



Kansas Department of Insurance
Commissioner Vicki Schmidt

**Proponent Testimony for HB 2787 – Kansas Insurance Guaranty Association,
Updating Definitions**

March 7, 2024

Chairman Longbine and Members of the Committee,

Thank you for the opportunity to testify in support of House Bill 2787.

House Bill 2787 amends Kansas statutes concerning the Kansas Insurance Guaranty Association (KIGA) to reflect updates made to the National Association of Insurance Commissioners (NAIC) Property and Casualty Insurance Guaranty Association Model Act. These updates were requested by KIGA and are appropriate to deal with issues that may arise in a future insurance company insolvency, particularly as it pertains to cybersecurity insurance.¹

The Department requested updates to the KIGA governing board statute. Currently, member insurers select nine companies to submit to the Kansas Insurance Commissioner for approval to serve as the KIGA board of directors. The bill amends current law to establish a range of board members from seven to nine while still ensuring all member insurers are fairly represented. The bill also adds language that will allow the Commissioner to remove approved board members for inefficiency, neglect of duty, or malfeasance.

House Bill 2787 passed the House Committee of the Whole with a vote of 119-0.

Eric Turek
Director of Government and Public Affairs

¹ For more information on the model law, see <https://content.naic.org/sites/default/files/model-law-540.pdf>