

SESSION OF 2007

SUPPLEMENTAL NOTE ON SENATE BILL NO. 111

As Amended by Senate Committee on
Financial Institutions and Insurance

Brief*

SB 111, as amended, would amend a statute governing the examination of insurance companies and reporting requirements to the Insurance Commissioner. The bill would add law enforcement officials of any other country and officials of any agency of another country to the list of officials and agencies that the Commissioner is permitted to disclose examination documents.

Background

SB 111 was requested by the Insurance Commissioner whose representative indicated that the National Association of Insurance Commissioners (NAIC) has indicated that future NAIC accreditation standards will include the requirement that insurance departments share examination reports with agencies of other countries. In addition, the representative indicated that the sharing of examination reports will allow the Department to facilitate the opening of international markets to Kansas insurance companies (as Kansas companies wishing to sell policies in the international marketplace must comply with many of the same standards that foreign companies must obey when entering our insurance marketplace).

The Senate Committee on Financial Institutions and Insurance amendment clarifies the application of "agency of any other country" to include both law enforcement officials from other countries and separately, other officials from any agency of another country. The disclosure requirement, including the agreement in writing to maintain confidentiality, remains unchanged.

The fiscal note prepared by the Division of the Budget on the original bill indicates that passage of the bill would have no fiscal effect on the Kansas Insurance Department.

*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>