

Re: Senate Bill 167 SUPPORT

Senate Commerce Committee – February 18, 2015

Mike Scanga
Bicycle X-Change, Owner
908 W. Douglas
Wichita, KS 67203

Members of the Committee,

My name is Mike Scanga, proud owner of the Bicycle X-Change in Wichita, KS since 1973. I have two locations and have had the pleasure to employ many Kansans during my time servicing the community. I hire mechanics, salespeople and staff that sell, service, and support an avid cycling community. My shop has been actively involved in the Kansas cycling community since we began over 40 years ago, and my staff has always been there.

I am writing today because I have become concerned with the current state of worker's compensation in Kansas. In my business I have been able to maintain low cost workers compensation insurance without much hassle. I like the system because it allows me to protect my employees while keeping my costs and liability exposure low. I know that a claim will be handled without adding skyrocketing costs or potentially debilitating liability from a full out lawsuit.

I am concerned that if the current standards that took effect this year cause my claims to proceed to district court, my costs will increase significantly, if not for my workers compensation insurance, then for my general liability insurance. I have had worker's compensation insurance throughout my time in this community. I have been lucky enough to have very few claims on this insurance, and my premiums have remained low.

That is why I am a fan of the current system. I send my employee's out to races, community events, and have them regularly conduct classes on bicycle repair and maintenance. It is an absolute necessity in my business to get out of the shop and into the community to better maintain my customers. While I take every precaution I can to ensure a clean and safe working environment, it is impossible to protect against every hazard, both in my shop and out into the community.

While won't say that I especially happy to pay them, the assurance that my premiums will cover my employees, as well as the low cost of my premiums, has helped me maintain my business over the years. The risk of opening my business, and every Kansas business, to this kind of liability is not worth the benefit of mildly reduced premiums. The workers compensation system is a protection for these businesses.

If the current system were to change and expose employers to liability in district court, it would be a disaster for many small businesses in Kansas that do not have the same resources that the corporations have to defend them. These big businesses may have legal departments to fight these claims, but I do not. I know that in the past, a single claim would not destroy my ability to do business. I can't say the same thing if these cases go to district court. The risk that this may be possible is simply not worth it for my business.

Secretary of State Kris Kobach recently endorsed Senate Bill 167 which will restore the protections of the workers compensation act. Please vote yes on this important bill and help to ensure that my costs and my liability are protected for another 40 years.

Sincerely,

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

Mike "The Bikeman" Scanga
908 W. Douglas
Wichita, KS 67203