

Approved: March 28, 2012
Date

MINUTES OF THE HOUSE INSURANCE COMMITTEE

The meeting was called to order by Vice Chairman Phil Hermanson at 3:35 p.m. on March 14, 2012, in Room 152-S of the Capitol.

All members were present except:
Representative Billinger - Excused

Committee staff present:
David Wiese, Office of the Revisor of Statutes
Ken Wilke, Office of the Revisor of Statutes
Melissa Calderwood, Kansas Legislative Research Department
Cindy Lash, Kansas Legislative Research Department
Sue Fowler, Committee Assistant

Conferees appearing before the Committee:
Senator Oletha Faust Goudeau, District 29
Senator Allen Schmidt, District 36
Kris Kellim, Kansas Insurance Department

Others attending:
See attached list.

Hearings on:
SB 250 **Firefighters health Insurance**

David Wiese, Office of Revisor of Statutes, gave a brief overview on **SB 250**.

Representative Hermanson opened the hearing on **SB 250**,

Proponents:

Senator Oletha Faust Goudeau, District 29, (Attachment 1), gave testimony before the committee in support of **SB 250**.

Senator Allen Schmidt, District 36, (Attachment 2), appeared before the committee in support of **SB 250**.

Kevin Florey, Kansas State Firefighters Association, (Attachment 3), presented written testimony to the committee in support of **SB 250**.

Rocky Bumgarner, IAFF Local 135 (Wichita Firefighters Union), (Attachment 4), presented written testimony to the committee in support of **SB 250**.

Sandy Jacquot, League of Kansas Municipalities, (Attachment 5), submitted written neutral testimony to the committee on **SB 250**.

CONTINUATION SHEET

The minutes of the House Insurance Committee at 3:35 p.m. on March 14, 2012 in Room 152-S of the Capitol.

Representative Hermanson closed the hearing on **SB 250**.

Sub for SB 71 **Insurance agents, additional lines, fingerprinting and criminal history record check requirements**

David Wiese, Office of Revisor of Statutes, gave a brief overview on **Sub for SB 71**.

Melissa Calderwood, Legislative Research Department, referenced the *Report of the Special Committee on Financial Institutions and Insurance to 2012 Kansas Legislature*. One of the Special Committee's charges was to study the possible authorization of fingerprinting and criminal history record checks of certain financial services representatives in Kansas. Copies were distributed to the Committee Members' folders.

Representative Hermanson opened the hearing on **Sub for SB 71**.

Proponents:

Kris Kellim, Kansas Insurance Department, (**Attachment 6**), gave testimony before the committee in support of **Sub for SB 71**.

Bob Shields, Kansas Association of Professional Insurance Agents, (**Attachment 7**), presented written testimony to the committee in support of **Sub for SB 71**.

Kerri Spielman, Kansas Association of Insurance Agents, (**Attachment 8**), presented written testimony to the committee in support of **Sub for SB 71**.

Representative Hermanson closed the hearing on **Sub for SB 71**.

Discussion and action on:

SB 250 **Firefighters health insurance**

*Representative Burroughs made a motion, **SB 250** be passed favorably. Seconded by Representative Fawcett.*

*Representative Brown made a substitute motion to amend language in **SB 250** to require the premiums for continuation of coverage under COBRA be paid from the State General Fund rather than paid by municipalities. Seconded by Representative Gregory. After discussion, and motion to approve working the bill on the same day as the House Committee hearing passed, the substitute motion by Representative Brown failed.*

CONTINUATION SHEET

The minutes of the House Insurance Committee at 3:35 p.m. on March 14, 2012 in Room 152-S of the Capitol.

Representative Grant made a substitute motion to insert the phrase "or municipal law enforcement officers" after the word "firefighters" on line 8 and as appropriate throughout the bill. Seconded by Representative Brown. Following discussion, Representative Grant withdrew the motion.

Representative Burroughs made a substitute motion to make the bill effective upon publication in the Kansas Register. Seconded by Representative Grant. Motion passed.

Representative Burroughs made a motion to pass **SB 250** favorably, as amended. Seconded by Representative Grant. Motion passed.

SB 273 **Fees for examination of insurance company**

Representative Burroughs made a motion, **SB 273** be passed favorably. Seconded by Representative Johnson.

Representative Brown made a substitute motion to decrease, from \$200,000 to \$100,000, the cap specified on page 2, line 19 of **SB 273**, as amended by the Senate Committee. Seconded by Representative O'Hara. After discussion, the motion passed.

Representative Grant moved **SB 273** favorably for passage as amended. Seconded by Representative Hermanson. Motion passed.

HB 2508 **Insurance Holding Company act**

Representative Fawcett made a motion, **HB 2508** be passed favorably. Seconded by Representative Montgomery.

After discussion, Representative Grant made a substitute motion to request an Interim Study on **HB 2508**. Seconded by Representative Gregory. Following discussion, the motion passed.

Sub for SB 71 **Insurance agents, additional lines, fingerprinting and criminal history record check requirements**

Chairman Shultz inquired whether the Committee was interested in taking action on **Sub. for SB 71**. The seven affirmative votes did not achieve the required 2/3 majority for taking action on a bill the same day it was heard. The bill was not worked.

CONTINUATION SHEET

The minutes of the House Insurance Committee at 3:35 p.m. on March 14, 2012 in Room 152-S of the Capitol.

HB 2764 **Insurance coverage for autism spectrum disorder**

Representative Burroughs made a motion, **HB 2764** be passed favorably. Seconded by Representative Fawcett.

After discussion, Representative Brown made a substitute motion to amend **HB 2764** by lowering the age cap specified on page 1, line 30 from less than 19 years to less than 10 years. Seconded by Representative Gregory. After discussion, the motion failed.

Following further discussion, Representative Brown made a substitute motion to amend **HB 2764** to direct the Kansas Department of Social and Rehabilitation Services (SRS) to report to the Senate Ways and Means and House Appropriations Committees by January 20, 2013 the number of children who need this service (Autism Spectrum Disorder coverage) and the actual cost of treatment for those children. Seconded by Representative Gregory. Following discussion, the motion passed.

Representative O'Hara made a substitute motion to require the State Medicaid managed care contracts to cover Autism Spectrum Disorder. Seconded by Representative Fawcett. Following discussion, a division vote was requested; the result was 6 in favor and 6 opposed. Motion failed. Representatives O'Hara and Gregory requested to be recorded as voting in support of the motion.

Following discussion, Representative Grant moved **HB 2764** favorable for passage, as amended. Seconded by Representative Fawcett. Motion passed.

Representative Grant made a motion without objection to approve the March 12, 2012 minutes as written.

No further meetings scheduled as of this date.

Meeting adjourned at 6:15 p.m.