



DATE: March 3, 2025

TO: The Honorable William Sutton
Members of the House Insurance Committee

FROM: Elizabeth Smoller, General Counsel
Kansas Association of Insurance Agents

RE: KAIA is in support of SB 42

Thank you for the opportunity to submit written testimony in support of Senate Bill 42.

The Kansas Association of Insurance Agents (KAIA) is a statewide association of independent insurance agents. With approximately 300-member insurance agencies employing more than 2,200 licensed independent insurance agents throughout the state of Kansas, we work closely with the Kansas Insurance Department on many issues.

KAIA supports SB 42, which would establish an online verification system for evidence of auto liability insurance. The system would allow authorized personnel of governmental entities to access an up-to-date database of insured motorists based on information submitted from insurance carriers. An online verification system would allow for near real-time confirmation of a company's or individual's insurance status, decreasing the fraudulent and dishonest use of auto identification cards. An online verification system would also enhance the efficiency of various state and county entities that must verify insurance coverage when vehicles are licensed or when complying with other state regulations.

Kansas motorists are required to carry minimum liability limits of \$25,000 per person for bodily injury, \$50,000 per accident for bodily injury, and \$25,000 for property damage. At the present time, when an accident occurs each party involved typically presents their auto identification card as proof of insurance. However, many times an individual will present an identification card for a policy that is no longer in force. The existence of an auto id card also does not specify the limits purchased by the insured. Establishing an online verification system would allow for on-demand documented status of insurance information. This would provide greater reliability for individuals involved in traffic accidents, ensuring that individuals comply with state law and are paying their fair share of insurance costs. An online verification system is a tool to help enforce current state law.

Auto insurance must also be verified when purchasing license plates or renewing license plates for vehicles. Again, at the present time insurance for these processes is collected by means of the individual or entity showing an auto identification card.

We appreciate the efforts the Kansas Insurance Department is making to improve processes, gain efficiencies, ensure compliance with state law, protect consumer data, and encourage a healthy insurance marketplace in Kansas. KAIA is firmly supportive of SB 42 and we support the committee passing this bill out favorably.

