



Kansas Credit Union Association

A Government Relations Division of Cornerstone

Date: January 29, 2025

To: Senator Caryn Tyson, Chair
Senate Committee on Assessment and Taxation

From: Cale Beam
Kansas Credit Union Association

Re: SB 25 Proponent Testimony

Thank you, Chair Tyson, Vice Chair Peck, Ranking Member Corson, and the rest of the committee for the opportunity to testify on behalf of the Kansas Credit Union Association in support of SB 25. The Kansas Credit Union Association (KSCUA) plays a vital role in the credit union industry. We represent 60 credit unions headquartered in Kansas, serving approximately 790,000 Kansans who are members of these credit unions. Credit unions are not-for-profit, member-owned cooperatives dedicated to providing affordable financial services to Kansans.

SB 25 provides for the creation of tax-advantaged insurance savings accounts at financial institutions, which would help Kansans save for the increasing cost of insurance. Individuals would be allowed to contribute up to \$6,000 per year, couples could contribute up to \$12,000, and corporations would be eligible to contribute up to \$25,000 per year. Eligible expenses for these accounts would include insurance premiums and deductible payments.

The Kansas Credit Union Association has long supported the establishment of targeted savings accounts aimed at enhancing the financial security of Kansans. Credit unions have successfully maintained 529 education savings accounts, First-Time Homebuyer Savings Accounts, and have begun implementing Adoption Savings Accounts after the legislature authorized their use in the 2024 session.

As insurance rates continue to rise, the introduction of Insurance Savings Accounts would help alleviate some financial burdens faced by Kansans. We applaud Commissioner Schmidt for bringing forward this legislation.

Thank you once again for the opportunity to testify in favor of SB 25. As the committee considers this bill, we respectfully urge favorable consideration of its passage. If you have any questions regarding our testimony, please contact me at cale@beamconsultinggroup.com or (785) 430-8718.