



National Association of
Professional Surplus Lines
Offices, Ltd.

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March 24, 2017

Representative John Barker
House Committee on Federal and State Affairs
Kansas State Capitol
Room 346-S

Re: HB 2389

Chairman Barker and members of the House Committee on Federal and State Affairs,

On behalf of the National Association of Professional Surplus Lines Offices (NAPSLO)¹ we thank Senator Barker and the committee for allowing us to testify on HB 2389. NAPSLO is supportive of efforts to improve amusement park safety however we would respectfully ask the committee to adopt the amendment offered by PCI which would eliminate Section 5(b) that requires an inspection be paid for by the insurance company issuing the requisite liability insurance policy.

It's our understanding that this provision would be unique in U.S. amusement ride inspection law. While many states require amusement parks and carnivals to carry insurance, to our knowledge no state dictates that an inspection must be actually paid for by the insurer. Our contention is that payment for the inspection should be negotiated between the insurer and the insured. If this provision were to become law it is possible that some insurance companies would decline writing this type of risk in Kansas.

Thank you for the opportunity to submit comments on this legislation and we would urge your support of the PCI amendment.

Sincerely,

A handwritten signature in black ink, appearing to read "John Meetz", is written over a light blue background.

John H. Meetz
State Relations Manager

¹ NAPSLO is the professional trade association representing the surplus lines industry and the wholesale insurance distribution system. Comprised of approximately 400 wholesale broker member firms, 100 surplus lines insurance companies, and 200 associates and service providers to the surplus lines market, our membership operates in more than 1,500 offices representing tens of thousands of individual brokers, insurance company professionals, underwriters and other insurance professionals worldwide – all of whom are committed to the wholesale distribution system and U.S. surplus lines market. NAPSLO is unique in that both surplus lines brokers and surplus lines companies are full members of the association; thus NAPSLO represents and speaks for the surplus lines wholesale marketplace.