

January 29, 2020

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

Dear Senator Olson:

SUBJECT: Fiscal Note for SB 304 by Senate Committee on Financial Institutions and Insurance

In accordance with KSA 75-3715a, the following fiscal note concerning SB 304 is respectfully submitted to your committee.

SB 304 would allow an insurance reciprocal to convert to a Kansas mutual insurance company. The Insurance Commissioner could establish requirements and procedures for submitting and approving of a conversion plan. The bill describes the items that must be included in the conversion plan and when the Commissioner would not approve the plan. When a conversion plan is approved, the Commissioner would issue a new or amended certificate of authority. A mutual insurance company created under this bill would be subject to all statutes related to mutual insurance companies.

The Kansas Insurance Department states that enactment of SB 304 would have no fiscal effect.

Sincerely,



Larry L. Campbell
Director of the Budget

cc: Bobbi Mariani, Insurance