Adam Proffitt, Director



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Laura Kelly, Governor

January 26, 2023

The Honorable William Sutton, Chairperson House Committee on Insurance 300 SW 10th Avenue, Room 218-N Topeka, Kansas 66612

Dear Representative Sutton:

SUBJECT: Fiscal Note for HB 2090 by House Committee on Insurance

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2090 is respectfully submitted to your committee.

Under current law, the fee for a resident insurance agent license is \$30. The bill would require the Insurance Commissioner to set the fee in an amount not to exceed \$30. The bill would require the Commissioner to set the fee and have it published in the *Kansas Register* no later than December 1 of each year. Currently, the Commissioner could use the information obtained from background checks, fingerprinting and criminal history for the purpose of verifying the identification and fitness of the applicant to be issued a license as a resident insurance agent. The bill would require the Commissioner to use the information in determining if a license is issued.

Current law requires a nonresident agent to pay the Insurance Commissioner an application fee of \$30 and a biennial fee of \$50. Under HB 2090, the application fee could not exceed \$30, and the biennial fee could not exceed \$50. Currently, a public adjuster license fee is \$100. The application fee could not exceed \$100 under the provisions of the bill. The bill would require the Commissioner to set the nonresident agent and public adjuster license fees and have them published in the *Kansas Register* no later than December 1 of each year.

The Kansas Insurance Department states that this bill would allow the Commissioner to increase and decrease fees yearly as deemed necessary to finance program operations, and therefore, the agency cannot provide fiscal effect. Any fiscal effect associated with HB 2090 is not reflected in *The FY 2024 Governor's Budget Report*.

Sincerely,

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Adam Proffitt Director of the Budget

cc: Bobbi Mariani, Insurance Department