

January 29, 2019

The Honorable Jene Vickrey, Chairperson
House Committee on Insurance
Statehouse, Room 276-W
Topeka, Kansas 66612

Dear Representative Vickrey:

SUBJECT: Fiscal Note for HB 2057 by House Committee on Insurance

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2057 is respectfully submitted to your committee.

Under current law, a small employer carrier that provides coverage to one or more association groups may establish a class of business to reflect substantial differences in expected claims experience or administrative costs. HB 2057 would not allow small employer carriers to continue to do this. Additionally, HB 2057 would strike “from and after January 1, 1993” from KSA 40-2209g.

The Insurance Department indicates enactment of HB 2057 would have no fiscal effect on the Department. However, the Department indicates striking “from and after January 1, 1993” from statute would affect current allowances that some carriers use to file an exemption from Small Group Rate Reform, which could affect some school districts. Any fiscal effect associated with HB 2057 is not reflected in *The FY 2020 Governor’s Budget Report*.

Sincerely,



Larry L. Campbell
Director of the Budget

cc: Glenda Haverkamp, Insurance