

# KAPCIC

Kansas Association of Property & Casualty Insurance Companies Inc.

February 12, 2020

## **SB 347**

### **Testimony Before the Senate Financial Institutions and Insurance Committee**

#### **Testimony by Marlee Carpenter, Kansas Association of Property and Casualty Insurance Companies (KAPCIC)**

Mr. Chair and Members of the Committee;

Thank you for the opportunity to provide written testify on behalf of the Kansas Association of Property and Casualty Insurance Companies (KAPCIC), our state trade association for domestic property and casualty insurance companies. Most of the KAPCIC member companies are domiciled Kansas companies and our members live and work here in the state.

KAPCIC is here as a neutral conferee to express concerns with the newly proposed language in SB 347, the removal of the cap on exam fees. KAPCIC members support the Kansas Department of Insurance (KID) in ensuring that financial exams are done in a high-quality manner so that they are accepted by other states. This is very important to KAPCIC members because many of them are domestic companies, making the KID exam even more important. However, we feel that the new language in SB 347 is overly broad and allows for too much discretion. We also feel that there are provisions included in the bill that have never been used by the KID and we believe these provisions should be removed.

For the past few years, KAPCIC members have voiced concerns over the current costs of these financial exams and are concerned that this bill will increase costs even more. We have been working with the KID and have shared our concerns with them. We are hopeful that we can come to an agreement on language before the bill is worked.

KAPCIC encourages the committee to carefully consider SB 347. Thank you for your time and I am happy to answer any questions.