

March 6, 2017

The Honorable Les Mason, Chairperson
House Committee on Commerce, Labor and Economic Development
Statehouse, Room 521-E
Topeka, Kansas 66612

Dear Representative Mason:

SUBJECT: Fiscal Note for HB 2328 by House Committee on Commerce, Labor and Economic Development

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2328 is respectfully submitted to your committee.

Under current law, each insurance company or group-funded self-insurance plan that provides workers compensation insurance is required to provide accident prevention programs to a covered employer at their request. HB 2328 would require insurance companies or group-funded self-insurance plans to provide accident prevention programs to the covered employer, unless they specifically decline that service.

The Insurance Department indicates HB 2328 has the potential to increase fraud and abuse complaints due to the failure to provide accident prevention programs to a covered employer. However, the bill does not provide a monetary penalty for not providing accident prevention programs; therefore, the bill would have no fiscal effect on the operations of the Insurance Department.

The Department of Labor indicates the bill would have no fiscal effect on its operations. The Department does not provide workers compensation benefits in its Workers Compensation Services Division, but rather, oversees the claims and benefits process, which takes place in the private insurance market.

Sincerely,



Shawn Sullivan,
Director of the Budget

cc: Dawn Palmberg, Department of Labor
Glenda Haverkamp, Insurance
Dan Thimmesch, Health & Environment