

March 10, 2008

The Honorable Steve Brunk, Chairperson  
House Committee on Commerce and Labor  
Statehouse, Room 141-W  
Topeka, Kansas 66612

Dear Representative Brunk:

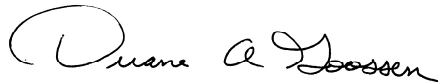
SUBJECT: Fiscal Note for HB 2937 by House Committee on Federal and State Affairs

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2937 is respectfully submitted to your committee.

HB 2937 would broaden the definition of permanent partial general disability as it relates to the Workers Compensation Act. Permanent partial general disability would include permanent loss or loss of use of both eyes, hands, arms, shoulders, feet, legs, or any combination. This definition would not include any loss or loss of use that results in permanent or total disability.

The Department of Insurance indicates the bill is in response to the Kansas Supreme Court's decision in the case of *Casco v. Armour Swift-Eckrich*, which lowered the awards for bilateral injuries. The Department states this could lower expenditures for the Workers Compensation Fund administered by the agency. However, in regard to past cases, insurers may be granted reconsideration of previous awards and it could be found insurers paid out more money than they should have. These companies could then have a claim against the Fund. The Kansas Department of Insurance states HB 2937 could be implemented within its existing resources. The Kansas Department of Labor indicates there would be no fiscal effect associated with the enactment of HB 2937.

Sincerely,



Duane A. Goossen  
Director of the Budget

cc: Bill Schafer, Department of Labor  
John Campbell, Insurance