

February 7, 2014

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

Dear Senator Olson:

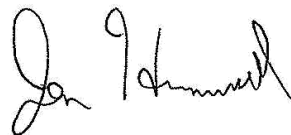
SUBJECT: Fiscal Note for SB 321 by Senate Committee on Financial Institutions and Insurance

In accordance with KSA 75-3715a, the following fiscal note concerning SB 321 is respectfully submitted to your committee.

Under current law, insurance companies are required to refund any premium due within ten days after the company sends a termination notice to a policyholder. However, KSA 40-3118 requires an insurance company to return the premium due with a termination notice for a personal automobile insurance policy. SB 321 would clarify that an insurance company, regardless of the policy type, has the option of returning a premium with a termination notice, or within ten days of the termination notice.

Enactment of SB 321 would have no fiscal effect, as the bill would clarify the timing of refunds to policyholders by insurance companies.

Sincerely,



Jon Hummell,
Interim Director of the Budget

cc: Zac Anshutz, Insurance
Steve Neske, Department of Revenue