

January 24, 2017

The Honorable Jene Vickrey, Chairperson
House Committee on Insurance
Statehouse, Room 276-W
Topeka, Kansas 66612

Dear Representative Vickrey:

SUBJECT: Fiscal Note for HB 2067 by House Committee on Insurance

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2067 is respectfully submitted to your committee.

HB 2067 would allow the Kansas Insurance Commissioner to require a person applying for a resident insurance agent license to be fingerprinted for a national criminal history record check by the Kansas Bureau of Investigation (KBI). Local and state law enforcement officers and agencies would assist the Commissioner in the taking and processing of fingerprints of applicants. Any associated costs of fingerprinting and background checks would be paid by the applicant. The Commissioner may use the information obtained from the background check and fingerprinting only for the purposes of verifying the identification of the applicant and in the official determination of the fitness of the applicant to be issued a license as an insurance agent.

Estimated State Fiscal Effect				
	FY 2018 SGF	FY 2018 All Funds	FY 2019 SGF	FY 2019 All Funds
Revenue	--	\$35,250	--	\$35,250
Expenditure	--	\$35,250	--	\$35,250
FTE Pos.	--	--	--	--

According to the KBI, the cost to process the fingerprints and return the results to the Insurance Department would be covered by the record check fee paid by the applicant. The Insurance Department estimates that 750 applications for insurance agent licenses would be submitted each year, and the KBI estimates that the record check fee of \$47 would be charged to

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the applicant. With the enactment of HB 2067, additional revenues to the Record Check Fee Fund of the KBI totaling \$35,250 ($\47×750 applicants = \$35,250) would occur each year, along with additional corresponding expenditures. Any fiscal effect associated with HB 2067 is not reflected in *The FY 2018 Governor's Budget Report*.

Sincerely,

A handwritten signature in black ink, appearing to read "Shawn Sullivan", with a horizontal line extending to the right.

Shawn Sullivan,
Director of the Budget

cc: Shelia Sawyer-Tyler, KBI
Glenda Haverkamp, Insurance
Brock Ingmire, League of Municipalities
Melissa Wangemann, Association of Counties