

February 1, 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 73 by Senate Committee on Commerce

In accordance with KSA 75-3715a, the following fiscal note concerning SB 73 is respectfully submitted to your committee.

SB 73 would update the American Medical Association (AMA) Guide edition referenced in statute in regard to workers compensation from the fourth edition to the sixth edition. In addition, the bill would clarify that workers who are not United States citizens or who are not authorized to work in the United States are not eligible to make wage loss claims under the workers compensation program.

Also, the bill would remove reference to the "Secretary of Administration" and insert the "Secretary of the Department of Health and Environment" in various statutes referencing the administration of the workers compensation program. The bill would modify the process for requesting recusal of an administrative law judge in workers compensation cases. Finally, the bill would eliminate reference in statute to the requirement for an employee to file a written claim for compensation within 200 days of an injury.

According to the Department of Administration, the Department of Labor, and the Kansas Insurance Department, the enactment of SB 73 would have no fiscal effect. In recent practice, the Department of Health and Environment has assumed administration of the workers compensation program and the bill would have the statutes reflect this current arrangement. The Kansas Insurance Department notes that its Division of Industrial Health and Safety will continue to assist in the administration of the workers compensation program.

Although the change of the reference to the Secretary of the Department of Health and Environment (KDHE) would have no fiscal effect, KDHE indicates that the reference change from the fourth edition to the sixth edition of the AMA Guide could affect some determinations of physical impairment in certain workers compensation cases. However, the Department cannot

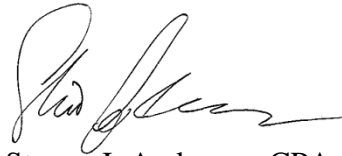
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estimate the resulting fiscal effect on workers compensation claims. Any fiscal effect associated with SB 73 is not reflected in *The FY 2014 Governor's Budget Report*.

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
Zac Anshutz, Insurance
Denny Stoecklein, State Fair
Aaron Dunkel, KDHE
Pam Fink, Administration