

February 17, 2014

The Honorable Marvin KleeB, Chairperson
House Committee on Commerce, Labor and Economic Development
Statehouse, Room 286-N
Topeka, Kansas 66612

Dear Representative KleeB:

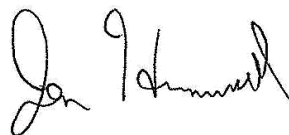
SUBJECT: Fiscal Note for HB 2668 by House Committee on Appropriations

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2668 is respectfully submitted to your committee.

HB 2668 would add “qualified professional associations, trade associations, and leagues incorporated in Kansas” to the list of individuals and organizations that would not be subject to the jurisdiction of the Commissioner of Insurance. As a condition of the exemption, the newly listed organizations would be subject to an insurance tax of 1.0 percent of all gross premiums collected during the preceding calendar year.

According to the Kansas Insurance Department, enactment of HB 2668 could result in additional revenues to the State General Fund from additional insurance premium taxes collected from the newly exempted organizations. However, the Department states that it does not know the number of new associations that may incorporate as a result of this bill. Any fiscal effect associated with HB 2668 is not reflected in *The FY 2015 Governor’s Budget Report*.

Sincerely,



Jon Hummell,
Interim Director of the Budget

cc: Zac Anshutz, Insurance Department