AN ACT concerning the state board of regents; pertaining to cybersecurity insurance; authorizing the purchase thereof; amending K.S.A. 2018 Supp. 75-4101 and repealing the existing section.

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

Section 1. K.S.A. 2018 Supp. 75-4101 is hereby amended to read as follows: 75-4101. (a) There is hereby created a committee on surety bonds and insurance, which shall consist of the state treasurer, the attorney general and the commissioner of insurance or their respective designees. The commissioner of insurance shall be the chairperson of the committee and the director of purchases or the director's designee shall be the ex officio secretary. The committee shall meet upon the call of the chairperson and at such other times as the committee shall determine but at least once each month on the second Monday in each month. Meetings shall be held in the office of the commissioner of insurance. The members of the committee shall serve without compensation. The secretary shall be the custodian of all property, records and proceedings of the committee. Except as provided in this section and K.S.A. 74-4925, 74-4927, 75-6501 through 75-6511 and 76-749, and amendments thereto, no state agency shall purchase any insurance of any kind or nature or any surety bonds upon state officers or employees, except as provided in this act. Except as otherwise provided in this section, health care coverage and health care services of a health maintenance organization for state officers and employees designated under K.S.A. 75-6501(c), and amendments thereto, shall be provided in accordance with the provisions of K.S.A. 75-6501 through 75-6511, and amendments thereto.

(b) The Kansas turnpike authority may purchase group life, health and accident insurance or health care services of a health maintenance organization for its employees or members of the highway patrol assigned, by contract or agreement entered pursuant to K.S.A. 68-2025, and amendments thereto, to police toll or turnpike facilities, independent of the committee on surety bonds and insurance and of the provisions of K.S.A. 75-6501 through 75-6511, and amendments thereto. Such authority may purchase liability insurance covering all or any part of its operations and may purchase liability and related insurance upon all vehicles owned or operated by the authority independent of the committee on surety bonds.
and insurance and such insurance may be purchased without complying
with K.S.A. 75-3738 through 75-3744, and amendments thereto. Any
board of county commissioners may purchase such insurance or health
care services, independent of such committee, for district court officers
and employees any part of whose total salary is payable by the county.
Nothing in any other provision of the laws of this state shall be construed
as prohibiting members of the highway patrol so assigned to police toll or
turnpike facilities from receiving compensation in the form of insurance or
health maintenance organization coverage as herein authorized.

(c) The agencies of the state sponsoring a foster grandparent or senior
companion program, or both, shall procure a policy of accident, personal
liability and excess automobile liability insurance insuring volunteers
participating in such programs against loss in accordance with
specifications of federal grant guidelines. Such agencies may purchase
such policy of insurance independent of the committee on surety bonds
and insurance and without complying with K.S.A. 75-3738 through 75-
3744, and amendments thereto.

(d) Any state educational institution as defined by K.S.A. 76-711, and
amendments thereto, may purchase insurance of any kind or nature except
employee health insurance. Such insurance shall be purchased on a
competitively bid or competitively negotiated basis in accordance with
procedures prescribed by the state board of regents. Such insurance may
be purchased independent of the committee on surety bonds and insurance
and without complying with K.S.A. 75-3738 through 75-3744, and
amendments thereto.

(e) (1) The state board of regents may enter into one or more group
insurance contracts to provide health and accident insurance coverage or
health care services of a health maintenance organization for all students
attending a state educational institution as defined in K.S.A. 76-711, and
amendments thereto, and such students' dependents, except that such
insurance shall not provide coverage for elective procedures that are not
medically necessary as determined by a treating physician. The
participation by a student in such coverage shall be voluntary. In the case
of students who are employed by a state educational institution in a student
position, the level of employer contributions toward such coverage shall be
determined by the board of regents.

(2) The state board of regents is hereby authorized to independently
provide, through self-insurance or the purchase of insurance contracts,
health care benefits for employees of a state educational institution, as
such term is defined in K.S.A. 76-711, and amendments thereto, when the
state health care benefits program is insufficient to satisfy the requirements
of 22 C.F.R. § 62.14, as in effect upon the effective date of this section.
Such healthcare benefits shall be limited to only those for whom the state
health care benefits program does not meet federal requirements.

(3) The state board of regents may purchase cybersecurity insurance as it deems necessary to protect student records, labor information and other statutorily protected data that the board maintains, independent of the committee on surety bonds and insurance and without complying with the provisions of K.S.A.75-3738 through 75-3744, and amendments thereto. As used in this paragraph, "cybersecurity insurance" includes, but is not limited to, first-party coverage against losses such as data destruction, denial of service attacks, theft, hacking and liability coverage guaranteeing compensation for damages from errors such as the failure to safeguard data.

(4) The state board of regents may adopt rules and regulations necessary to administer and implement the provisions of this section.

Sec. 2. K.S.A. 2018 Supp. 75-4101 is hereby repealed.

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