

As Amended by House Committee

Session of 2025

HOUSE BILL No. 2050

By Committee on Insurance

Requested by Eric Turek, Kansas Insurance Department

1-21

1 AN ACT concerning insurance; relating to the powers, duties and  
2 responsibilities of the commissioner of insurance; authorizing the  
3 commissioner of insurance to set the amount of certain fees; requiring the  
4 publication of certain fees in the Kansas register; amending K.S.A.  
5 40-205a, 40-218, 40-252, 40-2,133, 40-504, 40-956, 40-22a04, 40-  
6 2604, 40-2702, 40-3213, 40-3304, 40-3812, 40-3813, 40-3814, 40-  
7 4103, 40-4116, 40-4323, 40-4334, 40-4503, 40-5003 and 40-5509 and  
8 K.S.A. 2024 Supp. 40-3823, 40-3824, 40-4209, 40-4302 and 40-4903  
9 and repealing the existing sections; also repealing K.S.A. 40-3217.

10  
11 *Be it enacted by the Legislature of the State of Kansas:*

12 Section 1. K.S.A. 40-205a is hereby amended to read as follows: 40-  
13 205a. (a) No person shall ~~do~~ perform any act toward selling the stock of  
14 any insurance company or health maintenance organization unless such  
15 person first obtains from the commissioner of insurance written authority  
16 to engage in the business of selling the stock of such company. Such  
17 applicant shall first be appointed in writing by the president or secretary of  
18 the company for which such applicant intends to sell stock. The applicant  
19 for such license shall file with the commissioner of insurance the  
20 applicant's written application for a license authorizing the applicant to  
21 engage in the business of selling such stock. The applicant shall make  
22 sworn answers to such interrogatories as the commissioner of insurance  
23 shall require. The fee charged for the issuance of such license shall ~~be not~~  
24 exceed \$100 and shall be paid to the commissioner of insurance by the  
25 company requesting such license.

26 (b) *Not later than December 1 of each year, the commissioner shall*  
27 *set and cause to be published in the Kansas register the fee required*  
28 *pursuant to this section for the next calendar year.*

29 Sec. 2. K.S.A. 40-218 is hereby amended to read as follows: 40-218.  
30 (a) Every insurance company, or fraternal benefit society, on applying for  
31 authority to transact business in this state, and as a condition precedent to  
32 obtaining such authority, shall file in the insurance department its  
33 *irrevocable* written consent, ~~irrevocable~~, that any action or garnishment  
34 proceeding may be commenced against such company or fraternal benefit  
35 society in the proper court of any county in this state in which the cause of

1 action shall arise or in which the plaintiff may reside by the service of  
2 process on the commissioner of insurance of this state, and stipulating and  
3 agreeing that such service shall be taken and held in all courts to be as  
4 valid and binding as if due service had been made upon the president or  
5 chief officer of such corporation. Such consent shall be executed by the  
6 president and secretary of the company and shall be accompanied by a  
7 duly certified copy of the order or resolution of the board of directors,  
8 trustees or managers authorizing the president and secretary to execute the  
9 same. The summons or order of garnishment, accompanied by a fee ~~of~~ *not*  
10 *to exceed* \$25, shall be directed to the commissioner of insurance, and  
11 shall require the defendant or garnishee to answer or otherwise respond by  
12 a certain day, not less than 40 days from the date the summons or order of  
13 garnishment is served on the commissioner. *Not later than December 1 of*  
14 *each year, the commissioner shall set and cause to be published in the*  
15 *Kansas register the fee required pursuant to this subsection for the next*  
16 *calendar year.*

17 (b) Service on the commissioner of insurance of any process, notice  
18 or demand against an insurance company or fraternal benefit society shall  
19 be made by delivering to and leaving with the commissioner or the  
20 commissioner's designee, the original of the process and two copies of the  
21 process and the petition, notice of demand, or the clerk of the court may  
22 send the original process and two copies of both the process and petition,  
23 notice or demand directly to the commissioner by certified mail, return  
24 receipt requested. In the event that any process, notice or demand is served  
25 on the commissioner, the commissioner shall immediately cause a copy  
26 thereof to be forwarded by certified mail, return receipt requested to the  
27 insurance company or fraternal benefit society address to its general agent  
28 if such agent resides in this state or to the secretary of the insurance  
29 company or fraternal benefit society sued at its registered or principal  
30 office in any state in which it is domesticated. The commissioner of  
31 insurance shall make return of the summons to the court from whence it  
32 issued, showing the date of its receipt, the date of forwarding such copies,  
33 and the name and address of each person to whom a copy was forwarded.  
34 Such return shall be under the hand and seal of office, and shall have the  
35 same force and effect as a due and sufficient return made on process  
36 directed to a sheriff. The commissioner of insurance shall keep a suitable  
37 record in which shall be docketed every action commenced against an  
38 insurance company, the time when commenced, the date and manner of  
39 service; also the date of the judgment, its amount and costs, and the date of  
40 payment thereof, which shall be certified from time to time by the clerk of  
41 the court.

42 Sec. 3. K.S.A. 40-252 is hereby amended to read as follows: 40-252.  
43 *Not later than December 1 of each year, the commissioner shall set and*

1 *cause to be published in the Kansas register the fees required pursuant to*  
 2 *this section for the next calendar year.*

3 Every insurance company or fraternal benefit society organized under  
 4 the laws of this state or doing business in this state shall pay to the  
 5 commissioner of insurance fees and taxes *not to exceed the amounts*  
 6 *specified in the following schedule:*

7 A

8 *Insurance companies organized under the laws of this state:*

9 1. Capital stock insurance companies and mutual legal reserve life  
 10 insurance companies:

11 Filing application for sale of stock or certificates of indebtedness.....\$25  
 12 Admission fees:

13 Examination of charter and other documents.....500

14 Filing annual statement.....100

15 Certificate of authority.....10

16 Annual fees:

17 Filing annual statement.....100

18 Continuation of certificate of authority.....10

19 2. Mutual life, accident and health associations:

20 Admission fees:

21 Examination of charter and other documents.....\$500

22 Filing annual statement.....100

23 Certificate of authority.....10

24 Annual fees:

25 Filing annual statement.....100

26 Continuation of certificate of authority.....10

27 3. Mutual fire, hail, casualty and multiple line insurers and reciprocal or  
 28 interinsurance exchanges:

29 Admission fees:

30 Examination of charter and other documents.....\$500

31 Filing annual statement.....100

32 Certificate of authority.....10

33 Annual fees:

34 Filing annual statement.....100

35 Continuation of certificate of authority.....10

36 In addition to the above fees and as a condition precedent to the  
 37 continuation of the certificate of authority provided in this code, all such  
 38 companies shall pay a fee of \$2 for each agent *newly* certified by the  
 39 company ~~and until such time that either the company or the agent~~  
 40 **terminates such appointment. Companies** shall also pay a tax annually  
 41 upon all premiums received on risk located in this state at the rate of ~~1%~~  
 42 ~~for tax year 1997, and 2% for all tax years thereafter per annum less (1) for~~  
 43 ~~tax years prior to 1984, any taxes paid on business in this state pursuant to~~

1 ~~the provisions of K.S.A. 40-1701 to 40-1707, inclusive, and 75-1508, and~~  
 2 ~~amendments thereto, and (2) for tax years 1984 and thereafter, any taxes~~  
 3 ~~paid on business in this state pursuant to the provisions of K.S.A. 75-1508,~~  
 4 ~~and amendments thereto, and the amount of the firefighters relief tax credit~~  
 5 ~~determined by the commissioner of insurance. The amount of the~~  
 6 ~~firefighters relief tax credit for a company for the current tax year shall be~~  
 7 ~~determined by the commissioner of insurance by dividing: (A) The total~~  
 8 ~~amount of credits against the tax imposed by this section for taxes paid by~~  
 9 ~~all such companies on business in this state under K.S.A. 40-1701 to~~  
 10 ~~through 40-1707, inclusive, and amendments thereto, for tax year 1983, by~~  
 11 ~~(B) the total amount of taxes paid by all such companies on business in~~  
 12 ~~this state under K.S.A. 40-1703, and amendments thereto, for the tax year~~  
 13 ~~immediately preceding the current tax year, and by multiplying the result~~  
 14 ~~so obtained by (C) the amount of taxes paid by the company on business in~~  
 15 ~~this state under K.S.A. 40-1703, and amendments thereto, for the current~~  
 16 ~~tax year.~~

17 In the computation of the gross premiums all such companies shall be  
 18 entitled to deduct any premiums returned on account of cancellations,  
 19 including funds accepted before January 1, 1997, and declared and taxed  
 20 as annuity premiums ~~which~~ *that*, on or after January 1, 1997, are  
 21 withdrawn before application to the purchase of annuities, all premiums  
 22 received for reinsurance from any other company authorized to do  
 23 business in this state, dividends returned to policyholders and premiums  
 24 received in connection with the funding of a pension, deferred  
 25 compensation, annuity or profit-sharing plan qualified or exempt under  
 26 sections 401, 403, 404, 408, 457 or 501 of the United States internal  
 27 revenue code of 1986. Funds received by life insurers for the purchase of  
 28 annuity contracts and funds applied by life insurers to the purchase of  
 29 annuities shall not be deemed taxable premiums or be subject to tax under  
 30 this section for tax years commencing on or after January 1, 1997.

31 B

32 *Fraternal benefit societies organized under the laws of this state:*

33 Admission fees:

34 Examination of charter and other documents.....\$500  
 35 Filing annual statement.....100  
 36 Certificate of authority.....10

37 Annual fees:

38 Filing annual statement.....100  
 39 Continuation of certificate of authority.....10

40 C

41 *Mutual nonprofit hospital service corporations, nonprofit medical service*  
 42 *corporations, nonprofit dental service corporations, nonprofit optometric*  
 43 *service corporations and nonprofit pharmacy service corporations*

1 *organized under the laws of this state:*

2 1. Mutual nonprofit hospital service corporations:

3 Admission fees:

4 Examination of charter and other documents.....\$500

5 Filing annual statement.....100

6 Certificate of authority.....10

7 Annual fees:

8 Filing annual statement.....100

9 Continuation of certificate of authority.....10

10 2. Nonprofit medical service corporations:

11 Admission fees:

12 Examination of charter and other documents.....\$500

13 Filing annual statement.....100

14 Certificate of authority.....10

15 Annual fees:

16 Filing annual statement.....100

17 Continuation of certificate of authority.....10

18 3. Nonprofit dental service corporations:

19 Admission fees:

20 Examination of charter and other documents.....\$500

21 Filing annual statement.....100

22 Certificate of authority.....10

23 Annual fees:

24 Filing annual statement.....100

25 Continuation of certificate of authority.....10

26 4. Nonprofit optometric service corporations:

27 Admission fees:

28 Examination of charter and other documents.....\$500

29 Filing annual statement.....100

30 Certificate of authority.....10

31 Annual fees:

32 Filing annual statement.....100

33 Continuation of certificate of authority.....10

34 5. Nonprofit pharmacy service corporations:

35 Admission fees:

36 Examination of charter and other documents.....\$500

37 Filing annual statement.....100

38 Certificate of authority.....10

39 Annual fees:

40 Filing annual statement.....100

41 Continuation of certificate of authority.....10

42 In addition to the above fees and as a condition precedent to the

43 continuation of the certificate of authority, provided in this code, every

1 corporation or association shall pay annually to the commissioner of  
 2 insurance a tax in an amount equal to ~~1% for tax year 1997, and 2% for all~~  
 3 ~~tax years thereafter~~ per annum of the total of all premiums, subscription  
 4 charges, or any other term ~~which~~ *that* may be used to describe the charges  
 5 made by such corporation or association to subscribers for hospital,  
 6 medical or other health services or indemnity received during the  
 7 preceding year. In such computations all such corporations or associations  
 8 shall be entitled to deduct any premiums or subscription charges returned  
 9 on account of cancellations and dividends returned to members or  
 10 subscribers.

11 D

12 *Insurance companies organized under the laws of any other state, territory*  
 13 *or country:*

14 1. Capital stock insurance companies and mutual legal reserve life  
 15 insurance companies:

|  |      |
|--|------|
| 16 Filing application for sale of stock or certificates of indebtedness..... | \$25 |
| 17 Admission fees:   |      |
| 18 Examination of charter and other documents.....                           | 500  |
| 19 Filing annual statement.....  | 100  |
| 20 Certificate of authority.....   | 10   |
| 21 Annual fees:  |      |
| 22 Filing annual statement.....  | 100  |
| 23 Continuation of certificate of authority.....                             | 10   |

24 In addition to the above fees, all such companies shall pay \$5 for each  
 25 agent *newly* certified by the company, except as otherwise provided by  
 26 law.

27 As a condition precedent to the continuation of the certificate of  
 28 authority, provided in this code, every company organized under the laws  
 29 of any other state of the United States or of any foreign country shall pay a  
 30 tax upon all premiums received during the preceding year at the rate of 2%  
 31 per annum.

32 In the computation of the gross premiums all such companies shall be  
 33 entitled to deduct any premiums returned on account of cancellations,  
 34 including funds accepted before January 1, 1997, and declared and taxed  
 35 as annuity premiums ~~which~~ *that*, on or after January 1, 1997, are  
 36 withdrawn before application to the purchase of annuities, dividends  
 37 returned to policyholders and all premiums received for reinsurance from  
 38 any other company authorized to do business in this state and premiums  
 39 received in connection with the funding of a pension, deferred  
 40 compensation, annuity or profit-sharing plan qualified or exempt under  
 41 sections 401, 403, 404, 408, 457 or 501 of the United States internal  
 42 revenue code of 1986. Funds received by life insurers for the purchase of  
 43 annuity contracts and funds applied by life insurers to the purchase of

1 annuities shall not be deemed taxable premiums or be subject to tax under  
 2 this section for tax years commencing on or after January 1, 1997.

3 2. Mutual life, accident and health associations:

4 Admission fees:

5 Examination of charter and other documents.....\$500  
 6 Filing annual statement.....100  
 7 Certificate of authority.....10

8 Annual fees:

9 Filing annual statement.....100  
 10 Continuation of certificate of authority.....10

11 In addition to the above fees, every such company organized under the  
 12 laws of any other state of the United States shall pay \$5 for each agent  
 13 *newly* certified by the company; and ~~shall~~ pay a tax annually upon all  
 14 premiums received at the rate of 2% per annum.

15 In the computation of the gross premiums all such companies shall be  
 16 entitled to deduct any premiums returned on account of cancellations,  
 17 including funds accepted before January 1, 1997, and declared and taxed  
 18 as annuity premiums ~~which~~ *that*, on or after January 1, 1997, are  
 19 withdrawn before application to the purchase of annuities, dividends  
 20 returned to policyholders and all premiums received for reinsurance from  
 21 any other company authorized to do business in this state and premiums  
 22 received in connection with the funding of a pension, deferred  
 23 compensation, annuity or profit-sharing plan qualified or exempt under  
 24 sections 401, 403, 404, 408, 457 or 501 of the United States internal  
 25 revenue code of 1986. Funds received by life insurers for the purchase of  
 26 annuity contracts and funds applied by life insurers to the purchase of  
 27 annuities shall not be deemed taxable premiums or be subject to tax under  
 28 this section for tax years commencing on or after January 1, 1997.

29 3. Mutual fire, casualty and multiple line insurers and reciprocal or  
 30 interinsurance exchanges:

31 Admission fees:

32 Examination of charter and other documents and issuance of certificate  
 33 of authority.....\$500  
 34 Filing annual statement.....100  
 35 Certificate of authority.....10

36 Annual fees:

37 Filing annual statement.....100  
 38 Continuation of certificate of authority.....10

39 In addition to the above fees, every such company or association  
 40 organized under the laws of any other state of the United States shall pay a  
 41 fee of \$5 for each agent *newly* certified by the company and shall also pay  
 42 a tax annually upon all premiums received at the rate of 2% per annum.

43 For tax years 1998 and thereafter, the annual tax shall be reduced by the

1 "applicable percentage" of: (1) Any taxes paid on business in this state  
 2 pursuant to the provisions of K.S.A. 75-1508, and amendments thereto;  
 3 and (2) the amount of the firefighters relief tax credit determined by the  
 4 commissioner of insurance. The amount of the firefighters relief tax credit  
 5 for a company taxable under this subsection for the current tax year shall  
 6 be determined by the commissioner of insurance by dividing (A) the total  
 7 amount of taxes paid by all such companies on business in this state under  
 8 K.S.A. 40-1701 to 40-1707, and amendments thereto, for tax year 1983 as  
 9 then in effect, by (B) the total amount of taxes paid by all such companies  
 10 on business in this state under K.S.A. 40-1703, and amendments thereto,  
 11 for the tax year immediately preceding the current tax year, and by  
 12 multiplying the result so obtained by (C) the amount of taxes paid by the  
 13 company on business in this state under K.S.A. 40-1703, and amendments  
 14 thereto, for the current tax year. The "applicable percentage" shall be as  
 15 follows:

| 16 Tax Year            | Applicable Percentage |
|------------------------|-----------------------|
| 17 1998                | 10%                   |
| 18 1999                | 20%                   |
| 19 2000                | 40%                   |
| 20 2002                | 50%                   |
| 21 2003                | 60%                   |
| 22 2004                | 70%                   |
| 23 2005                | 80%                   |
| 24 2006                | 90%                   |
| 25 2007 and thereafter | 100%                  |

26 In the computation of the gross premiums all such companies shall be  
 27 entitled to deduct any premiums returned on account of cancellations, all  
 28 premiums received for reinsurance from any other company authorized to  
 29 do business in this state, and dividends returned to policyholders.

30 E

31 *Fraternal benefit societies organized under the laws of any other state,*  
 32 *territory or country:*

33 Admission fees:

|  |       |
|--|-------|
| 34 Examination of charter and other documents..... | \$500 |
| 35 Filing annual statement.....                    | 100   |
| 36 Certificate of authority.....                   | 10    |

37 Annual fees:

|  |     |
|--|-----|
| 38 Filing annual statement.....                  | 100 |
| 39 Continuation of certificate of authority..... | 10  |

40 F

41 *Mutual nonprofit hospital service corporations, nonprofit medical service*  
 42 *corporations, nonprofit dental service corporations, nonprofit optometric*  
 43 *service corporations and nonprofit pharmacy service corporations*





1 be paid as follows: On or before June 15 and December 15 of such year an  
2 amount equal to 50% of the full amount of the prior year's taxes as  
3 reported by the company shall be remitted to the commissioner of  
4 insurance. As used in this paragraph, "prior year's taxes" includes: (1)  
5 Taxes assessed pursuant to this section for the prior calendar year;; (2) fees  
6 and taxes assessed pursuant to K.S.A. 40-253, and amendments thereto,  
7 for the prior calendar year;; and (3) taxes paid for maintenance of the  
8 department of the state fire marshal pursuant to K.S.A. 75-1508, and  
9 amendments thereto, for the prior calendar year.

10 Upon the receipt of such returns the commissioner of insurance shall  
11 verify the same and assess the taxes upon such companies, corporations or  
12 associations on the basis and at the rate provided herein and the balance of  
13 such taxes shall thereupon become due and payable giving credit for  
14 amounts paid pursuant to the preceding paragraph, or the commissioner  
15 shall make a refund if the taxes paid in the prior June and December are in  
16 excess of the taxes assessed.

#### 17 H

18 The fee prescribed for the examination of charters and other documents  
19 shall apply to each company's initial application for admission and shall  
20 not be refundable for any reason.

21 Sec. 4. K.S.A. 40-2,133 is hereby amended to read as follows: 40-  
22 2,133. (a) No insurer may utilize or continue to utilize the services of an  
23 MGA on and after the effective date of this act unless such utilization is in  
24 compliance with this act.

25 (b) The insurer shall have on file an independent financial  
26 examination in a form acceptable to the commissioner of each MGA with  
27 which it has done business.

28 (c) If an MGA establishes loss reserves, the insurer shall annually  
29 obtain the opinion of an actuary attesting to the adequacy of loss reserves  
30 established for losses incurred and outstanding on business produced by  
31 the MGA. Such requirement shall be in addition to any other required loss  
32 reserve certification.

33 (d) The insurer shall periodically, but not less frequently than semi-  
34 annually, conduct an on-site review of the underwriting and claims  
35 processing operations of the MGA.

36 (e) Binding authority for all reinsurance contracts or participation in  
37 insurance or reinsurance syndicates shall rest with an officer of the insurer  
38 who shall not be affiliated with the MGA.

39 (f) (1) Within 30 days of entering into or termination of a contract  
40 with an MGA, the insurer shall provide written notification of such  
41 appointment or termination to the commissioner. Notices of appointment  
42 of an MGA shall include:

43 (1)(A) A statement of duties ~~which~~ that the applicant is expected to

1 perform on behalf of the insurer;

2 ~~(2)(B)~~ the lines of insurance for which the applicant is to be  
3 authorized to act;

4 ~~(3)(C)~~ a notification fee in ~~the~~ *an amount of not to exceed \$100;~~(4)~~;  
5 and*

6 (D) any other information the commissioner may request.

7 (2) *Not later than December 1 of each year, the commissioner shall*  
8 *set and cause to be published in the Kansas register the fee required*  
9 *pursuant to this subsection for the next calendar year.*

10 (g) *Each calendar quarter, an insurer shall* ~~each quarter~~ review its  
11 books and records to determine if any agent or broker has become, by  
12 operation of ~~subsection (d) of K.S.A. 40-2,130(d), and amendments~~  
13 thereto, an MGA as defined in that subsection. If the insurer determines  
14 that an agent or broker has become an MGA pursuant to the above, the  
15 insurer shall promptly notify the agent or broker and the commissioner of  
16 such determination, and the insurer and agent or broker shall fully comply  
17 with the provisions of this act within 30 days.

18 (h) An insurer shall not appoint to its board of directors an officer,  
19 director, employee or controlling shareholder of its MGAs. This subsection  
20 shall not apply to relationships governed by the applicable provisions of  
21 article 33 of chapter 40 of the Kansas Statutes Annotated, *and amendments*  
22 *thereto.*

23 Sec. 5. K.S.A. 40-504 is hereby amended to read as follows: 40-504.  
24 Any corporation heretofore organized and existing pursuant to law for the  
25 purpose of making insurance on the lives of individuals, may take  
26 advantage and have the benefit of this act by filing in the office of the  
27 commissioner of insurance a declaration of the company, signed by the  
28 president and secretary, giving the name of the corporation, a copy of the  
29 bylaws, the form of application adopted by them, and a copy of the policy  
30 contract proposed to be issued to individuals, together with a fee ~~of one~~  
31 ~~hundred dollars~~ *not to exceed \$100.* The commissioner of insurance shall  
32 submit all documents to the attorney general for ~~his~~ examination, and if  
33 found by ~~him~~ *the attorney general* to be in accordance with the law ~~he,~~ *the*  
34 *attorney general* shall certify to and deliver ~~the same such documents~~ to  
35 the commissioner of insurance, who shall retain such documents on file;  
36 ~~and.~~ Upon compliance by ~~said~~ *such* company with the provisions of this  
37 code, the commissioner of insurance shall issue ~~his~~ *a* certificate  
38 authorizing ~~said~~ *such* company to do business in this state under the  
39 provisions of this code. *Not later than December 1 of each year, the*  
40 *commissioner shall set and cause to be published in the Kansas register*  
41 *the fee required pursuant to this section for the next calendar year.*

42 Sec. 6. K.S.A. 40-956 is hereby amended to read as follows: 40-956.  
43 (a) (1) Any corporation, association, partnership or individual whether

1 located in or out of the state, may apply for license as a rating organization  
2 for such kinds of insurance or subdivisions thereof as are specified in its  
3 application and shall file ~~therewith~~:

4 ~~(1)~~(A) A copy of its constitution, articles of agreement or association  
5 or certificate of incorporation, and its bylaws and rules governing the  
6 conduct of its business;

7 ~~(2)~~(B) a list of its members and subscribers;

8 ~~(3)~~(C) the name and address of a resident of the state upon whom  
9 service of process or orders of the commissioner may be served and an  
10 irrevocable agreement to accept such service or notices; and

11 ~~(4)~~(D) a statement of its qualification as a rating organization.

12 (2) Every rating organization shall notify the commissioner promptly  
13 of every change in its organizational structure, members or subscribers and  
14 the person upon whom service or notices may be made.

15 (3) If the commissioner finds the applicant is qualified, the  
16 commissioner shall issue a license specifying the kinds of insurance or  
17 subdivisions thereof for which the applicant is authorized to act as a rating  
18 organization. Every such application shall be granted or denied in whole or  
19 in part by the commissioner within 60 days of the date of its filing.  
20 Licenses issued pursuant to this section shall continue in force until May 1  
21 next after their date unless suspended or revoked by the commissioner. The  
22 fee for such license shall ~~be~~ *not exceed* \$25 annually. *Not later than*  
23 *December 1 of each year, the commissioner of insurance shall set and*  
24 *cause to be published in the Kansas register the fee required pursuant to*  
25 *this paragraph for the next calendar year.* Licenses issued pursuant to this  
26 section may be suspended or revoked by the commissioner, after hearing  
27 upon notice, in the event the rating organization ceases to meet the  
28 requirements of this section.

29 (b) Every rating organization shall furnish its rating services without  
30 discrimination to its members and subscribers. Subject to rules ~~which~~ *that*  
31 have been approved by the commissioner as reasonable, each rating  
32 organization shall permit any insurer or group pool, not a member, to be a  
33 subscriber to its rating service for any kind of insurance or subdivision  
34 thereof for which it is authorized to act as a rating organization. The  
35 reasonableness of any rule in its application to subscribers, or the refusal  
36 of any rating organization to admit an insurer or group pool as a  
37 subscriber, at the request of any subscriber, pool or any insurer shall be  
38 reviewed by the commissioner at a hearing.

39 (c) No rating organization shall adopt any rule, the effect of which  
40 would be to prohibit or regulate the payment of dividends, savings or  
41 unabsorbed premium deposits allowed or returned by insurers to their  
42 policyholders, members or subscribers.

43 (d) The commissioner, at least once in five years, shall make or cause

1 to be made an examination of each rating organization licensed in this  
2 state. The reasonable costs of such examination shall be paid by the rating  
3 organization examined, upon presentation to it of a detailed account of  
4 such cost. The officers, managers, agents and employees of such rating  
5 organization may be examined under oath and shall exhibit all books,  
6 records, accounts, documents or agreements governing its method of  
7 operation. The commissioner may waive such examination upon proof  
8 such rating organization has, within a reasonably recent period, been  
9 examined by the insurance supervisory official of another state, and upon  
10 filing with the commissioner a copy of the report of such examination.

11 (e) Cooperation among rating organizations or among rating  
12 organizations and insurers in rate making or in other matters within the  
13 scope of this act is hereby authorized, ~~provided~~ *except that* the filings  
14 resulting from such cooperation are subject to all the provisions of this act  
15 ~~which~~ *that* are applicable to filings generally. The commissioner may  
16 review such cooperative activities and practices and if, after a hearing, the  
17 commissioner finds any such activity or practice is unfair, unreasonable or  
18 otherwise inconsistent with this act or other provision of the insurance  
19 laws of this state, the commissioner may issue a written order requiring  
20 discontinuance of such activities or practices.

21 (f) Any rating organization may provide for the examination of  
22 policies, daily reports, binders and other transaction with its members or  
23 subscribers, ~~providing~~ *if* it makes reasonable rules governing those  
24 activities, ~~which~~. *Such* rules shall be approved by the commissioner. ~~Such~~  
25 ~~rules~~ *and* shall contain a provision that in the event any insurer does not  
26 within 60 days furnish satisfactory evidence to the rating organization of  
27 the correction of any error or omissions previously called to its attention  
28 by the rating organization, it shall be the duty of the rating organization to  
29 notify the commissioner thereof. All information submitted for  
30 examination shall be confidential.

31 (g) Any rating organization may subscribe for or purchase actuarial,  
32 technical or other services, and such services shall be available to all  
33 members and subscribers without discrimination. Any rating organization  
34 may collect, compile and distribute past and current premiums of  
35 individual insurers.

36 Sec. 7. K.S.A. 40-22a04 is hereby amended to read as follows: 40-  
37 22a04. (a) The commissioner shall adopt rules and regulations establishing  
38 standards governing the conduct of utilization review activities performed  
39 in this state or affecting residents or healthcare providers of this state by  
40 utilization review organizations. Unless granted an exemption under  
41 K.S.A. 40-22a06, and amendments thereto, no utilization review  
42 organization may conduct utilization review services in this state or  
43 affecting residents of this state without first obtaining a certificate from the

1 commissioner.

2 (b) The commissioner shall not issue a certificate to a utilization  
3 review organization until the applicant:

4 (1) Files a formal application for certification in such form and detail  
5 as required by the commissioner and such application has been executed  
6 under oath by the chief executive officer, president or other head official of  
7 the applicant;

8 (2) files with the commissioner a certified copy of its charter or  
9 articles of incorporation and bylaws, if any;

10 (3) states the location of the office or offices of the utilization review  
11 organization where utilization review affecting residents or health care  
12 providers of this state will be principally performed;

13 (4) provides a summary of the qualifications and experience of  
14 persons performing utilization review affecting the persons and at the  
15 locations identified pursuant to paragraph (3);

16 (5) makes payment of a certification fee ~~of not to exceed~~ \$100 to the  
17 commission; and

18 (6) provides such other information or documentation as the  
19 commissioner requires.

20 (c) Certificates issued by the commissioner pursuant to this act shall  
21 remain effective until suspended, surrendered or revoked subject to  
22 payment of an annual continuation fee ~~of not to exceed~~ \$50.

23 (d) The commissioner may suspend or revoke the certificate or any  
24 exemption from certification requirements upon determination that the  
25 interests of Kansas insureds are not being properly served under such  
26 certificate or exemption. Any such action shall be taken only after a  
27 hearing conducted in accordance with the provisions of the Kansas  
28 administrative procedure act.

29 (e) *Not later than December 1 of each year, the commissioner shall*  
30 *set and cause to be published in the Kansas register the fee required*  
31 *pursuant to this paragraph for the next calendar year.*

32 Sec. 8. K.S.A. 40-2604 is hereby amended to read as follows: 40-  
33 2604. (a) No person shall engage in the business of financing insurance  
34 premiums under this act in this state without first having obtained a license  
35 as a premium finance company from the commissioner of insurance. Every  
36 violation of any of the provisions of this act shall subject the person  
37 violating ~~the same~~ *such provisions* to a penalty not to exceed \$500 for each  
38 violation or by imprisonment not to exceed six months in jail or both.

39 (b) (1) (A) The license continuation fee shall ~~be not exceed~~ \$100. The  
40 fee for such continuation shall be paid to the commissioner to be deposited  
41 in the state general fund.

42 (B) Licenses may be continued from year to year as of May 1 of each  
43 year upon payment of the continuation fee. Every licensee shall, on or

1 before the first day of April, pay to the commissioner ~~the sum of an~~  
2 *amount not to exceed* \$100 as a continuation fee for the succeeding year.  
3 Failure to pay the continuation fee within the time prescribed shall  
4 automatically revoke the license.

5 (2) *Not later than December 1 of each year, the commissioner shall*  
6 *set and cause to be published in the Kansas register the fees required*  
7 *pursuant to this subsection for the next calendar year.*

8 (c) The applicant for such license shall file with the commissioner  
9 written application and shall make sworn answers to such interrogatories  
10 as the commissioner may require on forms prepared by the commissioner.  
11 The commissioner shall have authority, at any time, to require the  
12 applicant fully to disclose the identity of all stockholders, partners, officers  
13 and employees, and the commissioner may, in the exercise of discretion,  
14 refuse to issue or renew a license in the name of any firm, partnership, or  
15 corporation if not satisfied that any officer, employee, stockholder, or  
16 partner thereof who may materially influence the applicant's conduct meets  
17 the standards of this act.

18 Sec. 9. K.S.A. 40-2702 is hereby amended to read as follows: 40-  
19 2702. (a) As used in this act, unless the context otherwise requires, the  
20 term "insurer" means and includes all corporations, companies,  
21 associations, societies, fraternal benefit societies, mutual nonprofit hospital  
22 service and nonprofit medical service companies, partnerships and persons  
23 engaged as principals in the business of insurance of the kinds enumerated  
24 in articles 4, 5, 6, 7, 11, 18, 19, 19a, 19b, 19c, 22, 32 and 38 of chapter 40  
25 of the Kansas Statutes Annotated, and ~~any~~ amendments thereto, insofar as  
26 the business of insurance of the kinds enumerated in such articles relate to  
27 life and accident or sickness. Whenever in this section there is reference to  
28 an act effected or committed by mail, the venue of such act shall be at the  
29 point where the matter transmitted by mail is delivered and takes effect.

30 It shall be unlawful for any insurer to transact insurance business in this  
31 state, as set forth in subsection (b) ~~of this section~~, without a certificate of  
32 authority from the commissioner of insurance. This section shall not apply  
33 to:

34 (1) The lawful transaction of insurance procured by agents under the  
35 authority of K.S.A. 40-246b, 40-246c and 40-246d, and amendments  
36 thereto, relating to accident and sickness insurance;

37 (2) contracts of reinsurance issued by an insurer not organized under  
38 the laws of this state;

39 (3) transactions in this state involving a policy lawfully solicited,  
40 written and delivered outside of this state, covering only subjects of  
41 insurance not resident in this state at the time of issuance and which  
42 transactions are subsequent to the issuance of such policy;

43 (4) attorneys acting in the ordinary relation of attorney and client in

1 the adjustment of claims or losses;

2 (5) transactions in this state involving group life and group sickness  
3 and accident or blanket sickness and accident insurance or group annuities,  
4 where the master policy of such groups was lawfully issued and delivered  
5 in and pursuant to the laws of a state in which the insurer was authorized  
6 to do an insurance business to a group organized for purposes other than  
7 the procurement of insurance and where the policyholder is domiciled or  
8 otherwise has a bona fide residence;

9 (6) transactions in this state involving any policy of life or accident  
10 and health insurance or annuity contract issued prior to the effective date  
11 of this act;

12 (7) contracts of insurance written by certain lodges, societies, persons  
13 and associations specified in K.S.A. 40-202, and amendments thereto, and  
14 organizations preempted from state jurisdiction as a result of compliance  
15 with both the employees retirement income security act of 1974, as  
16 amended, including all bonding provisions, and paragraph (9) of  
17 subsection (c) of section 501 of the internal revenue code; and

18 (8) any life insurance company organized and operated, without profit  
19 to any private shareholder or individual, exclusively for the purpose of  
20 aiding and strengthening educational institutions, organized and operated  
21 without profit to any private shareholder or individual, by issuing  
22 insurance and annuity contracts directly from the home office of the  
23 company, without insurance agents or insurance representatives in this  
24 state, only to or for the benefit of such institutions and individuals engaged  
25 in the services of such institutions, but this exemption shall be conditioned  
26 upon any such company complying with the following requirements:

27 ~~(i)~~(A) Payment of an annual registration fee ~~of not to exceed~~ \$500;  
28 *Not later than December 1 of each year, the commissioner shall set and*  
29 *cause to be published in the Kansas register such fee for the next calendar*  
30 *year;*

31 ~~(ii)~~(B) filing a copy of the form of any policy or contract issued to  
32 Kansas residents with the commissioner of insurance;

33 ~~(iii)~~(C) filing a copy of its annual statement prepared pursuant to the  
34 laws of its state of domicile, as well as such other financial material as  
35 may be requested, with the commissioner of insurance; and

36 ~~(iv)~~(D) providing, in such form as may be prescribed by the  
37 commissioner of insurance, for the appointment of the commissioner of  
38 insurance as its true and lawful attorney upon whom may be served all  
39 lawful process in any action or proceeding against such company arising  
40 out of any policy or contract it has issued to, or which is currently held by,  
41 a Kansas citizen and process so served against such company shall have  
42 the same force and validity as if served upon the company.

43 (b) Any of the following acts in this state effected by mail or



1 otherwise by or on behalf of an unauthorized insurer ~~is~~ *shall be* deemed to  
2 constitute the transaction of an insurance business in this state:

3 (1) The making of or proposing to make, as an insurer, an insurance  
4 contract;

5 (2) the taking or receiving of any application for insurance;

6 (3) the receiving or collection of any premium, commission,  
7 membership fees, assessments, dues or other consideration for any  
8 insurance or any part thereof;

9 (4) the issuance or delivery of contracts of insurance to residents of  
10 this state or to persons authorized to do business in this state;

11 (5) (A) directly or indirectly acting as an agent for or otherwise  
12 representing or aiding on behalf of ~~another~~ any *other* person or insurer in  
13 the:

14 (i) solicitation, negotiation, procurement or effectuation of insurance  
15 or renewals thereof ~~or in the~~;

16 (ii) dissemination of *coverage or rate* information ~~as to coverage or~~  
17 ~~rates, or~~;

18 (iii) forwarding of applications or delivery of policies or contracts ~~or~~  
19 ;

20 (iv) investigation or adjustment of claims or losses or in the  
21 transaction of matters subsequent to effectuation of the contract and rising  
22 out of it; or

23 (v) in any other manner representing or assisting a person or insurer  
24 in the transaction of insurance with respect to subjects of insurance  
25 resident in this state.

26 (B) Nothing ~~herein~~ *in this paragraph* shall be construed to prohibit  
27 full-time salaried employees of a corporate insured from acting in the  
28 capacity of an insurance manager or buyer in placing insurance ~~in~~ *on*  
29 behalf of such employer;

30 (6) the transaction of any kind of insurance business specifically  
31 recognized as transacting an insurance business within the meaning of the  
32 statutes relating to insurance; or

33 (7) the transacting of or proposing to transact any insurance business,  
34 in substance equivalent to any of the foregoing, in a manner designed to  
35 evade the provisions of this act.

36 (c) (1) The failure of an insurer transacting insurance business in this  
37 state to obtain a certificate of authority from the commissioner of  
38 insurance shall not impair the validity of any act or contract of such insurer  
39 and shall not prevent such insurer from defending any action at law or suit  
40 in equity in any court of this state, but no insurer transacting insurance  
41 business in this state without a certificate of authority shall be permitted to  
42 maintain an action in any court of this state to enforce any right, claim or  
43 demand arising out of the transaction of such business until such insurer

1 shall have obtained a certificate of authority.

2 (2) In the event of failure of any such unauthorized insurer to pay any  
3 claim or loss within the provisions of such insurance contract, any person  
4 who assisted or in any manner aided, directly or indirectly, in the  
5 procurement of such insurance contract shall be liable to the insured for  
6 the full amount of the claim or loss in the manner provided by the  
7 provisions of such insurance contract.

8 Sec. 10. K.S.A. 40-3213 is hereby amended to read as follows: 40-  
9 3213. (a) *(1)* Every health maintenance organization and medicare  
10 provider organization subject to this act shall pay to the commissioner the  
11 following fees:

12 ~~(+)~~(A) For filing an application for a certificate of authority, *an*  
13 *amount not to exceed \$150;*

14 ~~(2)~~(B) for filing each annual report, *an amount not to exceed \$50;*  
15 *and*

16 ~~(3)~~(C) for filing an amendment to the certificate of authority, *an*  
17 *amount not to exceed \$10.*

18 *(2) Not later than December 1 of each year, the commissioner shall*  
19 *set and cause to be published in the Kansas register the fees required*  
20 *pursuant to this subsection for the next calendar year.*

21 (b) Every health maintenance organization subject to this act shall  
22 pay annually to the commissioner at the time such organization files its  
23 annual report, a privilege fee in an amount equal to the following  
24 percentages of the total of all premiums, subscription charges or any other  
25 term that may be used to describe the charges made by such organization  
26 to enrollees: 3.31% during the reporting period beginning January 1, 2015,  
27 and ending December 31, 2017; and 5.77% on and after January 1, 2018.  
28 In such computations all such organizations shall be entitled to deduct  
29 therefrom any premiums or subscription charges returned on account of  
30 cancellations and dividends returned to enrollees. If the commissioner  
31 shall determine at any time that the application of the privilege fee, or a  
32 change in the rate of the privilege fee, would cause a denial of, reduction  
33 in or elimination of federal financial assistance to the state or to any health  
34 maintenance organization subject to this act, the commissioner is hereby  
35 authorized to terminate the operation of such privilege fee or the change in  
36 such privilege fee.

37 (c) For the purpose of insuring the collection of the privilege fee  
38 provided for by subsection (b), every health maintenance organization  
39 subject to this act and required by subsection (b) to pay such privilege fee  
40 shall at the time it files its annual report, as required by K.S.A. 40-3220,  
41 and amendments thereto, make a return, generated by or at the direction of  
42 its chief officer or principal managing director, under penalty of K.S.A.  
43 21-5824, and amendments thereto, to the commissioner, stating the amount

1 of all premiums, assessments and charges received by the health  
2 maintenance organization, whether in cash or notes, during the year ending  
3 on the last day of the preceding calendar year. Upon the receipt of such  
4 returns the commissioner of insurance shall verify such returns and  
5 reconcile the fees pursuant to subsection (f) upon such organization on the  
6 basis and at the rate provided in this section.

7 (d) Premiums or other charges received by an insurance company  
8 from the operation of a health maintenance organization subject to this act  
9 shall not be subject to any fee or tax imposed under the provisions of  
10 K.S.A. 40-252, and amendments thereto.

11 (e) Fees charged under this section shall be remitted to the state  
12 treasurer in accordance with the provisions of K.S.A. 75-4215, and  
13 amendments thereto. Upon receipt of each such remittance, the state  
14 treasurer shall deposit the entire amount in the state treasury to the credit  
15 of the medical assistance fee fund created by K.S.A. 40-3236, and  
16 amendments thereto.

17 (f) (1) ~~On and after January 1, 2018,~~ In addition to any other filing or  
18 return required by this section, each health maintenance organization shall  
19 submit a report to the commissioner on or before March 31 and September  
20 30 of each year containing an estimate of the total amount of all premiums,  
21 subscription charges or any other term that may be used to describe the  
22 charges made by such organization to enrollees that the organization  
23 expects to collect during the current calendar year. Upon filing each March  
24 31 report, the organization shall submit payment equal to  $\frac{1}{2}$  of the  
25 privilege fee that would be assessed by the commissioner for the current  
26 calendar year based upon the organization's reported estimate. Upon filing  
27 each September 30 report, the organization shall submit payment equal to  
28 the balance of the privilege fee that would be assessed by the  
29 commissioner for the current calendar year based upon the organization's  
30 reported estimates.

31 (2) Any amount of privilege fees actually owed by a health  
32 maintenance organization during any calendar year in excess of estimated  
33 privilege fees paid shall be assessed by the commissioner and shall be due  
34 and payable upon issuance of such assessment.

35 (3) Any amount of estimated privilege fees paid by a health  
36 maintenance organization during any calendar year in excess of privilege  
37 fees actually owed shall be reconciled when the commissioner assesses  
38 privilege fees in the ensuing calendar year. The commissioner shall credit  
39 such excess amount against future privilege fee assessments. Any such  
40 excess amount paid by a health maintenance organization that is no longer  
41 doing business in Kansas and that no longer has a duty to pay the privilege  
42 fee shall be refunded by the commissioner from funds appropriated by the  
43 legislature for such purpose.

1       Sec. 11. K.S.A. 40-3304 is hereby amended to read as follows: 40-  
2 3304. (a) (1) No person other than the issuer shall make a tender offer for  
3 or a request or invitation for tenders of, or enter into any agreement to  
4 exchange securities or, seek to acquire, or acquire, in the open market or  
5 otherwise, any voting security of a domestic insurer if, after the  
6 consummation thereof, such person would, directly or indirectly, or by  
7 conversion or by exercise of any right to acquire, be in control of such  
8 insurer, and no person shall enter into an agreement to merge with or  
9 otherwise to acquire control of a domestic insurer or any person  
10 controlling a domestic insurer unless, at the time any such offer, request, or  
11 invitation is made or any such agreement is entered into, or prior to the  
12 acquisition of such securities if no offer or agreement is involved, such  
13 person has filed with the commissioner of insurance and has sent to such  
14 insurer, a statement containing the information required by this section and  
15 such offer, request, invitation, agreement or acquisition has been approved  
16 by the commissioner of insurance in the manner hereinafter prescribed.  
17 The requirements of this section shall not apply to the merger or  
18 consolidation of those companies subject to the requirements of K.S.A. 40-  
19 507 and 40-1216 through 40-1225, and amendments thereto.

20       (2) For purposes of this section, any controlling person of a domestic  
21 insurer seeking to divest its controlling interest in the domestic insurer, in  
22 any manner, shall file with the commissioner, with a copy to the insurer,  
23 confidential notice of its proposed divestiture at least 30 days prior to the  
24 cessation of control. The commissioner shall determine those instances in  
25 which each party seeking to divest or to acquire a controlling interest in an  
26 insurer shall be required to file for and obtain approval of the transaction.  
27 The information shall remain confidential until the conclusion of the  
28 transaction unless the commissioner, in the commissioner's discretion,  
29 determines that confidential treatment will interfere with enforcement of  
30 this section. If the statement referred to in paragraph (1) is otherwise filed,  
31 this paragraph shall not apply.

32       (3) With respect to a transaction subject to this section, the acquiring  
33 person shall also be required to file a preacquisition notification with the  
34 commissioner, and such preacquisition notification shall contain the  
35 information in the form and manner prescribed by the commissioner  
36 through rules and regulations.

37       (4) ~~For the purposes of~~ *As used in this section:*

38       (A) ~~A "Domestic" insurer shall include~~ *includes* any person  
39 controlling a domestic insurer unless such person, as determined by the  
40 commissioner of insurance, is either directly or through its affiliates  
41 primarily engaged in business other than the business of insurance.

42       (B) "Person" ~~shall~~ *does* not include any securities broker holding, in  
43 the usual and customary broker's function, less than 20% of the voting

1 securities of the insurance company or of any person ~~which~~ *that* controls  
2 the insurance company.

3 (b) (1) The statement to be filed with the commissioner of insurance  
4 ~~hereunder~~ shall be made under oath or affirmation, shall be accompanied  
5 by a nonrefundable filing fee ~~of not to exceed~~ \$1,000 and shall contain the  
6 following information:

7 ~~(1)~~(A) The name and address of each person by whom or on whose  
8 behalf the merger or other acquisition of control referred to in subsection  
9 (a) is to be ~~affected~~ *effected*, hereinafter called "acquiring party," and:

10 ~~(A)~~(i) If such person is an individual, such individual's principal  
11 occupation, all offices and positions held by such individual during the  
12 past five years and any conviction of crimes other than minor traffic  
13 violations during the past 10 years; *and*

14 ~~(B)~~(ii) if such person is not an individual, a report of the nature of its  
15 business operations during the past five years or for such ~~lesser~~ *shorter*  
16 period as such person and any predecessors thereof shall have been in  
17 existence; an informative description of the business intended to be done  
18 by such person and such person's subsidiaries; and a list of all individuals  
19 who are or who have been selected to become directors or executive  
20 officers of such person, or who perform or will perform functions  
21 appropriate to such positions. Such list shall include for each such  
22 individual the information required by ~~subparagraph (A) clause (i);~~

23 ~~(2)~~(B) the source, nature and amount of the consideration used or to  
24 be used in effecting the merger or other acquisition of control, a  
25 description of any transaction wherein funds were or are to be obtained for  
26 any such purpose including any pledge of the insurer's stock, or the stock  
27 of any of its subsidiaries or controlling affiliates, and the identity of  
28 persons furnishing such consideration, except that where a source of such  
29 consideration is a loan made in the lender's ordinary course of business,  
30 the identity of the lender shall remain confidential, if the person filing such  
31 statement so requests;

32 ~~(3)~~(C) fully audited financial information as to the earnings and  
33 financial condition of each acquiring party for the preceding five fiscal  
34 years of each such acquiring party or for such lesser period as such  
35 acquiring party and any predecessors thereof shall have been in existence  
36 and similar unaudited information as of a date not earlier than 90 days  
37 prior to the filing of the statement;

38 ~~(4)~~(D) any plans or proposals that each acquiring party may have to  
39 liquidate such insurer, to sell its assets, merge or consolidate it with any  
40 person or to make any other material change to its business, corporate  
41 structure or management;

42 ~~(5)~~(E) the number of shares of any security referred to in subsection  
43 (a) that each acquiring party proposes to acquire and the terms of the offer,

1 request, invitation, agreement or acquisition referred to in subsection (a)  
2 and a statement regarding the method utilized to determine the fairness of  
3 the proposal;

4 ~~(6)~~(F) the amount of each class of any security referred to in  
5 subsection (a) that is beneficially owned or concerning which there is a  
6 right to acquire beneficial ownership by each acquiring party;

7 ~~(7)~~(G) a full description of any contracts, arrangements or  
8 understandings with respect to any security referred to in subsection (a) in  
9 which any acquiring party is involved, including, but not limited to,  
10 transfer of any of the securities, joint ventures, loan or option  
11 arrangements, puts or calls, guarantees of loans, guarantees against loss or  
12 guarantees of profits, division of losses or profits, or the giving or  
13 withholding of proxies. Such description shall identify the persons with  
14 whom such contracts, arrangements or understandings have been entered  
15 into;

16 ~~(8)~~(H) a description of the purchase of any security referred to in  
17 subsection (a) during the 12 calendar months preceding the filing of the  
18 statement, by any acquiring party, including the dates of purchase, names  
19 of the purchasers and consideration paid or agreed to be paid therefor;

20 ~~(9)~~(I) a description of any recommendations to purchase any security  
21 referred to in subsection (a) made during the 12 calendar months preceding  
22 the filing of the statement, by any acquiring party, or by anyone based  
23 upon interviews or at the suggestion of such acquiring party;

24 ~~(10)~~(J) copies of all tender offers for, requests or invitations for  
25 tenders of, exchange offers for and agreements to acquire or exchange any  
26 securities referred to in subsection (a) and, if distributed, of additional  
27 soliciting material relating thereto;

28 ~~(11)~~(K) the terms of any agreement, contract or understanding made  
29 with or proposed to be made with any broker-dealer as to solicitation of  
30 securities referred to in subsection (a) for tender and the amount of any  
31 fees, commissions or other compensation to be paid to broker-dealers with  
32 regard thereto;

33 ~~(12)~~(L) an agreement by the person required to file the statement  
34 referred to in subsection (a) that such person ~~will~~ *shall* provide the annual  
35 report, *as* specified in K.S.A. 40-3305(l), and amendments thereto, for so  
36 long as control exists;

37 ~~(13)~~(M) an acknowledgment by the person required to file the  
38 statement referred to in subsection (a) that the person and all subsidiaries  
39 within its control in the insurance holding company system will provide to  
40 the commissioner of insurance upon request such information as the  
41 commissioner of insurance deems necessary to evaluate enterprise risk to  
42 the insurer; and

43 ~~(14)~~(N) such additional information as the commissioner of insurance

1 may by rule or regulation prescribe as necessary or appropriate for the  
2 protection of policyholders of the insurer or in the public interest.

3 (2) If the person required to file the statement referred to in  
4 subsection (a) is a partnership, limited partnership, syndicate or other  
5 group, the commissioner of insurance may require that the information  
6 ~~called for by paragraphs required pursuant to subparagraphs (1) (A)~~  
7 ~~through (14) (N) shall be given~~ provided with respect to each partner of  
8 such partnership or limited partnership, each member of such syndicate or  
9 group and each person who controls such partner or member. If any such  
10 partner, member or person is a corporation or the person required to file  
11 the statement referred to in subsection (a) is a corporation, the  
12 commissioner of insurance may require that the information ~~called for by~~  
13 ~~paragraphs required pursuant to subparagraphs (1) (A) through (14) (N)~~  
14 shall be ~~given~~ provided with respect to such corporation, each officer and  
15 director of such corporation and each person who is directly or indirectly  
16 the beneficial owner of more than 10% of the outstanding voting securities  
17 of such corporation.

18 (3) If any material change occurs in the facts set forth in the statement  
19 filed with the commissioner of insurance and sent to such insurer pursuant  
20 to this section, an amendment setting forth such change, together with  
21 copies of all documents and other material relevant to such change, shall  
22 be filed with the commissioner of insurance and sent to such insurer within  
23 two business days after ~~the~~ such person learns of such change.

24 (4) *Not later than December 1 of each year, the commissioner shall*  
25 *set and cause to be published in the Kansas register the fee required*  
26 *pursuant to this subsection for the next calendar year.*

27 (c) If any offer, request, invitation, agreement or acquisition referred  
28 to in subsection (a) is proposed to be made by means of a registration  
29 statement under the securities act of 1933 or in circumstances requiring the  
30 disclosure of similar information under the securities exchange act of  
31 1934, or under a state law requiring similar registration or disclosure, the  
32 person required to file the statement referred to in subsection (a) may  
33 utilize such documents in furnishing the information called for by that  
34 statement.

35 (d) (1) The commissioner of insurance shall approve any merger or  
36 other acquisition of control referred to in subsection (a) unless, after a  
37 public hearing thereon conducted in accordance with the provisions of the  
38 Kansas administrative procedure act, the commissioner of insurance finds  
39 that:

40 (A) After the change of control the domestic insurer referred to in  
41 subsection (a) would not be able to satisfy the requirements for the  
42 issuance of a license to write the line or lines of insurance for which it is  
43 presently licensed;

1 (B) the financial condition of any acquiring party is such as might  
2 jeopardize the financial stability of the insurer or prejudice the interest of  
3 its policyholders;

4 (C) the plans or proposals which the acquiring party has to liquidate  
5 the insurer, sell its assets, consolidate or merge it with any person, or to  
6 make any other material change in its business, corporate structure or  
7 management, are unfair and unreasonable to policyholders of the insurer or  
8 are not in the public interest;

9 (D) the competence, experience and integrity of those persons who  
10 would control the operation of the insurer are such that it would not be in  
11 the interest of policyholders of the insurer or of the public to permit the  
12 merger or other acquisition of control; or

13 (E) the acquisition is likely to be hazardous or prejudicial to the  
14 insurance-buying public.

15 (2) The public hearing referred to in subsection (d)(1) shall be held as  
16 soon as ~~practical~~ *practicable* after the statement required by this  
17 subsection (a) is filed, and at least 20 days' notice thereof shall be given by  
18 the commissioner of insurance to the person filing the statement. Not less  
19 than seven days' notice of such public hearing shall be given by the person  
20 filing the statement to the insurer and to such other persons as may be  
21 designated by the commissioner of insurance. At such hearing, the person  
22 filing the statement, the insurer, any person to whom notice of hearing was  
23 sent and any other person whose interests may be affected thereby shall  
24 have the right to present evidence, examine and cross-examine witnesses  
25 and offer oral and written arguments in accordance with the Kansas  
26 administrative procedure act. In the absence of intervention, such insurer  
27 or person shall have the right to present oral or written statements in  
28 accordance with K.S.A. 77-523(c), and amendments thereto.

29 (3) If the proposed acquisition of control will require the approval of  
30 more than one commissioner of insurance, the public hearing referred to in  
31 paragraph (2) may be held on a consolidated basis upon request of the  
32 person filing the statement referred to in subsection (a). Such person shall  
33 file the statement referred to in subsection (a) with the national association  
34 of insurance commissioners within five days of making the request for a  
35 public hearing. A commissioner of insurance may opt out of a consolidated  
36 hearing and shall provide notice to the applicant of the opt-out within 10  
37 days of the receipt of the statement referred to in subsection (a). A hearing  
38 conducted on a consolidated basis shall be public and shall be held within  
39 the United States before the commissioners of insurance of the states in  
40 which the insurers are domiciled. Such commissioners of insurance shall  
41 hear and receive evidence. A commissioner of insurance may attend such  
42 hearing in person or by telecommunication.

43 (4) As a condition of a change of control of a domestic insurer, any



1 determination by the commissioner of insurance that the person acquiring  
2 control of the insurer shall be required to maintain or restore the capital of  
3 the insurer to the level required by the laws and regulations of this state  
4 shall be made not later than 60 days after the date of notification of the  
5 change in control submitted pursuant to subsection (a).

6 (5) The commissioner of insurance may retain at the acquiring  
7 person's expense any attorneys, actuaries, accountants and other experts  
8 not otherwise a part of the staff of the commissioner of insurance as the  
9 commissioner of insurance deems to be reasonably necessary to assist the  
10 commissioner of insurance in reviewing the proposed acquisition of  
11 control.

12 (e) The provisions of this section shall not apply to any offer, request,  
13 invitation, agreement or acquisition that the commissioner of insurance by  
14 order shall exempt therefrom as:

15 (1) Not having been made or entered into for the purpose and not  
16 having the effect of changing or influencing the control of a domestic  
17 insurer; or

18 (2) as otherwise not comprehended within the purposes of this  
19 section.

20 (f) The following shall be violations of this section:

21 (1) The failure to file any statement, amendment or other material  
22 required to be filed pursuant to subsection (a) or (b); or

23 (2) the effectuation or any attempt to effectuate an acquisition of  
24 control of, or merger with, a domestic insurer unless the commissioner of  
25 insurance has given the requisite approval thereto.

26 (g) The courts of this state are hereby vested with jurisdiction over  
27 every securityholder of a domestic insurer and every person not resident,  
28 domiciled or authorized to do business in this state who files a statement  
29 with the commissioner of insurance under this section and over all actions  
30 involving such person arising out of violations of this section. Each such  
31 person shall be deemed to have performed acts equivalent to and  
32 constituting an appointment by such a person of the commissioner of  
33 insurance to be such person's true and lawful attorney upon whom may be  
34 served all lawful process in any action, suit or proceeding arising out of  
35 violations of this section. Copies of all such lawful process shall be served  
36 on the commissioner of insurance and transmitted by registered or certified  
37 mail by the commissioner of insurance to such person at such person's last  
38 known address.

39 Sec. 12. K.S.A. 40-3812 is hereby amended to read as follows: 40-  
40 3812. (a) A person shall apply to be an administrator in its home state and  
41 shall receive a license from the regulatory authority of its home state prior  
42 to performing any function of an administrator in this state.

43 (b) A person applying to Kansas as its home state shall apply for

1 licensure by submitting to the commissioner an application in the form  
2 prescribed by the commissioner that shall include or be accompanied by  
3 the following information and documents:

4 (1) All basic organizational documents of the applicant, including any  
5 articles of incorporation, articles of association, partnership agreement,  
6 trade name certificate, trust agreement, shareholder agreement, certificate  
7 of existence from the Kansas secretary of state and other applicable  
8 documents and all amendments to such documents;

9 (2) the bylaws, rules, regulations or similar documents regulating the  
10 internal affairs of the applicant;

11 (3) NAIC biographical affidavits for the individuals who are directly  
12 or indirectly responsible for the conduct of affairs of the applicant,  
13 including all members of the board of directors, board of trustees,  
14 executive committee or other governing board or committee, the principal  
15 officers in the case of a corporation or the partners or members in the case  
16 of a partnership, association or limited liability company, any shareholders  
17 or members holding directly or indirectly 10% or more of the voting stock,  
18 voting securities or voting interest of the applicant and any other person  
19 who directly or indirectly exercises control or influence over the affairs of  
20 the applicant;

21 (4) audited annual financial statements or reports for the two most  
22 recent fiscal years that demonstrate that the applicant has a positive net  
23 worth. If the applicant has been in existence for less than two fiscal years,  
24 the uniform application shall include financial statements or reports,  
25 certified by at least two officers, owners or directors of the applicant and  
26 prepared in accordance with GAAP, for any completed fiscal years and for  
27 any month during the current fiscal year for which such financial  
28 statements or reports have been completed. An audited annual financial  
29 report prepared on a consolidated basis shall include a columnar  
30 consolidating or combining worksheet that shall be filed with the report  
31 and include the following:

32 (A) Amounts shown on the consolidated audited financial report  
33 shown on the worksheet;

34 (B) amounts for each entity stated separately; and

35 (C) explanations of consolidating and eliminating entries included.

36 The applicant shall also include such other information as the  
37 commissioner may require in order to review the current financial  
38 condition of the applicant;

39 (5) in lieu of submitting audited financial statements, and upon  
40 written application by an applicant and good cause shown, the  
41 commissioner may grant a hardship exemption from filing audited  
42 financial statements and allow the submission of unaudited financial  
43 statements. Acceptable formats for unaudited financial statements, that

1 shall include notes, are:

2 (A) Reports compiled or reviewed by a certified public accountant; or

3 (B) (i) internal financial reports prepared in accordance with GAAP,  
4 certified by at least two officers, owners or directors of the administrator.

5 (ii) If unaudited financial statements are submitted, the applicant ~~must~~  
6 *shall* also secure and maintain a surety bond in a form prescribed by the  
7 commissioner for the use and benefit of the commissioner to be held in  
8 trust for the benefit and protection of covered persons and any payor or  
9 self-funded plan against loss by reason of acts of fraud or dishonesty, for  
10 the greater of 10% of funds handled for the benefit of Kansas residents or  
11 \$20,000. Administrators of self-funded plans in Kansas ~~are~~ *shall be* subject  
12 to the mandatory surety bond requirement ~~found~~ *described* in subsection  
13 (h), regardless of whether they file audited or unaudited financial reports;

14 (6) a statement describing the business plan, including information on  
15 staffing levels and activities, proposed in this state and nationwide. The  
16 plan shall provide details setting forth the applicant's capability for  
17 providing a sufficient number of experienced and qualified personnel in  
18 the areas of claims processing, record keeping and underwriting;

19 (7) a license application fee ~~in the amount of~~ *not to exceed* \$400; and

20 (8) such other pertinent information as may be required by the  
21 commissioner.

22 (c) An administrator licensed or applying for licensure under the  
23 provisions of this section shall make available for inspection by the  
24 commissioner, copies of all contracts with payors or other persons utilizing  
25 the services of the administrator.

26 (d) An administrator licensed or applying for licensure under the  
27 provisions of this section shall produce its accounts, records and files for  
28 examination, and makes its officers available to give information with  
29 respect to its affairs, as often as reasonably required by the commissioner.

30 (e) The commissioner may refuse to issue a license if the  
31 commissioner determines that the applicant or any individual responsible  
32 for the conduct of affairs of the applicant is not competent, trustworthy,  
33 financially responsible or of good personal and business reputation, or has  
34 had an insurance or an administrator certificate of authority or license  
35 denied or revoked for cause by any jurisdiction, or if the commissioner  
36 determines that any of the grounds set forth in K.S.A. 40-3810, and  
37 amendments thereto, exist with respect to the applicant.

38 (f) A license issued under this section shall remain valid, unless  
39 surrendered, suspended or revoked by the commissioner, for so long as the  
40 administrator continues in business in this state and remains in compliance  
41 with the provisions of this act and any applicable rules and regulations.

42 (g) An administrator licensed or applying for licensure under the  
43 provisions of this section shall immediately notify the commissioner of

1 any material change in its ownership, control or other fact or circumstance  
2 affecting its qualification for a license in this state.

3 (h) An administrator licensed or applying for a home state license that  
4 administers or will administer governmental or church self-insured plans  
5 in this state or any other state shall maintain a surety bond for the use and  
6 benefit of the commissioner to be held in trust for the benefit and  
7 protection of covered persons and any payor or self-funded plan against  
8 loss by reason of acts of fraud or dishonesty. The bond shall be in the  
9 greater of the following amounts:

10 (1) \$100,000; or

11 (2) an amount equal to 10% of the aggregate total amount of self-  
12 funded coverage under church plans or governmental plans handled in this  
13 state and all additional states in which the administrator is authorized to do  
14 business.

15 (i) *Not later than December 1 of each year, the commissioner shall*  
16 *set and cause to be published in the Kansas register the fee required*  
17 *pursuant to this section for the next calendar year.*

18 Sec. 13. K.S.A. 40-3813 is hereby amended to read as follows: 40-  
19 3813. (a) Unless an administrator has obtained a home state license in this  
20 state, any administrator who performs duties as an administrator in this  
21 state shall obtain a nonresident administrator license in accordance with  
22 the provisions of this section by filing with the commissioner the uniform  
23 application, accompanied by a letter of certification. In lieu of requiring an  
24 administrator to file a letter of certification with the uniform application,  
25 the commissioner may verify the nonresident administrator's home state  
26 certificate of authority or license status through an electronic database  
27 maintained by the NAIC, its affiliates or subsidiaries.

28 (b) An administrator shall not be eligible for a nonresident  
29 administrator license under the provisions of this section if—~~it~~ *such*  
30 *administrator* does not hold a license in a home state that has adopted a  
31 substantially similar law governing administrators.

32 (c) Except as provided in subsections (b) and (h), the commissioner  
33 shall issue to the administrator a nonresident administrator license  
34 promptly upon receipt of a complete application.

35 (d) Each nonresident administrator shall file biennially, as a part of its  
36 application for renewal of its license, a statement that its home state  
37 administrator license remains in force and has not been revoked or  
38 suspended by its home state during the preceding years. Each nonresident  
39 administrator renewal application shall be accompanied by a renewal  
40 application fee ~~in the amount of~~ *not to exceed* \$200.

41 (e) At the time of filing the application for licensing required under  
42 the provisions of this section, the nonresident administrator shall pay a  
43 license application fee ~~in the amount of~~ *not to exceed* \$400.

1 (f) An administrator licensed or applying for licensure under the  
2 provisions of this section shall produce its accounts, records and files for  
3 examination, and make its officers available to give information with  
4 respect to its affairs, as often as reasonably required by the commissioner.

5 (g) A nonresident administrator is not required to hold a nonresident  
6 administrator license in this state if the administrator is licensed in its  
7 home state and the administrator's duties in this state are limited to:

8 (1) The administration of a group policy or plan and ~~no~~ not more than  
9 a total of 20% of covered persons, for all plans the administrator services,  
10 reside in this state; and

11 (2) the total number of covered persons residing in this state is ~~less~~  
12 *fewer* than 100.

13 (h) The commissioner may refuse to issue a nonresident administrator  
14 license, or delay the issuance of a nonresident administrator license, if the  
15 commissioner determines that, due to events or information obtained  
16 subsequent to the home state's licensure of the administrator, the  
17 nonresident administrator cannot satisfy the requirements of this act or that  
18 grounds exist for the home state's revocation or suspension of the  
19 administrator's home state certificate of authority or license.

20 (i) *Not later than December 1 of each year, the commissioner shall*  
21 *set and cause to be published in the Kansas register the fees required*  
22 *pursuant to this section for the next calendar year.*

23 Sec. 14. K.S.A. 40-3814 is hereby amended to read as follows: 40-  
24 3814. (a) Each administrator licensed under the provisions of this act shall  
25 file an annual report for the preceding calendar year with the  
26 commissioner on or before July 1 of each year, or within such extension of  
27 time as the commissioner may grant for good cause, accompanied by an  
28 annual report fee ~~in the amount of~~ *not to exceed \$100. Not later than*  
29 *December 1 of each year, the commissioner shall set and cause to be*  
30 *published in the Kansas register such fee for the next calendar year.*

31 (b) The annual report shall include:

32 (1) *The complete names and addresses of all payors, and for self-*  
33 *funded plans, all employers and trusts with which the administrator had*  
34 *agreements during the preceding fiscal year.*

35 (2) *the number of Kansas residents covered by each of the plans; and*

36 (3) (A) an audited financial statement attested to by an independent  
37 certified public accountant. An audited annual financial report prepared on  
38 a consolidated basis shall include a columnar consolidating or combining  
39 worksheet ~~that shall be~~ filed with the report ~~and~~. *Such worksheet shall*  
40 *include the following:*

41 ~~(A)~~(i) Amounts shown on the consolidated audited financial report  
42 shown on the worksheet;

43 ~~(B)~~(ii) amounts for each entity stated separately; and

1       ~~(C)~~(iii) explanations of consolidating and eliminating entries  
2 included.

3       ~~(2)~~(B) In lieu of submitting an audited financial statement, and upon  
4 written application by an administrator and good cause shown, the  
5 commissioner may grant a hardship exemption from filing audited  
6 financial statements and allow the submission of unaudited financial  
7 statements. Acceptable formats for unaudited financial statements,~~that~~  
8 *which* shall include notes, are:

9       ~~(A)~~(i) Reports compiled or reviewed by a certified public accountant;  
10 or

11       ~~(B)~~(ii) internal financial reports prepared in accordance with GAAP,  
12 certified by at least two officers, owners or directors of the administrator.

13       (C) If unaudited financial statements are submitted, the administrator  
14 ~~must~~ shall secure and maintain a surety bond in a form prescribed by the  
15 commissioner for the use and benefit of the commissioner to be held in  
16 trust for the benefit and protection of covered persons and any payor or  
17 self-funded plan against loss by reason of acts of fraud or dishonesty, for  
18 the greater of 10% of funds handled for the benefit of Kansas residents or  
19 \$20,000.

20       ~~(b)~~(c) The annual report shall be in the form and contain such matters  
21 as the commissioner prescribes and shall be verified by at least two  
22 officers, owners or directors of the administrator.

23       ~~(e) The annual report shall include the complete names and addresses~~  
24 ~~of all payors and for self-funded plans, all employers and trusts, with~~  
25 ~~which the administrator had agreements during the preceding fiscal year.~~  
26 ~~The report shall also include the number of Kansas residents covered by~~  
27 ~~each of the plans.~~

28       Sec. 15. K.S.A. 2024 Supp. 40-3823 is hereby amended to read as  
29 follows: 40-3823. (a) No person shall act or operate as a pharmacy benefits  
30 manager without first obtaining a valid license issued by the  
31 commissioner.

32       (b) Each person seeking a license to act as a pharmacy benefits  
33 manager shall file with the commissioner an application for a license upon  
34 a form to be furnished by the commissioner. At a minimum, the  
35 application form shall include the following information:

36       (1) The name, address and telephone number of the pharmacy  
37 benefits manager;

38       (2) the name, address, official position and professional qualifications  
39 of each individual who is responsible for the conduct of the affairs of the  
40 pharmacy benefits manager, including all members of the board of  
41 directors, board of trustees, executive committee, other governing board or  
42 committee, the principal officers in the case of a corporation, the partners  
43 or members in the case of a partnership or association;

1 (3) the name and address of the applicant's agent for service of  
2 process in the state.;

3 (4) the name, address, phone number, email address and official  
4 position of the employee who will serve as the primary contact for the  
5 department.;

6 (5) a copy of the pharmacy benefits manager's corporate charter,  
7 articles of incorporation or other charter document.;

8 (6) a template contract, ~~which shall include~~ *including* a dispute  
9 resolution process, that ultimately involves an independent fact finder  
10 between:

11 (A) The pharmacy benefits manager and the health insurer; or

12 (B) the pharmacy benefits manager and the pharmacy or a pharmacy's  
13 contracting agent.; *and*

14 (7) a network adequacy report on a form prescribed by the  
15 department through rules and regulations.

16 (c) A nonrefundable application fee ~~of not to exceed~~ \$2,500. *Not later*  
17 *than December 1 of each year, the commissioner shall set and cause to be*  
18 *published in the Kansas register such fee for the next calendar year.*

19 (d) The licensee shall inform the commissioner, by any means  
20 acceptable to the commissioner, of any material change in the information  
21 required by this subsection within 90 days of such change. Failure to  
22 timely inform the commissioner of a material change may result in a  
23 penalty against the licensee in the amount of \$500.

24 (e) Within 90 days after receipt of a completed application, the  
25 network adequacy report and the applicable license fee, the commissioner  
26 shall review the application and issue a license if the applicant is deemed  
27 qualified under this section. If the commissioner determines that the  
28 applicant is not qualified, the commissioner shall notify the applicant and  
29 shall specify the reason for the denial.

30 (f) (1) All documents, materials or other information and copies  
31 thereof in the possession or control of the department or any other  
32 governmental entity that are obtained by or disclosed to the commissioner  
33 or any other person in the course of an application, examination or  
34 investigation made pursuant to this act shall be confidential by law and  
35 privileged, shall not be subject to any open records, freedom of  
36 information, sunshine or other public record disclosure laws; and shall not  
37 be subject to subpoena or discovery.

38 (2) The provisions of paragraph (1) shall only apply to the disclosure  
39 of the confidential documents described in paragraph (1) by the  
40 department or any other governmental entity and shall not be construed to  
41 create any privilege in favor of any other party.

42 (3) The provisions of this subsection shall expire on July 1, 2027,  
43 unless the legislature reviews and reenacts this provision pursuant to

1 K.S.A. 45-229, and amendments thereto, prior to July 1, 2027.

2 Sec. 16. K.S.A. 2024 Supp. 40-3824 is hereby amended to read as  
3 follows: 40-3824. (a) Each pharmacy benefits manager license shall expire  
4 on March 31 *of* each year and may be renewed annually on the request of  
5 the licensee. The application for renewal shall be submitted on a form  
6 furnished by the commissioner and accompanied by a renewal fee ~~of~~ *not*  
7 *to exceed* \$2,500. The application for renewal shall be in such form and  
8 contain such matters as the commissioner prescribes.

9 (b) If a license renewal fee is not paid by the prescribed date, the  
10 amount of the fee, plus a penalty fee ~~of~~ *not to exceed* \$2,500 shall be paid.  
11 The pharmacy benefits manager's license may be revoked or suspended by  
12 the commissioner until the renewal fee and any penalty assessed has been  
13 paid.

14 (c) Any person who performs or is performing any pharmacy benefits  
15 management service shall be required to obtain a license as a pharmacy  
16 benefits manager from the commissioner not later than January 1, 2023, in  
17 order to continue to do business in Kansas.

18 (d) *Not later than December 1 of each year, the commissioner shall*  
19 *set and cause to be published in the Kansas register the fees required*  
20 *pursuant to this section for the next calendar year.*

21 Sec. 17. K.S.A. 40-4103 is hereby amended to read as follows: 40-  
22 4103. Risk retention groups chartered in states other than this state seeking  
23 to do business as a risk retention group in this state shall observe and abide  
24 by the laws of this state as follows:

25 (a) *Notice of operations and designation of commissioner as agent.*  
26 Before offering insurance in this state, a risk retention group shall submit  
27 to the commissioner:

28 (1) A statement identifying the state or states in which the risk  
29 retention group is chartered and licensed as a liability insurance company,  
30 date of chartering, its principal place of business and such other  
31 information, including information on its membership, as the  
32 commissioner of this state may require to verify that the risk retention  
33 group is qualified under K.S.A. 40-4101(k), and amendments thereto;

34 (2) a copy of its plan of operations or a feasibility study and revisions  
35 of such plan or study submitted to its state of domicile, except that the  
36 provision relating to the submission of a plan of operation or a feasibility  
37 study shall not apply with respect to any line or classification of liability  
38 insurance that *was*:

39 (A) ~~was~~ Defined in the product liability risk retention act of 1981  
40 before October 27, 1986; and

41 (B) ~~was~~ offered before such date by any risk retention group that had  
42 been chartered and operating for not less than three years before such date;

43 (3) a statement of registration that designates the commissioner as its



1 agent for the purpose of receiving service of legal documents or process;  
2 and

3 (4) a notification fee ~~in the amount of~~ *not to exceed \$250. Not later*  
4 *than December 1 of each year, the commissioner shall set and cause to be*  
5 *published in the Kansas register such fee for the next calendar year.*

6 (b) *Financial condition.* Any risk retention group doing business in  
7 this state shall submit to the commissioner:

8 (1) A copy of the group's financial statement submitted to its state of  
9 domicile that contains a statement of opinion on loss and loss adjustment  
10 expense reserves made by a member of the American academy of actuaries  
11 or a qualified loss reserve specialist under criteria established by the  
12 national association of insurance commissioners;

13 (2) a copy of each examination of the risk retention group as certified  
14 by the commissioner or public official conducting the examination;

15 (3) upon request by the commissioner, a copy of any audit performed  
16 with respect to the risk retention group; and

17 (4) such information as may be required to verify its continuing  
18 qualification as a risk retention group under K.S.A. 40-4101(k), and  
19 amendments thereto.

20 (c) *Taxation.* (1) All premiums paid for coverages within this state to  
21 risk retention groups chartered outside this state shall be subject to taxation  
22 at the same rate and subject to the same interest, fines and penalties for  
23 nonpayment as that provided by K.S.A. 40-246c, and amendments thereto.  
24 Risk retention groups chartered or licensed in this state shall be taxed in  
25 accordance with K.S.A. 40-252, and amendments thereto.

26 (2) To the extent agents or brokers are utilized, they shall report and  
27 pay the taxes for the premiums for risks that they have placed with or on  
28 behalf of a risk retention group not chartered in this state.

29 (3) To the extent agents or brokers are not utilized or fail to pay the  
30 tax, each risk retention group shall pay the tax for risks insured within the  
31 state. Each risk retention group shall report all premiums paid to it for  
32 risks insured within the state.

33 (d) *Compliance with unfair claims settlement practices law.* Any risk  
34 retention group, its agents and representatives, shall comply with K.S.A.  
35 40-2404(9), and amendments thereto.

36 (e) *Deceptive, false or fraudulent practices.* Any risk retention group  
37 shall comply with the laws of this state regarding deceptive, false or  
38 fraudulent acts or practices, except that if the commissioner seeks an  
39 injunction regarding such conduct, the injunction shall be obtained from a  
40 court of competent jurisdiction.

41 (f) *Examination regarding financial condition.* Any risk retention  
42 group shall submit to an examination in accordance with K.S.A. 40-222  
43 and 40-223, and amendments thereto, by the commissioner to determine

1 its financial condition if the commissioner of the jurisdiction in which the  
 2 group is chartered has not initiated an examination or does not initiate an  
 3 examination within 60 days after a request by the commissioner of this  
 4 state.

5 (g) *Notice to purchasers.* Any policy issued by a risk retention group  
 6 shall contain in 10 point type on the front page and the declaration page,  
 7 the following notice:

8 NOTICE

9 This policy is issued by your risk retention group. Your risk retention  
 10 group may not be subject to all of the insurance laws and regulations of  
 11 your state. State insurance insolvency guaranty funds are not available for  
 12 your risk retention group.

13 (h) *Prohibited acts regarding solicitation or sale.* The following acts  
 14 by a risk retention group are hereby prohibited:

15 (1) The solicitation or sale of insurance by a risk retention group to  
 16 any person who is not eligible for membership in such group; and

17 (2) the solicitation or sale of insurance by, or operation of, a risk  
 18 retention group that is in a hazardous financial condition or is financially  
 19 impaired.

20 (i) *Prohibition on ownership by an insurance company.* No risk  
 21 retention group shall be allowed to do business in this state if an insurance  
 22 company is directly or indirectly a retention group all of whose members  
 23 are insurance companies.

24 (j) *Prohibited coverage.* No risk retention group may offer insurance  
 25 policy coverage prohibited by the laws of this state or declared unlawful  
 26 by the supreme court of the state of Kansas.

27 (k) *Delinquency proceedings.* A risk retention group not chartered in  
 28 this state and doing business in this state must comply with a lawful order  
 29 issued in a voluntary dissolution proceeding or in a delinquency  
 30 proceeding commenced by a state insurance commissioner if there has  
 31 been a finding of financial impairment after an examination under  
 32 subsection (f).

33 Sec. 18. K.S.A. 40-4116 is hereby amended to read as follows: 40-  
 34 4116. (a) (1) A purchasing group ~~which that~~ intends to do business in this  
 35 state shall furnish notice to the commissioner ~~which shall~~:

36 ~~(1)(A) identify~~ *Identifying* the state in which the group is domiciled;

37 ~~(2)(B) specify~~ *specifying* the lines and classifications of liability  
 38 insurance ~~which that~~ the purchasing group intends to purchase;

39 ~~(3)(C) identify~~ *identifying* the insurance company from which the  
 40 group intends to purchase its insurance and the domicile of such company;

41 ~~(4)(D) identify~~ *identifying* the principal place of business of the group;  
 42 and

43 ~~(5)(E) provide~~ *providing* such other information as may be required by

1 the commissioner to verify that the purchasing group is qualified under  
2 ~~subsection (j) of K.S.A. 40-4101(j)~~, and amendments thereto.

3 (2) The notice submitted to the commissioner shall be accompanied  
4 by a notification fee ~~of~~ *not to exceed* \$250.

5 (b) The purchasing group shall file with the insurance department its  
6 written consent, irrevocable, that any action or garnishment proceeding  
7 may be commenced against such group in the proper court of any county  
8 in this state in which the cause of action shall arise or in which the plaintiff  
9 may reside by the service of process on the commissioner of insurance of  
10 this state and stipulating and agreeing that such service shall be taken and  
11 held in all courts to be as valid and binding as if due service had been  
12 made upon the president or chief officer of such corporation. Such consent  
13 shall be executed by the president of the company and shall be  
14 accompanied by a certified copy of the order or resolution of the board of  
15 directors, trustees or managers authorizing the president to execute the  
16 same. The summons, accompanied by a fee ~~of~~ *not to exceed* \$25, shall be  
17 directed to the commissioner of insurance and shall require the defendant  
18 to answer not less than 40 days from its date. Such summons, and a  
19 certified copy of the petition shall be ~~forthwith~~ *immediately* forwarded by  
20 the clerk of the court to the commissioner of insurance, who shall  
21 immediately forward a copy of the summons and the certified copy of the  
22 petition, to the president of the group sued, and thereupon the  
23 commissioner of insurance shall make return of the summons to the court  
24 from which it issued, showing the date of the receipt by the commissioner,  
25 the date of forwarding of such copies and the name and address of the  
26 person to whom the commissioner forwarded the copy. Such return shall  
27 be made under the commissioner's hand and seal of office; and ~~shall~~  
28 have the same force and effect as a due and sufficient return made by the sheriff  
29 on process directed to the sheriff. The foregoing shall not apply in the case  
30 of a purchasing group ~~which~~ *that*:

31 (1) (A) Was domiciled before April 2, 1986; and

32 (B) is domiciled on and after October 27, 1986, in any state of the  
33 United States;

34 (2) (A) before October 27, 1986, purchased insurance from an  
35 insurance carrier licensed in any state; and

36 (B) since October 27, 1986, purchased its insurance from an  
37 insurance carrier licensed in any state;

38 (3) was a purchasing group under the requirements of the product  
39 liability retention act of 1981 before October 27, 1986; and

40 (4) does not purchase insurance that was not authorized for purposes  
41 of an exemption under that act, as in effect before October 27, 1986.

42 (c) *Not later than December 1 of each year, the commissioner shall*  
43 *set and cause to be published in the Kansas register the fees required*

1 *pursuant to this section for the next calendar year.*

2 Sec. 19. K.S.A. 2024 Supp. 40-4209 is hereby amended to read as  
3 follows: 40-4209. (a) (1) No person shall act as or hold such person out to  
4 be a prepaid service plan in this state unless such person holds a certificate  
5 of registration as a prepaid service plan issued by the commissioner of  
6 insurance. An application for such certificate may be made to the  
7 commissioner of insurance on forms prescribed by the commissioner and  
8 shall include:

9 (A) The completed application form;

10 (B) a list of each individual who solicits memberships on behalf of  
11 such prepaid service plan; and

12 (C) a filing fee—~~of~~ *not to exceed* \$100.

13 (2) The certificate of registration may be continued for successive  
14 annual periods by notifying the commissioner of such intent, paying an  
15 annual continuation fee—~~of~~ *not to exceed* \$50 and advising the  
16 commissioner of insurance of any additions to or deletions from the list of  
17 individuals who solicit memberships on behalf of such prepaid service  
18 plan since the last reporting date.

19 (b) The certificate of registration shall be issued to or continued for a  
20 prepaid service plan by the commissioner of insurance unless the  
21 commissioner of insurance, after due notice and hearing, determines that  
22 the prepaid service plan is not competent, trustworthy, financially  
23 responsible or of good personal and business reputation; or has had a  
24 previous application for a certificate of registration denied for cause since  
25 January 1, 1988, or within five years of the date of application, whichever  
26 is later.

27 (c) *Not later than December 1 of each year, the commissioner shall*  
28 *set and cause to be published in the Kansas register the fees required*  
29 *pursuant to this section for the next calendar year.*

30 Sec. 20. K.S.A. 2024 Supp. 40-4302 is hereby amended to read as  
31 follows: 40-4302. (a) Any captive insurance company, when permitted by  
32 its organizational documents, may apply to the commissioner for a  
33 certificate of authority to do any and all insurance comprised in K.S.A. 40-  
34 901 et seq., 40-1102(1)(a); *and* (1)(c) through (1)(n), and amendments  
35 thereto, and to issue life, accident and health insurance policies provided  
36 that:

37 (1) No pure captive insurance company shall insure any risks other  
38 than those of its parent and affiliated companies and, upon prior approval  
39 of the commissioner, any controlled unaffiliated business up to 5% of total  
40 direct written premium;

41 (2) no association captive insurance company shall insure any risks  
42 other than those of its association and those of the member organizations  
43 of its association. No association captive insurance company shall expose

1 itself to loss on any one risk or hazard in an amount exceeding 10% of its  
2 paid-up capital and surplus;

3 (3) no captive insurance company shall provide personal lines of  
4 insurance, workers' compensation, employers' liability insurance coverage,  
5 long-term care coverage, critical care coverage, surety, title insurance,  
6 credit insurance or any component thereof, except that a technology-  
7 enabled fiduciary financial institution insurance company shall be  
8 permitted to provide contracts of suretyship and credit insurance in  
9 accordance with K.S.A. 2024 Supp. 40-4354, and amendments thereto;

10 (4) no captive insurance company shall accept or cede reinsurance  
11 except as provided in K.S.A. 40-4311, and amendments thereto;

12 (5) no captive insurance company shall provide accident and health,  
13 life insurance or annuities on a direct basis;

14 (6) no captive insurance company authorized as a life insurance  
15 company shall transact business other than life insurance; and

16 (7) no captive insurance company authorized to transact business  
17 under article 9 or 11 of chapter 40 of the Kansas Statutes Annotated, and  
18 amendments thereto, shall engage in the business of life insurance.

19 (b) No captive insurance company organized under the laws of this  
20 state shall do any insurance business in this state unless:

21 (1) It first obtains from the commissioner a certificate of authority  
22 authorizing it to do insurance business in this state;

23 (2) its board of directors, members, partners, managers, committee of  
24 managers or other governing body holds at least one meeting each year in  
25 this state;

26 (3) it maintains its principal place of business in this state; and

27 (4) it authorizes the commissioner to accept service of process on its  
28 behalf in accordance with K.S.A. 40-218, and amendments thereto.

29 (c) Before receiving a certificate of authority, an applicant captive  
30 insurance company shall file with the commissioner:

31 (1) A copy of the applicant captive insurance company's  
32 organizational documents; and

33 (2) a plan of operation or a feasibility study describing the anticipated  
34 activities and results of the applicant captive insurance company that shall  
35 include:

36 (A) The company's loss prevention program of its parent and  
37 insureds, as applicable;

38 (B) historical and expected loss experience of the risks to be insured  
39 or reinsured by the applicant captive insurance company;

40 (C) pro forma financial statements and projections of the proposed  
41 business operations of the applicant captive insurance company;

42 (D) an analysis of the adequacy of the applicant captive insurance  
43 company's proposed premiums, assets and capital and surplus levels

1 relative to the risks to be insured or reinsured by the captive insurance  
2 company;

3 (E) a statement of the applicant captive insurance company's net  
4 retained limited liability on any contract of insurance or reinsurance it  
5 intends to issue and the nature of any reinsurance it intends to cede;

6 (F) a statement certifying that the applicant captive insurance  
7 company's investment policy is in compliance with this act and specifying  
8 the type of investments to be made;

9 (G) a statement identifying the geographic areas in which the  
10 applicant captive insurance company intends to operate;

11 (H) a statement identifying the persons or organizations that will  
12 perform the applicant captive insurance company's major operational  
13 functions, including management, underwriting, accounting, asset  
14 investment, claims adjusting and loss control and the adequacy of the  
15 expertise, experience and character of such persons or organizations; and

16 (I) whenever required by the commissioner, an appropriate opinion  
17 by a qualified independent actuary regarding the adequacy of the applicant  
18 captive insurance company's proposed capital, surplus and premium levels;

19 (3) a description of the coverages, deductibles, coverage limits, rates  
20 and forms, together with any additional information that the commissioner  
21 may require;

22 (4) such other items deemed relevant by the commissioner in  
23 ascertaining whether the proposed captive insurance company will be able  
24 to meet its obligations; and

25 (5) any modification or change in the items required under this  
26 subsection that shall require the prior approval of the commissioner.

27 (d) Each captive insurance company not in existence on January 1,  
28 2018, shall pay to the commissioner a nonrefundable fee ~~of not to exceed~~  
29 \$10,000 for examining, investigating and processing its application for a  
30 certificate of authority. The commissioner is authorized to retain legal,  
31 financial, actuarial, analysis and examination services from outside the  
32 department, the reasonable costs of which shall be charged against the  
33 applicant. In addition, it shall pay a renewal fee for each year thereafter ~~of~~  
34 *not to exceed* \$10,000. *Not later than December 1 of each year, the*  
35 *commissioner shall set and cause to be published in the Kansas register*  
36 *the fee required by this subsection for the next calendar year.*

37 ~~(e) Each captive insurance company already in existence on January~~  
38 ~~1, 2018, shall pay an annual renewal fee of \$110 until January 1, 2028,~~  
39 ~~after which date the provisions of subsection (d) shall apply.~~

40 (f) If the commissioner is satisfied that the documents and statements  
41 that such captive insurance company has filed comply with the provisions  
42 of this act, the commissioner may grant a certificate of authority  
43 authorizing a:

1 (1) Captive insurance company other than a technology-enabled  
2 fiduciary financial institution to do insurance business in this state until  
3 March 1 thereafter, which certificate of authority may be renewed; and

4 (2) technology-enabled fiduciary financial institution insurance  
5 company to do insurance business in this state until the later of March 1  
6 thereafter or the maturity date of the last payment-in-kind asset held by  
7 such technology-enabled fiduciary financial institution insurance company  
8 pursuant to this act.

9 ~~(g)~~(f) Information submitted under this section shall be and remain  
10 confidential, and shall not be made public by the commissioner or any  
11 employee or agent of the commissioner without the written consent of the  
12 company, except that:

13 (1) Such information may be discoverable by a party in a civil action  
14 or contested case to which the captive insurance company that submitted  
15 such information is a party, upon a showing by the party seeking to  
16 discover such information that:

17 (A) The information sought is relevant to and necessary for the  
18 furtherance of such action or case;

19 (B) the information sought is unavailable from other non-confidential  
20 sources;

21 (C) a subpoena issued by a judicial or administrative officer or  
22 competent jurisdiction has been submitted to the commissioner; and

23 (D) the privacy of a qualified policyholder shall be protected in any  
24 court proceeding concerning such qualified policyholder if the technology-  
25 enabled fiduciary financial institution insurance company so petitions the  
26 court. Upon the filing of such petition, any information, including, but not  
27 limited to, an instrument, inventory, statement or verified report produced  
28 by the technology-enabled fiduciary financial institution insurance  
29 company regarding a policy issued to a qualified policyholder or payment-  
30 in-kind assets held by the technology-enabled fiduciary financial  
31 institution insurance company to satisfy claims of such qualified  
32 policyholder, all payment-in-kind policies, all petitions relevant to such  
33 information and all court orders thereon, shall be sealed upon filing and  
34 shall not be made a part of the public record of the proceeding, except that  
35 such petition shall be available to the court, the commissioner, the  
36 technology-enabled fiduciary financial institution insurance company, their  
37 attorneys and to such other interested persons as the court may order upon  
38 a showing of good cause;

39 (2) the commissioner may disclose such information to a public  
40 officer having jurisdiction over the regulation of insurance in another state,  
41 ~~provided that if:~~

42 (A) Such public official shall agree in writing to maintain the  
43 confidentiality of such information; and

1 (B) the laws of the state in which such public official serves requires  
2 such information to be and to remain confidential;

3 (3) access may also be granted to the national association of  
4 insurance commissioners and its affiliates, and the international  
5 association of supervisors and its affiliates. Such parties ~~must~~ *shall* agree  
6 in writing prior to receiving the information to provide to it the same  
7 confidential treatment as required by this section, unless the company  
8 gives prior written consent; and

9 (4) the privacy of those who have established an affiliated fidfin trust  
10 or alternative asset custody account shall be protected in any court  
11 proceeding concerning such trust or custody account if the acting trustee,  
12 custodian, trustor or any beneficiary so petition the court. Upon the filing  
13 of such a petition, the instrument, inventory, statement filed by any trustee  
14 or custodian, annual verified report of the trustee or custodian and all  
15 petitions relevant to trust administration and all court orders thereon shall  
16 be sealed upon filing and shall not be made a part of the public record of  
17 the proceeding, except that such petition shall be available to the court, the  
18 trustor, the trustee, the custodian, any beneficiary, their attorneys and to  
19 such other interested persons as the court may order upon a showing of  
20 good cause.

21 Sec. 21. K.S.A. 40-4323 is hereby amended to read as follows: 40-  
22 4323. (a) As used in this section, unless the context requires otherwise,  
23 "dormant captive insurance company" means a captive insurance company  
24 that has:

25 (1) Ceased transacting the business of insurance, including the  
26 issuance of insurance policies; and

27 (2) no remaining liabilities associated with insurance business  
28 transactions or insurance policies issued prior to the filing of its  
29 application for a certificate of dormancy under this section.

30 (b) A captive insurance company domiciled in Kansas that meets the  
31 criteria of subsection (a) may apply to the commissioner for a certificate of  
32 dormancy. The certificate of dormancy shall be subject to renewal every  
33 five years and shall be forfeited if not renewed within such time.

34 (c) A dormant captive insurance company that has been issued a  
35 certificate of dormancy shall:

36 (1) Possess and thereafter maintain unimpaired, paid-in capital and  
37 surplus of not less than \$25,000;

38 (2) prior to March 15 of each year, submit to the commissioner a  
39 report of its financial condition, verified by oath by two of its executive  
40 officers, in a form as may be prescribed by the commissioner; and

41 (3) pay a license renewal fee ~~of~~ *not to exceed* \$500. *Not later than*  
42 *December 1 of each year, the commissioner shall set and cause to be*  
43 *published in the Kansas register such fee required pursuant to this*



1 *paragraph.*

2 (d) A dormant captive insurance company shall not be subject to or  
3 liable for the payment of any tax under K.S.A. 40-4314, and amendments  
4 thereto, or as provided in article 28 of chapter 40 of the Kansas Statutes  
5 Annotated, and amendments thereto.

6 (e) A dormant captive insurance company shall apply to the  
7 commissioner for approval to surrender its certificate of dormancy and  
8 resume conducting the business of insurance prior to issuing any insurance  
9 policies.

10 (f) A certificate of dormancy shall be revoked if a dormant captive  
11 insurance company no longer meets the criteria of subsection (a).

12 (g) The commissioner may promulgate rules and regulations as  
13 necessary to carry out the provisions of this section.

14 Sec. 22. K.S.A. 40-4334 is hereby amended to read as follows: 40-  
15 4334. (a) To transact business in Kansas, a special purpose insurance  
16 captive shall:

17 (1) Obtain from the commissioner a certificate of authority  
18 authorizing it to conduct reinsurance business in Kansas;

19 (2) hold at least one meeting of its board of directors each year within  
20 Kansas;

21 (3) maintain its principal place of business in Kansas;

22 (4) authorize the commissioner to accept service of process on its  
23 behalf in accordance with K.S.A. 40-218, and amendments thereto;

24 (5) maintain unimpaired paid-in capital and surplus of not less than  
25 \$5,000,000;

26 (6) maintain a risk-based capital of at least 200%; and

27 (7) pay all applicable fees as required by this act.

28 (b) A special purpose insurance captive, when permitted by its  
29 organizational documents, may apply to the commissioner for a certificate  
30 of authority to conduct reinsurance in Kansas as authorized by this section.

31 (1) An authorized special purpose insurance captive may only  
32 reinsure the risks of its ceding company. A special purpose insurance  
33 captive may reinsure risks of more than one ceding company, ~~provided if~~  
34 all ceding companies from which a special purpose insurance captive  
35 assumes risks ~~shall be~~ *are* affiliated with one another.

36 (2) An authorized special purpose insurance captive may cede all or a  
37 portion of its assumed risks under ceded reinsurance agreements.

38 (3) An authorized special purpose insurance captive may take credit  
39 or a reduction from liability for the reinsurance of risks or portions of risks  
40 ceded to a reinsurer in accordance with K.S.A. 40-221a, and amendments  
41 thereto, or as otherwise approved by the commissioner.

42 (c) To obtain a certificate of authority to transact business as a special  
43 purpose insurance captive in Kansas, the special purpose insurance captive

1 shall:

2 (1) File an application, ~~which~~ *that* shall include the following:

3 (A) Certified copies of its organizational documents;

4 (B) a statement under oath from any of the applicant's officers as to  
5 the financial condition of the applicant as of the time the application is  
6 filed;

7 (C) evidence of the applicant's assets as of the time of the application;

8 (D) complete biographical sketches for each officer and director on  
9 forms created by the NAIC;

10 (E) a plan of operation as described in K.S.A. 40-4335, and  
11 amendments thereto;

12 (F) an affidavit signed by the applicant that the special purpose  
13 insurance captive will operate only in accordance with the provisions of  
14 this section and its plan of operation;

15 (G) a description of the investment strategy the special purpose  
16 insurance captive will follow; and

17 (H) a description of the source and form of the initial minimum  
18 capital proposed in the plan of operation; and

19 (2) have deposited with the commissioner of insurance pursuant to  
20 K.S.A. 40-229a, and amendments thereto, securities authorized by K.S.A.  
21 40-2a01 et seq., and amendments thereto, in an amount equal to not less  
22 than the minimum capital stock required of such company for the  
23 protection of its policyholders or creditors, or both;

24 (3) demonstrate that the minimum surplus required is established and  
25 held in Kansas; and

26 (4) provide copies of any filings made by the ceding company with  
27 the ceding company's domiciliary insurance regulator to obtain approval  
28 for the ceding company to enter into the special purpose insurance captive  
29 contract and copies of any filings made by any affiliate of the special  
30 purpose insurance captive to obtain regulatory approval to contribute  
31 capital to the special purpose insurance captive or to acquire direct or  
32 indirect ownership of the special purpose insurance captive. The special  
33 purpose insurance captive shall provide copies of any letters of approval or  
34 disapproval received from the insurance regulator responding to such  
35 filing.

36 (d) The commissioner may require the special purpose insurance  
37 captive to revise its plan of operation under K.S.A. 40-4335, and  
38 amendments thereto, and meet all requirements imposed by a revised plan  
39 of operation as approved by the commissioner thereunder.

40 (e) The department shall act upon a complete application within 30  
41 days of its filing. Upon good cause shown, the commissioner may extend  
42 the time to act on the application by 30 days.

43 (f) In the event *that* the ceding company is not required to make

1 filings with its domiciliary insurance regulator as described in subsection  
2 (c)(4), no such filing shall be required under subsection (c)(4) in Kansas;  
3 ~~provided if~~ the applicant provides the commissioner with a certification  
4 signed by one of its officers attesting that no such filing is required with  
5 the ceding company's domiciliary regulator.

6 (g) Once granted, a certificate of authority under this section shall  
7 continue until March 1 of each year. At such time, the certificate of  
8 authority may be renewed at the discretion of the commissioner.

9 (h) A special purpose insurance captive shall pay to the commissioner  
10 a nonrefundable application fee ~~of not to exceed~~ \$10,000 for examining,  
11 investigating and processing its application for certificate of authority, and  
12 the commissioner is authorized to retain legal, financial, actuarial and  
13 examination services from outside the department, the reasonable costs of  
14 which may be additionally charged against the applicant. In addition, each  
15 special purpose insurance captive shall pay a renewal fee ~~for each year~~  
16 ~~thereafter~~ *of not to exceed \$10,000 for each subsequent year. Not later*  
17 *than December 1 of each year, the commissioner shall set and cause to be*  
18 *published in the Kansas register the fee required pursuant to this*  
19 *subsection for the next calendar year.*

20 Sec. 23. K.S.A. 40-4503 is hereby amended to read as follows: 40-  
21 4503. (a) No person, firm, association or corporation shall act as a  
22 reinsurance broker in this state if the reinsurance broker maintains an  
23 office either directly or as a member or employee of a firm or association,  
24 or as an officer, director or employee of a corporation:

25 (1) In this state, unless such reinsurance broker is a licensed producer  
26 in this state; or

27 (2) in another state, unless such reinsurance broker is a licensed  
28 producer in this state or another state having a law substantially similar to  
29 this act or such reinsurance broker is licensed in this state as a nonresident  
30 reinsurance intermediary.

31 (b) No person, firm, association or corporation shall act as a  
32 reinsurance manager:

33 (1) For a reinsurer domiciled in this state, unless such reinsurance  
34 manager is a licensed producer in this state;

35 (2) in this state, if the reinsurance manager maintains an office either  
36 directly or as a member or employee of a firm or association, or an officer,  
37 director or employee of a corporation in this state, unless such reinsurance  
38 manager is a licensed producer in this state;

39 (3) in another state for a nondomestic insurer, unless such reinsurance  
40 manager is a licensed producer in this state or another state having a law  
41 substantially similar to this act or such person is licensed in this state as a  
42 nonresident reinsurance intermediary.

43 (c) The commissioner may require a reinsurance manager subject to

1 subsection (b) to file a bond in an amount from an insurer acceptable to the  
2 commissioner for the protection of each reinsurer represented.

3 (d) (1) The commissioner may issue a reinsurance intermediary  
4 license to any person, firm, association or corporation who has complied  
5 with the requirements of this act. Before any such license may be issued,  
6 the applicant shall submit proper application therefor on a form prescribed  
7 by the commissioner ~~which~~ *that* shall be accompanied by an initial fee ~~of~~  
8 *not to exceed* \$150. Any license so issued shall remain in effect until  
9 suspended, revoked, voluntarily surrendered or otherwise terminated by  
10 the commissioner or licensee subject to payment of an annual continuation  
11 fee ~~of not to exceed~~ \$100 on or before May 1 of each year. Any such  
12 license issued to a firm or association will authorize all the members of  
13 such firm or association and any designated employees to act as  
14 reinsurance intermediaries under the license, and all such persons shall be  
15 named in the application and any supplements thereto. Any such license  
16 issued to a corporation shall authorize all of the officers; and any  
17 designated employees and directors thereof; to act as reinsurance  
18 intermediaries on behalf of such corporation, and all such persons shall be  
19 named in the application and any supplements thereto.

20 (2) If the applicant for a reinsurance intermediary license is a  
21 nonresident, such applicant, as a condition precedent to receiving or  
22 holding a license, shall designate the commissioner as agent for service of  
23 process in the manner, and with the same legal effect, as is provided for by  
24 this act for designation of service of process upon insurers holding a  
25 Kansas certificate of authority. Such applicant shall furnish the  
26 commissioner with the name and address of a resident of this state upon  
27 whom notices or orders of the commissioner or process affecting such  
28 nonresident reinsurance intermediary may be served. Such licensee shall  
29 promptly notify the commissioner in writing of every change in its  
30 designated agent for service of process, and such change shall not become  
31 effective until acknowledged by the commissioner.

32 (3) *Not later than December 1 of each year, the commissioner shall*  
33 *set and cause to be published in the Kansas register the fee required*  
34 *pursuant to this subsection for the next calendar year.*

35 (e) The commissioner may, after a hearing conducted in accordance  
36 with the provisions of the Kansas administrative procedure act; *and held*  
37 ~~on~~ not less than 20 days' notice, refuse to issue a reinsurance intermediary  
38 license if, in the judgment of the commissioner; (1) The applicant, any  
39 one named on the application, or any member, principal, officer or director  
40 of the applicant, is not trustworthy; ~~or~~; (2) any controlling person of such  
41 applicant is not trustworthy to act as a reinsurance intermediary; or (3)  
42 any of the foregoing has given cause for revocation or suspension of such  
43 license; or has failed to comply with any prerequisite for the issuance of

1 such license.

2 (f) Licensed attorneys at law in this state when acting in their  
3 professional capacity as such shall be exempt from this section.

4 Sec. 24. K.S.A. 2024 Supp. 40-4903 is hereby amended to read as  
5 follows: 40-4903. (a) Unless denied licensure pursuant to K.S.A. 40-4909,  
6 and amendments thereto, any person who meets the requirements of  
7 K.S.A. 40-4905, and amendments thereto, shall be issued an insurance  
8 agent license. An insurance agent may receive qualifications for a license  
9 in one or more of the following lines of authority:

10 (1) Life: Insurance coverage on human lives including benefits of  
11 endowment and annuities, and may include benefits in the event of death  
12 or dismemberment by accident and benefits for disability income.

13 (2) Accident and health or sickness: Insurance coverage for sickness,  
14 bodily injury or accidental death, and may include benefits for disability  
15 income.

16 (3) Property: Insurance coverage for the direct or consequential loss  
17 or damage to property of every kind.

18 (4) Casualty: Insurance coverage against legal liability, including that  
19 for death, injury or disability or damage to real or personal property.

20 (5) Variable life and variable annuity products: Insurance coverage  
21 provided under variable life insurance contracts, variable annuities or any  
22 other life insurance or annuity product that reflects the investment  
23 experience of a separate account.

24 (6) Personal lines: Property and casualty insurance coverage sold  
25 primarily to an individual or family for noncommercial purposes.

26 (7) Credit: Limited line credit insurance.

27 (8) Crop insurance: Limited line insurance for damage to crops from  
28 unfavorable weather conditions, fire, lightning, flood, hail, insect  
29 infestation, disease or other yield-reducing conditions or any other peril  
30 subsidized by the federal crop insurance corporation, including multi-peril  
31 crop insurance.

32 (9) Title insurance: Limited line insurance that insures titles to  
33 property against loss by reason of defective titles or encumbrances.

34 (10) (A) Travel insurance: Limited line insurance for personal risks  
35 incidental to planned travel, including, but not limited to:

36 (i) Interruption or cancellation of trip or event;

37 (ii) loss of baggage or personal effects;

38 (iii) damages to accommodations or rental vehicles;

39 (iv) sickness, accident, disability or death occurring during travel;;

40 (v) emergency evacuation;

41 (vi) repatriation of remains; or

42 (vii) any other contractual obligations to indemnify or pay a specified  
43 amount to the traveler upon determinable contingencies related to travel as

1 approved by the commissioner.

2 (B) Travel insurance does not include major medical plans that  
3 provide comprehensive medical protection for travelers with trips lasting  
4 six months or longer, for example, persons working overseas, including  
5 military personnel deployed overseas.

6 (11) Pre-need funeral insurance: Limited line insurance that allows  
7 for the purchase of a life insurance or annuity contract by or on behalf of  
8 the insured solely to fund a pre-need contract or arrangement with a  
9 funeral home for specific services.

10 (12) Bail bond insurance: Limited line insurance that provides surety  
11 for a monetary guarantee that an individual released from jail will be  
12 present in court at an appointed time.

13 (13) Self-service storage unit insurance: Limited line insurance  
14 relating to the rental of self-service storage units, including:

15 (A) Personal effects insurance that provides coverage to renters of  
16 storage units at the same facility for the loss of, or damage to, personal  
17 effects that occurs at the same facility during the rental period; and

18 (B) any other coverage that the commissioner may approve as  
19 meaningful and appropriate in connection with the rental of storage units.  
20 Such insurance may only be issued in accordance with K.S.A. 40-241, and  
21 amendments thereto.

22 (14) Any other line of insurance permitted under the provisions of  
23 chapter 40 of the Kansas Statutes Annotated, and amendments thereto, and  
24 any rules and regulations promulgated thereunder.

25 (b) Unless suspended, revoked or refused renewal pursuant to K.S.A.  
26 40-4909, and amendments thereto, an insurance agent license shall remain  
27 in effect as long as:

28 (1) Education requirements for resident individual agents are met by  
29 such insurance agent's biennial due date;

30 (2) such insurance agent submits an application for renewal on a form  
31 prescribed by the commissioner; and

32 (3) such insurance agent pays a biennial renewal application fee ~~of~~  
33 *not to exceed* \$4.

34 (c) Except as provided in paragraphs (1) through (4), each licensed  
35 insurance agent shall biennially obtain a minimum of 18 C.E.C.s that  
36 include at least three hours of instruction in insurance ethics that also may  
37 include regulatory compliance.

38 (1) Each licensed insurance agent who is an individual and holds only  
39 a crop qualification shall biennially obtain a minimum of two C.E.C.s in  
40 courses certified as crop C.E.C.s under the property and casualty category.

41 (2) Each licensed insurance agent who is an individual and is licensed  
42 only for title insurance shall biennially obtain a minimum of four C.E.C.s  
43 in courses certified by the board of abstract examiners as title C.E.C.s

1 under the property and casualty category.

2 (3) Each licensed insurance agent who is an individual and holds a  
3 life insurance license solely for the purpose of selling pre-need funeral  
4 insurance or annuity products shall file a report on or before such agent's  
5 biennial due date affirming that such agent transacted no other insurance  
6 business during the period covered by the report and shall provide  
7 certification from an officer of each insurance company that has appointed  
8 such agent that the agent transacted no other insurance business during the  
9 period covered by the report. Agents who have offered to sell or sold only  
10 pre-need funeral insurance are exempt from the requirement to obtain  
11 C.E.C.s.

12 (4) Each licensed insurance agent who is an individual and holds only  
13 a bail bond, self-service storage unit or travel insurance qualification is  
14 exempt from the requirement to obtain C.E.C.s.

15 (5) (A) A licensed insurance agent who is a member of the national  
16 guard or any reserve component of the armed services of the United States  
17 who serves on active duty for at least 90 consecutive days shall be exempt  
18 from the requirement to obtain C.E.C.s during the time that such insurance  
19 agent is on active duty.

20 (B) The commissioner shall grant an extension to any licensed  
21 insurance agent described in subparagraph (A) until the biennial due date  
22 that occurs in the year next succeeding the year in which such active duty  
23 ceases.

24 (d) An instructor of an approved subject shall be entitled to the same  
25 C.E.C. as a student completing the study.

26 (e) (1) An individual insurance agent who has been licensed for more  
27 than one year, on or before such insurance agent's biennial due date, shall  
28 file a report with the commissioner certifying that such insurance agent has  
29 met the continuing education requirements for the previous biennium  
30 ending on such insurance agent's biennial due date. Each individual  
31 insurance agent shall maintain a record of all courses attended together  
32 with a certificate of attendance for the remainder of the biennium in which  
33 the courses were attended and the entire next succeeding biennium.

34 (2) If the required report showing proof of continuing education  
35 completion is not received by the commissioner by the individual  
36 insurance agent's biennial due date, such individual insurance agent's  
37 qualification and each and every corresponding license shall be suspended  
38 automatically for a period of 90 calendar days or until such time as the  
39 producer satisfactorily demonstrates completion of the continuing  
40 education requirement, whichever is sooner. In addition, the commissioner  
41 shall assess a penalty of \$100 for each license suspended. If such insurance  
42 agent fails to furnish to the commissioner the required proof of continuing  
43 education completion and the monetary penalty within 90 calendar days of

1 such insurance agent's biennial due date, such individual insurance agent's  
2 qualification and each and every corresponding license shall expire on  
3 such insurance agent's biennial due date. If after more than three but less  
4 than 12 months from the date the license expired, the insurance agent  
5 wants to reinstate such insurance agent's license, such individual shall  
6 provide the required proof of continuing education completion and pay a  
7 reinstatement fee in the amount of \$100 for each license suspended. If  
8 after more than 12 months from the date an insurance agent's license has  
9 expired, such insurance agent wants to reinstate such insurance agent's  
10 license, such individual shall apply for an insurance agent's license,  
11 provide the required proof of continuing education completion and pay a  
12 reinstatement fee in the amount of \$100 for each license suspended. Upon  
13 receipt of a written application from such insurance agent claiming  
14 extreme hardship, the commissioner may waive any penalty imposed  
15 under this subsection.

16 (3) On and after the effective date of this act, any applicant for an  
17 individual insurance agent's license who previously held a license that  
18 expires on or after June 30, 2001, because of failure to meet continuing  
19 education requirements and who seeks to be relicensed shall provide  
20 evidence that appropriate C.E.C.s have been completed for the prior  
21 biennium.

22 (4) Upon receipt of a written application from an individual insurance  
23 agent, the commissioner, in cases involving medical hardship or military  
24 service, may extend the time within which to fulfill the minimum  
25 continuing educational requirements for a period of not to exceed 180  
26 days.

27 (5) This section shall not apply to any inactive insurance agent during  
28 the period of such inactivity. For the purposes of this paragraph, "inactive  
29 period" or "period of inactivity" means a continuous period of time of not  
30 more than four years starting from the date inactive status is granted by the  
31 commissioner. Before returning to active status, such inactive insurance  
32 agent shall:

33 (A) File a report with the commissioner certifying that such agent has  
34 met the continuing education requirement; and

35 (B) pay the renewal fee. If the required proof of continuing education  
36 completion and the renewal fee is not furnished at the end of the inactive  
37 period, such individual insurance agent's qualification and each and every  
38 corresponding license shall expire at the end of the period of inactivity. For  
39 issuance of a new license, the individual shall apply for a license and pass  
40 the required examination.

41 (6) Any individual who allows such individual's insurance agent  
42 license in this state and *in* all other states ~~in which~~ *where* such individual is  
43 licensed as an insurance agent to expire for a period of four or more



1 consecutive years; shall apply for a new insurance agent license and pass  
2 the required examination.

3 (f) (1) Each course, program of study; or subject shall be submitted to  
4 and certified by the commissioner in order to qualify for purposes of  
5 continuing education.

6 (2) Each request for certification of any course, program of study or  
7 subject shall contain the following information:

8 (A) The name of the provider or provider organization;

9 (B) the title of such course, program of study or subject;

10 (C) the date the course, program of study or subject will be offered;

11 (D) the location where the course, program of study or subject will be  
12 offered;

13 (E) an outline of each course, program of study or subject, including a  
14 schedule of times when such material will be presented;

15 (F) the names and qualifications of instructors;

16 (G) the number of C.E.C.s requested;

17 (H) a nonrefundable C.E.C. qualification fee ~~in the amount of~~ *not to*  
18 *exceed* \$50 per course, program of study or subject or *not to exceed* \$250  
19 per year for all courses, programs of study or subjects submitted by a  
20 specific provider or provider organization; and

21 (I) a nonrefundable annual provider fee ~~of~~ *not to exceed* \$100.

22 (3) Upon receipt of such information, the commissioner shall grant or  
23 deny certification of any submitted course, program of study or subject as  
24 an approved subject, program of study or course and indicate the number  
25 of C.E.C.s that will be recognized for each approved course, program of  
26 study or subject. Each approved course, program of study or subject shall  
27 be assigned by the commissioner to one or both of the following classes:

28 (A) Property and casualty; or

29 (B) life insurance, including annuity and variable contracts, and  
30 accident and health insurance.

31 (4) Each course, program of study or subject shall have a value of at  
32 least one C.E.C.

33 (5) (A) Each provider seeking approval of a course, program of study  
34 or subject for continuing education credit shall issue or cause to be issued  
35 to each person who attends a course, program of study or subject offered  
36 by such provider a certificate of attendance. The certificate shall be signed  
37 by either the instructor who presents the course, program of study or  
38 course or such provider's authorized representative. Each provider shall  
39 maintain a list of all individuals who attend courses offered by such  
40 provider for continuing education credit for the remainder of the biennium  
41 in which the courses are offered and the entire next succeeding biennium.

42 (B) The commissioner shall accept, without substantive review, any  
43 course, program of study or subject submitted by a provider that has been

1 approved by the insurance supervisory authority of any other state or  
2 territory accredited by the NAIC. The commissioner may disapprove any  
3 individual instructor or provider who has been the subject of disciplinary  
4 proceedings or who has otherwise failed to comply with any other state's  
5 or territory's laws or regulations.

6 (6) The commissioner may grant or approve any specific course,  
7 program of study or course that has appropriate merit, such as any course,  
8 programs of study or course with broad national or regional recognition,  
9 without receiving any request for certification. The fee prescribed by  
10 subsection (f)(2) shall not apply to any approval granted pursuant to this  
11 provision.

12 (7) The C.E.C. value assigned to any course, program of study or  
13 subject, other than a correspondence course, computer based training,  
14 interactive internet study training or other course pursued by independent  
15 study, shall in no way be contingent upon passage or satisfactory  
16 completion of any examination given in connection with such course,  
17 program of study or subject. The commissioner shall establish, by rules  
18 and regulations, *the* criteria for determining acceptability of any method  
19 used for verification of the completion of each stage of any computer  
20 based or interactive internet study training. Completion of any computer  
21 based training or interactive internet study training shall be verified in  
22 accordance with a method approved by the commissioner.

23 (g) Upon request, the commissioner shall provide a list of all  
24 approved continuing education courses currently available to the public.

25 (h) An individual insurance agent who independently studies an  
26 insurance course, program of study or subject that is not an agent's  
27 examination approved by the commissioner shall receive credit for the  
28 C.E.C.s assigned by the commissioner as recognition for the approved  
29 subject. No other credit shall be given for independent study.

30 (i) Any licensed individual insurance agent who is unable to comply  
31 with license renewal procedures due to military service or some other  
32 extenuating circumstances may request a waiver of those procedures from  
33 the commissioner. Such agent may also request from the commissioner a  
34 waiver of any examination requirement or any other fine or sanction  
35 imposed for failure to comply with renewal procedures.

36 (j) *Not later than December 1 of each year, the commissioner shall*  
37 *set and cause to be published in the Kansas register the fees required*  
38 *pursuant to this section for the next calendar year.*

39 Sec. 25. K.S.A. 40-5003 is hereby amended to read as follows: 40-  
40 5003. (a) No person shall operate as a viatical settlement provider or  
41 viatical settlement broker without first obtaining a license from the  
42 commissioner or the insurance regulatory official of the state of residence  
43 of the viator. If there is more than one viator on a single policy and the

1 viators are residents of different states, the viatical settlement shall be  
2 governed by the law of the state in which the viator having the largest  
3 percentage ownership resides or, if the viators hold equal ownership, the  
4 state of residence of one viator agreed upon in writing by all viators.

5 (b) Application for a viatical settlement provider license shall be  
6 made to the commissioner by the applicant on a form prescribed by the  
7 commissioner, and these applications shall be accompanied by a  
8 nonrefundable fee ~~of~~ *not to exceed* \$1,000.

9 (c) Licenses for viatical settlement providers may be renewed from  
10 year to year on the anniversary date upon payment of the annual renewal  
11 fee ~~of~~ *not to exceed* \$500. Failure to pay the fees by the renewal date  
12 results in expiration of the license.

13 (d) Application for a viatical settlement broker license shall be made  
14 to the commissioner by the applicant on a form prescribed by the  
15 commissioner. Each application shall be accompanied by a nonrefundable  
16 application fee ~~of~~ *not to exceed* \$100.

17 (e) Licenses for a viatical settlement broker license may be renewed  
18 from year to year on the anniversary date upon payment of the annual  
19 renewal fee ~~of~~ *not to exceed* \$50. Failure to pay the fees by the renewal  
20 date results in expiration of such license.

21 (f) The applicant shall provide information on forms required by the  
22 commissioner. The commissioner shall have authority, at any time, to  
23 require the applicant to fully disclose the identity of all stockholders,  
24 partners, officers, members and employees, and the commissioner, in the  
25 exercise of the commissioner's discretion, may refuse to issue a license in  
26 the name of a legal entity if not satisfied that any officer, employee,  
27 stockholder, partner or member thereof who may materially influence the  
28 applicant's conduct meets the standards of this act.

29 (g) A license issued to a legal entity authorizes all partners, officers,  
30 members and designated employees to act as viatical settlement providers  
31 or viatical settlement brokers, as applicable, under the license, and all  
32 those persons shall be named in the application and any supplements to the  
33 application.

34 (h) Upon the filing of an application and the payment of the license  
35 fee, the commissioner shall make an investigation of each applicant and  
36 issue a license if the commissioner finds that the applicant:

37 (1) If a viatical settlement provider, has provided a detailed plan of  
38 operation;

39 (2) is competent and trustworthy and intends to act in good faith in  
40 the capacity involved by the license applied for;

41 (3) has a good business reputation and has had experience, training or  
42 education so as to be qualified in the business for which the license is  
43 applied for;

1 (4) if a legal entity, provides a certificate of good standing from the  
2 state of its domicile; and

3 (5) if a viatical settlement provider or viatical settlement broker, has  
4 provided an anti-fraud plan that meets the requirements of ~~paragraph (g)~~ of  
5 K.S.A. 40-5012(g), and amendments thereto.

6 (i) The commissioner shall not issue a license to a nonresident  
7 applicant, unless a written designation of an agent for service of process is  
8 filed and maintained with the commissioner or the applicant has filed with  
9 the commissioner, the applicant's written irrevocable consent that any  
10 action against the applicant may be commenced against the applicant by  
11 service of process on the commissioner.

12 (j) A viatical settlement provider or viatical settlement broker shall  
13 provide to the commissioner new or revised information about officers,  
14 10% or more stockholders, partners, directors, members or designated  
15 employees within 30 days of the change.

16 *(k) Not later than December 1 of each year, the commissioner shall*  
17 *set and cause to be published in the Kansas register the fees required*  
18 *pursuant to this section for the next calendar year.*

19 Sec. 26. K.S.A. 40-5509 is hereby amended to read as follows: 40-  
20 5509. (a) (1) An individual who has met the requirements for licensure  
21 under this act shall be issued a public adjuster license. A public adjuster  
22 license shall remain in effect, unless revoked, terminated or suspended, as  
23 long as the request for renewal is timely submitted and a license renewal  
24 fee ~~of~~ *not to exceed* \$100 is paid and any other requirements for license  
25 renewal are met by the due date. The licensee shall inform the  
26 commissioner by any means acceptable to the commissioner of a change  
27 of address, change of legal name or change of information submitted on  
28 the application within 30 days of the change.

29 *(2) Not later than December 1 of each year, the commissioner shall*  
30 *set and cause to be published in the Kansas register the fees required*  
31 *pursuant to this subsection for the next calendar year.*

32 (b) A public adjuster shall be subject to the provisions of ~~subsection~~  
33 ~~(9)~~ of K.S.A. 40-2404(9), and amendments thereto.

34 (c) A public adjuster who allows such person's license to lapse may,  
35 within 12 months from the due date of the renewal, be issued a new public  
36 adjuster license upon the commissioner's receipt of proof that the licensee  
37 has satisfactorily completed the renewal process and the licensee's  
38 payment of a reinstatement fee of \$100. The new public adjuster license  
39 shall be effective *on* the date *that* the commissioner receives such proof  
40 and the reinstatement fee.

41 (d) A licensed public adjuster that is unable to comply with license  
42 renewal procedures due to military service, a long-term medical disability  
43 or some other extenuating circumstance, may request an extension of time

1 to comply with those procedures.

2 (e) The public adjuster license shall contain the licensee's name, city  
3 and state of business address, personal identification number, the date of  
4 issuance, the expiration date and any other information the commissioner  
5 deems necessary.

6 (f) In order to assist in the performance of the commissioner's duties,  
7 the commissioner may contract with non-governmental entities, including  
8 the NAIC, to perform any ministerial functions, including the collection of  
9 fees and data related to licensing that the commissioner may deem  
10 appropriate.

11 Sec. 27. K.S.A. 40-205a, 40-218, 40-252, 40-2,133, 40-504, 40-956,  
12 40-22a04, 40-2604, 40-2702, 40-3213, 40-3217, 40-3304, 40-3812, 40-  
13 3813, 40-3814, 40-4103, 40-4116, 40-4323, 40-4334, 40-4503, 40-5003  
14 and 40-5509 and K.S.A. 2024 Supp. 40-3823, 40-3824, 40-4209, 40-4302  
15 and 40-4903 are hereby repealed.

16 Sec. 28. This act shall take effect and be in force from and after its  
17 publication in the statute book.