## SESSION OF 2006

## SUPPLEMENTAL NOTE ON SENATE CONCURRENT RESOLUTION NO. 1619

As Amended by House Committee of the Whole

## Brief\*

SCR 1619 calls for a task force to be created to study the design and implementation of an electronic motor vehicle financial security verification system for real time verification of compliance with the financial security requirements of the Kansas Automobile Injury Reparations Act.

The resolution states that the design of an electronic motor vehicle financial security verification system needs to include the following factors:

- The likelihood the system would reduce the number of uninsured motorists in the state;
- The likelihood the system would aid law enforcement in the identification of uninsured motorists in this state;
- The reliability of the system;
- The cost-effectiveness of the system;
- Privacy protections of the system;
- Data security and integrity of the system; and
- Any other issue related to the proper design and implementation of the system.

The seventeen-member task force includes:

The Insurance Commissioner or designated representative;

<sup>\*</sup>Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at http://www.kslegislature.org

- The Secretary of Revenue or designated representative;
- The Director of the Division of Motor Vehicles or designated representative;
- Four legislators one member each appointed by the Senate President, the Senate Minority Leader, the Speaker of the House of Representatives, and the House Minority Leader;
- One member representing a domestic property and casualty insurance company appointed by the Insurance Commissioner from a list submitted by the Kansas Association of Property and Casualty Insurance Companies;
- One member representing a foreign property and casualty insurance company appointed by the Insurance Commissioner from a list submitted by the Kansas Association of Property and Casualty Insurance Companies;
- One member representing foreign stock insurance companies appointed by the Insurance Commissioner from a list submitted by the American Insurance Association;
- One member representing automobile insurance companies appointed by the Insurance Commissioner from a list of the top six automobile insurance premium writers in Kansas;
- One member representing a property and casualty company appointed by the Insurance Commissioner from a list submitted by the Property Casualty Insurers Association of America;
- One member representing a property and casualty company appointed by the Insurance Commissioner from a list submitted by the National Association of Mutual Insurance Companies;
- One member representing the Kansas licensed insurance agents appointed by the Insurance Commissioner from a list submitted by the Kansas Association of Insurance Agents;
- Two members appointed by the Governor representing law enforcement; and
- One member appointed by the Governor representing the consumer interests.

The Insurance Commissioner would serve as the chairperson of the task force and is to appoint the vice-chairperson from the task force membership. The resolution provides that the chairperson and vice-chairperson are not to be from the same political party. No task force member is to receive any compensation, subsistence, mileage or other allowances for serving on the task force and attending meetings.

A report that contains the results of the task force's study and its recommendations and conclusions is to be transmitted to the Speaker of the House of Representatives, the Senate President, the Chairperson of the House Insurance Committee, and the Chairperson of the Senate Financial Institutions and Insurance Committee no later than the convening of the 2007 Kansas Legislature.

## **Background**

SCR 1619 was introduced by the Committee on Ways and Means. The Senate Committee on Financial Institutions and Insurance had recommended introduction of a resolution to address issues raised during its hearing and discussions of 2006 SB 321.

The House Committee of the Whole amended the bill to create representation on the task force for automobile insurance companies and to update the name of the property and casualty company representative association that is required to submit a list to the Commissioner.