

MINUTES OF THE HOUSE INSURANCE COMMITTEE

The meeting was called to order by Chairman Clark Shultz at 3:30 P.M. on March 21, 2006 in Room 527-S of the Capitol.

All members were present.

Committee staff present:

Melissa Calderwood, Kansas Legislative Research Department
Terri Weber, Kansas Legislative Research Department
Ken Wilke, Revisor of Statutes Office
Sue Fowler, Committee Secretary

Conferees appearing before the committee:

Brad Smoot, American Insurance Agents, Topeka, KS
Larry Magill, Kansas Association of Insurance Agents, Topeka, KS
John Campbell, Kansas Department of Insurance, Topeka, KS
Bill Sneed, State Farm, Topeka, KS
Carmen Alldritt, Kansas Department and Revenue, Division of Motor Vehicles, Topeka, KS
Tim Blevins, Kansas Department of Revenue, Kansas Department of Revenue, Topeka, KS

Others attending:

See attached list.

Hearing on:

Sub for SB 539: Casualty insurance rate filings; forms and premiums

Melissa Calderwood, Legislative Research Department, gave a brief overview on **Sub for SB 539**.

Proponents:

Brad Smoot, American Insurance Agents, (Attachment #1), appeared before the committee in support of **Sub for SB 539**.

Larry Magill, Kansas Association of Insurance Agents, (Attachment #2), gave testimony in support of **Sub for SB 539**.

John Campbell, Kansas Department of Insurance, (Attachment #3), presented testimony in support of **Sub for SB 539**.

Hearing was closed on **Sub for SB 539**.

Hearing on:

SCR 1619: Urging the study of the design and implementation of an electronic motor vehicle financial security verification system

Melissa Calderwood, Legislative Research Department, gave a brief overview on **SCR 1619**.

Proponents:

Bill Sneed, State Farm, (Attachment #4), appeared before the committee in support of **SCR 1619**.

Carmen Alldritt, Kansas Department and Revenue, Division of Motor Vehicles, (Attachment #5), gave testimony in support of **SCR 1619**.

Neutral:

Tim Blevins, Kansas Department of Revenue, (Attachment #6), presented testimony regarding **SCR 1619**.

Hearing was closed on **SCR 1619**.

Discussion and action on:

CONTINUATION SHEET

MINUTES OF THE House Insurance Committee at 3:30 P.M. on March 21, 2006 in Room 527-S of the Capitol.

SB 442: Insurance applications; listing lienholders and mortgagees

Representative Kelsey made a motion to amend SB 442 with the language from SB 422. Seconded by Representative Carter. Motion carried. Representative Kelsey made a motion to amend SB 442 with language from HB 2693. Seconded by Representative Carter. Motion carried. Representative Kelsey moved SB 442 favorably for passage as amended. Seconded by Representative Schwab. Motion carried.

Discussion and action on:

SB 512: Silicosis Claims Act

Representative Carter made a motion to amend SB 512 with two amendments. Seconded by Representative Schwab. Motion carried on the amendment on page 13 in line 14. Representative Carter made a motion to amend SB 512 with the language proposed by the Kansas Association of Osteopathic Medicine. Seconded by Representative McLeland. Motion carried. Representative Kelsey offered a technical amendment suggested by the Revisor to SB 512. Seconded by Representative B. Sharp. Motion carried. Representative Carter moved to adopt acceptance of the balloon and technical corrections to SB 512. Seconded by Representative Schwab. Representative Carter made a motion to move SB 512 favorably for passage as amended. Seconded by Representative Schwab. Representative Kirk moved for a substitute motion to amend SB 512 by striking language in line 12 thru line 28 on page 2. Seconded by Representative Dillmore. Motion failed. A division was requested. Motion failed 5-8. Representative Dillmore made a substitute motion to amend SB 512 on page 11, line 28. Seconded by Representative Grant. Motion failed. A division was requested. Motion failed 5-8. Representative B. Sharp moved for a substitute motion to send SB 512 to Kansas Judicial Council for review. Seconded by Representative Dillmore. Motion failed. A division was requested. Motion failed 6-7.

A recess was called at 5:30 P.M. for Committee members to return to an earlier recessed House Session. The Committee reconvened at 8:00 P.M. following adjournment of the House Session to finish the planned agenda.

Representative Carter closed on prior motion to move SB 512 favorable for passage as amended. Motion carried.

Discussion and action on:

SB 522: Health insurance; internal review process

Representative Grant made a motion to amend SB 522 with new language at the Revisor's discretion and create H Sub for SB 522. Seconded by Representative Kelsey. Motion carried. Representative Kirk proposed to further amend section 1(a). Seconded by Representative B. Sharp. Motion carried. Representative B. Sharp made a motion to move H Sub for SB 522 favorably for passage as amended. Seconded by Representative Cox. Motion carried.

Discussion and action on:

Sub for SB 539: Casualty insurance rate filings; forms and premiums

Representative Carter made a motion to restore stricken language on p.4, line 25-28 in Sub for SB 539. The motion was withdrawn.

Representative Cox made a motion to amend Sub for SB 539 to include the balloon language purposed by the Kansas Insurance Department. Seconded by Representative Brunk. Motion carried. Representative Dillmore made a motion to move Sub for SB 539 favorably for passage as amended. Seconded by Representative Grant. Motion carried.

CONTINUATION SHEET

MINUTES OF THE House Insurance Committee at 3:30 P.M. on March 21, 2006 in Room 527-S of the Capitol.

Discussion and action on:

SCR 1619: **Urging the study of the design and implementation of an electronic motor vehicle financial security verification system**

Representative Dillmore made a motion to move SCR 1619 favorably for passage. Seconded by Representative B. Sharp. Motion carried.

Discussion and action on:

SB 422: **Surety Bonds - eliminating the need for more than one surety in certain statutes**

Representative Carter made a motion to offer a substitute for SB 422 and replace the contents of SB 422 with asbestos language from HB 2868. Seconded by Representative Schwab. Motion carried. Representative Carter moved H Sub for SB 422 favorably for passage as amended. Seconded by Representative Brunk. Motion carried.

Discussion and action on:

SB 547: **Kansas Pharmacy Benefits Manager Registration Act**

Representative Kelsey made a motion to move SB 547 favorably for passage. Seconded by Representative Cox. Motion carried. Representative Carter made a substitute motion to amend SB 547 with language from HB 2920 and HB 2952. Motion was withdrawn. Representative Schwab made a motion to table SB 547. The motion failed to receive a second. On the original motion to pass SB 547, motion carried.

Discussion and action on:

HB 2998: **Procedures for appraisal of damage to motor vehicles**

Representative Carter moved to offer a substitute for HB 2998 and replace the contents of the original bill with the language from HB 2920 and HB 2952. Seconded by Representative M. Holmes. Representative Carter made a motion to move Sub for HB 2998 favorably for passage. Seconded by Representative McLeland. Motion carried.

Representative Dillmore recommended without objection of the committee to approve the Committee minutes of March 14, 2006.

Meeting adjourned at 8:45 P.M.