

SENATE BILL No. 264

By Committee on Financial Institutions and Insurance

1-11

1 AN ACT concerning insurance; relating to life insurance companies;
2 designating trust companies as nominee; amending K.S.A. 2011 Supp.
3 40-2b20 and repealing the existing section.
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5 *Be it enacted by the Legislature of the State of Kansas:*

6 Section 1. K.S.A. 2011 Supp. 40-2b20 is hereby amended to read as
7 follows: 40-2b20. (a) Any life insurance company organized under any law
8 of this state, with the direction or approval of a majority of its board of
9 directors, may:

10 (1) Adopt a nominee name unique to such insurance company in
11 which such insurance company's securities may be registered;

12 (2) designate a state or national bank, *a trust company* or a federal
13 home loan bank having trust powers to obtain a nominee name for such
14 insurance company in which such insurance company's securities may be
15 registered; or

16 (3) designate a state or national bank *or a trust company* having trust
17 powers as trustee to make any investment authorized by this act in the
18 name of such trustee or such trustee's nominee.

19 (b) Under the provisions of paragraphs (2) and (3) of subsection (a),
20 the designated state or national bank, *the trust company* or the federal
21 home loan bank may arrange for such securities to be held in a clearing
22 corporation. Such arrangement must be in accordance with a written
23 agreement, approved by the commissioner of insurance, between the
24 insurance company and its designated bank *or trust company* and must
25 impose the same degree of responsibility on the bank *or trust company* as
26 if such securities were held in definitive form by such bank *or trust*
27 *company*.

28 (c) As used in this section "clearing corporation" means: (1) A
29 corporation defined in subsection (3) of K.S.A. 84-8-102, and amendments
30 thereto;

31 (2) any organization or system for the clearance and settlement of
32 securities transactions which is operated or owned by a bank, trust
33 company or other entity that is subject to regulation by the United States
34 federal reserve board or the United States comptroller of the currency; or

35 (3) any clearing agency registered with the securities and exchange
36 commission pursuant to the securities exchange act of 1934, section 17A;

1 ~~and amendments thereto.~~

2 Sec. 2. K.S.A. 2011 Supp. 40-2b20 is hereby repealed.

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

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