

SESSION OF 2025

SUPPLEMENTAL NOTE ON SENATE BILL NO. 23

As Amended by Senate Committee on Financial
Institutions and Insurance

Brief*

SB 23, as amended, would establish a response time for agents and insurers to respond to inquiries from the Kansas Insurance Department (Department) and add the failure to respond to such inquiries to the list of actions that could lead to action against an agent or insurer's license. The bill would also allow for an extension of one-year pilot programs or testing periods with approval from the Commissioner of Insurance (Commissioner) for a specific period of time determined by the Commissioner.

The bill would also make technical amendments.

Extension of Pilot or Testing Period

The bill would allow the insurer or producer to request an extension on a one-year pilot or testing period for a value-added product or service from the Commissioner for additional time to determine if the value-added product or service meets the required criteria. The bill would authorize the Commissioner to grant such extension, with the specified time of the extension to be determined by the Commissioner.

*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/>

Response to Department Inquiries

The bill would clarify the time period in which an agent or insurer is required to respond to an inquiry from the Department to be within 14 calendar 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 to deny, suspend, revoke, or refuse a new license or application for license.

Background

The bill was introduced by the Senate Committee on Financial Institutions and Insurance at the request of a representative of the Department. [*Note: A companion bill, HB 2043, has been introduced in the House.*]

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 consumer complaints it receives and would allow an extension beyond the one-year period for a pilot or testing period at the discretion of the Department to obtain evidence pertaining to value-added products or services mitigation.

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 that the Commissioner may grant an extension for a one-year pilot

or testing period for a specified time to be determined by the Commissioner.

Fiscal Information

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

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