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Laura Kelly, Governor

February 19, 2019

The Honorable Sean Tarwater, Chairperson
House Committee on Commerce, Labor and Economic Development
Statehouse, Room 151-S
Topeka, Kansas 66612

Dear Representative Tarwater:

SUBJECT: Fiscal Note for HB 2354 by House Committee on Commerce, Labor and Economic Development

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2354 is respectfully submitted to your committee.

HB 2354 would require high school students engaged in a school sponsored work program sponsored by a school district and performing training or services without pay for an employer pursuant to that program, to be considered a “workman,” “employee,” or “worker” of a school district for the purposes of the Workers Compensation Act. The student would be required to be covered under the school district’s workers compensation insurance plan. The bill also would allow a local board of education to purchase insurance for the benefit of students to insure against the loss, theft, or damage of personal property of students while on school premises, during school sponsored activities, or during participation in a work-based learning program.

HB 2354 may increase workers compensation claims, as the bill would require students working without pay to be considered a worker of the school district. However, any increased costs would be borne by local school districts through higher employer costs for workers compensation benefits. In addition, any costs associated with the purchase of insurance that would be allowed by the bill would be borne by local school districts. However, the enactment of HB 2354 would not change state aid to school districts.

Sincerely,

A handwritten signature in black ink that reads "Larry L. Campbell".

Larry L. Campbell
Director of the Budget

cc: Glenda Haverkamp, Insurance
Dawn Palmberg, Department of Labor
Dale Dennis, Education