
Sneed Law Firm, LLC

Memorandum

To: The Honorable Jene Vickrey, Chairman
House Insurance Committee

From: William W. Sneed, Legislative Counsel
The State Farm Insurance Companies

Date: January 18, 2018

RE: HB 2469

Mr. Chairman, Members of the Committee: My name is Bill Sneed and I am Legislative Counsel for the State Farm Insurance Companies ("State Farm"). State Farm is the largest insurer of homes and automobiles in Kansas. State Farm insures one out of every three cars and one out of every four homes in the United States. I am appearing today on behalf of my client in support of H.B. 2469.

As you know, my client requested the introduction of H.B. 2469. We believe that this bill will create a more streamlined approach to setting up temporary claims processing facilities during times of catastrophic loss. It is during these "CAT" losses that consumers are most vulnerable and need immediate assistance to start the processes of recovery.

However, most local units of government have various ordinances and/or procedures on the books that have the unforeseen consequence of potentially slowing down the process. These requirements, placed in law for the valid reason of protecting citizens from fly-by-night operations, actually can require insurance companies to apply for permits to set up these emergency claims operation centers. These applications can take several days and theoretically a couple of weeks to be approved.

This proposal, taken from a Missouri law, would allow insurance companies, after notifying the appropriate local unit of government, to set up these operations without delay. At the same time, the

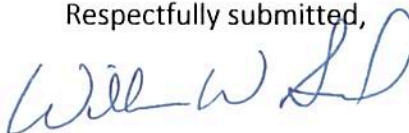
proposal preserves the rights of the local unit of government of its overall police power to preserve public health and safety.

We contend that this very small exception to the local units' power will ultimately provide the much-needed services to not only our customers, but to these constituents. Thus, we believe this is a true win-win for all parties.

Thus, we respectfully request that at the appropriate time, the Committee act favorably and pass H.B. 2469.

If you have any questions, please feel free to contact me.

Respectfully submitted,

A handwritten signature in blue ink that reads "Will W. Sneed". The signature is written in a cursive style with a large, stylized "S" at the end.

William W. Sneed

WWS:kjb