



**KANSAS
INSURANCE
DEPARTMENT**

Vicki Schmidt, Commissioner

Proponent Testimony for SB 28 – Refunding Group-Funded Pools

February 15, 2023

Chairman Longbine and Members of the Committee,

Thank you for the opportunity to testify in support of Senate Bill 28.

Senate Bill 28 repeals K.S.A. 12-2623 and K.S.A. 44-587 and amends K.S.A. 44-588. These statutes outline assessments, or fees, set by the Insurance Commissioner to cover the necessary costs of administration and supervision of group-funded pools and group-funded workers' compensation pools. The Department has long determined this assessment is not necessary, and since at least 2015 Kansas group-funded pools have not been assessed this supervisory fee. In turn, the Group-Funded Pools Fee Fund of \$40,528 and the Group-Funded Workers' Compensation Pools Fee Fund of \$112,719 have been sitting idle.

Senate Bill 28 repeals this assessment and discontinues these two funds. The bill transfers the balance of the two funds into a new fund known as the Group-Funded Pools Refund Fund with a sum of \$153,247. This balance will be distributed to the 17 operating pools in Kansas on a pro-rata basis, based on premium taxes paid by each pool for FY 2022.

Thank you for the opportunity to submit testimony in support of Senate Bill 28.

Eric Turek
Director of Government and Public Affairs