

January 28, 2014

The Honorable Rob Olson, Chairperson
Senate Committee on Financial Institutions and Insurance
Statehouse, Room 236-E
Topeka, Kansas 66612

Dear Senator Olson:

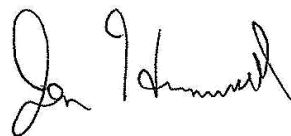
SUBJECT: Fiscal Note for SB 299 by Senate Committee on Financial Institutions and Insurance

In accordance with KSA 75-3715a, the following fiscal note concerning SB 299 is respectfully submitted to your committee.

SB 299 would alter the priorities in the liquidation of insolvent insurance companies where the Federal Home Loan Bank is a secured creditor. The bill would prohibit a Federal Home Loan Bank from being stayed, enjoined, or enforcing any right or cause of action regarding collateral pledge under any Federal Home Loan security agreement during an insurance company liquidation.

According to the Kansas Insurance Department, enactment of SB 299 would not have an effect for the agency or any other state agency. However, the agency notes that the bill could affect the Federal Home Loan Bank and competing creditors in the case of an insurance company liquidation.

Sincerely,



Jon Hummell,
Interim Director of the Budget

cc: Zac Anshutz, Insurance