



Kansas Department of Insurance

Commissioner Vicki Schmidt

Proponent Testimony for Senate Bill 24 – Flexibility to Lower Fees at the Department of Insurance; Elimination of the Producer Appointment Renewal Fee

January 23, 2025

Chairwoman Dietrich and Members of the Committee,

Thank you for the opportunity to testify in support of Senate Bill 24.

Senate Bill 24 amends multiple statutes that govern fees within Chapter 40 of Kansas Statutes. The amended statutes concern fees pertaining to applications, filings, licensure, licensure renewals, certificates of authority, and other fees.

Senate Bill 24 grants the Commissioner the flexibility to lower more than 100 statutorily set fees. The Commissioner will publish these fees for the following year in the Kansas Register, so that regulated entities have time to plan their budgets for the next calendar year.

This language is modeled after 2023 House Bill 2090, which granted the Kansas Insurance Commissioner the flexibility to lower licensure fees for insurance agents and agencies in Kansas. The Commissioner provided notice and lowered initial licensure fees from \$30 to \$15 for resident producers, and \$80 to \$50 for nonresident producers. After one entire year of reduced fees, new licensees have saved over \$1 million.

Senate Bill 24 also eliminates the annual appointment renewal fee (\$2 domestic/\$5 foreign) insurance companies pay annually per insurance agent selling policies on their behalf in the state of Kansas. For initial appointments, the appointment fee will remain unchanged, though the annual renewal fee will be eliminated. These appointments will be considered lifetime appointments and in force until terminated by the company. The elimination of these fees alone is expected to reduce revenues to the Department by nearly \$6 million.

Eric Turek
Director of Government Affairs