



DATE: March 22, 2021

TO: The Honorable Steven Johnson
Members of the Insurance & Pensions Committee

FROM: Elizabeth Smoller, Attorney
Kansas Association of Insurance Agents

RE: KAIA is in support of SB 37

Thank you for the opportunity to speak on SB 37.

The Kansas Association of Insurance Agents (KAIA) is a statewide association of independent insurance agents. It has approximately 320 member insurance agencies with more than 2,200 licensed independent insurance agents throughout the state of Kansas. The KAIA works closely with the Kansas Insurance Department (KID) on many issues, including agent licensing.

We previously submitted written testimony supporting SB 37 when your committee first heard it in January (when it was HB 2074). While a few amendments were added as this bill was worked by the Senate, we reiterate our support of the bill as amended.

The amendments do not diminish our support and we thank the KID for its willingness to work with us on SB 37 as it is presented to the committee today. We give our full support to this bill and we appreciate their efforts to minimize the financial burdens on agents, while also bringing efficiencies and flexibility in choosing the educational opportunities that will benefit their agencies.

We believe the portion of the bill that will have the most significant impact on insurance agents pertains to the amount of continuing education (CE) hours an agent must take to maintain an agent license. The bill changes the number of CE hours to maintain an agent's license from the current 12 hours to 18 hours biennially, which is still less than the NAIC's national standard of 24 hours. The bill also creates a single, consistent CE requirement of 18 hours for lines of authority for agents licensed in both property and casualty (P&C) and Life and Health (L&H), which will decrease the number of CE hours dually licensed agents are required to complete from 24 to 18 hours biennially. Agents maintaining a single lines license, however, will be required to take an additional 6 hours of CE biennially. Dually licensed agents represent more than 50% of all licensed agents in Kansas.



In addition to the change in CE hours, the other proposed changes will allow agents to utilize the National Insurance Producer Registry (NIPR) to renew their Kansas licenses. Kansas agents can currently only use NIPR to renew their out-of-state licenses, but must renew their Kansas licenses through the Kansas Insurance Department. Streamlining this procedure will benefit both the KID and agents. This is extremely beneficial for medium to large-sized agencies as licensure in multiple states is often required and compliance with multi-state licensing requirements is cumbersome in those states that cannot utilize NIPR.

Again, we appreciate the efforts that the KID is making to improve processes and gain additional efficiencies. KAIA is firmly supportive of SB 37 and we support the committee's passing this bill out favorably with no additional changes.