

March 11, 2014

The Honorable Marc Rhoades, Chairperson
House Committee on Appropriations
Statehouse, Room 111-N
Topeka, Kansas 66612

Dear Representative Rhoades:

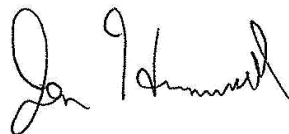
SUBJECT: Fiscal Note for HB 2476 by House Committee on Corrections and
Juvenile Justice

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2476 is respectfully submitted to your committee.

HB 2476 would allow surviving spouses and dependent children of Department of Corrections' employees who die in the line of duty to have the Department pay premiums for the continuation of health insurance coverage under the Consolidated Omnibus Budget Reconciliation Act (COBRA). The dependent children must be under the age of 26 years and coverage would be paid for 18 months.

For each occurrence of death in the line of duty, the Department of Corrections estimates that HB 2476 could require additional benefit expenses ranging from \$19,732 to \$22,238, depending on the type of coverage selected by the employee. Those costs include amounts that would be paid by the employer for the employer's premium payments (\$15,349) and continuation of the employee's premium payments (\$4,383 to \$6,889). The estimates use the state employer health insurance premiums for FY 2014 and the employee rates in the State Employee Health Plan for 2014. Because incidents are few, it is expected that any fiscal effect resulting from HB 2476 could be absorbed within current resources. The Department notes the last death in the line of duty occurred in 1993. Any fiscal effect associated with HB 2476 is not reflected in *The FY 2015 Governor's Budget Report*.

Sincerely,



Jon Hummell,
Interim Director of the Budget

cc: Jeremy Barclay, KDOC