



Kansas Insurance Department

Ken Selzer, CPA, Commissioner of Insurance

HOUSE INSURANCE COMMITTEE

TESTIMONY ON SB 17

February 16, 2017

Chairman and Members of the Committee:

Thank you for the opportunity to speak as a proponent of this bill.

Senate Bill 17 updates the statute related to the (Fair Access to Insurance Requirements) or more commonly known, the FAIR plan. The original 1951 statute has developed into the Kansas version of a nationwide program that provides basic insurance to Kansans when they have been unable to obtain insurance on the open market. Each insurer in the pool is assessed its proportionate share of losses.

This bill updates the language to reflect the practice of the Plan issuing policies on behalf of the plan itself rather than an individual company. This change makes it clear that the Commissioner has the authority and the duty to approve the forms used. In practice this is how the Plan has operated with the approval of the Commissioner.

This program has been a success for decades and with this modest change in statute, will continue to serve Kansans. We urge your support.

Thank you.

Clark Shultz
Deputy Commissioner of Insurance
Kansas Insurance Department