

**SENATE BILL No. 292**

By Committee on Financial Institutions and Insurance

1-22

1 AN ACT concerning insurance; relating to property and casualty  
2 insurance; pertaining to excess lines coverage; providing for flexibility  
3 in certain penalties assessed by the commissioner; amending K.S.A.  
4 2019 Supp. 40-246c and repealing the existing section.

5  
6 *Be it enacted by the Legislature of the State of Kansas:*

7 Section 1. K.S.A. 2019 Supp. 40-246c is hereby amended to read as  
8 follows: 40-246c. (a) On March 1 of each year, each licensed agent shall  
9 collect and pay to the commissioner a tax of 6% on the total gross  
10 premiums charged, less any return premiums, for surplus lines insurance  
11 transacted by the licensee pursuant to the license for insureds whose home  
12 state is this state.

13 (b) The tax on any portion of the premium unearned at termination of  
14 insurance, if any, having been credited by the state to the licensee shall be  
15 returned to the policyholder directly by the surplus lines licensee or  
16 through the producing broker. The surplus lines licensee is prohibited from  
17 rebating any part of the tax for any reason.

18 (c) The individual responsible for filing the statement shall be the  
19 agent who signs the policy or the agent of record with the company. The  
20 commissioner of insurance ~~shall collect~~ *may assess a penalty up to double*  
21 *the amount of tax herein provided prescribed in subsection (a) from any*  
22 *licensee or other responsible individual responsible for filing the statement*  
23 *as herein described in this subsection who shall fail, refuse or neglect fails,*  
24 *refuses or neglects to transmit the required affidavit or statement or shall*  
25 *fail fails to pay the tax imposed by this section; to the commissioner within*  
26 *the period specified.*

27 Sec. 2. K.S.A. 2019 Supp. 40-246c is hereby repealed.

28 Sec. 3. This act shall take effect and be in force from and after its  
29 publication in the statute book.