



Testimony by Mr. Daniel Murray
Kansas State Director, National Federation of Independent Business
House Commerce Committee
Thursday, February 2, 2012

Good afternoon Chairman Brown and members of the Committee. I am pleased to be here on behalf of the National Federation of Independent Business (NFIB). The NFIB is the state's leading small business advocacy organization representing over 4,100 small business owners across Kansas.

NFIB supports HB2531, which proposes to establish the workers compensation and employment security boards nominating committee. The nominating committee would be composed of 7 members, appointed by the governor, who were put forth by various stakeholder organizations.

This diverse committee would be responsible for providing the workers compensation and employment security board of review appointing authorities with nominees for appointments to the position of workers compensation administrative law judge (ALJ) or board member and employment security board of review.

As you may recall, there was significant discussion and debate last year regarding the current process by which worker's compensation ALJ's are appointed. In our members' opinion, the current paradigm, which calls on two organizations to submit recommendations for ALJ's, is simply not effective in appointing the best candidates.

We believe that the nominating committee contemplated in HB2531 will bring a broader perspective from serious stakeholders who are currently shut-out from the process. Indeed, the world is much larger than just the two organizations which currently provide nominees. Undoubtedly, a more comprehensive perspective will improve the slate of ALJ's who are tasked with adjudicating very serious matters.

Worker's compensation and employment security matters are a serious issue for small businesses. We appreciate this committee's and the legislature's efforts last year to update and modify the worker's comp act. HB2531 will take another step towards improving the system.

Again, NFIB supports HB2531 and urge its passage.

Small Business Isn't Small

Collectively, small business isn't small. It represents over 97 percent of all employer firms and provides employment to 54.7% of the non-farm private work force in Kansas. It pays 44 percent of total U.S. private payroll. In the past fifteen years, it has annually generated 64% of net new jobs. It generates more than 50% of the gross domestic product. It possesses half of the business wealth in the U.S.