

# KAPCIC

Kansas Association of Property & Casualty Insurance Companies Inc.

February 9, 2017

## **HB 2233**

### **Testimony Before the House Insurance Committee**

#### **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 testify on behalf of the Kansas Association of Property and Casualty Insurance Companies (KAPCIC), our state trade association for domestic property and casualty insurance companies. Most of the KAPCIC member companies are domiciled Kansas companies and our members live and work here in the state.

KAPCIC has concerns with HB 2233. The new language included in the bill allows service contracts to cover services that are regularly provided by auto policies in the state of Kansas. The bill allows service contracts to cover the removal of dents, dings or creases by paintless dent repair. This is exactly what insurance companies cover under Collision and Comprehensive coverages. Repairing chips and cracks in windshields is also an integral auto policy coverage. Road hazard coverage can be provided by insurers depending on their policy language.

The language in the bill that broadens service contracts, allows them to directly compete with companies operating as insurance companies in the state that must submit to insurance company rules and regulation. By allowing these services to be included in a service agreement by companies that do not have to submit to the insurance company rules and regulations, provides unfair advantage to those service companies.

KAPCIC members ask that you carefully review the policy in HB 2233 and not advance the bill as written.

Thank you for your time and please contact me if you have any questions.