



February 4, 2011

The Honorable Ruth Teichman, Chairperson  
Senate Committee on Financial Institutions and Insurance  
Statehouse, Room 236-E  
Topeka, Kansas 66612

Dear Senator Teichman:

SUBJECT: Fiscal Note for SB 71 by Senate Committee on Financial Institutions and Insurance

In accordance with KSA 75-3715a, the following fiscal note concerning SB 71 is respectfully submitted to your committee.

SB 71 would amend the continuing education requirements for resident insurance agents consistent with uniform requirements adopted by the National Association of Insurance Commissioners (NAIC). The bill would require agents to have 24 hours of continuing education biennially in order to renew their licenses and would permit up to 12 unused continuing education credits to be carried over to the next renewal period.

Estimated State Fiscal Effect				
	FY 2011 SGF	FY 2011 All Funds	FY 2012 SGF	FY 2012 All Funds
Revenue	--	--	--	--
Expenditure	--	--	--	\$10,000
FTE Pos.	--	--	--	--

The Kansas Insurance Department indicates that passage of SB 71 would have a fiscal effect on its operations. The Department states that the bill would simplify administrative tasks in both agent continuing education and in license renewal. However, programming changes would be required in three computer systems used for agent continuing education, license administration, and renewal. The programming changes would be performed through a third-

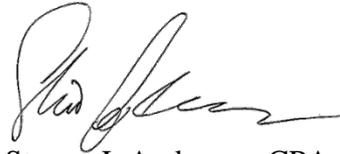
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party contract at a cost of approximately \$10,000 from agency fee funds in FY 2012. Any fiscal effect associated with SB 71 is not reflected in *The FY 2012 Governor's Budget Report*.

Sincerely,

A handwritten signature in black ink, appearing to read "Steven J. Anderson", with a long horizontal flourish extending to the right.

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

cc: Zac Anshutz, Insurance