

MINUTES OF THE SENATE FINANCIAL INSTITUTIONS AND INSURANCE COMMITTEE

The meeting was called to order by Chairperson Jeff Longbine at 9:30 am on Tuesday, February 02, 2016, 546-S of the Capitol.

All members were present

Committee staff present:

Theresa Allen, Kansas Legislative Committee Assistant  
Melissa Renick, Legislative Research Department  
Whitney Howard, Legislative Research Department  
Eileen Ma, Office of Revisor of Statutes

Conferees appearing before the Committee:

Eric Smith, LKM  
Clark Shultz, KID

Others in attendance:

[See Attached List](#)

**Approval of Committee Minutes**

Chairman Longbine asked if all members agreed to approve committee minutes. All members approved minutes for 1/14, 1/19, 1/20, 1/21.

**Bill introductions**

Chair Longbine asked if any bill introductions. There were none.

**Hearing on:**

Chair Longbine opened the hearing on **SB370**.

**Proponent**

Eric Smith spoke in favor of **SB370** on behalf of the League of Kansas Municipalities. Mr. Smith stated concerns raised that if the seismic activity the state has been experiencing resulted in a building being heavily damaged, the current statutes would not provide any protection to the city. The intent of this bill is to extend the time for a municipality to either release the lien or start legal proceeding and also to expand this process to apply to any cause as long as there is insurance coverage for the structure.  
[\(Attachment 1 \)](#)

Mr. Smith responded to questions from the Committee members.

Clark Shultz spoke in favor of **SB370**. Mr. Shultz stated that this bill would clarify that the governing body of the city would be able to establish by ordinance a procedure regarding insurance payments for

## CONTINUATION SHEET

MINUTES of the Committee on Financial Institutions and Insurance at 9:30 am on Tuesday, February 02, 2016 in Room 546-S of the Capitol.

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any damage or loss to a building or other structure, removing the specific listing of "fire, explosion, or windstorm. The Department is neutral on the underlying policy contained in this bill and fully supportive of this updated language. We believe the updated language will cover any claim and paid by insurance, any city can make this claim per law and appropriate cleanup, etc is done before money is released. ([Attachment 2](#))

Mr. Shultz responded to questions from Committee members.

### **Proponents (Written only)**

Proponent written only submitted testimony:

John Sweet, City Administrator, Lyons, KS

([Attachment 3](#))

There being no further conferees or questions, Chair Longbine closed hearing on **SB370** and adjourned meeting at 10:05am.