## STATE OF KANSAS HOUSE OF REPRESENTATIVE



MARVIN G. KLEEB
48TH DISTRICT

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## HB 2637

## MASTER WORKERS COMPENSATION POLICY

Thank you Chairpersonn Wagel and Committee members for the opportunity to address you regarding HB 2637.

As you are aware from your recent committee work, Professional Employer Organizations (PEOs) provide to small and medium-sized businesses human resource expertise, benefits administration, risk and safety management, and workers compensation. All of these areas are important for every business and a PEO offers these services in a cost-effective and time efficient manner to their small business clients.

On the last day of the 2011 session, legislation was passed that for the first time required PEOs to record their clients' workers compensation and accident experience on an individual client basis. This requirement can be met through master workers compensation policies; however, more time is needed in the industry for some workers compensation policies and the individual tracking mechanisms to be developed.

HB 2637 addresses this need for additional time by extending the effective date until March of 2013 so all insurance companies and their PEO customers can develop their products, tracking and software. The extension of this time for development and compliance will help hundreds of small Kansas businesses and thousands of their employees.

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Kansas House of Representatives

Senate Commerce Committee

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Attachment