



Kansas Insurance Department

Vicki Schmidt, Commissioner of Insurance

SENATE FINANCIAL INSTITUTIONS AND INSURANCE

TESTIMONY ON SB 28

January 29, 2019

Chairman Olson and Members of the Committee:

I am Lee Modesitt, Director of Government Affairs and Communications for the Kansas Insurance Department. Thank you for the opportunity to testify in support of SB 28.

SB 28 proposes to amend K.S.A. 40-2c01, which concerns a standard regulatory tool referred to as risk-based capital (RBC). The goal of the RBC law is to ensure each Kansas domestic company has the required amount of capital needed to support its overall business operations in consideration of its size and risk profile.

The amendment updates the RBC Instructions, which instruct companies how to calculate and report RBC, to the current version. The amendment merely replaces “2017” with “2018” in the definition for “RBC Instructions.” Implementing the RBC Instructions is a national accreditation standard. A similar date change amendment has been made each year since 2009.

For these reasons, we ask the Committee to recommend SB 28 favorable for passage.

Thank you for the opportunity to appear in support of this bill.

Lee Modesitt
Director of Government Relations and Communications
Kansas Insurance Department