

February 21, 2022

The Honorable Renee Erickson, Chairperson
Senate Committee on Commerce
Statehouse, Room 546-S
Topeka, Kansas 66612

Dear Senator Erickson:

SUBJECT: Fiscal Note for SB 491 by Senate Committee on Judiciary

In accordance with KSA 75-3715a, the following fiscal note concerning SB 491 is respectfully submitted to your committee.

SB 491 would amend the Workers Compensation Act by expanding the definitions of “personal injury” and “injury” to include post-traumatic stress disorder for first responders. First responders would include firefighters, law enforcement officers or emergency medical service providers whether paid or serving as duly authorized volunteers.

Estimated State Fiscal Effect				
	FY 2022 SGF	FY 2022 All Funds	FY 2023 SGF	FY 2023 All Funds
Revenue	--	--	--	--
Expenditure	--	--	--	\$4,515,001
FTE Pos.	--	--	--	--

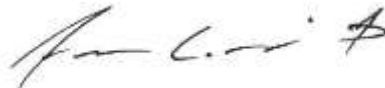
The Department of Administration estimates SB 491 would require additional expenditures of \$4,515,001 (387 first responders x \$11,667 cost per claim) from the State Self Insurance Fund in FY 2023. The estimate assumes that approximately 387 state-employed first responders, or 34.0 percent, of the total number of state-employed first responders (1,137) would experience post-traumatic stress disorder and be eligible for workers compensation benefits. The estimate also assumes that average claim costs would increase by approximately \$35,000 per claim, which would be spread over three years, or about \$11,667 per year. According to the Department, the estimate for increased claims costs is based on similar legislation introduced in Colorado. After

three years, the Department estimates expenditures from the State Self Insurance Fund would follow the medical trend of the fund at an increase of 2.7 percent.

The increase in State Self Insurance Fund expenditures would result in an increase in workers compensation assessment rates for state agencies. This would increase agency expenditures for employee benefits, which would be funded from a variety of funding sources including the State General Fund. However, the fiscal effect on state agencies cannot be determined because the rate increases that would occur under the bill are unknown.

The bill would have a fiscal effect on cities and counties; however, the League of Kansas Municipalities and the Kansas Association of Counties are unable to estimate the fiscal effect on local governments. The Department of Labor indicates the bill would have no fiscal effect on the agency. Any fiscal effect associated with SB 491 is not reflected in *The FY 2023 Governor's Budget Report*.

Sincerely,

A handwritten signature in black ink, appearing to read "Adam Proffitt", with a stylized flourish at the end.

Adam Proffitt
Director of the Budget

cc: Jay Hall, Association of Counties
Wendi Stark, League of Municipalities
Dawn Palmberg, Department of Labor
Bobbi Mariani, Insurance
Celeste Chaney-Tucker, Department of Administration