

February 20, 2013

The Honorable Julia Lynn, Chairperson
Senate Committee on Commerce
Statehouse, Room 445-S
Topeka, Kansas 66612

Dear Senator Lynn:

SUBJECT: Fiscal Note for SB 187 by Senate Committee on Commerce

In accordance with KSA 75-3715a, the following fiscal note concerning SB 187 is respectfully submitted to your committee.

SB 187 would increase the salary of administrative law judges in the Department of Labor's Workers Compensation Division from 75.0 percent of district court judges' salary to 85.0 percent. Qualified applicants for these judges would be nominated by the Director of Workers Compensation to the new Workers Compensation and Employment Security Boards Nominating Committee instead of the Administrative Law Judge Nominating and Review Committee, which the bill eliminates. The new Committee would have seven members, appointed by the Governor to four-year terms, but nominated by the following:

1. Secretary of Labor;
2. Kansas Chamber of Commerce;
3. National Federation of Independent Business;
4. Kansas AFL-CIO;
5. Kansas State Council for the Society for Human Resource Management;
6. Kansas Self-Insurers Association; and
7. The Secretary of Labor, who shall select a nominee from either an employee organization or a professional employees' organization.

The nominating committee would meet as needed to provide the Workers Compensation and Employment Security Board of Review appointing authorities with nominees for appointments to the position of workers compensation administrative law judge, Workers Compensation Appeals Board member, and Employment Security Board of Review member. Any action of the nominating committee requires a two-thirds affirmative vote.

The bill specifies procedures for the Governor or Secretary of Labor to accept or reject nominations through the committee. Persons holding office as an administrative law judge and who wishes to be reappointed would be qualified for nomination by SB 187 but must apply to the nominating committee.

The Honorable Julia Lynn, Chairperson

February 20, 2013

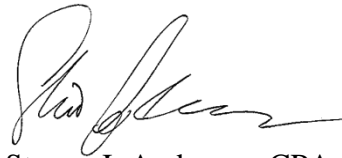
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SB 187 alters the name of the Workers Compensation Board to the Workers Compensation Appeals Board. Board members must be attorneys currently, but SB 187 adds the qualification that they have five years of experience practicing workers compensation law. The bill provides for qualifying those who currently serve on the Board, but they must also apply to the nominating committee.

Current law allows the Workers Compensation Board to sit together or in panels of two members or more. SB 187 would set the minimum number at three members. All decisions, reviews and determinations of the Board must be approved in writing by at least three board members currently. SB 187 changes that language to approval by a majority comprised of not less than three of the members hearing the case.

According to the Department of Labor, SB 187 would have no fiscal effect on the operations of the agency.

Sincerely,

A handwritten signature in black ink, appearing to read "Steven J. Anderson", with a long horizontal flourish extending to the right.

Steven J. Anderson, CPA, MBA
Director of the Budget

cc: Dawn Palmberg, Department of Labor