

**SENATE BILL No. 27**

By Committee on Financial Institutions and Insurance

1-16

Proposed Amendment to SB 27  
For Senator Francisco  
Prepared by Eileen Ma  
Office of Revisor of Statutes  
February 4, 2025

1 AN ACT concerning insurance; relating to the powers, duties and  
2 responsibilities of the commissioner; eliminating the requirement that  
3 the commissioner submit certain reports to the governor; removing  
4 certain specific entities from the definition of person for the purpose of  
5 enforcing insurance law; amending K.S.A. 40-108 and 40-2253 and  
6 K.S.A. 2024 Supp. 40-2,125 and repealing the existing sections.

7  
8 *Be it enacted by the Legislature of the State of Kansas:*

9 Section 1. K.S.A. 40-108 is hereby amended to read as follows: 40-  
10 108. ~~The commissioner of insurance shall make an annual report to the~~  
11 ~~governor of the general conduct and condition of the insurance companies,~~  
12 ~~including fraternal benefit societies, doing business in this state.~~ The  
13 commissioner of insurance shall keep and preserve in a permanent form a  
14 full record of the commissioner's proceedings, including a concise  
15 statement of the condition of each company reported, visited or examined  
16 by the commissioner.

17 Sec. 2. K.S.A. 2024 Supp. 40-2,125 is hereby amended to read as  
18 follows: 40-2,125. (a) If the commissioner determines after notice and  
19 opportunity for a hearing that any person has engaged or is engaging in  
20 any act or practice constituting a violation of any provision of Kansas  
21 insurance statutes or any rule and regulation or order thereunder, the  
22 commissioner may, in the exercise of discretion, order any one or more of  
23 the following:

24 (1) Payment of a monetary penalty of not more than \$1,000 for each  
25 and every act or violation, unless the person knew or reasonably should  
26 have known *that* such person was in violation of the Kansas insurance  
27 statutes or any rule and regulation or order thereunder, in which case the  
28 penalty shall be not more than \$2,000 for each and every act or violation;

29 (2) suspension or revocation of the person's license or certificate if  
30 such person knew or reasonably should have known that such person was  
31 in violation of the Kansas insurance statutes or any rule and regulation or  
32 order thereunder; or

33 (3) that such person cease and desist from the unlawful act or practice  
34 and take such affirmative action ~~as~~ *that*, in the judgment of the  
35 commissioner, will carry out the purposes of the violated or potentially  
36 violated provision.

The commissioner of insurance shall make an annual report of the general conduct and condition of the insurance companies, including fraternal benefit societies doing business in this state and shall publish such report on the department's website.