

MINUTES OF THE HOUSE INSURANCE COMMITTEE

The meeting was called to order by Chairman Clark Shultz at 3:30 p.m. on January 28, 2010, in Room 152-S of the Capitol.

All members were present except:

- Representative Brunk - excused
- Representative Davis - excused
- Representative Hermanson - excused

Committee staff present:

- Bruce Kinzie, Office of the Revisor of Statutes
- Sean Ostrow, Office of the Revisor of Statutes
- Terri Weber, Kansas Legislative Research Department
- Lauren Douglass, Kansas Legislative Research Department
- Sue Fowler, Committee Assistant

Conferees appearing before the Committee:

- John H. Meetz, Kansas Insurance Department

Others attending:

- See attached list.

Introduction of Bills:

Representative Talia, District #23, requested introduction of a bill to create a public market for private insurance. Representative Swenson moved for introduction of the bill. Seconded by Representative Burroughs. Motion passed.

Hearing on:

HB 2492 **Motor vehicle liability coverage, evidence of financial security.**

Proponents:

John H. Meetz, Kansas Insurance Department, (Attachment 1), appeared before the committee in support of **HB 2492.**

Hearing closed on **HB 2492.**

Discussion and action on:

HB 2500 **Allowing a municipal pool to apply for a certificate of authority with proof of reinsurance approved by the insurance commissioner.**

Representative Swenson moved **HB 2500** favorable for passage and place on the Consent Calendar. Seconded by Representative Neighbor. Motion passed.

HB 2501 **Allowing the insurance commissioner to grant a waiver to mortgage guaranty insurance companies exceeding the liability limit for up to two years.**

Representative Peck moved **HB 2501** favorable for passage. Seconded by Representative Olson. Motion passed.

Representative Grant moved without objection to pass the January 26, 2010 committee minutes as written.

The next meeting is scheduled for Tuesday, February 2, 2010, 3:30 p.m.

The meeting was adjourned at 3:53 p.m.

House Insurance Committee
 Guest Sign In Sheet
 Thursday, January 28, 2010

Name	Representing
Alex Kobovantz	Ks. Ass. of Professional Insurance
Ken Abitz	Ks. Ins. Dept.
John Meek	KID
Svend Koops	Main Law Firm
Bill Sneed	MICA
Bill Sneed	KCRMP
Ken Carter	CBT
Matt Casey	GBA
Natalie Bueh	KATHB
Lee Wright	Farmers Ins
David Hanson	Ks Insur Assns/PCI



Kansas Insurance Department

Sandy Praeger, Commissioner of Insurance

TESTIMONY ON HB 2492

HOUSE INSURANCE COMMITTEE January 28, 2010

Mr. Chairman and Members of the Committee:

Thank you for the opportunity to testify in support of House Bill 2492. This bill amends the statute that deals with proof of motor vehicle insurance and its enforcement. Rather than making an actual policy change, the sole purpose of this particular bill is to make laws for insurance statute consistent with laws governing the Department of Revenue and their enforcement of automobile financial responsibility law.

In 1996 HB 2691 was signed into law in an attempt to create stricter enforcement of the automobile liability insurance requirements in Kansas. Several changes were made to both Chapters 8 and 40 to tighten and streamline the enforcement of this law. One of the changes to KSA 8-1604 was that the make and year of a vehicle were required to be present on the motor vehicle liability insurance verification card. However, this change was not added to a virtually identical clause in KSA 40-3104 that deals specifically with insurance code.

Since 1996 all automobile liability insurance companies doing business in Kansas have complied with KSA 8-1604 and have included both the make and year of a vehicle on their proof of insurance identification card, so in essence this bill represents no substantive policy change. However we feel it is prudent to correct inconsistencies in Kansas Statute whenever possible to prevent potential legal loopholes that could skirt the intent of Kansas law. For that reason we would ask the committee to recommend HB 2492 favorable for passage.

Thank you for the opportunity to appear and I would be happy to stand for questions at the appropriate time.

John Meetz
Government Affairs Liaison

House Insurance
Date: 1-28-10
Attachment # 1