



Jon Hummell, Interim Director

Division of the Budget

Sam Brownback, Governor

February 17, 2014

The Honorable Scott Schwab, Chairperson
House Committee on Insurance
Statehouse, Room 151-S
Topeka, Kansas 66612

Dear Representative Schwab:

SUBJECT: Fiscal Note for HB 2635 by House Committee on Insurance

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2635 is respectfully submitted to your committee.

Under current law, individuals who hold a life insurance license solely for the purpose of selling pre-need funeral insurance and annuity products are exempt from continuing education requirements. HB 2635 would remove this exemption and require a minimum of three continuing education credits for the license. The continuing education credits would have to include at least two hours of insurance ethics instruction.

Estimated State Fiscal Effect				
	FY 2014 SGF	FY 2014 All Funds	FY 2015 SGF	FY 2015 All Funds
Revenue	--	--	--	--
Expenditure	--	--	--	\$8,400
FTE Pos.	--	--	--	--

Enactment of HB 2635 would require additional one-time expenditures of \$8,400 from the Insurance Department's Service Regulation Fee Fund. This cost would be for computer programming associated with making the necessary changes to track the new continuing education requirements. The current fee for an initial life insurance license is \$30. The Department does not charge a biennial renewal fee for licensees. Any fiscal effect associated with HB 2635 is not reflected in *The FY 2015 Governor's Budget Report*.

Sincerely,

A handwritten signature in black ink, appearing to read "Jon Hummell".

Jon Hummell,
Interim Director of the Budget

cc: Zac Anshutz, Insurance Department