

SENATE BILL No. 364

By Committee on Ways and Means

1-13

9 AN ACT concerning the state fair board; authorizing the purchase of
10 workers compensation insurance; amending K.S.A. 2009 Supp. 44-575
11 and repealing the existing section.
12

13 *Be it enacted by the Legislature of the State of Kansas:*

14 New Section 1. (a) From and after January 1, 2010, notwithstanding
15 any provision of K.S.A. 75-4101, or any amendments thereto, to the con-
16 trary, the state fair board is hereby authorized to purchase workers com-
17 pensation insurance independent of the committee on surety bonds and
18 insurance. All workers compensation insurance contracts purchased by
19 the state fair board pursuant to this section shall be purchased by the
20 state fair board subject to and in accordance with the provisions of sub-
21 section (b).

22 (b) All insurance contracts or contracts for workers compensation
23 purchased by the state fair board pursuant to subsection (a), and amend-
24 ments thereto, shall be purchased by the state fair board in the manner
25 prescribed for the purchase of supplies, material, equipment or contrac-
26 tual services under K.S.A. 75-3738 to 75-3744, inclusive, and amend-
27 ments thereto. Any such contract having a premium or rate in excess of
28 \$500 shall be purchased on sealed bids.

29 (c) On and after July 1, 2009, the state fair board may:

30 (1) Investigate the possibility of acquiring workers compensation in-
31 surance; or

32 (2) initiate procedures to acquire workers compensation insurance.
33 Any such workers compensation insurance shall not take effect before
34 January 1, 2010.

35 (d) If the state fair board acquires workers compensation pursuant to
36 this section, the state fair board shall notify the secretary of administration
37 of the effective date of the workers compensation policy acquired. From
38 and after the end of the payroll period in which such workers compen-
39 sation policy takes effect, the self-insurance assessment required by
40 K.S.A. 44-576, and amendments thereto, shall no longer be made and the
41 director of accounts and reports shall cease to transfer any funds of the
42 state fair board to the state workers compensation fund.

43 Sec. 2. K.S.A. 2009 Supp. 44-575 is hereby amended to read as fol-

1 lows: 44-575. (a) As used in K.S.A. 44-575 through 44-580, and amend-
2 ments thereto, *except as provided in subsection (g)*, “state agency” means
3 the state, or any department or agency of the state, but not including the
4 Kansas turnpike authority, the university of Kansas hospital authority, any
5 political subdivision of the state or the district court with regard to district
6 court officers or employees whose total salary is payable by counties.

7 (b) For the purposes of providing for the payment of compensation
8 for claims arising on and after July 1, 1974, and all other amounts required
9 to be paid by any state agency as a self-insured employer under the work-
10 ers compensation act and any amendments or additions thereto, there is
11 hereby established the state workers compensation self-insurance fund in
12 the state treasury. The name of the state workmen’s compensation self-
13 insurance fund is hereby changed to the state workers compensation self-
14 insurance fund. Whenever the state workmen’s compensation self-insur-
15 ance fund is referred to or designated by any statute, contract or other
16 document, such reference or designation shall be deemed to apply to the
17 state workers compensation self-insurance fund.

18 (c) The state workers compensation self-insurance fund shall be liable
19 to pay: (1) All compensation for claims arising on and after July 1, 1974,
20 and all other amounts required to be paid by any state agency as a self-
21 insured employer under the workers compensation act and any amend-
22 ments or additions thereto; (2) the amount that all state agencies are liable
23 to pay of the “carrier’s share of expense” of the administration of the
24 office of the director of workers’ compensation as provided in K.S.A. 74-
25 712 through 74-719, and amendments thereto, for each fiscal year; (3) all
26 compensation for claims remaining from the self-insurance program
27 which existed prior to July 1, 1974, for institutional employees of the
28 division of mental health and retardation services of the department of
29 social and rehabilitation services; (4) the cost of administering the state
30 workers compensation self-insurance fund including the defense of such
31 fund and any costs assessed to such fund in any proceeding to which it is
32 a party; and (5) the cost of establishing and operating the state workplace
33 health and safety program under subsection (f). For the purposes of
34 K.S.A. 44-575 through 44-580, and amendments thereto, all state agen-
35 cies are hereby deemed to be a single employer whose liabilities specified
36 in this section are hereby imposed solely upon the state workers com-
37 pensation self-insurance fund and such employer is hereby declared to
38 be a fully authorized and qualified self-insurer under K.S.A. 44-532, and
39 amendments thereto, but such employer shall not be required to make
40 any reports thereunder.

41 (d) The secretary of administration shall administer the state workers
42 compensation self-insurance fund and all payments from such fund shall
43 be upon warrants of the director of accounts and reports issued pursuant

1 to vouchers approved by the secretary of administration or a person or
2 persons designated by the secretary. The director of accounts and reports
3 may issue warrants pursuant to vouchers approved by the secretary for
4 payments from the state workers compensation self-insurance fund not-
5 withstanding the fact that claims for such payments were not submitted
6 or processed for payment from money appropriated for the fiscal year in
7 which the state workers compensation self-insurance fund first became
8 liable to make such payments.

9 (e) The secretary of administration shall remit all moneys received by
10 or for the secretary in the capacity as administrator of the state workers
11 compensation self-insurance fund, to the state treasurer in accordance
12 with the provisions of K.S.A. 75-4215, and amendments thereto. Upon
13 receipt of each such remittance, the state treasurer shall deposit the entire
14 amount in the state treasury to the credit of the state workers compen-
15 sation self-insurance fund.

16 (f) There is hereby established the state workplace health and safety
17 program within the state workers compensation self-insurance program
18 of the department of administration. The secretary of administration shall
19 implement and administer the state workplace health and safety program
20 for state agencies. The state workplace health and safety program shall
21 include, but not be limited to:

22 (1) Workplace health and safety hazard surveys in all state agencies,
23 including onsite interviews with employees;

24 (2) workplace health and safety hazard prevention services, including
25 inspection and consultation services;

26 (3) procedures for identifying and controlling workplace hazards;

27 (4) development and dissemination of health and safety informational
28 materials, plans, rules and work procedures; and

29 (5) training for supervisors and employees in healthful and safe work
30 practices.

31 (g) *On and after the effective date specified in subsection (d) of section*
32 *1, and amendments thereto, the term "state agency" shall not include the*
33 *state fair board.*

34 Sec. 3. K.S.A. 2009 Supp. 44-575 is hereby repealed.

35 Sec. 4. This act shall take effect and be in force from and after its
36 publication in the statute book.