

MINUTES OF THE HOUSE COMMERCE AND LABOR COMMITTEE

The meeting was called to order by Chairman Don Dahl at 9:00 A.M. on February 10, 2006 in Room 241-N of the Capitol.

All members were present except:

Mike Kiegerl- excused

Ty Masterson- excused

Committee staff present:

Jerry Ann Donaldson, Kansas Legislative Research Department

Norm Furse, Office of Revisor of Statutes

Rena Jefferies, Office of Revisor of Statutes

June Evans, Committee Secretary

Conferees appearing before the committee:

Ron Laskowski, Attorney, Kansas Chamber of Commerce

Jeff Glendening, Kansas Chamber of Commerce

Tina Williams, Kansas Self Insurers Association

Others attending:

See attached list.

The Chairman stated the Minutes of January 24, 25, 26, 30, 31 and February 1, 2, 6 and 7 were distributed.

Representative Grant moved and Representative Ruiz seconded without objections the Minutes be accepted. The motion carried.

The Chairman opened the hearing on **HB 2753 - Workers compensation, closing claims five years old.**

Staff gave a briefing on **HB 2753**. The new language is (f) *No proceedings for compensation under this section shall be maintained and the claim shall be dismissed if the hearing under this section has not been concluded and all evidence submitted within five years from the date of the filing of the application for hearing pursuant to K.S.A. 44-534, and amendments thereto, unless a timely motion has been filed to extend for cause the five-year period.*

Ronald J. Laskowski, Kansas Chamber of Commerce, testified as a proponent to **HB 2753**. The bill establishes a statute of limitations for the adjudication of workers compensation claims and is intended to promote the timely resolution of litigation involving work-related injuries. Pertinent portions of **HB 2753** reads as follows: “(f) No proceedings for compensation under this section shall be maintained and the claim shall be dismissed if the hearing under this section has not been concluded and all evidence submitted within five years from the date of the filing of the application for hearing pursuant to K.S.A. 44-534, and amendments thereto, unless a timely motion has been filed to extend for cause the five-year period.”

The proposed reform of Kansas workers compensation law offers a procedural format consistent with existing public policy and will have positive effects on the administration of workers compensation in Kansas with no negative impact on a claimant’s rights whatsoever. This is positive legislation for all parties concerned. The minimum of time for a claim is eight years (Attachment 1).

Jeff Glendening, Vice President of Political Affairs, Kansas Chamber of Commerce, testified as a proponent to **HB 2753**. This measure would allow employers to close workers compensation claims if, and only if, the injured employee filed the claim for a preliminary hearing and then did not proceed to prosecute the claim over a period of five years (Attachment 2).

Tina Williams, Kansas Self-Insurers Association and Claims Director for the Kansas Restaurant and Hospitality Association, testified as a proponent to **HB 2753**. It becomes an extremely complicated process for claims management when carrying unknown liabilities forward. It restricts us from closing fund years and distributing available dividends to members as we issue dividends only when all claims in a fund year are closed and the fund year is subsequently closed. Many of the insured members are small independent

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businesses who could use the dividends to help offset other increasing costs in operating a business in Kansas. Currently our fund years are closed through 1997. **HB 2753** would allow to close a fund year with certainty a claim would not resurface with unknown liability in years to come. It is believed 5 years is more than enough time for all parties to present their case for final determination through the Courts (Attachment 3).

Jeff K. Cooper, Attorney, appearing on behalf of the Kansas Coalition for Workplace Safety, testified in opposition of **HB 2753**. Under this Bill, a hearing and all evidence must be submitted within five years of the date of the filing of the Application for Hearing unless a Motion For Cause has been filed. Kansas workers compensation laws already have three statutes of limitations in workers compensation. Kansas is the only state in the nation that has three. Does Kansas need to become the only state in the Union that has four statutes of limitations? In summary, this provision would, apparently, require all cases to go to a Regular Hearing Level in front of an Administrative Law Judge, or be dismissed. That result would create an enormous burden on an already overworked Administrative Law Judge Staff. As written, the amendment would dismiss cases with ongoing open medical, would not allow Settlement Hearings or Agreed Awards under the present system where any ongoing rights, i.e., future medical, review and modification, would be potentially available. This amendment would set traps for unwary workers and any legitimate reasons for this provision are greatly outweighed by the catastrophic effects it would have on many workers compensation cases, and urge this Committee to oppose **HB 2753** (Attachment 4).

Representative Ruff stated the Workers Compensation Council should work this out first.

Representative Garcia asked if the parties could come together and work out their differences before working the bill.

The Chairman said, yes, that could be done.

The Chairman closed the hearing on **HB 2753**.

The meeting adjourned at 10:45 a.m. The next meeting will be February13, 2006.