



Kansas Association of Property & Casualty Insurance Companies Inc.

January 21, 2015

SB 16

Before the Senate Judiciary Committee

Written Testimony by Marlee Carpenter, Kansas Association of Property and Casualty Insurance Companies (KAPCIC)

Mr. Chair and Members of the Committee;

Thank you for the opportunity to present information on behalf of the Kansas Association of Property and Casualty Insurance Companies (KAPCIC), our state trade association for domestic property and casualty insurance companies.

KAPCIC supports SB 16 and the changes contained in the bill. This issue has surfaced with the Kansas Supreme Court decision on *Bussman v Safeco*. Since the *Lee Builders* case in 2006, the Kansas appellate courts have widened the potential application of KSA 40-908, an insurance attorney's fee statute. The *Bussman* case reinforces the implication of the *Lee Builders* case.

The potential implication of these cases set the stage for an attorney's fee claim in virtually every liability claim in which coverage for that claim is contained in a package policy insuring property against the traditional enumerated perils. *Bussman* is also concerning because an attorney's fee claim does not have to be specifically set out. Instead, attorney's fees can be claimed at the end of the case as "costs."

KAPCIC members support SB 16 and urge its passage. Thank you for your time and please contact me if you have any questions.