

SESSION OF 2012

SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2618

As Recommended by House Committee on
Insurance

Brief*

HB 2618 would amend the Portable Electronics Insurance Act. Under the current law, a vendor selling or offering coverage under a portable electronics policy is required to provide the Insurance Commissioner a list of locations where it offers coverage. Under the bill, changes to the registry of vendor locations would be provided to the Insurance Commissioner upon the Commissioner's request and with ten days' notice to the supervising entity.

The bill also would allow for notifications to be sent on behalf of an insurer or vendor by the supervising entity appointed by the insurer. In addition, the bill would allow for returns or refunds of unearned premium to be made by vendors to consumers who purchased the portable electronics insurance coverage by crediting the billing mechanism used to pay the premium.

The bill would delete a provision that required a program of in-person training to supplement the electronic training supplemental education program. The deletion is a technical correction (a printing error in the enrolled version of the 2011 Portable Electronics Insurance Act).

Under the Act, "supervising entity" means a "business entity that is a licensed insurance producer or insurer."

*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>

Background

The bill was introduced at the request of the Asurion Insurance Company whose representative indicated, since enactment of the 2011 Act (SB 170), some 24 other states have joined in enactment of similar legislation. This bill incorporates ideas and approaches from the other states that make the legislation more business friendly and less difficult from a compliance and paperwork standpoint. There were no opponents to the bill at the time of the House Committee hearing.

The fiscal note prepared by the Division of the Budget states the Kansas Insurance Department indicates enactment of the bill would have no fiscal effect.