

January 19, 2023

The Honorable Jeff Longbine, Chairperson  
Senate Committee on Financial Institutions and Insurance  
300 SW 10th Avenue, Room 546-S  
Topeka, Kansas 66612

Dear Senator Longbine:

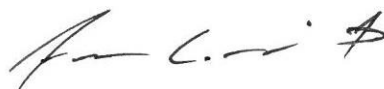
**SUBJECT:** Fiscal Note for SB 18 by Senate Committee on Financial Institutions and Insurance

In accordance with KSA 75-3715a, the following fiscal note concerning SB 18 is respectfully submitted to your committee.

SB 18 would amend the enforcement statute that gives the Kansas Insurance Commissioner the authority to issue penalties for violations of insurance laws or for failing to respond to inquiries of the Commissioner. SB 18 would amend the definition of “person” to also include any other legal entity under the jurisdiction of the Kansas Insurance Commissioner.

The Kansas Department of Insurance states that enactment of SB 18 would broaden the jurisdiction of the Insurance Commissioner to include entities such as utilization review organizations, pharmacy benefit managers, and self-funded workers compensation. The Department states that the broadened scope of enforcement could increase operating expenditures. However, any additional expenditures could be absorbed within existing resources. Any fiscal effect associated with SB 18 is not reflected in *The FY 2024 Governor’s Budget Report*.

Sincerely,



Adam Proffitt  
Director of the Budget

cc: Bobbi Mariani, Insurance Department