



KANSAS
INSURANCE
DEPARTMENT

Vicki Schmidt, Commissioner

Proponent Testimony for SB 29 – Updating Risk Based Capital

January 26, 2021

Chairman Longbine and Members of the Committee,

Thank you for the opportunity to testify in support of SB 29.

SB 29 proposes to amend K.S.A. 40-2c01, which concerns a standard regulatory tool referred to as risk-based capital (RBC). The goal of RBC is to ensure each Kansas domestic company has the required amount of capital needed to support its overall business operations in consideration of its size and risk profile.

The amendment updates the RBC Instructions, which instruct companies how to calculate and report RBC, to the current version. The amendment merely replaces “2019” with “2020” in the definition for “RBC Instructions.” Implementing the RBC Instructions is a national accreditation standard. A similar date change amendment has been made each year since 2009.

Thank you for the opportunity to submit testimony in support of SB 29 and I’m happy to take any questions.

Lee Modesitt
Director of Government Affairs and Communication