



Kansas Insurance Department

Ken Selzer, CPA, Commissioner of Insurance

SENATE FINANCIAL INSTITUTIONS AND INSURANCE COMMITTEE
SENATE BILL 23
JANUARY 25, 2017

I am Ken Selzer, your Kansas Insurance Commissioner. Thank you for allowing me to testify before your committee in support of Senate Bill 23.

We continue to seek opportunities to serve Kansans more effectively and efficiently. By combining the Kansas Securities Commission and the Kansas Insurance Department we will join a growing number of other states which have already taken this step to better serve their citizens, and to gain efficiencies at the same time. The most recent state to do so is now South Dakota, who combined its departments on January 1st of this year. Oregon took this step on January 1st of last year, and a number of states prior to that.

There currently is overlap between the Kansas Securities Commission and the Kansas Insurance Department. We license many of the same individuals. We educate and advocate on behalf of many of the same Kansans.

Under this bill in front of you, the Attorney General's office will now be handling prosecutorial duties for both the Insurance Department and the new Securities unit within the combined Insurance and Securities Department. This is an improvement from the similar bill this committee reviewed last year.

Over the past two years the Insurance Department and Securities Commission have moved in a similar direction. We have strategically managed our organizations to achieve reductions of costs and personnel. In the Insurance Department this has resulted in cost reductions of more than 12%. Importantly, after achieving these savings, we received an award for transparency and responsiveness to consumers. Please see the ksinsurance.org website for more information on this recognition.

By combining departments we can achieve an even higher level of responsiveness to our constituents and can also achieve a greater level of productivity and efficiency for both departments. We also will be better equipped through the Attorney General's office to prosecute insurance fraud and also maintain the current high standards for prosecution of securities related matters.

The Kansas Legislature does not often have an opportunity to work with multiple departments in which the department heads, along with the Governor's office, all have the single-minded focus of providing superior service to Kansas consumers at a reduced cost. Please assist us in taking this small but important step to achieve an even better result for the people of Kansas.

Thank you, Mr. Chairman. I would be happy to answer any questions.