

February 13, 2012

The Honorable Clark Shultz, Chairperson  
House Committee on Insurance  
Statehouse, Room 166-W  
Topeka, Kansas 66612

Dear Representative Shultz:

**SUBJECT:** Fiscal Note for HB 2679 by House Committee on Insurance

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2679 is respectfully submitted to your committee.

Under current law, every policy of motor vehicle liability insurance issued in the State of Kansas contains stated minimum thresholds of liability coverage for a single accident, including a minimum of \$25,000 for bodily injury or death of one person, a minimum of \$50,000 for bodily injury or death of two or more people, and a minimum of \$10,000 for personal property loss. These minimum thresholds are often referred to as "\$25,000/\$50,000/\$10,000." HB 2679 would increase these minimum thresholds to "\$50,000/\$100,000/\$25,000."

According to the Kansas Insurance Department, enactment of HB 2679 would have no fiscal effect on the agency, as it could implement provisions of the bill within its existing staffing levels. However, the agency does note that insurance companies would submit additional filings to the agency documenting the proposed changes in the various insurance policies. The agency could process these changes with existing staff. In addition, motorists would likely experience premium increases from the increased minimum coverage levels, as outlined in the bill.

Sincerely,



Steven J. Anderson, CPA, MBA  
Director of the Budget

cc: Zac Anshutz, Insurance