

MINUTES OF THE SENATE COMMERCE COMMITTEE

The meeting was called to order by Chairperson Karin Brownlee at 8:30 A.M. on February 17, 2006 in Room 123-S of the Capitol.

All members were present.

Committee staff present:

Kathie Sparks, Kansas Legislative Research Department  
Helen Pedigo, Revisor of Statutes  
Jackie Lunn, Committee Secretary

Conferees appearing before the committee:

Others attending:

See attached list.

Chairperson Brownlee announced to the Committee they would work **SB 461--Workers compensation; preexisting condition; permanent partial general disability; supplemental functional disability compensation** and **SB 515--Workers compensation pool; group-funded; surplus funds; adequate surplus funds**.

Chairperson Brownlee stated **SB 515--Workers compensation pool; group-funded; surplus funds; adequate surplus funds**, would be the first bill to be worked and called on Scott Heidner representing Self-Insurers Association, to give his opinion on the amendments offered by Mr. McGill representing the Kansas Association of Insurance Agents. Mr. Heidner called the Committee's attention to the proposed amendment Aggregate Excess Insurance / Actuarial Review (Attachment 1) and stated they did not have a problem with this amendment but were strongly opposed to the second amendment, Level of Insurance Coverage (Attachment 2). There was discussion with the Committee on Mr. Heidner's concerns on the second Amendment offered by Mr. McGill. Chairperson Brownlee called on Larry Karns representing Kansas Insurers Association for his opinion on both amendments offered by Mr. McGill. The Committee discussed the language in the second amendment in detail.

Senator Schodorf made a motion to approve the Aggregate Excess Insurance / Actuarial Review amendment. Senator Wagle seconded. Motion carried.

Senator Schodorf moved to pass the bill out favorably as amended. Senator Kelly seconded. Motion carried.

Chairperson Brownlee called the attention of the Committee to **SB 461--Workers compensation; preexisting condition; permanent partial general disability; supplemental functional disability compensation**. Chairperson Brownlee called on Senator Barone to explain the information he passed out to Committee members. (Attachment 3) Senator Barone gave a brief review of the information which was regarding agribusiness and workers comp.

Chairperson Brownlee introduced Helen Pedigo with the Revisor's office to explain the balloon (Attachment 4) offered on **SB 461** which contained language changes Senator Emler had worked on. Ms. Pedigo explained the language changes made with the balloon. The Committee discussed the changes presented in the balloon and the language. Chairperson Brownlee stated the goal was to make sure the worker was compensated for an injury that occurs on the job. All the Committee members joined into the discussion. Senator Wysong stated he would like to hear comments on the balloon from both sides. Chairperson Brownlee called on Mr. Karns representing the Kansas Self-Insurers Association, proponents of the bill, to give his views on the balloon. Mr. Karns stated he had not seen the balloon and was given a copy. He stated the balloon on pre-existing clarifies an issue but could not agree to the other balloon regarding the permanent partial general disability rating.

Chairperson Brownlee called on Beth Foerster representing the AFL-CIO, an opponent of the bill, to give her opinion on the balloons. Ms. Foerster stated they did not agree with the changes proposed with the balloons offered on the bill, stating the changes were not middle ground. She stated the existing law required AMA guides should be used. This language states the physician can prove without the AMA guides and the employees must be approved by the AMA guides. The discussion continued with the Committee on the

## CONTINUATION SHEET

MINUTES OF THE Senate Commerce Committee at 8:30 A.M. on February 17, 2006 in Room 123-S of the Capitol.

language of the balloon and it's intent.

Chairperson Brownlee recognized Senator Jean Schodorf. Senator Schodorf made a motion to ask for this bill to be blessed.. Senator Wysong seconded..

A discussion took place after the motion with all members of the Committee. Senator Schodorf stated they should ask for the bill to be blessed to give time for all parties concerned to work out the differences and make a better bill. She stated she felt the amendment was not ready to go. There was more discussion. Mr. Karns stated they were ok with the balloon except for the time to use for a rating. He stated 15 years was to long to go back but would agree to 5 or 10 years instead of at the time of the injury as stated in the new amendment.

Senator Reitz joined the discussion stating he would like for both parties to get together and work out the differences in this bill. He stated he agrees with Senator Schodorf and would like for this bill to be blessed in order to give more time to work things out. Chairperson Brownlee joined the discussion and stated she would like to suggest giving the parties until Tuesday morning to come to an agreement. She stated there were problems with the parties involved not being forthright and there was no room in this debate for information that was not factual. She also stated her interest was not in hurting any workers. Chairperson Brownlee recognized Senator Wagle. Senator Wagle stated workers compensation was not intended to pay for aging but for injuries to the employees which occurred on the job. She stated she had received information that was not factual from parties involved with this bill. Chairperson Brownlee recognized Senator Kelly. Senator Kelly stated she has concerns with this bill and feels it needs more work. Senator Jordan joined the discussion and stated he is opposed to the motion to bless this bill. He feels that giving both parties until Tuesday to resolve some of the issues is more than adequate. Chairperson Brownlee stated that she also felt giving all parties concerned until Tuesday was adequate time to resolve the issues with this bill. Senator Schodorf withdrew her motion to bless the bill.

Chairperson Brownlee adjourned the meeting with the next schedule meeting being on Tuesday, February 21, 2006 at 8:30 a.m. in room 123S.