

**SENATE BILL No. 185**

By Committee on Ways and Means

2-10

1 AN ACT concerning insurance; designating trust companies as trustees;  
2 amending K.S.A. 2010 Supp. 40-2a20 and repealing the existing  
3 section.

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5 *Be it enacted by the Legislature of the State of Kansas:*

6 Section 1. K.S.A. 2010 Supp. 40-2a20 is hereby amended to read as  
7 follows: 40-2a20. (a) Any insurance company other than life organized  
8 under any law of this state, with the direction or approval of a majority of  
9 its board of directors or authorized committee thereof, may:

10 (1) Adopt a nominee name unique to such insurance company in  
11 which such insurance company's securities may be registered;

12 (2) designate a state or national bank, *a trust company* or a federal  
13 home loan bank having trust powers to obtain a nominee name for such  
14 insurance company in which such insurance company's securities may be  
15 registered; or

16 (3) designate a state or national bank having trust powers, *or a trust*  
17 *company* as trustee to make any investment authorized by this act in the  
18 name of such trustee or such trustee's nominee.

19 (b) Under the provisions of paragraphs (2) and (3) of subsection (a),  
20 the designated state or national bank, *trust company* or the federal home  
21 loan bank may arrange for such securities to be held in a clearing  
22 corporation. Such arrangement must be in accordance with a written  
23 agreement, approved by the commissioner of insurance, between the  
24 insurance company and its designated bank *or trust company* and must  
25 impose the same degree of responsibility on the bank as if such securities  
26 were held in definitive form by such bank *or trust company*.

27 (c) As used in this section "clearing corporation" means: (1) A  
28 corporation defined in subsection (5) of K.S.A. 84-8-102, and  
29 amendments thereto;

30 (2) any organization or system for clearance and settlement of  
31 securities transactions which is operated or owned by a bank, trust  
32 company or other entity that is subject to regulation by the United States  
33 federal reserve board or the United States comptroller of the currency; or

34 (3) any clearing agency registered with the securities and exchange  
35 commission pursuant to the securities exchange act of 1934, section 17A;  
36 ~~and amendments thereto.~~

1       Sec. 2. K.S.A. 2010 Supp. 40-2a20 is hereby repealed.

2       Sec. 3. This act shall take effect and be in force from and after its  
3 publication in the statute book.

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