

January 18, 2017

The Honorable Jeff Longbine, Chairperson
Senate Committee on Financial Institutions and Insurance
Statehouse, Room 341-E
Topeka, Kansas 66612

Dear Senator Longbine:

SUBJECT: Fiscal Note for SB 17 by Senate Committee on Financial Institutions and Insurance

In accordance with KSA 75-3715a, the following fiscal note concerning SB 17 is respectfully submitted to your committee.

SB 17 would update the Fair Access to Insurance Requirements (FAIR) Plan Act with current standard insurance operating procedures. The purpose of the FAIR Plan is to make available basic property and casualty insurance to individuals having property interests in the state who are in good faith entitled to, but are unable to, purchase insurance coverage through the voluntary market. The FAIR Plan would provide for the equitable distribution and placement of risks among all member insurers that have voluntarily elected to participate. The bill would allow the Commissioner of Insurance to adopt rules and regulations to administer the FAIR Plan and have the rules and regulations promulgated by January 1, 2018.

According to the Kansas Insurance Department, enactment of SB 17 would have no fiscal effect.

Sincerely,



Shawn Sullivan,
Director of the Budget

cc: Glenda Haverkamp, Insurance