

SESSION OF 2023

SUPPLEMENTAL NOTE ON SENATE BILL NO. 18

As Amended by House Committee on Insurance

Brief*

SB 18, as amended, would add “and any other legal entity under the jurisdiction of the commissioner” to the definition of “person” in statute pertaining to insurance laws and enforcement. The change would allow for entities that are currently under the jurisdiction of the Commissioner of Insurance to be more accurately reflected in statute.

The bill would also make technical changes.

The bill would be in effect upon publication in the *Kansas Register*.

Background

The bill was introduced by the Senate Committee on Financial Institutions and Insurance at the request of the Kansas Insurance Department (Department). [Note: A companion bill, HB 2098, has been introduced in the House.]

Senate Committee on Financial Institutions and Insurance

In the Senate Committee hearing, **proponent** testimony was provided by a representative of the Department. The conferee explained the additional language proposed in the bill would help ensure the Commissioner of Insurance can

*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org>

pursue statutory penalties against entities in violation of state insurance law.

No other testimony was provided.

House Committee on Insurance

In the House Committee hearing, an overview of the bill was provided and **proponent** testimony submitted by the Department was made available.

The House Committee amended the bill to change its effective date to upon publication in the *Kansas Register*.

Fiscal Information

According to the fiscal note prepared by the Division of the Budget on the bill, as introduced, the Department states that enactment of the bill would broaden the jurisdiction of the Commissioner of Insurance 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 the bill is not reflected in *The FY 2024 Governor's Budget Report*.

Insurance; Commissioner of Insurance; penalties