

SESSION OF 2006

## SUPPLEMENTAL NOTE ON SENATE BILL NO. 515

As Amended by Senate Committee on  
Commerce

### **Brief\***

SB 515 would amend the statutes regarding the application requirements for group-funded workers compensation pools. The bill would allow adequate surplus funds, approved by the Insurance Commissioner, in lieu of the required confirmation of specific and aggregate excess insurance. The bill would allow the Commissioner to require an independent actuarial review of claims reserves as part of the Commissioner's review of surplus funds. The bill also would define "surplus funds" and "adequate surplus funds."

### **Background**

SB 515 was introduced by the Senate Committee on Commerce.

A representative of the Kansas Self-Insurers Association and the Kansas Chamber spoke in support of the bill. A representative of the Kansas Association of Insurance Agents spoke in opposition to the bill.

The Committee added language allowing an actuarial review of claims reserves by the Commissioner. In addition, the Committee made technical amendments to the bill that include renumbering of sections and language clarifying that adequate surplus funds approved by the Commissioner could be provided "in lieu of" specific and aggregate excess insurance.

The fiscal note from the Division of Budget on the original bill indicates there would be no fiscal impact for SB 515.

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\*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org>