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To: The Honorable Scott Schwab - Chairman House Insurance Committee

From: Lee Wright - Government & Industry Affairs Manager

Farmers Group, Inc.

Subject: Senate Bill 54

Position: Support

Mr. Chairman and members of the Committee, my name is Lee Wright and I am the Kansas Government Affairs Manager for Farmers Insurance. Farmers has been in business in Kansas since 1930. We are also the largest insurance company employer in the state with nearly 2500 employees working in Kansas. Thank you for this opportunity to appear in support of SB 54, a bill we requested.

As originally introduced, SB 54 provided amending language, on page 2 to allow auto insurer's an additional method for tracking a policy termination notice by using U.S. Postal Service intelligent mail barcode (IMB).

The Senate Financial Institutions and Insurance Committee amended the bill by deleting the specific reference to the IMB method of tracking. Their amendment allows an insurer to use any mail tracking method currently used, approved or accepted by the U.S. Postal service, which would include the IMB tracking method.

The IMB tracking method is better in detail down to date and time the piece of mail represented was scanned for mailing through the U.S. Postal Service machine that gets identified by number. It assigns each piece of mail with a barcode tracker that is also identified on the form. It also still shows the policy number, the insured and the address the Certificate of Mail shows.

To sum it up, we are looking to add a more technologically advanced tracking method available through the U.S. Postal Service to use for mailings. It enhances the current Certificate of Mail process by not only showing who a piece of mail was sent to, but also the Postal Service machine it went through on a certain date and time to help prove when it was sent. It is also less expensive.

We appreciate this opportunity to testify and would respectfully request the Committee find Senate Bill 54 favorable for passage.