

**SENATE BILL No. 419**

By Committee on Financial Institutions and Insurance

2-8

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1 AN ACT concerning insurance; relating to mutual insurance companies  
2 organized to provide healthcare liability insurance; affiliate transfer  
3 policies.  
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5 *Be it enacted by the Legislature of the State of Kansas:*

6 Section 1. (a) A company organized pursuant to article 12a of chapter  
7 40 of the Kansas Statutes Annotated, and amendments thereto, may, upon  
8 90 days' written notice to the insured and the agent of record, transfer  
9 coverage of the insured to an affiliate insurer authorized in Kansas to issue  
10 policies for the same exposures under any property and casualty insurance  
11 policy that is used primarily for business or professional needs. Such  
12 transfer shall not constitute a policy nonrenewal or cancellation if the: (1)  
13 Transfer is without any interruption in coverage; and (2) premium charged  
14 by the affiliate is no higher than the current rate charged by the affiliate for  
15 the same classification for the duration of the policy term.

16 (b) This act shall be part of and supplemental to article 12a of chapter  
17 40 of the Kansas Statutes Annotated, and amendments thereto.

18 Sec. 2. This act shall take effect and be in force from and after its  
19 publication in the statute book.