

MINUTES OF THE HOUSE COMMITTEE ON INSURANCE.

The meeting was called to order by Chairperson Rep. Robert Tomlinson at 3:30 p.m. on March 15, 2001 in Room 527-S of the Capitol.

All members were present except: Representative Carlos Mayans

Committee staff present: Dr. Bill Wolff, Kansas Legislative Research
Mr. Ken Wilke, Kansas Legislative Revisor
Mary Best, Committee Secretary

Conferees appearing before the committee: Ms. Sheila Walker, Kansas Department of Revenue
Ms. Patrick Broz, Sedgwick County Department of Motor Vehicles
Mr. Tom Roskop, Johnson County Department of Motor Vehicles
Mr. Charles Henry, Unified Government of Wyandotte County/Kansas City, Kansas
Ms. Eileen King, County Treasurer's Association

Others attending: See Attached Guest List

Ms. Sheila Walker, Kansas Department of Revenue, was recognized by the Chairman to present Proponent Testimony to the committee. A copy of the testimony is (Attachment #1) attached hereto and incorporated into the Minutes by reference. The bill being addressed today is **SB 83** - Proof of insurance; verified on-line or electronically. She explained that the purpose of the bill is to give permission to the state to explore the possibilities of on-line registration renewal. The bill would essentially allow people to renew their care tags from their homes, twenty-four hours a day seven days a week. As each person renewing their tags must show proof of insurance, this will be a great help for those who get to the office and have forgotten their insurance policy cards with them. They feel this will promote better customer service, free up clerks to help those who need to be helped face to face. She stated that if even 5 percent of the people use the on-line process the first year and fifteen percent the second, the total cost avoidance will be approximately \$300,000. She continued on to explain that clerks would not have to open and enter renewal information from hundreds of applications as the information would already be in the computer. They feel this is the next step forward into the future. There were no questions.

Mr. Patrick Broz, Sedgwick County Motor Vehicle Department, gave Proponent Testimony. A copy of the testimony is (Attachment #2) attached hereto and incorporated into the Minutes by reference. Mr. Broz supported the testimony given by Ms. Walker. Mr. Broz also attached copies of e-mail letters to his office supporting this type of process to renew their tags. Also included were comment card feedback. Questions were asked by Representatives Edmonds, Ostmeyer, with Chairman Tomlinson giving a brief explanation followed by a response by Sheila Walker. Ms. Walker responded to most of the questions asked by the committee.

Mr. Tom Roskop, Johnson County Department of Motor Vehicles, also gave Proponent Testimony. A copy of his testimony is (Attachment #3) attached hereto and incorporated into the Minutes by reference. Mr. Roskop was in support of the prior testimony and did not want to re-iterate what had formerly been said. He feels this bill falls in line with e-government. Representative Boston asked that electronic or on-line mail be more defined. There was a committee discussion on the matter. He also feels this will be less paper for everyone especially the agents, as well as acting as an aid to law enforcement officials when they do a vehicle stop and check the information on the party. So it could also help in reducing uninsured motorist. Questions were asked by Representatives Huff and Vickery.

Mr. Charles (Chuck) Henry, Unified Government of Wyandotte County/Kansas City, Kansas, gave Proponent Testimony on the bill. A copy of the testimony is (Attachment #4) attached hereto and incorporated into the Minutes by reference. Mr. Henry supported all of the previous testimony. He feels that this process will make things easier for approximately ninety percent of the public when time comes to renew.

Ms. Eileen King was the last conferee to appear before the committee on this bill today. She gave Proponent Testimony. She was here representing Kansas County Treasurer's Association. A copy of her testimony is (Attachment #5) attached hereto and incorporated into the Minutes by reference. She stated that they supported the bill in its' original form. It caused a little more work but they made the necessary changes. They have looked at the process from other states and do support the concept of on-line renewal. She stated that they feel that by putting the bill back in its original form it would allow them to pursue various options and find the one best suited for Kansas. They feel that if Kansas is to move forward then it is imperative to support **SB 83**. With this she stood for questions. There were none.

Mr. Mike Ballinger, Ellis County Treasurer, submitted supportive testimony only. A copy of the testimony is (Attachment #6) attached hereto and incorporated into the Minutes by reference. This closed the public hearing on the bill.

The committee was next notified they would, at this time work bills. The first bill up was **SB 29** - HealthWave waiting period. The pleasure of the committee was made by Representative Edmonds with the motion to move the bill out by placing it on consent calendar. The motion was seconded by Representative Vickery. The motion passes.

Next up was **Sub. 123** - Model insurance producer licensing act. The motion was made by Representative Dreher to mark the bill favorable for passage. The motion was seconded by Representative Ostmeyer. There was a sub motion offered to adopt the balloon with technical amendments made by Representative Sharp and seconded by Representative Hummerickhouse. The sub motion passed and committee was back on the bill. Representative moved to pass the bill out favorably as amended, Representative Ostmeyer seconded the motion and the motion passed.

The next bill before the committee was **SB 83** - Proof of insurance, verified on-line or electronically. The motion was made amend the bill to reinstate Sub Section (d) back into the bill. The motion was made by Representative Huff and seconded by Representative Kirk. Motion passed. The next motion offered by Representative Boston and seconded by Representative Hummerickhouse was to again amend the bill inserting into the bill allowing examination of facsimile documents to be used for registration renewal. This would eliminate the word "mail." Motion passes. The final motion on the bill was made by Representative Kirk to move the bill out as amended marked favorable for passage and was seconded by Representative McCreary. Discussion on the bill was with Representative Edmonds regarding the fiscal note. The Representative objected to the bill on the fiscal note alone but supported the concept of the bill. A vote was taken and the motion passed. Representative Edmonds goes on record voting no.

The meeting was adjourned and the time was 4:25 p.m.

The next meeting is on call of the Chairman.