

SENATE CONCURRENT RESOLUTION No. 1623

A CONCURRENT RESOLUTION requesting the Kansas commissioner of insurance to study the use of insurance scoring reports within the insurance industry and the need for additional regulation, if any.

WHEREAS, Insurance is an essential economic tool to protect the assets of Kansas residents and property owners; and

WHEREAS, Insurance companies are now using insurance scores in the underwriting of all types of personal and commercial insurance; and

WHEREAS, There is extensive evidence that a person's credit is an accurate predictor of their future loss probability; and

WHEREAS, Insurance consumers deserve to know and understand the impact their credit and insurance score has on the availability and affordability of their coverage; and

WHEREAS, Insurance consumers need to know that an insurance score will be used and to understand how they can positively impact their insurance score; and

WHEREAS, The public policy of the State of Kansas may dictate that certain limitations need to be placed on the use of insurance scoring such as prohibiting use of scores on an individual's or business' insurance renewal, prohibiting use of scores as the sole factor considered or prohibiting use of scores that are in a legitimate dispute; and

WHEREAS, The Kansas Insurance Department may need the authority to require the filing of credit or insurance scoring models with protection from public disclosure of proprietary information to allow the department to monitor their proper application: Now, therefore,

*Be it resolved by the Senate of the State of Kansas, the House of Representatives concurring therein:* That a task force be formed consisting of 15 members to include one member appointed by the president of the senate; one member appointed by the minority leader of the senate; one member appointed by the speaker of the house of representatives; one member appointed by the minority leader of the house of representatives; the insurance commissioner or the commissioner's designee; one person representing a domestic property and casualty insurance company and one person representing a foreign property and casualty insurance company appointed by the insurance commissioner from a list submitted by the Kansas Association of Property and Casualty Insurance Companies; one person representing a property and casualty insurance company appointed by the insurance commissioner from a list submitted by the America Insurance Association, one person representing a property and casual insurance company appointed by the insurance commissioner from a list submitted by the National Association of Independent Insurers; one person representing a property and casualty insurance company appointed by the insurance commissioner from a list submitted by the Alliance of American Insurers; one person representing a property and casualty insurance company appointed by the insurance commissioner from a list submitted by the National Association of Mutual Insurance Companies; two members representing the licensed Kansas insurance agents appointed by the insurance commissioner from a list submitted by the Kansas Association of Insurance Agents; and two members appointed by the governor representing the consumer interests. The governor shall appoint the chairperson and vice chairperson from the membership of the committee. The chairperson and vice chairperson shall not be of the same political party. No task force member shall receive any compensation, subsistence, mileage or other allowances for serving on the task force or attending any meeting thereof. The task force shall conduct a study of the desirability of regulation of insurance scoring practices for the benefit of Kansas consumers; and

*Be it further resolved:* That a report containing the results of such study and the task force's recommendations and conclusions emanating therefrom be transmitted to the speaker of the house of representatives, the president of the senate, the chair of the house committee on insurance, and the chair of the senate committee on financial institutions and insurance no later than the convening of the 2003 Kansas legislature; and

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*Be it further resolved:* That the secretary of state transmit an enrolled copy of this resolution to the commissioner of insurance.

I hereby certify that the above CONCURRENT RESOLUTION originated in the SENATE, and was adopted by that body

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SENATE adopted  
Conference Committee Report \_\_\_\_\_

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*President of the Senate.*

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*Secretary of the Senate.*

Adopted by the HOUSE  
as amended \_\_\_\_\_

HOUSE adopted  
Conference Committee Report \_\_\_\_\_

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*Speaker of the House.*

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*Chief Clerk of the House.*