

**Testimony before House Commerce, Labor & Economic Development
Senate Bill 187- Work Comp Nominating Committee
Presented by Eric Stafford, Senior Director of Government Affairs**



Thursday, March 14, 2013

Mister Chairman and members of the committee, my name is Eric Stafford and I am the Senior Director of Government Affairs for the Kansas Chamber.

On behalf of the organizations included at the bottom of my testimony, I would like to express our support for SB 187, expanding the nominating committee which oversees the nomination process for Administrative Law Judges and Work Comp Appeals Board members, as well as Unemployment Insurance Board of Review members.

Under the current process, a two member nominating committee from the Kansas Chamber and AFL-CIO must reach a consensus before submitting a nominee to the Secretary of Labor. After the names are submitted, the two member nominating committee reviews applicants and must unanimously agree on their selection. This process doesn't always lead to the most qualified candidate, but often the least objectionable.

In 2011, the Kansas Legislature passed HB 2134, a compromise agreement between business and labor (and the first significant work comp reform legislation to pass in 18 years). While the bill was in the Senate, it was debated whether or not to include an amendment granting the Secretary of Labor authority to nominate the work comp ALJ's and Appeals Board members.

While we did not disagree with the reason behind the amendment, we were not comfortable supporting language granting the Secretary full control over the selection process.

The result of further discussions to maintain a process free from political influence was to expand the panel from two members to seven. This new seven member panel is comprised of two business representatives (Kansas Chamber, NFIB); two labor representatives (AFL-CIO, public employee); and one representative from each of the following: Kansas Society for Human Resource Management, Kansas Self-Insurers Association, and the Secretary of Labor. With this additional input, we feel the process will be much more comprehensive when reviewing applicants for work comp ALJ's, appeals board and UI review board vacancies.



The Kansas Chamber, with headquarters in Topeka, is the leading statewide pro-business advocacy group moving Kansas towards becoming the best state in America to do business. The Chamber represents small, medium and large employers all across Kansas.

SB 187 makes several other important changes in an attempt to attract additional, well qualified applicants. First, SB 187 increases the pay for workers compensation judges. We believe this higher compensation will more closely mirror private sector salaries. It's important to note these salaries are not paid for through State General Fund dollars, but rather through fees imposed on employers.

The second change will add security for individuals who give up their private sector practice to serve in these capacities. Under today's system, at the conclusion of one's term, there is no guarantee the ALJ or board of review member will be retained. They have just as much of a chance as any other applicant. SB 187 changes this process so the member is automatically retained unless the nominating committee votes by 2/3 to not retain the ALJ or board member. Adding an additional level of security will also assist in making a career change more appealing.

The 2011 compromise bill was a success because multiple organizations with an interest in work comp system were able to provide input on ways to improve the system. Input was not limited to a select few. The same standard of diverse input should apply for the selection process for the judges serving in the work comp system.

Thank you for taking time to listen to our testimony in support of SB 187. I would be happy to answer any questions.

**Builders' Association of Kansas City
Greater Topeka Chamber of Commerce
Kansas Agri-business Retailers Association
Kansas Association of Insurance Agents
Kansas Building Industry Association
Kansas City Chapter, Associated General Contractors
Kansas Chamber of Commerce
Kansas Cooperative Council
Kansas Grain and Feed Association**

**Kansas Hospital Association
Kansas Restaurant & Hospitality Association
Lenexa Chamber of Commerce
National Federation of Independent Business/Kansas
Olathe Chamber of Commerce
Overland Park Chamber of Commerce
Wichita Independent Business Association
Wichita Metro Chamber of Commerce**

