

## **FOR IMMEDIATE RELEASE**

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## **ASA-Greater Kansas City Nears Victory on Landmark Bill Regulating Insurance Wrap-Ups**

05/08/09 - The Kansas House and Senate approved legislation (H.B. 2214) that will make the Sunflower State the first in the nation to regulate the structure, obligations and coverage of owner- and contractor-controlled insurance programs. ASA-Greater Kansas City's Government Affairs Committee, under the leadership of Bill Miller and Ken Keller, led the reform efforts, partnering with legislators and the state's insurance commissioner's office to advance the legislation.

Gov. Mark Parkinson (D) is expected to sign the bill, which would take effect Jan. 1, 2010. Among other things, it will require OCIP and CCIP programs to (i) comply with quarterly claim and loss reporting requirements, (ii) replace or pay to replace participants' coverage should the program be cancelled, (iii) have a maximum deductible of \$2,500 per claim or occurrence, (iv) disclose any safety or equipment requirements prior to accepting bids, (v) mandate that only government agencies can issue safety fines.

General liability coverage in wrap-up programs would be required to include mandatory completed operations coverage through the life of the statute of limitations for claims, protection from requirements for purchasing duplicative coverage for participants, severability of interest, equal shared limits of liability between program sponsors and participants and no waivers of right of recovery against other program participants.

The bill also mandates that workers' compensation coverage must cover all workers for which payroll is attributable to the contract, and that workers are not required to return to work unless they have been certified as fit for work by a health care provider or the employer has modified work available.

The Greater Kansas City Chapter represents all subcontractors, specialty trade contractors and suppliers by assisting members in operating their businesses through educational programs, industry liaisons, government advocacy, networking opportunities and member benefit programs. For more information about the association, including membership opportunities and calendar of events, please visit the website at [www.kcasa.org](http://www.kcasa.org).