

SESSION OF 2025

SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2043

As Amended by Senate Committee on Financial
Institutions and Insurance

Brief*

HB 2043, as amended, would allow an insurer or producer to request an extension of a pilot or testing program for a value-added product or service beyond a one-year period for any additional time needed to determine whether the value-added product or service meets the criteria in the case the insurer or producer is unable to determine sufficient evidence within the first year.

The bill would clarify the time period for an agent or insurer to respond to an inquiry concerning a consumer complaint from the Insurance Department (Department) to be within 14 calendar days of receipt of the inquiry, and the response time for all other inquiries from the Department would be within 15 business days.

The bill would add the failure of an insurer to respond to an inquiry from the Department to the list of actions that could lead the Commissioner of Insurance (Commissioner) to deny, suspend, revoke, or refuse a new license or application for license.

The bill would also make other technical amendments.

The bill would be in effect upon publication in the *Kansas Register*.

*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <https://klrd.gov/>

Background

The bill was introduced by the House Committee on Insurance at the request of a representative of the Department. [Note: A companion bill, SB 23, has been passed by the Senate.]

House Committee on Insurance

In the House Committee hearing on the bill, **proponent** testimony was provided by a representative of the Department. The proponent indicated the bill would allow the Department to better respond to consumer complaints received and would allow an extension beyond the one-year period at the discretion of the Department to obtain evidence pertaining to value-added products or services to mitigate loss.

Written-only neutral testimony was provided by a representative of the Kansas Association of Property and Casualty Insurance Companies, Inc.

No other testimony was provided.

The House Committee amended the bill to clarify the time period for a response to the Department to be within 14 calendar days.

Senate Committee on Financial Institutions and Insurance

In the Senate Committee hearing, **proponent** testimony was provided by a representative of the Department. The proponent indicated the bill would allow the Department to better respond to the consumer complaints received and allow for an extension of a value-added product or service pilot program beyond one year.

Written-only neutral testimony was provided by a representative of the Kansas Association of Property and Casualty Insurance Companies, Inc.

No other testimony was provided.

The Senate Committee amended the bill to clarify an agent or insurer would be required to respond to the Commissioner within 14 calendar days of receipt of any inquiry concerning a consumer complaint from the Department and within 15 business days for all other inquiries from the Department. The Senate Committee also amended the bill to change the effective date to be upon publication in the *Kansas Register*.

Fiscal Information

According to the fiscal note prepared by the Division of the Budget, the Department indicates enactment of the bill, as introduced, would not have a fiscal effect.

Kansas Insurance Department; Commissioner of Insurance; inquiry response; rebate pilot programs; value-added product; value-added service