

January 25, 2023

The Honorable William Sutton, Chairperson
House Committee on Insurance
300 SW 10th Avenue, Room 218-N
Topeka, Kansas 66612

Dear Representative Sutton:

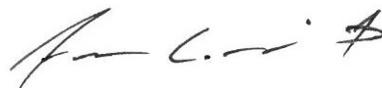
SUBJECT: Fiscal Note for HB 2098 by House Committee on Insurance

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2098 is respectfully submitted to your committee.

HB 2098 would amend the enforcement statute that gives the Kansas Insurance Commissioner the authority to issue penalties for violations of insurance laws or for failing to respond to inquiries of the Commissioner. HB 2098 would amend the definition of “person” to also include any other legal entity under the jurisdiction of the Kansas Insurance Commissioner.

The Kansas Department of Insurance states that enactment of HB 2098 would broaden the jurisdiction of the Insurance Commissioner to include entities such as utilization review organizations, pharmacy benefit managers, and self-funded workers compensation. The Department states that the broadened scope of enforcement could increase operating expenditures. However, any additional expenditures could be absorbed within existing resources. Any fiscal effect associated with HB 2098 is not reflected in *The FY 2024 Governor’s Budget Report*.

Sincerely,



Adam Proffitt
Director of the Budget

cc: Bobbi Mariani, Insurance Department