



**Proponent Testimony for SB 346 – Insurance Department Building Sale Proceeds**

February 12, 2020

Chair McGinn and Members of the Committee,

Thank you for the opportunity to appear before your committee in support of SB 346. For background, in November, The Insurance Department moved from 420 SW 9<sup>th</sup> Street, the building outlined in SB 346, to our new location at 1300 SW Arrowhead. As part of the efforts to continue the merger of the Securities Commission and Insurance Department operations envisioned in the 2017 Legislation making the securities commission a division of the Kansas Insurance Department, we now have all operations under one roof.

The building identified in SB 346 was purchased through the agent fee fund and the purpose of the bill is to return those funds to fee fund, rather than the current designation of 80.0 percent to KPERS and 20.0 percent to the agency. Previous Legislatures have provided similar exemptions with other surplus state property. The department is not looking to exempt ourselves from any of the process of disposing of state surplus property. The building has already been declared state surplus and the department in conjunction with the Department of Administration are in the processing of preparing the building for public auction according to statutory requirements.

We believe the funds recouped from the sale of the building should go back to those who paid for it, which is the intent of SB 346.

Thank you again for the opportunity to stand before you and I can take questions at the appropriate time.

Lee Modesitt  
Director of Government Affairs & Communication