

As Amended by Senate Committee

Session of 2011

SENATE BILL No. 185

By Committee on Ways and Means

2-10

1 AN ACT concerning insurance; designating trust companies as trustees;
2 amending K.S.A. 2010 Supp. 40-2a20 and repealing the existing
3 section.
4

5 *Be it enacted by the Legislature of the State of Kansas:*

6 Section 1. K.S.A. 2010 Supp. 40-2a20 is hereby amended to read
7 as follows: 40-2a20. (a) Any insurance company other than life
8 organized under any law of this state, with the direction or approval of
9 a majority of its board of directors or authorized committee thereof,
10 may:

11 (1) Adopt a nominee name unique to such insurance company in
12 which such insurance company's securities may be registered;

13 (2) designate a state or national bank, *a trust company* or a federal
14 home loan bank having trust powers to obtain a nominee name for such
15 insurance company in which such insurance company's securities may
16 be registered; or

17 (3) designate a state or national bank ***or a trust company*** having
18 trust powers, ~~or a trust company~~ as trustee to make any investment
19 authorized by this act in the name of such trustee or such trustee's
20 nominee.

21 (b) Under the provisions of paragraphs (2) and (3) of subsection
22 (a), the designated state or national bank, *trust company* or the federal
23 home loan bank may arrange for such securities to be held in a clearing
24 corporation. Such arrangement must be in accordance with a written
25 agreement, approved by the commissioner of insurance, between the
26 insurance company and its designated bank *or trust company* and must
27 impose the same degree of responsibility on the bank ***or trust company***
28 as if such securities were held in definitive form by such bank *or trust*
29 *company*.

30 (c) As used in this section "clearing corporation" means: (1) A
31 corporation defined in subsection (5) of K.S.A. 84-8-102, and
32 amendments thereto;

33 (2) any organization or system for clearance and settlement of

1 securities transactions which is operated or owned by a bank, trust
2 company or other entity that is subject to regulation by the United
3 States federal reserve board or the United States comptroller of the
4 currency; or
5 (3) any clearing agency registered with the securities and
6 exchange commission pursuant to the securities exchange act of 1934,
7 section 17A, ~~and amendments thereto.~~
8 Sec. 2. K.S.A. 2010 Supp. 40-2a20 is hereby repealed.
9 Sec. 3. This act shall take effect and be in force from and after its
10 publication in the statute book.
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