

SESSION OF 2023

SUPPLEMENTAL NOTE ON SENATE BILL NO. 27

As Amended by House Committee on Insurance

Brief*

SB 27, as amended, would amend provisions in the Uniform Insurance Agents Licensure Act and the Public Adjusters Licensing Act to allow the Commissioner of Insurance (Commissioner) to set fees in an amount lower than the maximum amount of the fees established in law. The bill would also amend fingerprinting criteria for resident agents.

The bill would be in effect upon publication in the *Kansas Register*.

Resident Agents and Non-resident Agents

Resident agents. Under current law, an applicant for a resident agent license must pay a nonrefundable fee of \$30 to the Commissioner. The bill would instead require each applicant to pay the fee in an amount not to exceed \$30. The bill would require the Commissioner, no later than December 1, to annually set and publish the application fee for the next calendar year in the *Kansas Register*.

The bill would also amend law permitting the Commissioner to use information from an applicant's background check, fingerprinting, and criminal history for the purpose of verifying identification and fitness of the applicant to be issued a license to require, rather than allow, the Commissioner to use this information in determining whether a license should be issued.

*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>

Non-resident agents. Under current law, an applicant for a non-resident agent license must pay a nonrefundable application fee of \$30 and a biennial fee of \$50. The bill would instead require non-resident agents to pay the respective fees in an amount not to exceed \$30 and \$50. The bill would also require the Commissioner to annually set and publish this application fee for the next calendar year.

Public Adjusters

Under current law, an applicant for public adjuster licensure must pay an application fee of \$100. The bill would instead require the applicants to pay a fee in an amount not to exceed \$100. The bill would also require the Commissioner to annually set and publish this application fee for the next calendar year.

Background

The bill was introduced by the Senate Committee on Financial Institutions and Insurance at the request of the Kansas Insurance Department (Department). [Note: A companion bill, HB 2090, has been introduced in the House.]

Senate Committee on Financial Institutions and Insurance

In the Senate Committee hearing, a representative of the Department provided **proponent** testimony, stating the bill would grant the Commissioner the flexibility to lower certain fees that are set in statute to an amount not to exceed what is currently provided in statute. The representative indicated the Commissioner would publish fees for the next year, so that businesses would have time to plan budgets for the next year.

No other testimony was provided.

House Committee on Insurance

In the House Committee hearing, an overview of the bill was provided and **proponent** testimony submitted by the Department was made available.

The House Committee amended the bill to change its effective date to upon publication in the *Kansas Register*.

Fiscal Information

According to the fiscal note prepared by the Division of the Budget on the bill, as introduced, the Department states the bill would allow the Commissioner to increase and decrease fees annually as deemed necessary to finance program operations and, therefore, the Department cannot provide a fiscal effect. Any fiscal effect associated with the bill is not reflected in *The FY 2024 Governor's Budget Report*.

Insurance; fees; Uniform Agents Licensure Act; Public Adjusters Licensing Act; publication of fees