

HOUSE BILL No. 2655

By Committee on Transportation

1-23

9 AN ACT relating to insurance; concerning unfair claim settlement prac-
10 tices; amending K.S.A. 2007 Supp. 40-2404 and repealing the existing
11 section.

12

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

14 Section 1. K.S.A. 2007 Supp. 40-2404 is hereby amended to read as
15 follows: 40-2404. The following are hereby defined as unfair methods of
16 competition and unfair or deceptive acts or practices in the business of
17 insurance:

18 (1) *Misrepresentations and false advertising of insurance policies.*
19 Making, issuing, circulating or causing to be made, issued or circulated,
20 any estimate, illustration, circular, statement, sales presentation, omission
21 or comparison which:

22 (a) Misrepresents the benefits, advantages, conditions or terms of any
23 insurance policy;

24 (b) misrepresents the dividends or share of the surplus to be received
25 on any insurance policy;

26 (c) makes any false or misleading statements as to the dividends or
27 share of surplus previously paid on any insurance policy;

28 (d) is misleading or is a misrepresentation as to the financial condition
29 of any person, or as to the legal reserve system upon which any life insurer
30 operates;

31 (e) uses any name or title of any insurance policy or class of insurance
32 policies misrepresenting the true nature thereof;

33 (f) is a misrepresentation for the purpose of inducing or tending to
34 induce the lapse, forfeiture, exchange, conversion or surrender of any
35 insurance policy;

36 (g) is a misrepresentation for the purpose of effecting a pledge or
37 assignment of or effecting a loan against any insurance policy; or

38 (h) misrepresents any insurance policy as being shares of stock.

39 (2) *False information and advertising generally.* Making, publishing,
40 disseminating, circulating or placing before the public, or causing, directly
41 or indirectly, to be made, published, disseminated, circulated or placed
42 before the public, in a newspaper, magazine or other publication, or in
43 the form of a notice, circular, pamphlet, letter or poster, or over any radio

1 or television station, or in any other way, an advertisement, announce-
2 ment or statement containing any assertion, misrepresentation or state-
3 ment with respect to the business of insurance or with respect to any
4 person in the conduct of such person's insurance business, which is un-
5 true, deceptive or misleading.

6 (3) *Defamation.* Making, publishing, disseminating or circulating, di-
7 rectly or indirectly, or aiding, abetting or encouraging the making, pub-
8 lishing, disseminating or circulating of any oral or written statement or
9 any pamphlet, circular, article or literature which is false, or maliciously
10 critical of or derogatory to the financial condition of any person, and which
11 is calculated to injure such person.

12 (4) *Boycott, coercion and intimidation.* Entering into any agreement
13 to commit, or by any concerted action committing, any act of boycott,
14 coercion or intimidation resulting in or tending to result in unreasonable
15 restraint of the business of insurance, or by any act of boycott, coercion
16 or intimidation monopolizing or attempting to monopolize any part of the
17 business of insurance.

18 (5) *False statements and entries.* (a) Knowingly filing with any super-
19 visory or other public official, or knowingly making, publishing, dissemi-
20 nating, circulating or delivering to any person, or placing before the pub-
21 lic, or knowingly causing directly or indirectly, to be made, published,
22 disseminated, circulated, delivered to any person, or placed before the
23 public, any false material statement of fact as to the financial condition
24 of a person.

25 (b) Knowingly making any false entry of a material fact in any book,
26 report or statement of any person or knowingly omitting to make a true
27 entry of any material fact pertaining to the business of such person in any
28 book, report or statement of such person.

29 (6) *Stock operations and advisory board contracts.* Issuing or deliv-
30 ering or permitting agents, officers or employees to issue or deliver,
31 agency company stock or other capital stock, or benefit certificates or
32 shares in any common-law corporation, or securities or any special or
33 advisory board contracts or other contracts of any kind promising returns
34 and profits as an inducement to insurance. Nothing herein shall prohibit
35 the acts permitted by K.S.A. 40-232, and amendments thereto.

36 (7) *Unfair discrimination.* (a) Making or permitting any unfair dis-
37 crimination between individuals of the same class and equal expectation
38 of life in the rates charged for any contract of life insurance or life annuity
39 or in the dividends or other benefits payable thereon, or in any other of
40 the terms and conditions of such contract.

41 (b) Making or permitting any unfair discrimination between individ-
42 uals of the same class and of essentially the same hazard in the amount
43 of premium, policy fees or rates charged for any policy or contract of

1 accident or health insurance or in the benefits payable thereunder, or in
2 any of the terms or conditions of such contract, or in any other manner
3 whatever.

4 (c) Refusing to insure, or refusing to continue to insure, or limiting
5 the amount, extent or kind of coverage available to an individual, or charg-
6 ing an individual a different rate for the same coverage solely because of
7 blindness or partial blindness. With respect to all other conditions, in-
8 cluding the underlying cause of the blindness or partial blindness, persons
9 who are blind or partially blind shall be subject to the same standards of
10 sound actuarial principles or actual or reasonably anticipated experience
11 as are sighted persons. Refusal to insure includes denial by an insurer of
12 disability insurance coverage on the grounds that the policy defines “dis-
13 ability” as being presumed in the event that the insured loses such per-
14 son’s eyesight. However, an insurer may exclude from coverage disabili-
15 ties consisting solely of blindness or partial blindness when such condition
16 existed at the time the policy was issued.

17 (d) Refusing to insure, or refusing to continue to insure, or limiting
18 the amount, extent or kind of coverage available for accident and health
19 and life insurance to an applicant who is the proposed insured or charge
20 a different rate for the same coverage or excluding or limiting coverage
21 for losses or denying a claim incurred by an insured as a result of abuse
22 based on the fact that the applicant who is the proposed insured is, has
23 been, or may be the subject of domestic abuse, except as provided in
24 subpart (v). “Abuse” as used in this subsection (7)(d) means one or more
25 acts defined in subsection (a) or (b) of K.S.A. 60-3102 and amendments
26 thereto between family members, current or former household members,
27 or current or former intimate partners.

28 (i) An insurer may not ask an applicant for life or accident and health
29 insurance who is the proposed insured if the individual is, has been or
30 may be the subject of domestic abuse or seeks, has sought or had reason
31 to seek medical or psychological treatment or counseling specifically for
32 abuse, protection from abuse or shelter from abuse.

33 (ii) Nothing in this section shall be construed to prohibit a person
34 from declining to issue an insurance policy insuring the life of an individ-
35 ual who is, has been or has the potential to be the subject of abuse if the
36 perpetrator of the abuse is the applicant or would be the owner of the
37 insurance policy.

38 (iii) No insurer that issues a life or accident and health policy to an
39 individual who is, has been or may be the subject of domestic abuse shall
40 be subject to civil or criminal liability for the death or any injuries suffered
41 by that individual as a result of domestic abuse.

42 (iv) No person shall refuse to insure, refuse to continue to insure,
43 limit the amount, extent or kind of coverage available to an individual or

1 charge a different rate for the same coverage solely because of physical
2 or mental condition, except where the refusal, limitation or rate differ-
3 ential is based on sound actuarial principles.

4 (v) Nothing in this section shall be construed to prohibit a person
5 from underwriting or rating a risk on the basis of a preexisting physical
6 or mental condition, even if such condition has been caused by abuse,
7 provided that:

8 (A) The person routinely underwrites or rates such condition in the
9 same manner with respect to an insured or an applicant who is not a
10 victim of abuse;

11 (B) the fact that an individual is, has been or may be the subject of
12 abuse may not be considered a physical or mental condition; and

13 (C) such underwriting or rating is not used to evade the intent of this
14 section or any other provision of the Kansas insurance code.

15 (vi) Any person who underwrites or rates a risk on the basis of pre-
16 existing physical or mental condition as set forth in subsection (7)(d)(v),
17 shall treat such underwriting or rating as an adverse underwriting decision
18 pursuant to K.S.A. 40-2,112, and amendments thereto.

19 (vii) The provisions of subsection (d) shall apply to all policies of life
20 and accident and health insurance issued in this state after the effective
21 date of this act and all existing contracts which are renewed on or after
22 the effective date of this act.

23 (8) *Rebates.* (a) Except as otherwise expressly provided by law, know-
24 ingly permitting, offering to make or making any contract of life insur-
25 ance, life annuity or accident and health insurance, or agreement as to
26 such contract other than as plainly expressed in the insurance contract
27 issued thereon; paying, allowing, giving or offering to pay, allow or give,
28 directly or indirectly, as inducement to such insurance, or annuity, any
29 rebate of premiums payable on the contract, any special favor or advan-
30 tage in the dividends or other benefits thereon, or any valuable consid-
31 eration or inducement whatever not specified in the contract; or giving,
32 selling, purchasing or offering to give, sell or purchase as inducement to
33 such insurance contract or annuity or in connection therewith, any stocks,
34 bonds or other securities of any insurance company or other corporation,
35 association or partnership, or any dividends or profits accrued thereon,
36 or anything of value whatsoever not specified in the contract.

37 (b) Nothing in subsection (7) or (8)(a) shall be construed as including
38 within the definition of discrimination or rebates any of the following
39 practices:

40 (i) In the case of any contract of life insurance or life annuity, paying
41 bonuses to policyholders or otherwise abating their premiums in whole
42 or in part out of surplus accumulated from nonparticipating insurance.
43 Any such bonuses or abatement of premiums shall be fair and equitable

1 to policyholders and for the best interests of the company and its
2 policyholders;

3 (ii) in the case of life insurance policies issued on the industrial debit
4 plan, making allowance to policyholders who have continuously for a spec-
5 ified period made premium payments directly to an office of the insurer
6 in an amount which fairly represents the saving in collection expenses; or
7 (iii) readjustment of the rate of premium for a group insurance policy
8 based on the loss or expense experience thereunder, at the end of the
9 first or any subsequent policy year of insurance thereunder, which may
10 be made retroactive only for such policy year.

11 (9) *Unfair claim settlement practices.* (a) It is an unfair claim settle-
12 ment practice if any of the following or any rules and regulations pertain-
13 ing thereto are: (A) Committed flagrantly and in conscious disregard of
14 such provisions, or (B) committed with such frequency as to indicate a
15 general business practice.

16 ~~(a)~~ (i) Misrepresenting pertinent facts or insurance policy provisions
17 relating to coverages at issue;

18 ~~(b)~~ (ii) failing to acknowledge and act reasonably promptly upon com-
19 munications with respect to claims arising under insurance policies;

20 ~~(c)~~ (iii) failing to adopt and implement reasonable standards for the
21 prompt investigation of claims arising under insurance policies;

22 ~~(d)~~ (iv) refusing to pay claims without conducting a reasonable in-
23 vestigation based upon all available information;

24 ~~(e)~~ (v) failing to affirm or deny coverage of claims within a reasonable
25 time after proof of loss statements have been completed;

26 ~~(f)~~ (vi) not attempting in good faith to effectuate prompt, fair and
27 equitable settlements of claims in which liability has become reasonably
28 clear;

29 ~~(g)~~ (vii) compelling insureds to institute litigation to recover amounts
30 due under an insurance policy by offering substantially less than the
31 amounts ultimately recovered in actions brought by such insureds;

32 ~~(h)~~ (viii) attempting to settle a claim for less than the amount to which
33 a reasonable person would have believed that such person was entitled
34 by reference to written or printed advertising material accompanying or
35 made part of an application;

36 ~~(i)~~ (ix) attempting to settle claims on the basis of an application which
37 was altered without notice to, or knowledge or consent of the insured;

38 ~~(j)~~ (x) making claims payments to insureds or beneficiaries not ac-
39 companied by a statement setting forth the coverage under which pay-
40 ments are being made;

41 ~~(k)~~ (xi) making known to insureds or claimants a policy of appealing
42 from arbitration awards in favor of insureds or claimants for the purpose
43 of compelling them to accept settlements or compromises less than the

1 amount awarded in arbitration;

2 ~~(ii)~~ (xii) delaying the investigation or payment of claims by requiring

3 an insured, claimant or the physician of either to submit a preliminary

4 claim report and then requiring the subsequent submission of formal

5 proof of loss forms, both of which submissions contain substantially the

6 same information;

7 ~~(iii)~~ (xiii) failing to promptly settle claims, where liability has become

8 reasonably clear, under one portion of the insurance policy coverage in

9 order to influence settlements under other portions of the insurance pol-

10 icy coverage; ~~or~~

11 ~~(iv)~~ (xiv) failing to promptly provide a reasonable explanation of the

12 basis in the insurance policy in relation to the facts or applicable law for

13 denial of a claim or for the offer of a compromise settlement;

14 (xv) *modifying any published manual, such as motors, mitchells or*

15 *any automated appraisal system, relating to auto body repair without*

16 *prior agreement between the parties;*

17 (xvi) *failing to use a manual or system in its entirety in the appraisal*

18 *of a motor vehicle; or*

19 (xvii) *refusing to compensate an auto body shop for documented*

20 *charges as identified through industry recognized software programs or*

21 *systems for paint and refinishing materials in auto body repair claims.*

22 (b) *Nothing contained in (a)(xv), (xvi) and (xvii) shall be construed to*

23 *interfere with an auto body repair facility's contract with an insurance*

24 *company.*

25 (c) *If an insurance company and auto body repair facility have con-*

26 *tracted under a direct repair program or any similar program, the pro-*

27 *visions of (a)(xv), (xvi) and (xvii) shall not apply.*

28 (d) *If the insured or claimant elects to have the vehicle repaired at a*

29 *shop of their choice, the insurer shall not limit or discount the reasonable*

30 *repair costs based upon the charges that would have been incurred had*

31 *the vehicle been repaired by the insurer's chosen shop.*

32 (10) *Failure to maintain complaint handling procedures.* Failure of

33 any person, who is an insurer on an insurance policy, to maintain a com-
 34 plete record of all the complaints which it has received since the date of
 35 its last examination under K.S.A. 40-222, and amendments thereto; but
 36 no such records shall be required for complaints received prior to the
 37 effective date of this act. The record shall indicate the total number of
 38 complaints, their classification by line of insurance, the nature of each
 39 complaint, the disposition of the complaints, the date each complaint was
 40 originally received by the insurer and the date of final disposition of each
 41 complaint. For purposes of this subsection, "complaint" means any writ-
 42 ten communication primarily expressing a grievance related to the acts
 43 and practices set out in this section.

- 1 (11) *Misrepresentation in insurance applications.* Making false or
2 fraudulent statements or representations on or relative to an application
3 for an insurance policy, for the purpose of obtaining a fee, commission,
4 money or other benefit from any insurer, agent, broker or individual.
- 5 (12) *Statutory violations.* Any violation of any of the provisions of
6 K.S.A. 40-216, 40-276a, 40-2,155 or 40-1515 and amendments thereto.
- 7 (13) *Disclosure of information relating to adverse underwriting de-*
8 *isions and refund of premiums.* Failing to comply with the provisions of
9 K.S.A. 40-2,112, and amendments thereto, within the time prescribed in
10 such section.
- 11 (14) *Rebates and other inducements in title insurance.* (a) No title
12 insurance company or title insurance agent, or any officer, employee,
13 attorney, agent or solicitor thereof, may pay, allow or give, or offer to pay,
14 allow or give, directly or indirectly, as an inducement to obtaining any
15 title insurance business, any rebate, reduction or abatement of any rate
16 or charge made incident to the issuance of such insurance, any special
17 favor or advantage not generally available to others of the same classifi-
18 cation, or any money, thing of value or other consideration or material
19 inducement. The words “charge made incident to the issuance of such
20 insurance” includes, without limitations, escrow, settlement and closing
21 charges.
- 22 (b) No insured named in a title insurance policy or contract nor any
23 other person directly or indirectly connected with the transaction involv-
24 ing the issuance of the policy or contract, including, but not limited to,
25 mortgage lender, real estate broker, builder, attorney or any officer, em-
26 ployee, agent representative or solicitor thereof, or any other person may
27 knowingly receive or accept, directly or indirectly, any rebate, reduction
28 or abatement of any charge, or any special favor or advantage or any
29 monetary consideration or inducement referred to in (14)(a).
- 30 (c) Nothing in this section shall be construed as prohibiting:
- 31 (i) The payment of reasonable fees for services actually rendered to
32 a title insurance agent in connection with a title insurance transaction;
- 33 (ii) the payment of an earned commission to a duly appointed title
34 insurance agent for services actually performed in the issuance of the
35 policy of title insurance; or
- 36 (iii) the payment of reasonable entertainment and advertising
37 expenses.
- 38 (d) Nothing in this section prohibits the division of rates and charges
39 between or among a title insurance company and its agent, or one or
40 more title insurance companies and one or more title insurance agents,
41 if such division of rates and charges does not constitute an unlawful rebate
42 under the provisions of this section and is not in payment of a forwarding
43 fee or a finder’s fee.

- 1 (e) As used in paragraphs (e) through (i)(7) of this subpart, unless the
2 context otherwise requires:
- 3 (i) "Associate" means any firm, association, organization, partnership,
4 business trust, corporation or other legal entity organized for profit in
5 which a producer of title business is a director, officer or partner thereof,
6 or owner of a financial interest; the spouse or any relative within the
7 second degree by blood or marriage of a producer of title business who
8 is a natural person; any director, officer or employee of a producer of title
9 business or associate; any legal entity that controls, is controlled by, or is
10 under common control with a producer of title business or associate; and
11 any natural person or legal entity with whom a producer of title business
12 or associate has any agreement, arrangement or understanding or pursues
13 any course of conduct, the purpose or effect of which is to evade the
14 provisions of this section.
- 15 (ii) "Financial interest" means any direct or indirect interest, legal or
16 beneficial, where the holder thereof is or will be entitled to 1% or more
17 of the net profits or net worth of the entity in which such interest is held.
18 Notwithstanding the foregoing, an interest of less than 1% or any other
19 type of interest shall constitute a "financial interest" if the primary pur-
20 pose of the acquisition or retention of that interest is the financial benefit
21 to be obtained as a consequence of that interest from the referral of title
22 business.
- 23 (iii) "Person" means any natural person, partnership, association, co-
24 operative, corporation, trust or other legal entity.
- 25 (iv) "Producer of title business" or "producer" means any person,
26 including any officer, director or owner of 5% or more of the equity or
27 capital or both of any person, engaged in this state in the trade, business,
28 occupation or profession of:
- 29 (A) Buying or selling interests in real property;
- 30 (B) making loans secured by interests in real property; or
- 31 (C) acting as broker, agent, representative or attorney for a person
32 who buys or sells any interest in real property or who lends or borrows
33 money with such interest as security.
- 34 (v) "Refer" means to direct or cause to be directed or to exercise any
35 power or influence over the direction of title insurance business, whether
36 or not the consent or approval of any other person is sought or obtained
37 with respect to the referral.
- 38 (f) No title insurer or title agent may accept any order for, issue a
39 title insurance policy to, or provide services to, an applicant if it knows
40 or has reason to believe that the applicant was referred to it by any pro-
41 ducer of title business or by any associate of such producer, where the
42 producer, the associate, or both, have a financial interest in the title in-
43 surer or title agent to which business is referred unless the producer has

1 disclosed to the buyer, seller and lender the financial interest of the pro-
2 ducer of title business or associate referring the title insurance business.

3 (g) No title insurer or title agent may accept an order for title insur-
4 ance business, issue a title insurance policy, or receive or retain any pre-
5 mium, or charge in connection with any transaction if: (i) The title insurer
6 or title agent knows or has reason to believe that the transaction will
7 constitute controlled business for that title insurer or title agent, and (ii)
8 70% or more of the closed title orders of that title insurer or title agent
9 during the 12 full calendar months immediately preceding the month in
10 which the transaction takes place is derived from controlled business. The
11 prohibitions contained in this subparagraph shall not apply to transactions
12 involving real estate located in a county that has a population, as shown
13 by the last preceding decennial census, of 10,000 or less.

14 (h) Within 90 days following the end of each business year, as estab-
15 lished by the title insurer or title agent, each title insurer or title agent
16 shall file with the department of insurance and any title insurer with which
17 the title agent maintains an underwriting agreement, a report executed
18 by the title insurer's or title agent's chief executive officer or designee,
19 under penalty of perjury, stating the percent of closed title orders origi-
20 nating from controlled business. The failure of a title insurer or title agent
21 to comply with the requirements of this section, at the discretion of the
22 commissioner, shall be grounds for the suspension or revocation of a
23 license or other disciplinary action, with the commissioner able to miti-
24 gate any such disciplinary action if the title insurer or title agent is found
25 to be in substantial compliance with competitive behavior as defined by
26 federal housing and urban development statement of policy 1996-2.

27 (i) (1) No title insurer or title agent may accept any title insurance
28 order or issue a title insurance policy to any person if it knows or has
29 reason to believe that such person was referred to it by any producer of
30 title business or by any associate of such producer, where the producer,
31 the associate, or both, have a financial interest in the title insurer or title
32 agent to which business is referred unless the producer has disclosed in
33 writing to the person so referred the fact that such producer or associate
34 has a financial interest in the title insurer or title agent, the nature of the
35 financial interest and a written estimate of the charge or range of charges
36 generally made by the title insurer or agent for the title services. Such
37 disclosure shall include language stating that the consumer is not obli-
38 gated to use the title insurer or agent in which the referring producer or
39 associate has a financial interest and shall include the names and tele-
40 phone numbers of not less than three other title insurers or agents which
41 operate in the county in which the property is located. If fewer than three
42 insurers or agents operate in that county, the disclosure shall include all
43 title insurers or agents operating in that county. Such written disclosure

1 shall be signed by the person so referred and must have occurred prior
2 to any commitment having been made to such title insurer or agent.

3 (2) No producer of title business or associate of such producer shall
4 require, directly or indirectly, as a condition to selling or furnishing any
5 other person any loan or extension thereof, credit, sale, property, contract,
6 lease or service, that such other person shall purchase title insurance of
7 any kind through any title agent or title insurer if such producer has a
8 financial interest in such title agent or title insurer.

9 (3) No title insurer or title agent may accept any title insurance order
10 or issue a title insurance policy to any person it knows or has reason to
11 believe that the name of the title company was pre-printed in the sales
12 contract, prior to the buyer or seller selecting that title company.

13 (4) Nothing in this subpart (i) shall prohibit any producer of title
14 business or associate of such producer from referring title business to any
15 title insurer or title agent of such producer's or associate's choice, and, if
16 such producer or associate of such producer has any financial interest in
17 the title insurer, from receiving income, profits or dividends produced or
18 realized from such financial interest, so long as:

19 (a) Such financial interest is disclosed to the purchaser of the title
20 insurance in accordance with part (i)(1) through (4) of this subpart;

21 (b) the payment of income, profits or dividends is not in exchange
22 for the referral of business; and

23 (c) the receipt of income, profits or dividends constitutes only a re-
24 turn on the investment of the producer or associate.

25 (5) Any producer of title business or associate of such producer who
26 violates the provisions of paragraphs (i)(2) through (i)(4), or any title in-
27 surer or title agent who accepts an order for title insurance knowing that
28 it is in violation of paragraphs (i)(2) through (i)(4), in addition to any other
29 action which may be taken by the commissioner of insurance, shall be
30 subject to a fine by the commissioner in an amount equal to five times
31 the premium for the title insurance and, if licensed pursuant to K.S.A.
32 58-3034 et seq., and amendments thereto, shall be deemed to have com-
33 mitted a prohibited act pursuant to K.S.A. 58-3602, and amendments
34 thereto, and shall be liable to the purchaser of such title insurance in an
35 amount equal to the premium for the title insurance.

36 (6) Any title insurer or title agent that is a competitor of any title
37 insurer or title agent that, subsequent to the effective date of this act, has
38 violated or is violating the provisions of subpart (i), shall have a cause of
39 action against such title insurer or title agent and, upon establishing the
40 existence of a violation of any such provision, shall be entitled, in addition
41 to any other damages or remedies provided by law, to such equitable or
42 injunctive relief as the court deems proper. In any such action under this
43 subsection, the court may award to the successful party the court costs

1 of the action together with reasonable attorney fees.

2 (7) The commissioner shall also require each title agent to provide
3 core title services as required by the real estate settlement procedures
4 act.

5 (j) The commissioner shall adopt any regulations necessary to carry
6 out the provisions of this act.

7 (15) *Disclosure of nonpublic personal information.* (a) No person
8 shall disclose any nonpublic personal information contrary to the provi-
9 sions of title V of the Gramm-Leach-Bliley act of 1999 (public law 106-
10 102). The commissioner may adopt rules and regulations necessary to
11 carry out this section. Such rules and regulations shall be consistent with
12 and not more restrictive than the model regulation adopted on September
13 26, 2000, by the national association of insurance commissioners entitled
14 “Privacy of consumer financial and health information regulation”.

15 (b) Any rules and regulations adopted by the commissioner which
16 implement article V of the model regulation adopted on September 26,
17 2000, by the national association of insurance commissioners entitled
18 “Privacy of consumer financial and health information regulation” shall
19 become effective on and after February 1, 2002.

20 (c) Nothing in this paragraph (15) shall be deemed or construed to
21 authorize the promulgation or adoption of any regulation which preempts,
22 supersedes or is inconsistent with any provision of Kansas law concerning
23 requirements for notification of, or obtaining consent from, a parent,
24 guardian or other legal custodian of a minor relating to any matter per-
25 taining to the health and medical treatment for such minor.

26 Sec. 2. K.S.A. 2007 Supp. 40-2404 is hereby repealed.

27 Sec. 3. This act shall take effect and be in force from and after its
28 publication in the statute book.