

Approved April 27, 1990  
Date

MINUTES OF THE House COMMITTEE ON Insurance

The meeting was called to order by Dale Sprague at  
Chairperson

3:30 ~~xx~~ a.m./p.m. on April 5, 1990 in room 531-n of the Capitol.

All members were present except:

Representative Delbert Gross, absent  
Representative Henry Helgerson, absent  
Representative Michael Sawyer, absent

Committee staff present:

Chris Courtwright, Legislative Research Department  
Bill Edds, Revisor of Statutes Office

Conferees appearing before the committee:

Dick Brock, Kansas Insurance Department  
Dave Hanson, Kansas Life Insurance Association and  
Kansas Property and Casualty Insurance  
Lori Callahan, American Insurance Association  
Pat Hurley, Pete McGill & Associates and  
Hoylake Investments, Ltd.

The Chairman called the meeting to order at 12:10 p.m. and hearings began on SB 786.

SB 786 -- An Act concerning insurance holding companies; relating to hearings and assessment of administrative costs thereof; amending section 3 of 1990 Senate Bill No. 576 and repealing the existing section.

Dick Brock, Insurance Department gave an overview of SB 786 explaining that New Section 3 of SB 576 allows the Department to pass along hearing costs for all types of hearings. He stated that SB 786 would limit the applicability of the new language in that section regarding hearing costs to those hearings relating only to insurance holding companies. He also stated that without SB 786, costs for hearings for application of an agent's license, for example, would be required to be passed along to applicants. Mr. Brock said that "aggrieved parties" could be required to pay for certain rate approval hearings if SB 786 is not passed.

Dave Hanson, Kansas Life Insurance Association and Kansas Property and Casualty Insurance appeared in support of the bill for the same reasons that Mr. Brock discussed.

Lori Callahan, American Insurance Association briefly appeared in support of the bill for reasons previously heard.

Pat Hurley, Pete McGill & Associates appeared on behalf of Hoylake Investments, Ltd. Mr. Hurley apologized to the Committee for the confusion caused by insertion of New Section 3 in SB 576. He explained that the intent was that the language would only apply to insurance holding company hearings.

CONTINUATION SHEET

MINUTES OF THE House COMMITTEE ON Insurance,

room 531-N, Statehouse, at 3:30 ~~xx~~ a.m./p.m. on April 5, 90.

Bill Edds, Revisor of Statutes Office, suggested that some technical amendments were necessary.

A motion was made by Representative Allen to recommend SB 786, with the technical amendments, favorable for passage. Representative Hoy seconded. The motion carried.

The Chairman adjourned the meeting at 12:35 p.m.