

Approved:  
Date: April 3, 2002

## MINUTES OF THE SENATE COMMITTEE ON FINANCIAL INSTITUTIONS AND INSURANCE.

The meeting was called to order by Chairperson Sandy Praeger at 9:30 a.m. on March 26, 2002 in Room 234 N of the Capitol.

All members were present except:

Committee staff present: Dr. Bill Wolff, Kansas Legislative Research Department  
Ken Wilke, Office of the Revisor of Statutes  
JoAnn Bunten, Committee Secretary

Conferees appearing before the committee:

Others attending: See attached list.

### **Discussion and Action on HB 2879 - Automobile insurance - cancellation of policy for non-payment of dues to Organization**

After discussion on the bill, Senator Teichman made a motion the Committee recommend **HB 2879** favorable for passage, seconded by Senator Brungardt. The motion carried.

### **Discussion and Action on HB 2247 - Business Health Partnership**

The Chair briefed the Committee on a balloon of **HB 2247** which consisted mostly of technical changes to the bill. (Attachment 1) Representatives from the insurance industry present at the meeting expressed their agreement with the amendments as shown in the balloon of the bill.

Senator Teichman made a motion to adopt the amendments as shown in the balloon of the bill, and that the Committee recommend **HB 2247 as amended** favorable for passage, seconded by Senator Brungardt. The motion carried.

### **Discussion and Action on HB 2640 - NAIC Model Viatical Settlement Act**

Roger Walter, representing Viatical and Life Settlement Association of America, briefed the Committee on amendments supported by the Viatical industry as shown in a balloon of **HB 2640**. (Attachment 2)

Marlyn Burch, Kansas Insurance Department, expressed his opposition to the amendments presented by Mr. Walter, and noted that five states have passed the model legislation as shown in **HB 2640**.

Senator Corbin made a motion the Committee recommend **HB 2640** favorable for passage, seconded by Senator Brungardt. The motion carried.

The Chair called the Committee's attention to a balloon of **SB 389** dealing with repealing the sunset provision on tax credit for small businesses and HIPAA compliance legislation that could be amended into **HB 2640**. (Attachment 3)

Senator Corbin made a motion to reconsider his actions on **HB 2640**, seconded by Senator Teichman. The motion carried.

Senator Allen made a motion to adopt the amendments to **HB 2640** as shown in the balloon of **SB 389**, seconded by Senator Teichman. The motion carried. The provisions of the original **SB 389** were not included in the amendment. The amendments were requested by the Department of Insurance. The first amendment repeals the sunset on the tax credit for small businesses offering health insurance. The second changes a date in the state's HIPAA legislation to continue our compliance with federal law based on recent changes in the federal law.

Senator Barnett made a motion the Committee recommend **HB 2640 as amended** favorable for passage, seconded by Senator Teichman. The motion carried.

### **Approval of Minutes**

Senator Brungardt made a motion to approve the Committee minutes of March 19, 20, 21, 2002, seconded by Senator Salmans. The motion carried.

### **Adjournment**

The meeting was adjourned at 10:30 a.m. The next meeting is scheduled for March 27, 2002.

Unless specifically noted, the individual remarks recorded herein have not been transcribed verbatim. Individual remarks as reported herein have not been submitted to the individuals appearing before the committee for editing or corrections.

