



January 27, 2026

Chair Brenda Dietrich and Members of the Committee
Committee on Financial Institutions & Insurance
Kansas Senate

RE: Senate Bill 55 – Assignment of Benefits – Support

Dear Chair Dietrich and Members of the Committee:

The National Insurance Crime Bureau (NICB) is a national, century-old, not-for-profit organization supported by approximately 1,200 property and casualty insurance companies, including many who write business in Kansas. Working hand-in-hand with our member companies and Kansas law enforcement, we help to detect, prevent, and deter insurance crimes. While NICB provides value to our member companies, we also serve a significant public benefit by helping to stem the estimated billions of dollars in economic harm that insurance crime causes to individual policyholders across the country every year. Contractor fraud continues to be a widespread problem across the country, including in Kansas.

Predatory contractors often use the aftermath of major storms or catastrophes to prey upon already vulnerable consumers by inflating invoices or deceiving consumers into agreeing to unnecessary repairs. One tool these bad actors use to exploit consumers is an assignment of benefits, which allows contractors to take control of a consumer's insurance benefits and seek direct payment from the consumer's insurance provider. Dishonest contractors often utilize high pressure tactics and deceit to pressure consumers to agree to signing over their insurance benefits, which then creates the incentive for the contractor to drive up repair costs even higher.

When consumers are cut out of the claim process, predatory contractors are emboldened to engage in fraudulent activity.

Senate Bill 55 would help to combat these tactics by prohibiting the assignment of benefits under a property insurance policy. This commonsense reform would protect consumers from unscrupulous contractors and guard against fraudulent claims, which increase costs for all.

Accordingly, we ask for your strong support of Senate Bill 55.

Thank you for your consideration of our views. As always, please consider NICB a resource and partner in the fight against insurance crime. If you have any questions or need additional information, please contact me at aeathington@nicb.org or 312-833-9772.

Sincerely,

Adam Eathington, Director
Strategy, Policy and Government Affairs
National Insurance Crime Bureau