

HOUSE BILL No. 2125

By Representative Grant

1-23

AN ACT concerning insurance; relating to reciprocal insurance companies; amending K.S.A. 40-1623 and repealing the existing section.

Be it enacted by the Legislature of the State of Kansas:

Section 1. K.S.A. 40-1623 is hereby amended to read as follows: 40-1623. As used in this act:

(a) "Attorney-in-fact" means the person designated ~~and authorized by the subscribers as having authority to obligate them on reciprocal insurance contracts in the power of attorney or subscribers' agreement.~~

(b) "Commissioner" means the commissioner of insurance.

(c) "Person" means ~~any~~ an association, aggregate of individuals, business, company, corporation, individual, *receiver*, joint-stock company, Lloyds-type of organization, organization, cooperative, partnership, ~~receiver~~, trustee or society, with power to enter into contractual undertakings within or without the state.

(d) "Reciprocal" means ~~an aggregation of subscribers under a common name~~ a form of insurance organization under which subscribers exchange contracts.

(e) "Reciprocal insurance" means ~~insurance resulting from the mutual exchange of insurance contracts among persons in an unincorporated association under a common name through an attorney-in-fact having authority to obligate each person both as insured and insurer.~~

~~(f) "Subscriber" means a person obligated under a reciprocal insurance agreement~~ a form of insurance by which persons undertake to indemnify each other against certain kinds of losses by means of mutual exchange of insurance through an attorney-in-fact.

(f) "Subscribers" means the persons who exchange reciprocal or interinsurance contracts with one another providing insurance among themselves against any loss which may be insured against under provisions of the law.

(g) "Power of attorney" or "subscribers' agreement" means the document executed by each subscriber that authorizes and appoints the attorney in fact.

Sec. 2. K.S.A. 40-1623 is hereby repealed.

1 Sec. 3. This act shall take effect and be in force from and after its
2 publication in the statute book.
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43