

January 30, 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:

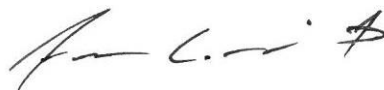
**SUBJECT:** Fiscal Note for SB 28 by Senate Committee on Financial Institutions and Insurance

In accordance with KSA 75-3715a, the following fiscal note concerning SB 28 is respectfully submitted to your committee.

The bill would establish the Group-Funded Pools Refund Fund, and the fund would be used to refund entities that have paid into the Group-Funded Pools Fee Fund and the Group-Funded Workers' Compensation Fee Fund. Refunds would be distributed on a proportional basis, based on premium taxes paid by each entity in the 2022 fiscal year. On July 1, 2023, the Group-Funded Pools Fee Fund and the Group-Funded Workers' Compensation Fee Fund would be abolished and all monies and liabilities in those funds would be transferred to the Group-Funded Pools Refund Fund. The bill would also abolish the Group-Funded Pools Refund Fund on July 1, 2024.

The Kansas Insurance Department states the two funds to be abolished currently have a combined balance of \$153,247 that would be deposited into the newly created Group-Funded Pools Refund Fund and then the entire balance would be returned to the entities. Any fiscal effect associated with SB 28 is not reflected in *The FY 2024 Governor's Budget Report*.

Sincerely,



Adam Proffitt  
Director of the Budget

cc: Bobbi Mariani, Insurance Department