

KANSAS OFFICE of
REVISOR of STATUTES
LEGISLATURE of THE STATE of KANSAS
Legislative Attorneys transforming ideas into legislation.

300 SW TENTH AVENUE ■ SUITE 24-E ■ TOPEKA, KS 66612 ■ (785) 296-2321

MEMORANDUM

To: House Standing Committee on Insurance
From: Eileen Ma, Assistant Revisor of Statutes
Date: January 29, 2020
Subject: Bill Brief for HB 2479

HB 2479 pertains to the corporate governance annual disclosure report, and amends K.S.A. 40-2,203.

In 2017, the Legislature enacted the National Association of Insurance Commissioners (NAIC) Corporate Governance Annual Disclosure (CGAD) Model Act. The act required insurers and insurance groups to file an annual CGAD report with the Commissioner of Insurance. The report is required to provide sufficient information for the Commissioner to understand the insurer or insurance company's corporate governance structure, policies and procedures. The resulting statute following enactment is the statute that we are amending today.

HB 2479 takes a second step and codifies the NAIC's CGAD model regulation into statute. The regulation provides more granular detail about the types of information that an insurer or insurance group is required to provide to the Commissioner, and for what reason. For instance, all of the information on page 3 of the bill from line 31, through line 40 on page 5 list items that an insurer or insurer group must provide to the Commissioner in order to assist the Commissioner in determining the insurer's or insurer group's corporate structure.

The regulation also describes the filing procedure for the CGAD report. This process is described on page 3 of the bill in paragraph 7.

I'm happy to stand for questions.