

40-4116. Requirements of purchasing group doing business in state; consent to service of process on commissioner of insurance; provisions not applicable to certain purchasing groups. (a) A purchasing group which intends to do business in this state shall furnish notice to the commissioner which shall:

- (1) Identify the state in which the group is domiciled;
- (2) specify the lines and classifications of liability insurance which the purchasing group intends to purchase;
- (3) identify the insurance company from which the group intends to purchase its insurance and the domicile of such company;
- (4) identify the principal place of business of the group; and
- (5) provide such other information as may be required by the commissioner to verify that the purchasing group is qualified under subsection (j) of K.S.A. 40-4101 and amendments thereto.

The notice submitted to the commissioner shall be accompanied by a notification fee of \$250.

(b) The purchasing group shall file with the insurance department its written consent, irrevocable, that any action or garnishment proceeding may be commenced against such group in the proper court of any county in this state in which the cause of action shall arise or in which the plaintiff may reside by the service of process on the commissioner of insurance of this state and stipulating and agreeing that such service shall be taken and held in all courts to be as valid and binding as if due service had been made upon the president or chief officer of such corporation. Such consent shall be executed by the president of the company and shall be accompanied by a certified copy of the order or resolution of the board of directors, trustees or managers authorizing the president to execute the same. The summons, accompanied by a fee of \$25 shall be directed to the commissioner of insurance and shall require the defendant to answer not less than 40 days from its date. Such summons, and a certified copy of the petition shall be forthwith forwarded by the clerk of the court to the commissioner of insurance, who shall immediately forward a copy of the summons and the certified copy of the petition, to the president of the group sued and thereupon the commissioner of insurance shall make return of the summons to the court from which it issued, showing the date of the receipt by the commissioner, the date of forwarding of such copies and the name and address of the person to whom the commissioner forwarded the copy. Such return shall be made under the commissioner's hand and seal of office, and shall have the same force and effect as a due and sufficient return made by the sheriff on process directed to the sheriff. The foregoing shall not apply in the case of a purchasing group which:

- (1) (A) Was domiciled before April 2, 1986; and
(B) is domiciled on and after October 27, 1986 in any state of the United States;
- (2) (A) before October 27, 1986 purchased insurance from an insurance carrier licensed in any state; and
(B) since October 27, 1986 purchased its insurance from an insurance carrier licensed in any state;
- (3) was a purchasing group under the requirements of the product liability retention act of 1981 before October 27, 1986; and
- (4) does not purchase insurance that was not authorized for purposes of an exemption under that act, as in effect before October 27, 1986.

History: L. 1987, ch. 172, § 7; L. 1992, ch. 154, § 6; July 1.