

February 5, 2025

The Honorable Brenda Dietrich, Chairperson
Senate Committee on Financial Institutions and Insurance
300 SW 10th Avenue, Room 546-S
Topeka, Kansas 66612

Dear Senator Dietrich:

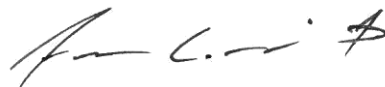
SUBJECT: Fiscal Note for SB 121 by Senate Committee on Financial Institutions and Insurance

In accordance with KSA 75-3715a, the following fiscal note concerning SB 121 is respectfully submitted to your committee.

SB 121 would authorize the Insurance Commissioner to select and to announce the version of the National Association of Insurance Commissioners (NAIC) for risk-based capital instructions that would become effective for the upcoming calendar year. The announcement would be required to be published no later than December 1 each year in the *Kansas Register*. The bill would also clarify that health organization risk-based capital includes an organization licensed as a life and health insurer that the Commissioner has determined to report mainly health lines of business. The bill would also update the Insurance Holding Company Act to adopt provisions for group capital calculations and liquidity stress testing requirements, and would align the Act with NAIC accreditation standards.

The Kansas Insurance Department states that the bill would not have a fiscal effect.

Sincerely,



Adam C. Proffitt
Director of the Budget

cc: Kyle Strathman, Insurance Department