



**KANSAS SELF-INSURERS ASSOCIATION**  
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## TESTIMONY

**TO: HOUSE COMMERCE COMMITTEE**  
**FROM: TONY ANDERSEN, KANSAS SELF-INSURERS ASSOCIATION**  
**RE: HB 2351**  
**DATE: FEBRUARY 22, 2021**

Mr. Chairman, members of the committee, thank you for the opportunity to submit this testimony HB 2351.

On behalf of the members of the Kansas Self-Insurers Association (KSIA), thank you for the opportunity to submit written testimony on HB 2351. KSIA is organized to represent the interests of both employers and workers compensation self-insurance pools. The organization was established in 1994. Its membership is comprised of private employers, governmental entities, and business associations/pools from across the great State of Kansas. Included in our membership are a number of school districts and school self-insurance pools.

KSIA is neutral on HB2351 but has concerns.

First, as drafted, school districts across Kansas would be solely responsible for any injury, sickness or death by accident arising from any negligent act or omission on the part of a business during the student's participation in the work-based learning program at the business or worksite. This essentially makes a school district the insurance carrier for the business for anything that happens to a student participating in a work-based learning program. Even if 100% of the fault for the student's injury or illness is the result of the negligence of the business, the taxpayers of the school district will be required to insure this loss. The question to be answered is whether it is right for school district taxpayers to pay higher taxes in order to cover for the negligence of a business while the business itself walks away scot-free?

Second, the proposed legislation contemplates school districts being able to purchase insurance coverage that may not currently exist in the marketplace. KSIA members have expressed concern that the type of insurance coverage outlined in New Section 1 of HB 2351 is not actually available in the insurance marketplace. If true, then liability for a student's injuries/illness would fall directly upon the school district taxpayers.

Finally, HB 2351's proposed amendment to K.S.A. 72-18,101 expands the definition of "school-sponsored activity" to include travel provided by a business to participate in work-based learning. It is easy to contemplate a situation where the business picks up a student at a school, negligently causes an auto accident, and the student is hurt. This incident would become a "school-sponsored activity" with the passage of HB2351 and covered by a student accident policy. This expansion of the definition of what is a "school-sponsored activity" likely will result in a reassessment and repricing of insurance to school districts which, in turn, will result in higher premiums, such costs ultimately born by the taxpayers of the District. And as seen above, the negligent business would have no liability at all and the district would have no cause of action to pursue the business for the business's negligence.

For these reasons, KSIA, while neutral on the bill, has significant concerns.

Thank you for your allowing KSIA to provide this written testimony.