

MINUTES OF THE SENATE COMMERCE COMMITTEE.

The meeting was called to order by Chairperson Karin Brownlee at 8:30 a.m. on February 12, 2003 in Room 123-S of the Capitol.

All members were present except:

Committee staff present: April Holman, Legislative Research  
Mitch Rice, Revisor of Statutes  
Norman Furse, Revisor of Statutes  
Jodie Anspaugh, Secretary

Conferees appearing before the committee: Terry Leatherman, KCCI  
Pat Bush, Kansas Self-Insurers Association  
John Ostrowski, Kansas AFL-CIO  
Mike Helbert, Kansas Trial Lawyers Association  
Phil Harness, Director of Workers Compensation

Others attending: See attached list.

April Holman from Legislative Research briefed the committee on SB 181, regarding workers compensation. She read the parts of the bill that changed current law.

Terry Leatherman, Vice President of Legislative Affairs from Kansas Chamber of Commerce and Industry, testified in support of SB 181. (Attachment 1) He believes this bill proposes important changes to current work disability law. In the bill, the work disability definition is deleted. Instead, to measure the degree of injury to the body, functional impairment will be used in work disability cases, just like it is used in other parts of current law. He also supports the pre-existing condition reform and clarification of the date of injury.

Pat Bush testified as a proponent to SB 181 on behalf of the Kansas Self-Insurers Association. (Attachment 2) He supports the change that would allow the employer to subtract from the total functional impairment the amount of impairment medically deemed to be preexisting. He also supports the language in the bill that allows for an offset of workers compensation benefits when an individual is also eligible for benefits from an employer funded disability retirement program.

Philip Harness, Acting Director of Workers Compensation, testified as neutral on SB 181. (Attachment 3) He listed five changes that the bill would make to the current Workers Compensation Act. First, it would require administrative law judges to consider all testimony on the subject of pre-existing conditions. Second, it reduces workers compensation benefits by the weekly amount of disability retirement benefits that the employee is receiving. Third, it would provide a definition of the date of accident for repetitive

## CONTINUATION SHEET

MINUTES OF THE SENATE COMMERCE COMMITTEE at 8:30 a.m. on February 12, 2003 in Room 123-S of the Capitol.

use injuries. Fourth, it would eliminate the present general disability mechanism (commonly called work disability) and replace it with a concept of supplemental functional disability. SB 181 would determine the employee's disability only by looking at the percentage loss of earnings, as compared to the employee's pre-injury wage. Finally, SB 181 repeals K.S.A. 44-510a, which is a section that allows for a credit where weekly benefits being paid from one injury overlap with benefits being paid on a subsequent injury.

John Ostrowski from Kansas AFL-CIO testified in opposition to SB 181. (Attachment 4) He believes that this bill is an attempt to cut benefits to injured workers and their families. Mr. Ostrowski said that Kansas has lower benefits to workers and higher premiums than the national average. The state has a problem with safety, with a high rate of injury. The 1993 bill gave workers a financial incentive to get back to work, and employers had a motivation to get workers back to work.

Michael Helbert from the Kansas Trial Lawyers Association testified in opposition to SB 181. (Attachment 5) Mr. Helbert said that Kansas is in the bottom 10 in payments to injured workers and is in the top 10 in workplace injuries. SB 181 would end the rights of injured workers and would eliminate work disability. He believes that the current system offers only minimal protection to Kansans who are injured on the job.

Mike Payne, Risk Manager for the City of Wichita, offered written testimony in support of SB 181. (Attachment 6)

The meeting was adjourned at 9:30 a.m.

The next meeting is scheduled for February 13, 2003 at 8:30 a.m. in Room 123-S.