

February 16, 2015

Chairman Hawkins and Members of House Insurance Committee:

Thank you for asking me to appear before the Committee on Insurance regarding House Bill 2241. I understand there will be a hearing on the bill on Monday, February 16 at 3:30 PM in room 152S of the Capitol building. I plan to appear as requested.

My interest is as a policyholder in the state of Kansas plus knowledge of how the Kansas Insurance Department formally administered the insurance laws of the State.

I was employed by the Kansas Insurance Department following graduation from the University of Kansas in 1957 and spent nearly 38 1/2 years working in the Fire and Casualty Division administering provisions of the many laws affecting insurance. I was appointed Fire and Casualty Supervisor by Insurance Commissioner Fletcher Bell in 1971 following his election to that office. I retired from the Insurance Department in 1994.

Among the laws we administered was the Unfair Trade Practices statute, as well as KSA 40-2,122 and KSA 40-2404. Those laws are now being amended by House Bill No. 2241. I believe the amended provisions of this bill are needed to assure protection of Kansas property and casualty policyholders who are affected by adverse underwriting decisions caused by claims arising from natural causes. Natural causes as defined would obviously include property losses caused by wind, which of course includes tornado, hail, lightening and any other loss based solely on claims arising from natural causes. When I was working in the Kansas Insurance Department we referred to such losses as "Act of God" perils. I believe the provisions of this bill are needed to assure fairness to the Kansas Insuring public and it simply puts into words the interpretation of the Unfair Trade Practices Act as administered by the Kansas Insurance Department during my tenure in that office.

I will be glad to answer any questions members of the committee may have today.

Respectfully submitted,

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