

STATE OF KANSAS

DIVISION OF THE BUDGET
LONDON STATE OFFICE BUILDING
900 SW JACKSON STREET, ROOM 504
TOPEKA, KS 66612



PHONE: (785) 296-2436
FAX: (785) 296-0231
larry.campbell@ks.gov

GOVERNOR JEFF COLYER, M.D.
LARRY L. CAMPBELL, CHIEF BUDGET OFFICER

February 16, 2018

The Honorable Jeff Longbine, Chairperson
Senate Committee on Financial Institutions and Insurance
Statehouse, Room 341-E
Topeka, Kansas 66612

Dear Senator Longbine:

SUBJECT: Fiscal Note for SB 362 by Senate Committee on Assessment and Taxation

In accordance with KSA 75-3715a, the following fiscal note concerning SB 362 is respectfully submitted to your committee.

SB 362 would prohibit property and casualty insurance companies from depreciating labor from certain insurance claims for all policies delivered, issued, amended, or renewed on or after January 1, 2019.

The Insurance Department indicates SB 362 would have no fiscal effect on its operations. The Insurance Department indicates that the bill would ensure that insurance companies would pay the full labor costs when settling certain property and casualty insurance claims. However, the Insurance Department does not have data on claims that include labor and have been depreciated to provide an estimate of the fiscal effect on policyholders.

Sincerely,

A handwritten signature in black ink, appearing to read "L. Campbell".

Larry L. Campbell
Chief Budget Officer

cc: Glenda Haverkamp, Insurance