

March 11, 2021

The Honorable Sean Tarwater, Chairperson  
House Committee on Commerce, Labor and Economic Development  
Statehouse, Room 151D-S  
Topeka, Kansas 66612

Dear Representative Tarwater:

**SUBJECT:** Fiscal Note for HB 2393 by House Committee on Federal and State Affairs

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2393 is respectfully submitted to your committee.

HB 2393 would amend the Workers Compensation Act by expanding the definitions of “personal injury” and “injury” to include post-traumatic stress disorder for first responders. First responders would include firefighters, law enforcement officers or emergency medical service providers whether paid or serving as duly authorized volunteers.

Estimated State Fiscal Effect				
	FY 2021 SGF	FY 2021 All Funds	FY 2022 SGF	FY 2022 All Funds
Revenue	--	--	--	--
Expenditure	--	--	--	\$4,666,800
FTE Pos.	--	--	--	--

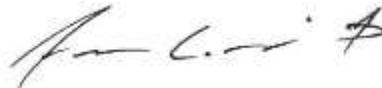
The Department of Administration estimates HB 2393 would require additional expenditures of \$4,666,800 (400 first responders X \$11,667 cost per claim) from the State Self Insurance Fund in FY 2022. The estimate assumes that approximately 400 state-employed first responders, or 34.0 percent, of the total number of state-employed first responders (1,176) would experience post-traumatic stress disorder and be eligible for workers compensation benefits. The estimate also assumes that average claim costs would increase by approximately \$35,000 per claim, which would be spread over three years, or \$11,667 per year. According to the Department, the estimate for increased claims costs is based on similar legislation introduced in Colorado. The

Department estimates expenditures from the State Self Insurance Fund would increase to \$5,385,567 in FY 2023.

The increase in State Self Insurance Fund expenditures would result in an increase in workers compensation assessment rates for state agencies. This would increase agency expenditures for employee benefits, which would be funded from a variety of funding sources including the State General Fund. However, the fiscal effect on state agencies cannot be determined because the rate increases that would occur under the bill are unknown.

The bill would have a fiscal effect on cities and counties, however, the League of Kansas Municipalities and the Kansas Association of Counties are unable to estimate the fiscal effect on local governments. The Department of Labor indicates the bill would have no fiscal effect on the agency. Any fiscal effect associated with HB 2393 is not reflected in *The FY 2022 Governor's Budget Report*.

Sincerely,

A handwritten signature in black ink, appearing to read "Adam Proffitt", with a stylized flourish at the end.

Adam Proffitt  
Director of the Budget

cc: Jeff Scannell, Department of Administration  
Jay Hall, Association of Counties  
Wendi Stark, League of Municipalities  
Dawn Palmberg, Department of Labor