely closed. If an employee draws TTD for an extended period of time, it is quite likely that the employer must replace the injured employee with someone else. When the claimant has reached maximum medical improvement and the claim is ready for settlement, the employer has an expectation that there will be no claim of retaliatory discharge in exchange for a lump sum payment. In most all claims the claimant is represented by an attorney and certainly should be aware of their rights. The negotiations process between attorneys should not be restricted by this proposed change. The end result of not being able to settle claims when all parties appear to be ready to do so simply adds to the administrative costs of workers compensation.

*February 9, 1995*  
*Commerce*

*Attachment 2*