

SESSION OF 2012

**SUPPLEMENTAL NOTE ON SENATE BILL NO. 264**

As Recommended by Senate Committee on  
Financial Institutions and Insurance

**Brief\***

SB 264 would amend an investment provision in the Insurance Code to authorize life insurance companies to designate a trust company to:

- Obtain a nominee name for an insurance company in which the company's securities may be registered;
- Make any authorized investments in the name of trustee or the trustee's nominee; and
- Arrange for securities to be held in a clearing corporation, subject to a written agreement approved by the Insurance Commissioner.

**Background**

The bill was introduced at the request of the Kansas Insurance Department whose representative indicated the bill would allow life insurance companies to use trust companies to manage their investments. 2011 Law (SB 185) allowed insurance companies, other than life companies, to use trust companies. The bill would "level the playing field" between life and non-life companies, the representative stated. There were no opponents to the bill present at the Senate Committee hearing.

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\*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>

The fiscal note prepared by the Division of the Budget states that enactment of the bill would have no fiscal effect.