



Kansas Department of Insurance

Commissioner Vicki Schmidt

Proponent Testimony for SB 32

February 26, 2025

Chairman Sutton and Members of the Committee,

Thank you for the opportunity to testify in support of Senate Bill 32.

Senate Bill 32 amends K.S.A. 40-112 and K.S.A. 40-252 and decreases the state premium tax rate from 2.0% to 1.98%.

The state premium tax is assessed on all premium written by insurance companies in Kansas. The entirety of premium tax collections are remitted to the State General Fund (SGF) except for 1% of all premium taxes collected subject to K.S.A. 40-252, which are retained by the Department for administrative purposes. The portion retained by the Department in FY 2024 is \$1.77 million.

The Department has determined that there is not a need to retain these funds. The administrative duties related to collecting the state premium tax and remitting it to the SGF will continue. The bill eliminates the portion retained by the Department, and lowers the premium tax rate by the difference, with a new rate of 1.98%.

Senate Bill 32 passed the Senate Committee of the Whole with a vote of 39-0.

Eric Turek
Director of Government Affairs