

January 29, 2019

The Honorable Robert Olson, Chairperson
Senate Committee on Financial Institutions and Insurance
Statehouse, Room 236-E
Topeka, Kansas 66612

Dear Senator Olson:

SUBJECT: Fiscal Note for SB 33 by Senate Committee on Financial Institutions and Insurance

In accordance with KSA 75-3715a, the following fiscal note concerning SB 33 is respectfully submitted to your committee.

Under current law, a small employer carrier that provides coverage to one or more association groups may establish a class of business to reflect substantial differences in expected claims experience or administrative costs. SB 33 would not allow small employer carriers to continue to do this. Additionally, SB 33 would strike “from and after January 1, 1993” from KSA 40-2209g.

The Insurance Department indicates enactment of SB 33 would have no fiscal effect on the Department. However, the Department indicates striking “from and after January 1, 1993” from statute would affect current allowances that some carriers use to file an exemption from Small Group Rate Reform, which could affect some school districts. Any fiscal effect associated with SB 33 is not reflected in *The FY 2020 Governor’s Budget Report*.

Sincerely,



Larry L. Campbell
Director of the Budget

cc: Glenda Haverkamp, Insurance