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MEMORANDUM

To: Chairman Sutton and the House Committee on Insurance

From: Office of Revisor of Statutes

Date: January 29, 2025

Subject: HB 2045: Reducing the number of board members appointed by the commissioner on

certain insurance-related boards and the frequency of the meetings of the committee

on surety bonds and insurance.

HB 2045 is essentially a reintroduction of last session's SB 423, with the section relating to the Kansas Underground Storage Tank Liability Plan removed. SB 423 passed the Senate last year, but the bill died in conference.

This bill would grant the commissioner of insurance the ability to decrease the number of board members serving on boards for which the commissioner has appointing authority. The bill stipulates that all board members on the affected boards who are appointed and serving as of July 1, 2025, would have their terms end on December 31, 2025. The commissioner would appoint a new board whose three-year terms would begin on January 1, 2026. The new board would have the same powers, duties, and functions as the old board, but the new board members would be removable for inefficiency, neglect of duty or malfeasance.

The affected boards are as follows:

Sec. 1: The governing board of the automobile and motor vehicle bodily injury and property damage liability insurance plan (K.S.A. 40-2102). Members decrease from nine to five.

Sec. 2: The governing board of worker's compensation and employer's liability insurance plan (K.S.A. 40-2109). Members decrease from nine to seven.

Sec. 3: The governing committee of Kansas automobile assigned claims plan for personal injury protection benefits (K.S.A. 40-3116). Members decrease from nine (as specified in rules and regulations) to five.

Sec. 4: The governing board of the Health Care Insurance Availability plan (K.S.A. 40-3413). Members decrease from nine to five members.

In section 5, the bill removes a requirement for the committee on surety bonds and insurance to meet at least once per month and states that meetings will remain at the call of the chair.

The bill also reflects some updates to the language contained in statutes and some additional changes for clarity and readability.