

MINUTES OF THE SENATE FINANCIAL INSTITUTIONS AND INSURANCE COMMITTEE

The meeting was called to order by Chairman Ruth Teichman at 9:30 A.M. on January 24, 2008 in Room 136-N of the Capitol.

All members were present.

Committee staff present:

Melissa Calderwood, Kansas Legislative Research Department
Ken Wilke, Office of Revisor of Statutes
Bev Beam, Committee Secretary
Jill Shelley, Kansas Legislative Research Department

Conferees appearing before the committee:

Insurance Commissioner, Sandy Praeger
Ron Gaches, Gaches, Braden, Barbee & Association
Dan Nackley, Pooled Money Investment Board

Others attending:

See attached list.

The Chair called the meeting to order.

Continued hearing on:

SB 209 - Insurance; rate and form filings; error notification procedure.

Ken Wilke presented amendments to the substitute bill. He said the new language sets out more specifically the procedure to be followed. The Chair closed the hearing on SB 209.

Senator Brownlee moved to approve the substitute bill and move it out favorably. Senator Schmidt seconded. Motion passed.

Bill introductions

The Chair called Insurance Commissioner, Sandy Praeger, who introduced the following bills:

1. Self Insurers to provide uninsured motorist coverage.
2. Change in assumption reinsurance agreement act.
3. Inadequate, excessive, or discriminatory forms. (Attachment 1)

Senator Schmidt moved to introduce the bills. Senator Steineger seconded. Motion passed.

Ron Gaches, asked for introduction of a bill dealing with credit cards. Mr. Gaches said it addresses a parity issue of credit cards issued by big box retailers when they issue the card themselves compared with credit cards issued by credit card companies who are issuing private cards for the big box retailers. There is a disparity in the treatment between the two.

Senator Steineger moved introduction of the bill. Senator Brownlee seconded. Motion passed.

Daniel J. Nackley, Director of Investment for Pooled Money Investment Board requested the F I & I Committee consider legislation authorizing the Pooled Money Investment Board to invest state monies in corporate bonds. He said currently the Board has the authority to invest in commercial paper but not corporate bonds. The Board feels this expansion of its investment options will help increase the return on its investment portfolio as well as provide more options for matching the maturities of investments to the state's cash flow needs. (Attachment 2)

Senator Wilson moved introduction of the bill. Senator Steineger seconded. Motion passed.

CONTINUATION SHEET

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Senator Steineger moved to accept the minutes as written. Senator Brownlee seconded. Motion passed.

The meeting adjourned at 10:30 a.m.