

# KAPCIC

Kansas Association of Property & Casualty Insurance Companies Inc.

February 5, 2026

## **SB 55**

### **Senate FI&I Committee**

**Kim Decker, Kansas Association of Property and Casualty Insurance Companies (KAPCIC)**

Madam Chair and Members of the Committee:

Thank you for the opportunity to provide testimony on behalf of the Kansas Association of Property and Casualty Insurance Companies (KAPCIC), our state trade association for domestic property and casualty insurance companies. Most of the KAPCIC member companies are domiciled Kansas companies and our members live and work here in the state.

KAPCIC members requested SB 55 in conjunction with the Kansas Roofer's Association. This bill prohibits Assignment of Benefits (AOB) in residential and commercial property claims. We believe that measures like SB 55 will help deter unscrupulous roofers and contractors in the state and will help stabilize cost drivers that have proven to raise premiums.

When a major storm hits Kansas, roofers from across the country descend on the state. We have seen these roofers ask homeowners to assign their benefits over to them. When this happens, the roofer stands in the shoes of the homeowner and can deal directly with the insurance company, cutting the homeowner out completely. In many AOB cases, we have seen prices inflated. In some extreme cases, we have seen the contractor sue the insurance company, without knowledge or consent of the homeowner.

Kansas currently regulates post-loss AOBs through Kansas statute, which limits residential-contractor AOBs to co-payee only and requires specific disclosures. This framework reflects longstanding concerns that unrestricted AOBs expose homeowners and insurers to abuse. However, current Kansas law does not go far enough.

Experiences in Kansas and other states demonstrate that broad AOB rights create runaway claim inflation, excessive litigation, fraud, and ultimately market destabilization. To date, there are several other states that have eliminated AOB to end this abuse.

KAPCIC members encourage your support of SB 55 and encourage action upon the legislation.