

February 6, 2012

The Honorable Anthony Brown, Chairperson  
House Committee on Commerce and Economic Development  
Statehouse, Room 151-S  
Topeka, Kansas 66612

Dear Representative Brown:

**SUBJECT:** Fiscal Note for HB 2558 by House Committee on Commerce and Economic Development

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2558 is respectfully submitted to your committee.

HB 2558 amends the Workers Compensation Act. First, the bill aligns the Act to other statutes that provide the Department of Health and Environment to manage the state's self-insurance program for workers compensation rather than the Department of Administration. The bill would also amend the process for changing an administrative law judge so that it may be done by the Director of Workers Compensation. Current procedure requires review by the local district court.

The bill also alters when the time limitations commence on a claim by applying the same rule to all claims so that no time limitations may commence under the Act until the employer has filed a report with the Director after the employee has given notice to the employer. The bill removes existing exceptions to this timeline.

HB 2558 also transfers the statutory responsibility to estimate the expenses necessary to administer the workers compensation program from the Director to the Secretary of Labor, in order to establish the "carrier's share of expenses" for the upcoming fiscal year, and to maintain annual records and file annual reports for the amounts of benefits paid out in the preceding year.

According to the Department of Labor, the Judiciary, as well as the Department of Health and Environment, enactment of HB 2558 would have no fiscal effect.

Sincerely,



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

cc: Kathie Sparks, Department of Labor  
Aaron Dunkel, KDHE  
Mary Rinehart, Judiciary