

Approved: 3-4-10
Date

MINUTES OF THE SENATE FINANCIAL INSTITUTIONS AND INSURANCE COMMITTEE

The meeting was called to order by Chairman Ruth Teichman at 9:30 a.m. on March 3, 2010, in Room 152-S of the Capitol.

All members were present except:

Senator Ty Masterson

Committee staff present:

Ken Wilke, Office of the Revisor of Statutes
Melissa Calderwood, Kansas Legislative Research Department
Terri Weber, Kansas Legislative Research Department
Beverly Beam, Committee Assistant

Conferees appearing before the Committee:

John Meetz, Kansas Insurance Department

Others attending:

See attached list.

John Meetz, Kansas Insurance Department (Attachment 1)

The Chair called the meeting to order.

Hearing on

HB 2492 - Motor vehicle liability coverage, evidence of financial security

Melissa Calderwood, Research Department, gave an overview of the bill. Ms. Calderwood stated that the Bill was introduced at the request of the Kansas Insurance Department whose representative indicated that the sole purpose of this bill is to make provisions in the Insurance Code consistent with the laws governing the Department of Revenue and their enforcement of the automobile financial responsibility law. The representative further noted that since 1996 (HB 2691), all automobile liability insurance companies doing business in Kansas have complied with KSA 8-1604 and have included both the make and year of a vehicle on their proof of insurance identification card.

John Meetz, Kansas Insurance Department testified in support of HB 2492. He stated that the purpose of this bill is to make laws for insurance statute consistent with laws governing the Department of Revenue and their enforcement of automobile financial responsibility law. He said since 1996, all automobile liability insurance companies doing business in Kansas have complied with KSA 8-1604 and have included both the make and year of a vehicle on their proof of insurance identification card, so in essence this bill represents no substantive policy change. He said it is only to correct inconsistencies in Kansas Statute whenever possible to prevent potential legal loopholes that could skirt the intent of Kansas law. (Attachment 1)

Senator Kelsey moved to pass this bill out favorably and place it on the Consent Calendar. Senator Brownlee seconded. Motion passed.

The next meeting is scheduled for March 4, 2010.

The meeting was adjourned at 10:00 a.m.





Kansas Insurance Department

Sandy Praeger, Commissioner of Insurance

TESTIMONY ON HB 2492

SENATE INSURANCE AND FINANCIAL INSTITUTIONS March 3, 2010

Madam Chair and Members of the Committee:

Thank you for the opportunity to testify in support of House Bill 2492. This bill amends the statute that deals with proof of motor vehicle insurance and its enforcement. Rather than making a major policy change, the purpose of this particular bill is to make laws for insurance statute consistent with laws governing the Department of Revenue and their enforcement of automobile financial responsibility law.

In 1996, HB 2691 was signed into law in an attempt to create stricter enforcement of the automobile liability insurance requirements in Kansas. Several changes were made to both Chapters 8 and 40 to tighten and streamline the enforcement of this law. One of the changes to KSA 8-1604 was that the make and year of a vehicle were required to be present on the motor vehicle liability insurance verification card. However, this change was not added to a virtually identical clause in KSA 40-3104 that deals specifically with insurance code.

Since 1996, all automobile liability insurance companies doing business in Kansas have complied with KSA 8-1604 and have included both the make and year of a vehicle on their proof of insurance identification card, so in essence this bill represents no substantive policy change. However, we feel it is prudent to correct inconsistencies in Kansas Statute whenever possible to prevent potential legal loopholes that could skirt the intent of Kansas law. For that reason we would ask the committee to recommend HB 2492 favorable for passage.

Thank you for the opportunity to appear and I would be happy to stand for questions at the appropriate time.

John Meetz
Government Affairs Liaison

*FI & I Committee
3-3-10
Attachment 1*