

## HOUSE BILL No. 2360

By Representatives Carter and Burgess

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9 AN ACT concerning the insurance department; requiring a review of the  
10 department's administrative rules and regulations.

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12 *Be it enacted by the Legislature of the State of Kansas:*

13 Section 1. (a) The commissioner of insurance shall conduct a com-  
14 prehensive review of all administrative rules and regulations administered  
15 by the insurance department for the purpose of identifying and elimi-  
16 nating or modifying, as appropriate, all administrative rules and regula-  
17 tions of such agency that are outdated, redundant, over-broad, ineffective,  
18 unnecessary, cumbersome, irrelevant, or otherwise undesirable or incon-  
19 sistent with the criteria set forth in subsection (c).

20 (b) The review process required by subsection (a) shall contain:

21 (1) The designation of an individual as the insurance department's  
22 agency rules administrator (ARA). The ARA shall be the insurance de-  
23 partment official responsible for the administration of the administrative  
24 rule and regulation review process.

25 (2) A schedule that lists when the review of each administrative rule  
26 and regulation, or group thereof, will occur.

27 (3) A statement of the method by which the insurance department  
28 will conduct the review and will determine whether any administrative  
29 rule and regulation under review meets the criteria listed in subsection  
30 (c).

31 (4) A means for public participation in the review process and a de-  
32 scription of the process by which interested persons may participate in  
33 the review.

34 (5) A process for ongoing review of administrative rules and regula-  
35 tions by the insurance department after the specific review required by  
36 this act is completed to ensure that the insurance department acts con-  
37 tinually to apply the criteria set forth in subsection (c).

38 (c) Each administrative rule and regulation shall be reviewed in ac-  
39 cordance with the following criteria:

40 (1) Need.

41 (A) Is the administrative rule and regulation necessary to comply with  
42 the statutes that authorize it?

43 (B) Is the administrative rule and regulation obsolete, duplicative, or

- 1 ambiguous to a degree that warrants repeal or revision?  
2 (C) Is the administrative rule and regulation broader than necessary  
3 to accomplish its purpose or objective?  
4 (2) Clarity. Is the administrative rule and regulation written and or-  
5 ganized in a clear and concise manner so it can be readily understood by  
6 those to whom it applies?  
7 (3) Cost.  
8 (A) Have the benefits of the administrative rule and regulation been  
9 considered in relation to its costs?  
10 (B) Do the benefits of the administrative rule and regulation exceed  
11 the costs of such administrative rule and regulation?  
12 (4) Fairness. Does the administrative rule and regulation result in  
13 equitable treatment of those required to comply with such administrative  
14 rule and regulation and those affected by such administrative rule and  
15 regulation in other ways?  
16 (5) Effectiveness. Has the administrative rule and regulation been  
17 effective in achieving the purpose for which it was established?  
18 Sec. 2. The commissioner shall report to the president and minority  
19 leader of the senate and the speaker and minority leader of the house of  
20 representatives by January 26, 2005, on the results of the review of ad-  
21 ministrative rules and regulations of the insurance department. The re-  
22 port shall contain: (a) a summary of the results of the review process  
23 including documentation of the changes in the administrative rules and  
24 regulations made or proposed to be made; and  
25 (b) the proposed timetable for completion of such amendment and  
26 revocation process.  
27 Sec. 3. This act shall take effect and be in force from and after its  
28 publication in the statute book.